

OPERATIONS UPDATE AND COST CUTTING MEASURES

Triangle Energy (Global) Limited (**Triangle, or the Company**) (ASX: **TEG**) is pleased to provide an update on its Perth Basin Cliff Head oil project operations, exploration interests and operating budget.

Following the successful replacement of an Electric Submersible Pump in one of the five wells producing oil at the Cliff Head Alpha Platform (**Cliff Head**) in December last year, and the recommencement of production after an electrical fault at Cliff Head in March, Triangle confirms production at Cliff Head has returned to a steady state at an average of 970 barrels of oil per day.

A strong focus on reducing operating costs even before the current low oil price has seen Triangle's lifting costs at Cliff Head decrease from more than US\$40 a barrel in 2017 to just US\$24.95 average from July 2019 to February this year.

Amidst the current extraordinarily low oil price due to over-supply and weak demand, Triangle has negotiated improved contracts with many of its suppliers including reduced office rent, lower rates with its air and marine services suppliers and lower costs from its parts and equipment suppliers. This has resulted in substantial and immediate cost savings to the business, positively influencing the cash flow position.

The Company has implemented a temporary 30% salary deferment in respect of executive salaries for the Managing Director, Chief Financial Officer and Chief Operating Officer, as well as Directors' fees by the same amount, with effect from 1st May this year.

The Cliff Head Joint Venture has re-invested AUD\$4.47m into its assets since July 2019 and is benefiting from strong and consistent production.

Triangle has reduced its operating costs and deferred non-essential planned and proposed capital expenditure this year of AUD\$2.5 million which is expected to result in lifting costs falling to approximately US\$15.40 per barrel for the remainder of this financial year's Work Programme and Budget, excluding trucking and non-routine costs.

Triangle Managing Director, Rob Towner said although the current low oil price, and the wider impacts from COVID – 19 were unexpected, the Company was well positioned given its recent investment, strong production and cost reduction measures.

"We have excellent relationships with our suppliers, particularly those we use locally in the Perth Basin area and working with them we have managed to reduce our routine costs significantly," Mr Towner said.

"We are well ahead of the curve in that we re-invested into the Cliff Head asset when oil prices allowed it, and we are benefiting from that now and will continue to benefit in the future.

"We have operated Cliff Head for more than five years without a Lost Time Injury and remain totally focused on operating the project as efficiently and safely as possible for our shareholders."

Triangle has a 45% interest in the offshore TP/15 Joint Venture in the Perth Basin and holds 50% interest in L7(R1) Mt Horner discovery onshore in the Perth Basin subject to the Farmout Agreement.

The Company and its joint venture partners are assessing investment budgets for both projects.

The Company continues to use cashflow arising from its equity in the Cliff Head Joint Venture into wider Perth Basin geotechnical work and the Cliff Head Renewal Project.

Several workover, infill and satellite drilling opportunities that could be drilled from the Cliff Head platform, have been identified in and around Cliff Head field following a review of the subsurface opportunities in the first half of 2019.

The Company will be well positioned to make an investment decision on these opportunities when business conditions improve. Success with these opportunities could extend the life of the Cliff Head platform and the onshore Arrowsmith Oil Stabilisation Plant.

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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. Triangle also has a 50% share of the Mt Horner L7 production licence subject to Farmout Agreement and a 45% 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 an 100% 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.