



TRIANGLE ENERGY (GLOBAL) LIMITED

ABN 52 110 411 428

INTERIM FINANCIAL REPORT

For the six months ended 31 December 2018



CORPORATE DIRECTORY

DIRECTORS

Mr Edward (Ted) Farrell (Non-Executive Chairman)
Mr Robert Towner (Executive Director)
Mr Darren Bromley (Executive Director)
Mr Jason Peacock (Non-Executive Director)
Mr Wai-lid Wong (Non-Executive Director)
Mr Timothy Monckton (Non-Executive Director)

COMPANY SECRETARY

Lucy Rowe

REGISTERED OFFICE

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Web: www.triangleenergy.com.au

PRINCIPAL PLACE OF BUSINESS

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Suite 2, Ground Floor, 100 Havelock Street, WEST PERTH, WA 6005, Australia

BANKERS

Westpac Banking Corporation
275 Kent Street Sydney NSW 2000, Australia

SECURITIES EXCHANGE LISTING

ASX Limited
20 Bridge Street Sydney NSW 2000, Australia
ASX Code: TEG

SHARE REGISTRY

Automic
Level 5, 126 Phillip Street
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All Security Holder Correspondence to:
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Sydney NSW 2000
Tel: 1300 288 664 (Australia) or +61 2 9698 5414 (International)
Email: hello@automic.com.au
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AUDITORS

HLB Mann Judd (WA) Partnership
Level 4, 130 Stirling Street, PERTH WA 6000, Australia

SOLICITORS

Bellanhouse Corporate Law Firm
Level 19, Alluvion, 58 Mounts Bay Rd, Perth WA 6000, Australia



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DIRECTORS' REPORT

The Directors present the interim financial report of Triangle Energy (Global) Limited (the **Company, Group, Consolidated Entity or TEG**) for the half-year ended 31 December 2018 and the Auditor's review report therein:

Directors

The Directors of the Company at any time during or since the end of the interim period and until the date of this report are noted below.

Mr Edward (Ted) Farrell (Non-Executive Chairman) - appointed 26 May 2014
 Mr Robert Towner (Executive Director) - appointed 9 July 2014
 Mr Darren Bromley (Executive Director) - appointed 9 July 2014
 Mr Jason Peacock (Non-Executive Director) - appointed 11 April 2018
 Mr Wai-lid Wong (Non-Executive Director) - appointed 11 April 2018
 Mr Timothy Monckton (Non-Executive Director) - appointed 17 July 2018

REVIEW OF OPERATIONS

Company Overview

Triangle is an experienced and successful oil production and exploration company based in Perth, Western Australia. The Company currently has a 78.75% interest in, and is Registered Operator of, the producing Cliff Head Oil Field, which includes the onshore Arrowsmith Stabilisation Plant and offshore Cliff Head Alpha Platform, located in the Perth Basin. Triangle has a 45% joint venture interest in Licence TP-15 which includes the Xanadu-1 oil discovery and a 50%¹ participating interest in Production Licence L7(R1), both also in the Perth Basin.

The Company holds a substantial (35.47%) equity interest in Australian Securities Exchange listed State Gas Limited (**ASX:GAS**) which has an 80% operating interest in the Reid's Dome production Licence PL 231 in Queensland.

Triangle has ten years of operational experience in the oil and gas sector in Australia and Indonesia. The Company has a track record of performing ahead of industry averages in safety performance and will continue to pursue the highest standards in HSE.

Cliff Head, Perth Basin, Western Australia

The Cliff Head Oil Field (**Cliff Head**) is located approximately 300 kilometres north of Perth and 12 kilometres off the coast of Dongara in Western Australia at a water depth of 15-20 metres. The Production Licence WA-31-L covers 72km² and the oil field covers 6km². It was the first commercial oil discovery developed in the offshore Perth Basin and the development cost of the field was A\$327m with first oil production commencing in May 2006.

Ownership/Operatorship

Triangle has a majority 78.75% interest in, and is Registered Operator of, the producing Cliff Head Oil Field. The 2018 calendar year saw Triangle commit to further investment in the Perth Basin.

The Company is also committed to upgrading the Cliff Head onshore and offshore infrastructure and is working to provide a reserves upgrade. The investment in infrastructure supports future anticipated increases in field production and enables the handling of regional oil through the Arrowsmith Stabilisation Plant (**Arrowsmith:ASP**).

On 17 July 2018, Triangle announced that its operating associate Triangle Energy (Operations) Pty Ltd (**TEO**) became the Registered Operator of the Cliff Head Joint Venture (**CHJV**) onshore and offshore facilities. When Triangle became the majority (78.75%) owner and operator of Cliff Head in May 2017, a third - party contractor was the Registered Operator of the facilities on behalf of the Joint Venture. To become the Registered Operator, TEO successfully developed two Safety Cases for the Cliff Head facilities which were accepted and approved by the relevant Regulatory Authorities: Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) for the onshore ASP, and the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) for the offshore Cliff Head Alpha Platform.



¹ Subject to Completion of the Farmout Agreement

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Approval of the Safety Cases demonstrated that TEO, as the new Operator of Cliff Head, properly identified hazards and risks, described how risks are controlled, and defined the safety management system in place to ensure these controls are effectively and consistently applied.

To strengthen the Company's accountability as the Registered Operator, Triangle commissioned a full and independent Operational Readiness Review. This successful review ensures that TEO has the capabilities to not only comply with the approved Safety Cases but also has the full suite of processes, systems and competent people to seamlessly and safely execute production operations upon operatorship handover.

Approval of the two Safety Cases by the Regulators was a major milestone and becoming the Registered Operator of Cliff Head provides Triangle with more control to manage infrastructure in a manner consistent with the Company's operational philosophy.

Production

Production is from five electric submersible pump (ESP) production wells and produced water is reinjected into three injection wells. Produced crude oil is trucked to the BP refinery in Kwinana, 42kms south of Perth.

As at 31 December 2018, the field produced 15.930 million barrels of oil (mmbbls) and continues to produce at above originally forecast rates.

CHJV is forecast to produce 301,781 bbls and expected to provide oil sales of \$21.7 million for the calendar year 2019 (assumptions: 827 bbl/day, US\$ 65/bbl, USD/AUD 0.73).

Oil sales revenue 1 July 2018 – 31 December 2018 was \$5.690 million (CHJV 57.5%) at a production rate 582 bopd.

Facilities and Infrastructure

The Cliff Head Alpha Platform and Arrowsmith Stabilisation Plant is the only offshore and operational onshore infrastructure in the highly prospective and under-explored Perth Basin, and are therefore important for any exploration success or development in the surrounding area. An unmanned platform in 15m to 20m of water with a 14km pipeline, carries the crude oil to a dedicated stabilisation processing plant at Arrowsmith with a production capacity of 15,000bopd. The crude oil is trucked 350km to the BP refinery in Kwinana. The Arrowsmith stabilisation processing plant has the capacity to process third party crude.



The remotely operated unmanned offshore platform has five production wells and three water injection wells. The two 14km, 250mm diameter pipelines connect the offshore platform to the onshore crude stabilisation plant. The facility operates on a closed loop water re-injection system.

Exploration Upside

Triangle had a strong focus on exploration throughout the year, and invested significant time and resources to undertake an integrated program of full field remodelling and subsurface re-interpretation as part of its \$4.0 million Asset Life Extension Program, which was announced on 6 March 2018. This Program confirmed Triangle's commitment to the Perth Basin and Cliff Head, and the Company made significant progress with the Static Modelling to identify undrained sections within the current field production areas as well as near field prospects. The modelling work aims to increase the field life by many years.

On 2 July 2018, Triangle announced that static modelling had been completed and results indicated there was potential to recover further resources and reserves from the Company's discovered, already producing reservoirs (Main Horst, West, South and South East Fault Blocks).

The static modelling work included, among other analyses: (a) reinterpretation of the seismic static model, which has refined Triangle's understanding of the size and shape of the reservoirs; and (b) petrophysical re-interpretation, which updates and revises water saturation, reservoir rock quality and other parameters across the reservoir.



DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

The production reservoir has a current oil recovery of 28%.

Dynamic modelling is underway to confirm and quantify any additional contingent resource and reserve volumes. The dynamic modelling will then feed into a more holistic development study which will aim to select the best development concept to extract maximum reserves.

In addition to the potential in the already producing reservoirs mentioned above, the static modelling also indicated potential in near field targets (see announcement 10 July 2018).

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 with specific tie-in pipelines being the main development commitment.

The CHJV is dedicated to HSE and Asset Integrity Management. The facility at Cliff Head has been producing oil since May 2006 and the operation has been without significant safety or operational incident since start-up. Offshore Australian projects are subject to the OPGGSA safety case regime and all requirements are being implemented at the offshore and onshore facilities.

All environmental requirements (EIAs, EMPs, Oil Pollution Emergency Plans, carbon emissions reporting) are being met.

Through its existing Cliff Head oil field production operations, the CHJV has established good relations with the regulators, fishing community, landholding sectors, tourism stakeholders and other operators in the area.

TP/15 Joint Venture, Perth Basin, Western Australia

As at the date of this report, Triangle has a 45% interest in the TP/15 Joint Venture which is located in the Perth Basin approximately 300 kms north of Perth. The permit occupies the three nautical mile wide state territorial waters of Western Australia, adjacent to Port Denison, and covering an area of 645km². Norwest Energy NL (**Norwest**; ASX:**NWE**) is the Operator of the Joint Venture.

Xanadu-1 was spudded on 4 September 2017, and the well reached a total depth of 2035 mMDRT on Sunday 17 September 2017, when it was confirmed that the Xanadu-1 well intersected hydrocarbon bearing reservoirs demonstrated by elevated gas readings, oil shows, fluorescence and cut-fluorescence whilst drilling.

A suite of wireline logs over a 330m section of the well was run by service provider Schlumberger due to the highly encouraging results encountered while drilling.

On 25 September 2017 Triangle announced confirmation of an oil discovery at Xanadu-1. The wireline logs confirmed reservoir quality sand intervals throughout the Irwin River Coal Measures (**IRCM**) with porosities ranging from 15-16%. Three discrete sand intervals (A, B, C) at the top of the IRCM reported log-derived hydrocarbon saturations of between 41-66% with 4.6m of net pay in sand "A". Fluorescence in rock cuttings observed while drilling and log-derived hydrocarbon saturations persist for 12m in sands below these upper zones but the lower intervals are water-bearing. MDT pressure sampling established a high confidence water gradient and water was flowed and sampled via a wireline tool from the "B" sand despite the high oil saturation.

Results at Xanadu-1 indicate that the assumption of the producing Cliff Head Oil Field being the primary analogue are correct. Analysis of the oil samples obtained from Xanadu-1 are expected to substantiate this. The top section down to 971mMDRT has been cased and cemented in place (approximately 250m vertically above the zone of interest).

On 23 February 2018, Norwest announced a contract for the acquisition of a 40-square-kilometre seismic survey had been awarded to Synterra Technologies Pty Ltd, a leading global provider of geophysical and technical services.

During the June 2018 Quarter, an acoustic modelling study was completed to assess the impact of seismic acquisition on the marine environment. The results of this study have been incorporated into the relevant Environmental Plan and submitted to DMIRS.

The seismic survey requires approximately six weeks for acquisition, and there are limited windows of opportunity available, with timing restrictions due to commercial fishing activities, weather (i.e. restrictive wave height and wind conditions), and crayfish and whale migration events.

The 3D seismic survey will form the basis for future well locations, expected commercial production rates, a conceptual development plan, oil-in-place analysis, and recoverable volume calculations.



DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

The extensive 40 km² area is designed to fully map the northern up-dip region, and the southern down-dip region extending out to the western flank of the Xanadu structure.

The objective of the seismic survey is to be able to map the structure at Xanadu, and to assist with designing well locations and trajectories. The approval for a side-track well at Xanadu-1 location is already in place.

The TP/15 Joint Venture remains fully committed to the development of the Xanadu Discovery. A five-year permit renewal application has been submitted to the DMIRS with the Xanadu 3D seismic survey fulfilling the Year One commitment of the five-year work program.

On 25 October 2018, the Company executed a Sale and Purchase agreement with a wholly-owned subsidiary of Whitebark Energy Limited (**Whitebark**) to acquire an additional 15% participating interest in Exploration Permit TP/15 (**Acquisition**).

Key terms of the Sale and Purchase Agreement are:

- i. Upfront consideration of \$3 million, made up of:
 - \$2 million 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
 - \$1 million in Triangle shares satisfied by the issue of 11,191,052 shares (**Consideration Shares**).
- ii. \$1 million Appraisal Outcome Consideration: Following the completion of 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 \$1 million in cash or at Whitebark's election, \$500,000 in cash and \$500,000 in Triangle shares (subject to the receipt of shareholder approval).
- iii. \$1 million 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 was 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 \$2 million (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.

The issue of 11,191,052 Consideration Shares, was subject to certain completion conditions including shareholder approval received at the Company's Annual General Meeting on 26 November 2018.

As at 24 December 2018, all of the completion conditions had been met, other than the receipt of approval and registration of the Sale and Purchase Agreement under section 81 of the PSL Act. On that basis the Company issued the Consideration Shares on this date.

The Consideration Shares are subject to a voluntary escrow period up to 13 May 2019.

The Board believes this agreement strengthens the continuation of the Company's strategy to secure a premier position in the Perth Basin focused on oil and believes the Perth Basin continues to show signs of a heavily underexplored hydrocarbon system and that belief has underpinned Triangle's decision to increase its equity in the TP/15 exploration permit.



DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Joint Venture interests

JV Participant	ASX Code	Percentage Interest
Norwest (via subsidiary) (Operator)	ASX:NWE	25%
Triangle Energy (Global) Ltd (via subsidiary)	ASX:TEG	45%
3C Group IC Limited (via subsidiaries)		30%

Mt Horner Production Licence L7(R1) Joint Venture, Perth Basin, Western Australia

On 31 October 2018, Triangle announced that it entered into a Farmout Agreement with Key Petroleum Limited (**ASX:KEY**) to acquire a 50% participating interest in Production Licence L7(R1). A wholly owned subsidiary of Triangle will hold the relevant interest earned under the Farmout Agreement and Triangle is providing a guarantee of that subsidiary's obligations under the Farmout Agreement.

The Farmout Agreement is conditional on usual regulatory approvals and the consent of a landholder under an existing compensation agreement. Under the terms of the Farmout Agreement:

- i. The Joint Venture will commence a Work Programme which will include the workover of up to two of the existing wells at the Mount Horner Oil Field, whereby Triangle and Key are each to contribute 50% of all associated costs;
- ii. In parallel with the Early Works Programme, Triangle will develop a work programme that will include a 3D seismic survey of at least 50 km² and a drilling programme of at least two new wells (Farmin Programme);
- iii. Triangle shall be responsible for 100% of the cost of the Farmin Programme up to a limit of US\$3 million. Costs of developing and completing the Farmin Programme in excess of US\$3 million will be shared in accordance with the participating interests of Key and the Company (with each currently holding 50% each);
- iv. Triangle will earn a 50% equity interest in L7 by completing the Farmin Programme and by carrying Key's proportional costs associated with the development and execution of the Farmin Programme (Payback Amount);
- v. Triangle will recover the Payback Amount through the entitlement of 87.5% (based on Triangle holding a 50% participating interest) of production from L7, after completion of well drilling under the Farmin Programme, for the first two years of commercial production. Triangle shall be entitled to 75% (based on Triangle holding a 50% participating interest) of production in L7 thereafter until the Payback Amount has been recovered;
- vi. Triangle retains the option of assuming Operatorship of L7 upon completion of the Early Work Programme and Farmin Programme;
- vii. Key is solely responsible for all activities and costs associated with the decommissioning of the existing Mt Horner wells including removal of the surface facilities and rehabilitation of the facility site and access roads. Triangle and Key will share any decommissioning costs which would arise from new wells and any infrastructure to be added to the L7 permit.

Following the completion of the Farmin Programme, Key may elect for its participating interest share of ongoing joint venture costs to be paid for by Triangle. If such an election is made after Triangle has received the Payback Amount, Triangle will be entitled to the receipts of 100% of the production from L7 until the amount that Triangle has paid for on behalf of Key has been recovered by Triangle.

Investments

State Gas Limited (ASX: GAS)

Triangle is the major shareholder of State Gas Limited (**State Gas**) (**ASX:GAS**) with an interest of 35.47% and at the date of this report, the investment is equivalent to \$43.0 million in value at a \$0.90 price (as at 14 March 2019) per State Gas share.

Triangle's Managing Director, Mr Rob Towner, represents Triangle's interests on the board of State Gas as a non-executive Director.

The Phase 1 (Northern Area) seismic reprocessing undertaken by State Gas identified a new potential gas pool located in the north-west of PL 231 (North-West Gas Prospect). The North-West Gas Prospect appears to be hosted within the Cattle Creek Gas Sands and appears to consist of multiple zones to a depth of approximately 500 metres.

On 22 October 2018, State Gas announced that it had engaged Silver City Drilling to drill Primero West-1 in the northern half of the PL 231 permit. With a planned depth of 250m, Primero West-1 will test the Cattle Creek formation. Further, on 30 October 2018 State Gas advised that the Reid's Dome Gas Project Joint Operating Committee formally approved the drilling of the proposed Nyanda-4 coal seam gas and conventional gas well at the PL231 Reid's Dome Gas Project. Nyanda-4 was planned to be also drilled by Silver City Drilling immediately following the aforementioned drilling of Primero West-1.



DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

On 28 November 2018, GAS announced that it had increased its participating interest in the Reid's Dome Gas Project (PL 231) from 60% to 80%. At this new participating interest level State Gas will be responsible for 80% of the ongoing costs of the Reid's Dome joint venture, including the drilling of the Nyanda-4 coal seam and conventional gas well that was underway at the beginning of December 2018.

Further on 5 December 2018, GAS announced the successful drilling at Reid's Dome (PL 231) of the Nyanda-4 coal seam gas and conventional gas well. Coring, logging and testing and the Nyanda-4 well in PL 231 had been successfully completed with drilling extended 200M to a Total Depth of 1,200M.

CORPORATE

Annual General Meeting

Triangle held its Annual General Meeting of shareholders on 26 November 2018. All resolutions were passed, one via poll and the remainder unanimously by a show of hands.

Capital Raising

On 13 November 2018, the Company announced it had received irrevocable commitments to raise AU\$1.25 million (before costs) from both Professional and Sophisticated Investors who subscribed for 19,282,629 new ordinary shares at AU\$0.065 per Share (**Placement**). The placement shares were issued on 20 November 2018.

The Placement was completed utilising the Company's existing placement capacity, at that date under ASX Listing Rule 7.1A.

In addition, Triangle was pleased to announce an underwritten pro-rata non-renounceable entitlement offer (**Entitlement Offer**) for approximately 58.16 million new shares on the basis of 4 shares for every 15 shares on issue to raise approximately AU\$3.78 million (before costs).

The issue to shareholders was offered on the same terms as the Placement shares. The issue price of AU\$0.065 per share representing an 18.8% discount to Triangle's last closing price of AU\$0.080 on 7 November 2018.

On 30 November 2018, the Company advised that it had issued a replacement prospectus (**Replacement Prospectus**) to reflect changes made to the underwriting of the Entitlement Offer, which moved from being fully underwritten (\$3.78 million) to partially underwritten up to \$2.78 million. The changes to the underwriting of the Entitlement Offer were necessary following the termination of the original underwriting agreement due to the Brent Crude price falling below US\$65 per barrel (ASX:**BRENT.IF**) and remaining at that level for at least 3 consecutive business days.

Following the issue of the Replacement prospectus and the Closing Date of the Entitlement Offer, on 18 December 2018, the Company advised that it had received valid applications under its Entitlement Offer under the Replacement Prospectus dated 30 November 2018, for 25,946,490 New Shares pursuant to eligible shareholders' entitlements and applications for 9,191,043 additional New Shares.

As 26,975,910 New Shares were to be issued to the Underwriter and priority Sub Underwriters, the Company scaled back applications for additional New Shares to a total of 5,242,054 New Shares.

New Shares, the subject of the Entitlement Offer were issued on 24 December 2018.

Argonaut acted as Underwriter for the partially underwritten Entitlement Offer and Triangle's long-term supportive shareholder Tamarind Resources Pte Ltd (**Tamarind**), subscribed for its 14.28% pro-rata entitlement and acted as priority sub-underwriter to the Entitlement Offer such that Tamarind and its associates now hold a 19.9% relevant interest in Triangle upon the issue of the New Shares.

Pase PSC – PT Enso Asia

Triangle is owed US\$1.02 million, held in escrow, in relation to the Sale and Purchase Agreement of the Pase Production Sharing Contract by PT Enso Asia which completed in February 2016. The US\$1.02 million (AU\$1.45 million) held under contract, is to be released to Triangle after the Indonesian Ministry of Energy and Resources (ESDM) or Special Unit for Upstream Oil and Gas Operations (SKKMIGAS) provides written approval of the Change of Control of the Pase PSC. The Company will provide further updates as and when they are available.



DIRECTORS' REPORT (continued)

CORPORATE (continued)

Capital and Management Expenditure

As at 31 December 2018, Triangle had a cash balance of \$5.15 million of which \$1.45 million is held in escrow.

The Company also holds a 50% equity interest in Triangle Energy (Operations) Pty Ltd and the CHJV which had \$570k in cash attributed to Triangle at 31 December 2018. This investment is equity accounted for in the Company's financial statements.

Triangle continues to implement initiatives to reduce operating expenditure and has achieved significant cost reductions across all aspects of the Cliff Head joint venture.

Changes in Capital

Shares

- On 20 November 2018, the Company issued 19,282,629 fully paid ordinary shares pursuant to a placement to Professional and Sophisticated Investors to raise \$1.25 million (before costs).
- On 24 December 2018, the Company issued 58,164,457 fully paid ordinary shares pursuant to an Entitlement Offer on the basis of 4 shares for every 15 shares on issue to raise \$3.78 million (before costs).
- On 24 December 2018, the Company issued 11,191,052 as part consideration for the acquisition of a 15% participating interest in Exploration Permit No TP/15 granted under the Petroleum (Submerged Lands) Act 1982 (WA) and the joint operating agreement in respect of this Exploration Permit No TP/15.

Loan and borrowings

The Company considers loans to be part of its capital management.

The balance of the outstanding loan under the Tamarind Loan Agreement is currently US\$1,259,071.29.

The Agreement provides for a Loan of up to US\$2,259,071.29 (announced 24 January 2018) and can be repaid in instalments or in full at any time during the 12-month period.

Key terms of the Loan are as follows:

Lender:	Tamarind Resources Pte Ltd
Loan Outstanding:	US\$1,259,071.29
Loan Term:	Expiry 30 June 2019
Interest:	10% per annum payable quarterly in advance
Security:	The Loan is secured by a charge over all assets

Shareholder Analysis

As at 31 December 2018 the Company had 853 shareholders and 306,753,682 ordinary fully paid shares on issue with the top 20 shareholders holding 61.91% of the total issued capital.

RESULTS

The net loss of the Consolidated Entity after income tax for the half-year was \$1.629 million (2017 net loss: \$5.469 million) which mostly consists of non-cash expenditure. The key reasons for the result for the half-year ended 31 December 2018 are set out below:

- The Company experienced significant one-off costs within its cost of sales of \$0.694 million in relation to the transition to becoming the owner operator and costs associated with an incident at the Cliff Head platform;
- The Company incurred a loss of \$0.321 million from its associates for the half year ended 31 December 2018;
- The Company also wrote down its deferred tax asset by \$0.576 million as a consequence of changes to its provision for restoration and use of its deferred tax asset from project pool expenditure; and
- Deferred production as a result of wells being offline during the reporting period was 37,738 bbls.



DIRECTORS' REPORT (continued)

RESULTS (continued)

The Company had the following non-cash movements during the period:

	2018	2017
	\$	\$
Loss from operations	(1,629,159)	(5,034,397)
Less non-cash items	-	-
- Share based payments	-	1,530,500
- Amortisation & depreciation	222,960	631,438
- Unwind of discount factor (rehab)	152,356	187,281
- Income tax adjustments	576,180	1,703,925
- Loss from associates	321,111	1,006,553
Adjusted position after non-cash items	(356,552)	25,300

Financial Position

Triangle acquired a 50% shareholding of Cliff Head's operating company, Triangle Energy (Operations) Pty Ltd (formerly ROC Oil (WA) Pty Ltd), on 22 May 2017 with Royal Energy Pty Ltd acquiring the other 50%. The Company currently accounts for this investment as an associate on the basis that it is jointly controlled by both shareholders.

The Company continues to hold an investment in State Gas Limited of 35.47% after it listed on the ASX in October 2017. The investment is considered to be an associate, for accounting purposes given the Company's significant shareholding and one director on the board.

The Company financial statements show the following key movements in the Group's assets and liabilities over the period:

- Increase in cash assets by \$2.189 million to \$5.148 million (2018: \$2.959 million);
- Increase in trade receivables by \$0.239 million to \$1.064 million (2018: \$0.825 million);
- Increase in trade and other payables by \$0.809 million to \$4.719 million (2018: \$3.9 million);
- Decrease in other receivables by \$0.692 million to \$0.828 million (2018: \$1.752);
- Non-current assets \$23.08 million (2018: \$19.9 million); and
- Non-current liabilities \$20.98 million (2018: \$20.822).

OTHER INFORMATION

At 31 December 2018, the Company held the following interests:

Licence	Percentage Interest
WA-31-L	78.75%
TP/15	30%

Events Subsequent to Reporting Date

The Company received notification from a former overseas joint venture partner alleging that the Company had failed to comply with certain obligations related to corporate social responsibility contributions and an infrastructure requirement. The former joint venture partner is claiming approximately \$5.9 million in relation to this matter. The Company intends to defend the claim. There are no other significant events which have occurred after the end of the reporting period to the date of this report.

Significant Changes in The State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the interim period not otherwise disclosed in this report and the interim financial statements.

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 Matt Fittall (consultant). Information that relates to the prospective resources and reserves is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Fittall. He has provided his written consent to the form and context in which the information that relates to the reserves presented. Matt Fittall is a geologist and senior industry executive of over 30 years standing. He has a foundation of 25 years' experience in a range of technical, operational and management roles with major Operators, primarily BHP Billiton, and also Delhi Petroleum (now a subsidiary of Beach Energy).



DIRECTORS' REPORT (continued)

OTHER INFORMATION (continued)

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd (WA) Partnership to provide the directors of the Company with an Independence Declaration in relation to the audit of the interim financial report. This Independence Declaration is set out on page 12 and forms part of this Directors' report for the half-year ended 31 December 2018.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read "Ted Farrell", with a horizontal line extending to the right.

Edward Farrell
Chairman

Date: 14 March 2019

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Triangle Energy (Global) Limited for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



Perth, Western Australia
14 March 2019

B G McVeigh
Partner

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Liability limited by a scheme approved under Professional Standards Legislation.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(INCOME STATEMENT)
HALF YEAR ENDED 31 DECEMBER 2018

	Notes	31 DECEMBER 2018 \$	31 DECEMBER 2017 \$
Revenue	1.1	5,690,604	6,679,071
Cost of sales	1.2	(4,709,972)	(5,750,166)
Gross profit		980,632	928,905
Other income	1.1	63,822	5,311
Employment expenses	1.2	(599,960)	(2,071,229)
General and administration expenses	1.2	(556,625)	(505,242)
Occupancy costs		(5,996)	(20,522)
Finance costs		(222,960)	(300,996)
Amortisation and depreciation expense		(238,426)	(631,438)
Fair value financial instrument through profit and loss		-	19,333
Share of associates loss		(321,110)	(1,002,119)
Interest – unwind of discounts for provision for restoration	4.6	(152,356)	(187,281)
(loss) before income tax expense		(1,052,979)	(3,765,277)
Income tax (expense)	1.3	(576,180)	(1,703,925)
(loss) after tax from continuing operations		(1,629,159)	(5,469,202)
Discontinued Operations			
(Loss) after tax from discontinued operations		-	-
Net (loss) for the half year		(1,629,159)	(5,469,202)
Other comprehensive income			
<i>Items that may be realised through profit and loss</i>			
Movement in reverses (net of tax)	4.3	-	-
Other comprehensive income for the half year net of tax		-	-
Total comprehensive (loss) for the half year, net of tax			
Owners of Triangle Energy (Global) Limited		(1,629,159)	(5,469,202)
Loss per share attributed to the owners of the Company			
Basic (loss) per share – (accounting (loss)/number of shares) – cents per share		(0.007)	(0.031)
Diluted (loss) per share – cents per share		(0.007)	(0.031)
Calculation of (loss) per share			
(Loss) for the period		(1,629,159)	(5,469,202)
Number of shares at the beginning of the period		218,115,544	152,823,915
Shares issued but adjusted (pro-rata) for the period of issue		6,935,198	24,851,864
Number of shares used to calculate the loss /profit per shares half year		225,050,742	177,675,779
Add: Dilutive instruments issued (options) and adjusted for the period on issue		-	-
Number of instruments used to calculate the dilutive profit per share for the period		225,050,742	177,675,779

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(BALANCE SHEET)
AS AT 31 DECEMBER 2018

	Notes	31 DECEMBER 2018 \$	30 JUNE 2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3.1	5,148,457	2,959,183
Trade receivables	4.1	1,064,757	825,319
Other receivables and assets	4.2	827,883	1,752,123
Total current assets		7,041,097	5,536,625
NON-CURRENT ASSETS			
Plant and equipment	4.4	80,855	4,929
Exploration and evaluation expenditure	2.2	9,589,822	6,749,266
Fair value through other comprehensive income	4.3	110,000	110,000
Investment in associates	2.3	564,884	885,995
Oil and gas properties	2.1	4,837,960	3,697,689
Deferred tax assets	1.3	7,900,811	8,476,992
Total non-current assets		23,084,332	19,924,871
TOTAL ASSETS		30,125,429	25,461,496
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4.5	4,719,005	3,912,817
Borrowings	3.3	2,139,551	2,319,510
Total current liabilities		6,858,556	6,232,327
NON-CURRENT LIABILITIES			
Provisions	4.6	20,974,244	20,821,888
Deferred tax liabilities	1.3	-	-
Total non-current liabilities		20,974,244	20,821,888
TOTAL LIABILITIES		27,832,800	27,054,215
NET ASSETS / (LIABILITIES)		2,292,629	(1,592,719)
EQUITY			
Issued capital	3.2	33,001,221	27,486,714
Reserves	3.5	572,007	572,007
(Accumulated losses)	3.6	(31,280,599)	(29,651,440)
TOTAL EQUITY / (DEFICIENCY)		2,292,629	(1,592,719)

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
HALF YEAR ENDED 31 DECEMBER 2018

	Notes	31 DECEMBER 2018 \$	31 DECEMBER 2017 \$
Cash flows from operating activities			
Receipts from customers		5,904,205	7,895,959
Payments to suppliers and employees		(5,843,962)	(7,632,631)
Interest paid		(32,615)	(104,134)
Income tax (paid)/received PRRT		1,027,871	(455,637)
interest received		7,384	660
Net cash inflows/(outflows) from operating activities		1,062,883	(295,783)
Cash flows from investing activities			
Payment for plant and equipment		(1,142,194)	-
Payments for exploration expenditure		(2,034,800)	(2,953,953)
Net cash outflows from investing activities		(3,176,994)	(2,953,953)
Cash flows from financing activities			
Proceeds from issue of shares		4,854,554	1,475,500
Payment for share issue costs		(325,310)	(32,030)
Proceeds from borrowings		-	1,302,707
Repayment of borrowings		(300,000)	-
Net cash inflows from financing activities		4,229,244	2,746,177
Cash and cash equivalents at the beginning of the period		2,959,183	2,179,569
Net increase/(decrease) in cash and cash equivalents		2,115,133	(503,559)
Effect of exchange rate fluctuations on cash held		74,141	(31,981)
Cash and cash equivalents at end of half year	3.1	5,148,547	1,644,029
<i>Reconciliation of the loss for the half year back to cash paid in running the business</i>			
Loss for the period		(1,629,159)	(5,469,202)
Add back – non-cash items			
Amortisation and depreciation		238,426	631,436
Unwind of discount		152,356	187,281
Fair value derivative		-	(19,333)
Loss from associate		321,111	1,002,119
Share based payments		-	1,479,167
Movements in foreign currency		(74,141)	31,981
Changes in the value of assets and liabilities used in the day to day operations of the business			
Change in value (from opening to closing amounts) of trade and other receivables (received)/owed		(239,438)	595,482
Change in value (from opening to closing amounts) of other assets		944,197	94,749
Change in value (from opening to closing amounts) of payables (paid)/owing		773,350	209,751
Change in value (from opening to closing amounts) of tax balances (paid)/owing		576,181	1,248,288
Change in value (from opening to closing amounts) of provisions (paid)/owing		-	(287,501)
Net cash paid to run the business during the period		1,062,883	(295,783)

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
HALF YEAR ENDED 31 DECEMBER 2018

	Consolidated				
	Issued capital	Accumulated losses	Share based payment reserve	Convertible note reserve	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2018	27,486,714	(29,651,440)	565,004	7,003	(1,592,719)
<i>Transactions with shareholders in their capacity as shareholders</i>					
Issue of shares (cash)	5,034,061	-	-	-	5,034,061
Cost of share issue	(325,310)	-	-	-	(325,310)
Issue of shares (acquisition)	805,756	-	-	-	805,756
<i>Comprehensive Income</i>					
Profit / (Loss) for the period	-	(1,629,159)	-	-	(1,629,159)
Movement in available for sale reserves	-	-	-	-	-
<i>Total comprehensive income/(loss) for the half year</i>	-	(1,629,159)	-	-	(1,629,159)
Balance at 31 December 2018	33,001,221	(31,280,599)	565,004	7,003	2,292,629

	Issued capital	Accumulated losses	Share based payment reserve	Convertible note reserve	Total equity
	\$	\$	\$	\$	\$
	Balance at 1 July 2017	22,634,679	(23,718,271)	276,907	-
<i>Transaction with shareholders in their capacity as shareholders</i>					
Issue of shares (cash)	1,475,500	-	-	-	1,475,500
Cost of share issue	(88,530)	-	-	-	(88,530)
Issue of shares (directors)	1,456,000	-	-	-	1,456,000
Issue of shares (consultants)	90,500	-	-	-	90,500
Issue of shares – convertible note	872,783	-	-	-	872,783
Convertible Note – equity portion	-	-	-	7,003	7,003
Issue of Performance Rights	-	-	4,667	-	4,667
<i>Comprehensive Income</i>					
Profit / (Loss) for the period	-	(5,469,202)	-	-	(5,469,202)
Movement in available for sale investments reserve	-	-	-	-	-
<i>Total comprehensive income/(loss) for the half year</i>	-	(5,469,202)	-	-	(5,469,202)
Balance at 31 December 2017	26,440,932	(29,187,473)	281,574	7,003	(2,457,964)

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

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TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half year report of Triangle Energy (Global) Limited (the **Company, Group or Triangle Energy**) for the period ended 31 December 2018 was authorised for issue in accordance with a resolution of directors on 14 March 2019.

The Company is a public company limited by shares incorporated and domiciled in Australia whose securities are traded on the Australian Securities Exchange Limited (ASX Limited).

The nature of the operations and principal activities of the Company are described in the directors' report above.

(a) Basis of Preparation

The principle accounting policies adopted for the preparation of interim financial report are set out below. These accounting policies have been applied consistently to all periods presented unless otherwise stated.

(i) Statement of compliance

This interim financial report for the half-year reporting period ended 31 December 2018 has been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this interim financial report be read in conjunction with the any public announcements made by Triangle Energy (Global) Limited up to the date of this report in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

(ii) Basis of measurement and reporting convention

This interim financial report has been prepared on an accruals basis and is based on historical cost except for assessing the fair value of the Group's investments. The interim financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) Segment Information

Operating Segments – AASB 8 requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used for the comparative period. Operating segments are reported in a uniform manner to which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

An operating segment is a component of the group that engages in business activity from which it earns revenue or incur expenditure, including those that relate to transactions with other group components. Each operating segment's results are reviewed regularly by the Board to make decisions about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

The Board monitors the operations of the Company based on two segments, operational and corporate. The financial results of each segments are reported to the board to assess the performance of the Group.

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and the consolidation of the oil producing subsidiaries which represent the finance, treasury, compliance and funding elements of the Group (legal parent and Triangle (Qld)) and Triangle Perth Basin Pty Ltd, T Offshore and T Oil are the operational performance of the Group's revenues and costs of production and sale.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

(c) Revenue recognition (AASB 15)

The Company currently has one contract for the delivery of oil to a local refinery. The Company has assessed the performance obligations under the contract and these relate specifically to the delivery of all product produced by the Cliff Head Joint Venture to this refinery. The customer takes delivery of this product at the refinery gate and at this point the Company's obligations end.

(i) Sale of oil

Revenue is recognised when the Company completes its obligations to deliver all crude oil which has been produced to its customer at a local refinery.

The Company's revenue recognition policy has not changed under the new accounting standard applicable to the period 1 July 2018 to the date of this report.

(d) Financial Instruments (AASB 9)

The Company has a number of receivables in the statement of financial position which are subject to the requirements of the new standard. As at 30 June 2018 and 31 December 2018, the Company has made an assessment using the new standard requirements, to identify possible credit losses within these balances. A review of each category has not identified any requirement to record a provision for expected credit losses on consolidation as there is no history of debtor defaulting and amounts outstanding have been collected or are fully recoverable. The Company also holds an equity investment in a listed (but suspended) company. This asset has been market to the latest share issue price used to raise capital for the company (arm's length third party value). This is considered to be a level 2 observable price for the equity investment.

(e) Foreign Currency Translation

Both the functional and presentation currency of Triangle Energy (Global) Limited and its Australian subsidiaries is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the average exchange rates for the month. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

(f) New accounting standards and interpretations that are not yet mandatory

The following new standards and amendments to standards are applicable to the Company and are mandatory for the first time for the financial year beginning 1 January 2019 and beyond. None of the standards and interpretations have affected any of the amounts recognised in the current period or any prior period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following standards, amendments to standards and interpretations have been identified as those which may impact the Company in the period of initial application. They have not been applied in preparing the interim financial report.

Title and Reference	Nature of Change	Application date for entity
AASB 16 (issued February 2016) Leases	<p>Leases</p> <p>AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its balance sheet for most leases.</p> <p>There are some optional exemptions for leases with a period of 12 months or less and for low value leases.</p> <p>Lessor accounting remains largely unchanged from AASB 117.</p> <p>The entity has one significant property lease for its office premises which will be recognised in the balance on transition. The Company is also reviewing all of its production contracts to determine if any services contracts includes a lease as defined by the new standard. At this stage the Company is in negotiation with a number of alternative vendors and as such the value will be determined as at 30 June 2019.</p>	1 Jan 2019



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

1 Profit and loss items

	31 December 2018 \$	31 December 2017 \$
1.1 Revenue		
At a point in time:		
Sales of oil	<u>5,690,604</u>	<u>6,679,071</u>
Other Income		
Interest income	7,995	660
Other revenue	<u>55,827</u>	<u>4,651</u>
	<u>63,822</u>	<u>5,311</u>
Total number of barrels sold by the Company was 61,563 at an average sales price of AUD\$92.44.		
1.2 Expenses		
(a) Employment expenses		
Salaries and wages	500,133	530,476
Other personnel costs	47,855	14,757
Superannuation	42,074	42,418
Increase in leave liabilities	<u>9,898</u>	<u>22,911</u>
	599,960	610,562
Share based payment expenses	-	1,460,667
Total	<u>599,960</u>	<u>2,071,229</u>
(b) General and administration costs		
Accounting expenses	36,837	23,956
Audit fees	19,785	17,685
Consulting expenses	136,148	151,512
Legal expenses	56,428	58,732
Insurance expenses	-	-
Arbitration expenses	-	2,975
Foreign exchange (gains) losses	(10,407)	74,037
Other administration expenses	<u>317,834</u>	<u>176,345</u>
	<u>556,625</u>	<u>505,242</u>
(c) Cost of sales		
Significant one - off costs included in cost of sales		
Repairs and maintenance	413,532	606,712
Operating and restructure costs	<u>280,204</u>	<u>-</u>
	<u>693,736</u>	<u>606,712</u>



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

1 Profit and loss items

	31 December 2018 \$	31 December 2017 \$
1.3 Taxation		
Income tax recognised in profit or loss		
The components of tax expense comprise:		
Statement of profit or loss and comprehensive income		
<i>Current income</i>		
Current income tax	-	-
Adjustments in respect of previous current income tax	-	-
Receipt of Research and development tax incentive	-	-
<i>Deferred tax</i>		
Decrease / (increase) in deferred tax assets	181,014	131,760
(Decrease) / increase in deferred tax liabilities	-	-
Income tax expense / (benefit) reported in statement of comprehensive income	<u>181,014</u>	<u>131,760</u>
Petroleum resource rent tax		
<i>Current income</i>		
Current income tax	-	-
<i>Deferred tax</i>		
Decrease / (increase) in deferred tax assets	395,166	1,572,165
(Decrease) / increase in deferred tax liabilities	-	-
<i>PRRT Income tax expense (benefit) reported in statement of profit or loss</i>	<u>395,166</u>	<u>1,572,165</u>
Total Income tax expense for the period	<u>576,180</u>	<u>1,703,925</u>
Numerical reconciliation between tax expense and pre-tax net loss		
Loss before income tax expense	<u>(1,052,979)</u>	<u>(3,765,277)</u>
Income tax (expense) / benefit calculated at 27.5%. (2017: 27.5%) effect of non-deductible item	(289,569)	(1,035,451)
Total non-deductible items	92,553	736,323
Movements in unrecognised temporary differences	378,030	430,888
Movement in PRRT deferred tax assets	395,166	1,572,165
Income tax (expense) reported in profit or loss and other comprehensive income	<u>576,180</u>	<u>1,703,925</u>



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

	31 December 2018	30 June 2018
	\$	\$
1.3 Taxation		
Deferred tax assets (DTA) / (liabilities) (DTL)		
The balance comprises temporary difference attributable to:		
PRRT (credit on decommissioning) (DTA)	5,375,360	5,770,526
Project Pool costs (DTA) (a)	5,236,731	5,417,746
Assessable receipts PRRT (DTL) (a)	(1,478,224)	(1,586,895)
Tax losses recognised (DTA)	632,562	731,663
Exploration assets (DTL) (a)	(1,865,618)	(1,856,048)
Total deferred taxes	7,900,811	8,476,992

(a) Part of the Project Pool DTA has been off-set against the Exploration asset DTL and the assessable receipts for PRRT.

Set-off deferred tax liabilities pursuant to off-set provisions

Deferred tax asset on project pool costs (oil and gas properties)	(2,711,280)	(2,711,280)
Assessable receipts PRRT	1,478,224	1,586,895
Deferred tax asset on carry forward tax losses	(632,562)	(731,663)
Deferred tax liability on exploration asset	1,865,618	1,856,048
	-	-

Estimates and judgements

Assumptions used to carry forward deferred taxes

Deferred tax assets are recognised for deductible temporary differences, taxation losses and PRRT decommissioning credits when the directors consider that it is probable that sufficient future tax profits or costs will be available to utilise those temporary differences, losses and credits. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next few years together with future tax planning strategies. There are significant variables relating to generating taxable profits in the future and while the directors take care in assessing the current available information, by its nature any forecast may be materially different to the final actual outcome.

2 Significant assets

	31 December 2018	30 June 2018
	\$	\$
2.1 Oil and gas properties		
Oil and gas properties carried forward – Cliff Head	4,837,960	3,697,689
Reconciliation – Cliff Head		
Carrying amount at the beginning of the period	3,697,689	9,315,795
Additions to the oil and gas properties	1,375,875	412,882
Less: Amortisation	(235,604)	(920,983)
Less: Abandonment adjustment (refer to Note 4.6)	-	(5,110,005)
Carrying amount at end of the period	4,837,960	3,697,689



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

2 Significant assets

2.1 Oil and gas properties (continued)

Estimates and judgements

Assumptions used to carry forward the oil and gas properties

The write-off or impairment of oil and gas properties is based on a periodic assessment of pre-determined impairment indicators relevant to the operating asset and with the information available at the time of preparing this report. The directors assess whether there are any clear indicators of impairment and if they exist a value in use calculation is prepared to assess the carrying value of the operating assets. The assessment of impairment indicators requires the directors to make judgements in relation to internal and external factors that impact the assets, however, information may come to light in subsequent periods which the directors were unable to predict at the time of making the assessment of indicators. The recoupment of costs carried forward in respect of each area of interest is dependent on the successful development and/or commercial exploitation or sale of the respective areas of interest.

The estimation of reserves requires significant management judgement and interpretation of complex geological and geophysical models in order to make an assessment of the size, share, depth and quality of reservoirs and their anticipated recoveries. Estimates have been used to determine the fair value of the oil and gas properties for the purpose of the business combination and the assessment of depletion and amortisation charges.

	31 December 2018	30 June 2018
	\$	\$
2.2 Exploration and evaluation assets		
Exploration, evaluation and development costs carried forward in respect of areas of interest	9,589,822	6,749,266
Reconciliation – Mentelle & West High prospects		
Carrying amount at the beginning of the period	3,747,951	3,747,951
Carrying amount at end of the period	3,747,951	3,747,951
Reconciliation – Xanadu-1 TP/15 Joint Venture		
Carrying amount at the beginning of the period	3,001,315	330,264
Additions to the exploration and evaluation asset (i)	2,840,556	2,671,051
Carrying amount at end of the period	5,841,871	3,001,315

(i) Xanadu – 1 TP/15 Joint Venture

During the period the Joint Venture acquired an additional 15% interest in the Xanadu prospect from Whitebark Energy Limited in consideration for cash and shares with final regulatory approvals completed subsequent to year end.

Estimates and judgements

Assumptions used to carry forward the exploration assets

The write-off, impairment or carrying forward of exploration expenditure is based on a periodic assessment of the viability of an area of interest and/or the existence of economically recoverable reserves. This assessment is based on pre-determined impairment indicators, taking into account the requirements of the accounting standard, and with the information available at the time of preparing this report. Information may come to light in subsequent periods which requires the asset to be impaired or written down for which the directors were unable to predict the outcome.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

2 Significant assets

2.3 Investment in Associate

	31 December 2018	30 June 2018
	\$	\$
Triangle Energy (Operations) Pty Ltd (i)	353,355	300,373
State Gas Ltd (ii)	<u>211,529</u>	<u>585,622</u>
	<u>564,884</u>	<u>885,995</u>

(i) Triangle Energy (Operations) Pty Ltd

The entity name is Triangle Energy (Operations) Pty Ltd in which the Company has a 50% shareholding as at 31 December 2018 and one of two directors. The place of incorporation is Australia, the investment is an associate which the Company measures using the equity method. The carrying value is listed above.

(ii) State Gas Limited

The Company holds an interest of 35.74% as at 31 December 2018. The place of incorporation is Australia, the investment is an associate which the Company measures using the equity method as a consequence of its holding and one common director. The carrying value is listed above.

Reconciliation - Triangle Energy (Operations) Pty Ltd (i)

Carrying amount at beginning of the period	300,373	1,260,565
Profit for the period	<u>52,982</u>	<u>(960,192)</u>
Carrying amount at end of the period	<u>353,355</u>	<u>300,373</u>

Reconciliation - State Gas Ltd (ii)

Carrying amount at beginning of the period	585,621	834,631
Loss for the period	<u>(374,092)</u>	<u>(249,010)</u>
Carrying amount at end of the period	<u>211,529</u>	<u>585,621</u>

- (a) As at balance date, the Company held 47,812,500 fully ordinary shares representing 35.47% of the issued capital of State Gas Limited (ASX:GAS). The fair value of the Company's holding as at 31 December 2018 was \$36,815,625 (at \$0.77 per share).
- (b) A majority of the Company's holding are subject to an escrow agreement until October 2019.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

3 Financing – Capital, debt and risk management

	31 December 2018 \$	30 June 2018 \$
3.1 Cash		
Cash at bank and in hand	3,627,598	1,349,007
Joint Venture cash	74,261	233,020
Restricted cash (i)	1,446,598	1,377,156
Balances per statement of cash flows	<u>5,148,457</u>	<u>2,959,183</u>

(i) As part of the disposal of the Pase PSC assets the Company agreed to place in an escrow (trust) account an amount of US\$1.02 million which will be released after the governmental administration processes. As at reporting date, the funds remain in the escrow account.

Non-cash items

During the period the Company entered into one non-cash transaction which were:

On 24 December 2018 the Company issued the final Whitebark Energy Limited consideration shares for the purchase of the 15% of exploration licence TP/15.

3.2 Equity (number of shares on issue and the amount paid (or value attributed) for the shares)

306,753,682 fully paid ordinary shares (30 June 2018: 218,115,544).

The following changes to the shares on issue and the attributed value during the periods:

	31 December 2018 Number	30 June 2018 Number	31 December 2018 \$	30 June 2018 \$
Balance at the beginning of the year	218,115,544	152,823,915	27,486,714	22,634,679
Conversion of options to Shares		14,307,925		872,783
Shares issue to directors (July)		16,394,445		1,475,500
Shares issued to directors (November)		900,000		90,500
Consolidation of shares		8,000,000		1,400,000
Conversion of options to Shares ²		400,000		56,000
Conversion of convertible notes ¹		25,289,259		1,045,782
Issue of shares (cash) ¹	19,282,629		1,253,371	
Issue of shares – rights issue (cash) ²	58,164,457		3,780,690	
Shares issued – acquisition ³	11,191,052		805,756	
Share issue costs			(325,310)	(88,530)
Balance as at 31 December 2017	<u>306,753,682</u>	<u>218,115,544</u>	<u>33,001,221</u>	<u>27,486,714</u>

1. On 20 November 2018 the Company issued 19,282,629 at an issue price of \$0.065 per share to sophisticated investors.

2. On 24 December 2018 the Company issued 58,164,457 at an issue price of \$0.065 per share to existing shareholders under a rights issue.

3. On 24 December 2018 the Company issued the consideration share of 11,191,052 for the purchase of 15% of exploration licence TP/15. The fair value of the shares at the date of issue was \$0.072 per share.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

3 Financing – Capital, debt and risk management

3.3 Borrowings

	31 December 2018	30 June 2018
	\$	\$
Borrowings	2,139,551	2,319,510
<i>Reconciliation of movements in the balance</i>		
Opening balance	2,319,510	-
Amounts borrowed	-	3,548,700
Amount repaid	(300,000)	(1,333,840)
Movement in Foreign currency	120,041	104,650
Closing balance at end of period	2,139,551	2,319,510

(i) Terms of the borrowings

The Company has a loan facility with Tamarind Resources Pte Ltd. The facility does not include the ability to convert the loan to equity. The terms of the loan are as follows:

Facility value	USD\$2,214,238
Interest rate	10% (simple interest)
Expiry date	30 June 2019
Security	Charge over all assets
Borrowing costs	US\$200,000

(ii) Related party loan

In addition to the loan above, the Company also has a shareholder loan from its non-controlled entity, Triangle Energy (Operations) Pty Ltd totalling \$357,833 at balance date. The loan is interest free, unsecured and repayable on demand. During this period, the Company repaid \$300,000 of this loan.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

3 Financing – Capital, debt and risk management

3.4 Going concern

The going concern concept relates to the assessment of the Company's ability to continue its operations (and pay its debts when they fall due) for the next 12 months from the date when the directors sign the half year report without the need to obtain additional funding.

The directors have prepared an estimated cash flow forecast for the period to March 2020 to determine if the Company may require additional funding during the period. Where this cash flow forecast includes the likelihood that additional amounts will be required, and these funds have not yet been secured, it creates uncertainty as to whether the Company will continue to operate in the manner it has planned over the next 12 months.

Where the cash flow forecast includes these uncertainties, the directors make an assessment of whether it is reasonable to assume that the Company will be able to continue its normal operations based on the following factors and judgements:

- The Company has access to the use of cash reserves of \$3,627,598 as at 31 December 2018 (30 June 2018: \$1,349,007)
- The Company has successfully obtained additional sources of funding through equity over the last six months
- The Group's oil production is anticipated to generate operating cash flows to fund business activities

The directors also anticipate the support of its major shareholders and are confident in the Company's ability to raise an appropriate level of funding to execute its plans and continue its activities.

Current assessment of going concern

The cash flow forecast includes a number of assumptions regarding settlement of its obligations, continued profitability from its operating assets and obtaining additional funding. As the Company has not yet confirmed a number of its assumptions or secured its additional funding, this results in a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the half year report.

The half year report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

The Company's auditors have referred to this section when completing their report on the Company's interim financial report.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

3 Financing – Capital, debt and risk management

3.5 Reserves

	31 December 2018	30 June 2018
	\$	\$
Convertible Note reserve	7,003	7,003
Share based payments reserves	565,004	565,004
	<u>572,007</u>	<u>572,007</u>
Convertible Note reserve		
<i>Reconciliation of movements in the balance</i>		
Opening balance	-	-
Convertible note equity portion (i)	7,003	7,003
Closing balance at end of period	<u>7,003</u>	<u>7,003</u>
Share based payments reserves		
<i>Reconciliation of movements in the balance</i>		
Opening balance	565,004	276,907
Additional options (ii)	-	255,430
Additional rights (iii)	-	32,667
Closing balance at end of period	<u>565,004</u>	<u>565,004</u>

(i) In the prior period, the Company calculated the fair value of the convertible note as \$1,014,488 with the residual value being \$7,003. The input used can be found at note 3.3.

(ii) During the prior period the Company issues performance rights to its Chairman, Mr E Farrell. The rights were issued after the Company received approval at its Annual General Meeting of shareholders on 29 November 2017. The share price at the grant date was \$0.14 per share valuing the rights at \$56,000. The rights are subject to a hurdle being the share price must be above a VWAP of \$0.15 for 30 consecutive days.

	31 December 2018	30 June 2018
	\$	\$
3.6 Accumulated losses		
Accumulated losses at the beginning of the year	29,651,440	23,718,271
Net loss for the period	1,629,159	5,933,169
Accumulated losses at the end of the period	<u>31,280,599</u>	<u>29,651,440</u>

3.7 Commitments

During the period the Group entered into an agreement to farm-in to the Mt Horner L7 licence held by Key Petroleum Limited. The Group is committed to spend UD\$3 million over 2 years to maintain a 50% interest in the licence.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

4 Other assets and liabilities

	31 December 2018	30 June 2018
	\$	\$
4.1 Trade and other receivables		
Accrued revenue	1,064,757	825,319
Trade receivables	-	-
	<u>1,064,757</u>	<u>825,319</u>

Estimates and judgement

Recoverability of the assets

The directors have assessed the likelihood that the asset will be received in cash after the reporting date (assessment of the recovery of the assets and impairment (write-off)) and have determined that the assets are expected to be recovered after period end.

Due to the short-term nature of the current receivables, their carrying amounts approximate their fair value.

	31 December 2018	30 June 2018
	\$	\$
4.2 Other receivable and assets		
GST receivable	29,412	11,223
Prepayments	175,562	281,252
JV GST receivable	86,216	69,826
JV other receivables	121,442	117,875
Income tax incentive receivable	-	1,027,870
PRRT receivable	-	-
Receivable – PT Enso Asia	-	-
Deposits - Guarantee	193,262	193,262
Other assets	221,989	50,815
	<u>827,883</u>	<u>1,752,123</u>

4.3 Fair Value through Other Comprehensive income

	31 December 2018	30 June 2018
	\$	\$
Non-current assets		
Equity Securities		
Investments	110,000	110,000
	<u>110,000</u>	<u>110,000</u>

Fair value has been determined based on the market value of the shares issued.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

4 Other assets and liabilities

	31 December 2018	30 June 2018
	\$	\$
4.4 Plant and equipment		
Administration office – Plant and Equipment		
Office equipment	7,625	7,625
Accumulated depreciation	(3,554)	(2,974)
	4,071	4,651
Furniture and fittings	78,747	914
Accumulated depreciation	(1,963)	(636)
	76,784	278
Total administration assets	80,855	4,929

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and at the end of the current period.

	Furniture & Fittings	Office Equipment	Total
	\$	\$	\$
Opening net book value at 1 July 2018	278	4,651	4,929
Additions during the half year	78,747	-	78,747
Disposals during the half year	(278)	-	(278)
Depreciation expenses	(1,963)	(580)	(2,543)
Closing net book value at 31 December 2018	76,784	4,071	80,855

4.5 Trade and other payables (debts)

	31 December 2018	30 June 2018
	\$	\$
<u>Current liabilities (debts payable within 12 months)</u>		
Trade payables	579,599	678,681
JV trade payables	2,016,064	970,312
Accrued expenses	1,020,202	1,210,678
JV accruals	546,438	669,901
Payroll liabilities	26,859	58,671
Dividend payable in trust	7,044	7,044
Share buy-back funds in trust	6,796	6,796
GST liabilities	117,907	150,704
Unearned revenue	228,168	340,165
Employee entitlements	169,928	160,030
	4,719,005	3,912,817

Due to the short- term nature of current payables, the carrying amount of trade and other payables approximates their fair value. Trade payables are non-interest bearing and are normally settled on 30-day terms.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

4 Other assets and liabilities

	31 December 2018 \$	30 June 2018 \$
4.6 Provisions		
JV Provisions	-	-
<i><u>JV provisions – current (due for payment within 12 months)</u></i>		
Reconciliation		
Balance brought forward	-	287,501
Movement during the period / year	-	(287,501)
Balance carried forward	-	-
Restoration provision (Cliff Head) – non-current	20,974,244	20,821,888
	20,974,244	20,821,888
Reconciliation		
Balance brought forward	20,821,888	25,595,143
Additions for the year / period		-
Unwind of discount (Cliff Head)	152,356	336,750
Adjustment to the restoration provision (i)		(5,110,005)
Balance carried forward	20,974,244	20,821,888

(i) During the prior year the Joint Venture Parties commissioned an independent study to review the previous rehabilitation estimate prepared in 2015. The review highlighted a number of steps that could be taken to reduce the cost of the rehabilitation for the site. The Company has re-adjusted the provision in line with the new study which has resulted in a reduction to the liability of \$5.1 million (57.5% share) for the year ended 30 June 2018.

Under the terms within the Joint Venture agreement relating to WA-31-L, Triangle is liable to pay rehabilitation cost of 57.5% relating to the licence.

Estimates and judgement

Assumptions used to assess the rehabilitation provision

The updated study has a substantial number of assumptions embedded in the cost estimate all of which could change and result in the actual amount paid to restore the site being materially different to the carrying value of the liability.

The provision for future restoration costs is the best estimate of the present value (including an appropriate discount rate relevant to the time value of money plus any risk premium associated with the liability) of the expenditure required to settle the restoration obligation at the balance date.



TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
HALF YEAR ENDED 31 DECEMBER 2018

5 Additional disclosures

5.1 Subsequent events

The Company received notification from a former overseas joint venture partner alleging that the Company had failed to comply with certain obligations related to corporate social responsibility contributions and an infrastructure requirement. The former joint venture partner is claiming approximately \$5.9 million in relation to this matter. The Company intends to defend the claim. There are no other significant events which have occurred after the end of the reporting period to the date of this report.

5.2 Contingent liabilities

During the period the Group completed the acquisition of a 15% interest in TP/15 from Whitebark Energy Limited (subject to regulatory procedural approvals). The sale and purchase agreement include clauses for the payment of two amounts which are contingent on the milestones below:

- \$1 million payable on a successful appraisal outcome which is to be settled either 100% in cash or 50% in cash and shares in the Company (at the election of the seller); and
- \$1 million on the delivery of first oil from the prospect.

5.4 Segment reporting

	Oil Production \$	Australian Corporate \$	Consolidated \$
Half Year ended 31 December 2018			
Segment Revenue	5,690,604	68,822	5,754,426
Expenses			
Interest income	7,403	592	7,995
Finance expenses	-	(222,960)	(222,960)
Depreciation and amortisation	(235,604)	(2,822)	(238,426)
Share of associates loss	52,982	(374,092)	(321,110)
Deferred taxes and PRRT	(576,180)	-	(576,180)
Segment net operating profit/(loss) after tax	<u>(224,955)</u>	<u>(1,404,204)</u>	<u>(1,629,159)</u>
Half Year ended 31 December 2017			
Segment Revenue	6,679,071	-	6,679,071
Expenses			
Interest income	-	660	660
Interest expenses	(4,770)	(296,227)	(300,996)
Depreciation and amortisation	(630,638)	(799)	(631,438)
Share of associates loss	(890,579)	(111,540)	(1,002,119)
Deferred taxes and PRRT	(1,703,925)	-	(1,703,925)
Segment net operating profit/(loss) after tax	<u>(5,812,127)</u>	<u>342,925</u>	<u>(5,469,202)</u>
Segment assets			
At 31 December 2018	20,680,788	9,444,641	30,125,429
At 30 June 2018	22,857,376	2,604,120	25,461,496
Segment liabilities			
At 31 December 2018	(24,787,571)	(3,045,228)	(27,832,800)
At 30 June 2018	(24,465,755)	(2,588,460)	(27,054,215)



DIRECTORS' DECLARATION

In the opinion of the directors of Triangle Energy (Global) Limited:

- (a) the financial statements and notes set out on pages 13 to 33 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read "Ted Farrell", with a horizontal line extending to the right.

Edward Farrell

Chairman

Dated at Perth, Western Australia this 14th day of March 2019.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Triangle Energy (Global) Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Triangle Energy (Global) Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Triangle Energy (Global) Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter - material uncertainty related to going concern

We draw attention to Note 3.4 in the half-year financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
14 March 2019



B G McVeigh
Partner