

Triangle Energy (Global) Ltd
ASX:TEG

September 2021

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Note: This report is based on information provided by the Issuer as at 21 September 2021

Rating

Investment Profile

Share Price (\$) as at 21 Sept. 2021 0.020

Issue Capital:

Ordinary Shares (M) 1075.3

Listed Options (M) 672.7

Unlisted Options (M) 5.8

Performance Shares 49.0

Fully Diluted (M) 1802.8

Market Capitalisation Ords+Listed Options (M) \$24.5

12 month L/H (\$) 0.02-0.10

Board and Management

Directors:

Tim Monckton – Non Exec Chairman

Robert Towner – Managing Director and CEO

Malcolm King – Non-Exec Director

Wai-Lid Wong – Non-Exec Director

Marvin Chan – CFO

Lucy Rowe – Company Secretary

Major Shareholders

Altor Capital 6.0%

Tamarind Resource Pte Ltd 4.7%

Directors 1.9%

Share Price Performance



PERMIT CONSOLIDATION DRIVES UPSIDE

Triangle Energy (Global) Limited represents a combination of deep value and exploration leverage, with a rapid and relatively low-cost pathway to production given Triangle's existing production assets. Triangle has executed some big moves for a very small company. It has exited Indonesia with cash, with which it purchased production in West Australia's Perth Basin, and is effectively the operator. It was part of a successful bid for a highly prospective Queensland coal gas acreage tender, which it spun out into a separate listing giving valuation visibility (State Gas), and in the COVID 19 downturn has consolidated ownership of historically unloved and highly prospective tenements close to its existing production base.

KEY POINTS

Oil production at Cliff Head expected to recover strongly – The production rate was 758 bopd in the March quarter, 720 bopd in April and June and expected to increase to almost 900 bopd.

Rising oil production and rising oil price a positive environment – The Brent oil price is currently around A\$100/bbl and consensus forecasts a return to A\$80/bbl. OPEC discipline, low US drilling rates and the ongoing if sometimes stuttering global economic recovery are likely to result in oil price upside surprise.

Exciting exploration schedule in prospect – Triangle has used the COVID 19 oil price collapse of 2020 to its advantage, consolidating ownership and operatorship of its existing Cliff Head operation with the surrounding WA 481 P permit, which includes Cliff Head South and Leander Reef with Prospective Resources (2C) of 205MMbbl within 5Km of the Alpha Platform, as well as more advanced targets at the Dunsborough oil discovery to the north. Onshore, Triangle has consolidated the Mt Horner permits of L7 and EP 347, with drill ready targets. Within the Cliff Head WA 31 L permit, Triangle has worked up exciting low risk targets for immediate drilling, subject to funding.

Consolidate to farm out – By increasing its ownership to around 78% to 100% of its portfolio, Triangle will be able to offer financially strong oil companies the opportunity to farm in for a significant project share, and take operatorship if necessary, in order to progress to drilling.

Drilling is essential to value recognition – Triangle has just completed a \$10M equity raise, and has options outstanding that could raise A\$23M if the share price exceeds A\$0.035/sh. If the company gains share market support for its strategy, triggering options exercise, that cash would enable the start of the drilling program either on its own or with modest farm outs. With more market support, Triangle could take more management of its own destiny.

Exploration upside may now be sufficient to attract institutional interest – The ability to combine Cliff Head assets with an order of magnitude larger oil discovery is what would interest institutions more than incremental drilling success that merely extends the existing operation's life. The new portfolio has that potential.

Near term drivers of the share price – Drilling onshore in the region of Triangle's tenements is heating up with Strike and Norwest drilling four wells in the next six months. Beach is progressing its onshore gas development. We also believe that the market has yet to fully absorb the implications of combining WA 31 L and WA 481 P and the upside potential that gives to the company. Any announcements of funding and timing of drilling programs will be very material to the share price.

VALUATION

Our base case valuation of Triangle is A\$0.06/sh per share using consensus oil prices (~A\$80-85/bbl), dominated by risked exploration upside. Our valuation range is A\$0.06/sh to A\$0.31/sh with the range driven by varying levels of exploration success, and oil prices of between A\$80/bbl and A\$120/bbl. All our valuations assume Triangle retains current ownership and bears full cost of development.

OVERVIEW – WHAT IS NEW

- ◆ Production recovery near term to return existing business to positive cash flow
- ◆ Consolidate and sell down – Funding new exploration drilling with potentially game changing outcomes
- ◆ Impact of West Flank/West High/SE Nose and Mentelle drilling, with WA 481 P to follow
- ◆ Impact of Mt Horner – onshore oil potential adds lower cost development path
- ◆ Potential conversion of Cliff Head Alpha platform into a wind farm support asset

CONSOLIDATE TO SELL DOWN

- ◆ Triangle has used the COVID induced period of low oil prices to consolidate the onshore Mt Horner field for A\$0.6M (avoiding a US\$3M farm in obligation) and the offshore tenements around Cliff Head for A\$1.5M (including share of work commitments). Over the past five or more years, previous owners have completed high quality de-risking work on these permits but were never in a sufficiently strong financial position to be able to drill wells.
- ◆ Triangle's permit ownership interests, on acquisition completion, would be sufficiently large to allow Triangle to offer farmouts of a critical mass that would be of interest to larger and more cashed up oil companies. If successful, this strategy will replace financially weaker partners with stronger partners and gain Triangle exposure to active drilling programs without cash outflow or balance sheet stress.

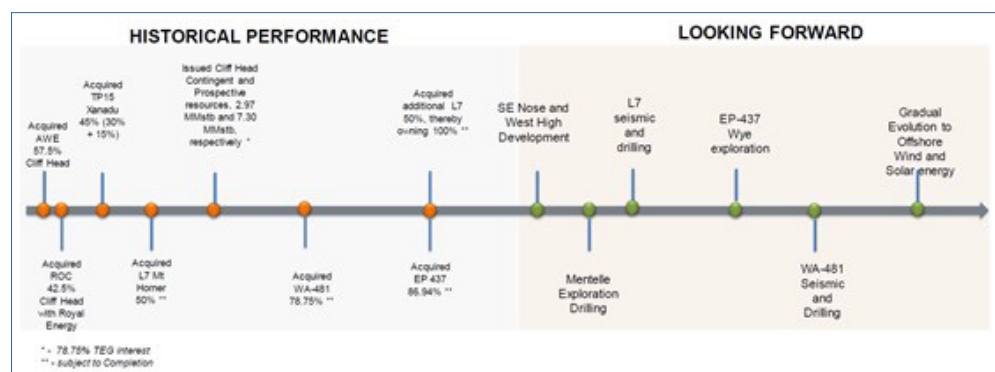
Table 1 Change in permit interest

	Pre-COVID	On Completion
Cliff Head WA-31-L	78.75%	78.75%
WA-481-P (Surrounding Cliff Head)	0.00%	78.75%
Mt Horner L7	50.00%	100.00%
EP437 (adjoining west of Mt Horner)	0.00%	86.94%

Source: TEG releases

- ◆ Triangle has provided the time line below which shows the period from the acquisition of Cliff Head from AWE and ROC and the consolidation of oil prone permits in the Perth Basin in the Historical Performance box to the left, and the future work plan to the right, the execution of which will probably require farm outs.
- ◆ The wells in the SE Nose and West High Development plus Mentelle are the most drill ready offshore, and IIR estimates at a total cost of A\$40M, so is too big a funding task for Triangle, on its current balance sheet, hence the need for partners.
- ◆ Onshore, L7/EP437 will be lower cost to drill than the offshore program but would also be one that Triangle would want assistance with, on its current balance sheet.

Figure 1 Historical consolidation completed, prospective development plan, subject to funding



Source: TEG presentation 17 March 2021

- ◆ If successful, it is highly likely that the cash flow from the onshore or proposed offshore wells would be sufficient to fund seismic acquisition and drill testing of the potentially very large targets offshore, particularly those that could be developed using the Cliff Head Alpha Platform. This activity would infill the region in the figure above between “WA-481 Seismic acquisition” and the “Wind and Solar Energy evolution”.

WHY THE CONSOLIDATED ASSETS COULD ATTRACT INTEREST

Table 2 Cliff Head Contingent and Prospective Resources combined with WA 481 P Contingent Resources

(MMstb Oil)	100% Field Basis			TEG 78.75% Basis		
	1C	2C	3C	1C	2C	3C
Cliff Head Life Extension		0.70			0.55	
SE Nose	0.49	0.81	1.25	0.39	0.64	0.98
West High	0.61	1.06	1.94		0.83	1.53
West Flank		0.79			0.62	0.00
Far North		0.41			0.32	
Total		3.52			2.97	
Prospective Resources	Low	Best	High	Low	Best	High
Mentelle Updip	1.71	5.44	9.96	1.35	4.28	7.84
South Cliff Head		3.00			2.36	
Catts	0.35	0.83	1.42	0.28	0.65	1.12
Total (Gross)		9.27			7.30	
WA 481 P						
Cliff Head South Oil MMbbl	59.1	106.8	186.4	46.5	84.1	146.8
Leander Reef Oil MMbbl	55.9	98.1	168.0	44.0	77.3	132.3
Total close to Cliff Head	115.0	204.9	354.4	90.6	161.4	279.1

Source: TEG release 15 March 2021, Pilot (PGY) release 30 January 2017, Key (KEY) release 24 February 2020

- ◆ The table above demonstrated that WA 481 P contains Prospective Resources in the 2U or “Best” estimate category of 204.9M bbls. Cliff Head South is 3Km from the Alpha Platform, and Leander Reef is 5Km. While a successful Mentelle would be a game changer for Triangle, it is the combination of Mentelle with the potential of WA 481 P that could attract the larger oil explorers. These two permits have not been under the control of one ownership group since 2010, and no one group has ever had such a dominant position.
- ◆ WA 481 P contains other major targets around existing discoveries that might develop into new operations.

Table 3 Back of envelope economics of the Cliff Head drill ready targets

	West High	West Flank	SE Nose	Mentelle Updip
2C 000 bbl	1060	790	810	5440
Quarterly Prodn as % Reserves	34%	35%	34%	17%
Initial Production Rate bopd	4000	3000	3000	10000
Production 000 bbl				
Year 1	863			2824
Year 2		645		1358
Year 3			654	653
Year 4				101
Year 5				
Total	863	645	654	4936
Recovery	81%	82%	81%	91%
Oil Price A\$/bbl	100	100	100	100
Operating Cost A\$/bbl	50	50	50	45
Revenue A\$M	86	65	65	494
Cost A\$M	-43	-32	-33	-222
EBITDA A\$M	43	32	33	272
Well Cost A\$M	-12	0	-12	-15
Other Capex A\$M				-5
Operating Margin A\$M	31	32	21	251
PRRT at 40% A\$M	-12	-13	-8	-100
Net Margin to JV	19	19	12	151
Income Tax at 30%	-6	-6	-4	-45
Cash Flow Post Tax A\$M	13	14	9	105

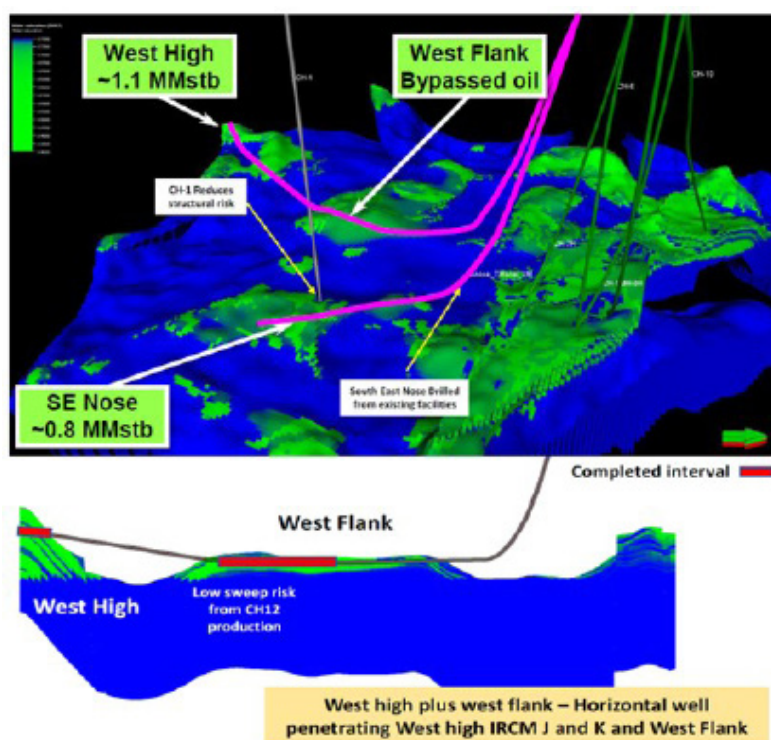
Source: 2C Resources and initial production rates from TEG, else IIR estimates

- ◆ The table above provides an approximation of the economics of the targets highlighted. West High and West Flank are planned to be accessed by the same well so there is no well cost for West Flank. Likewise, we produce West High first then West Flank, and we use the funds generated to pay for the SE Nose Well.
- ◆ IN our valuation, we have assumed full 40% Petroleum Resources Rent Tax (PRRT) applies with no allowance for Triangle's PRRT losses, and we have also assumed no dramatic fall in operating costs, even though the volume of output will more than quadruple.

STARTING WITH THE OFFSHORE WELLS TO BE DRILLED FROM THE CLIFF HEAD ALPHA PLATFORM

- ◆ West High, West Flank, and SE Nose are Contingent Resources. Triangle has indicated that these targets could have initial production rates of 4000 bopd. Because the West High well will pick up West Flank on the way it is probably significantly better risk reward than the SE Nose well. West Flank has been intersected by CH12, and SE Nose by CH1 wells.
- ◆ Mentelle Updip is considered to be a Cliff Head look alike, capable of 10,000 bopd, but is a Prospective Resource so it needs a exploration discovery well, and is therefore higher risk than the Contingent Resources (ie West High etc), but also higher reward.
- ◆ All these new wells would use company's the existing production facilities, and we understand that the production would be additive to existing Cliff Head operations. The separation capacity of the Arrowsmith onshore separation plant is limited by the capacity to re-inject formation water back into the reservoir formation. IIR believes that higher production rates will require only a modest additional investment.

Figure 2 Lower risk satellite development targets



Source: TEG presentation 11 June 2021

FEASIBILITY STUDY INTO A MID-WEST OIL REFINERY

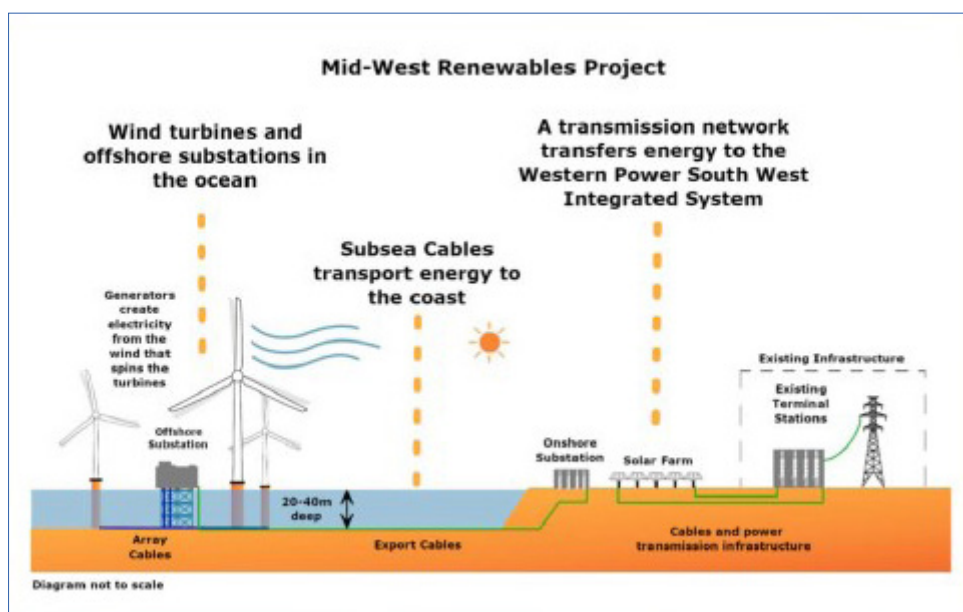
- ◆ In the capital raising announcement of 17 June 2021, the applications of the \$10M raising included the establishment of a Cliff Head infrastructure fund and a feasibility study into the establishment of a Mid-West oil refinery. Local refining would smooth cash flows, and potentially increase margins. The company indicated that further details would be provided.
- ◆ Oil refining is a low margin business that typically depends on economies of scale hence the reason the BP Kwinana plant is closing. Small refiners typically rely on being close to a region of demand that is logistically expensive to supply, which is not the case in the WA Mid West. It may be there were features of the source crude that created good margins, the economics may be sufficiently improved to justify a refinery.

- ◆ A simple topping refinery producing mainly diesel and asphalt at 1000 bopd might cost A\$30M as a guide, but would be subject to a lot of cost variation.

LEVERAGING CLIFF HEAD ALPHA PLATFORM INTO A WIND FARM

- ◆ Triangle Energy and Pilot Energy have agreed to form the Cliff Head Wind and Solar Joint Venture with Pilot owning 80% and Triangle 20%. Pilot will carry Triangle's share of Feasibility Study costs.
- ◆ The Cliff Head Alpha platform and its infrastructure communicating to onshore might be part of the Joint Venture, functioning as an offshore substation for an offshore windfarm.
- ◆ We have assumed no value for this project, but it has the effect of pushing further into the future the rehabilitation liability that attaches to the removal of the Alpha platform at end of its life as an oil producer.

Figure 3 Proposed offshore wind generation of power utilizing the Cliff Head Alpha platform and on shore infrastructure



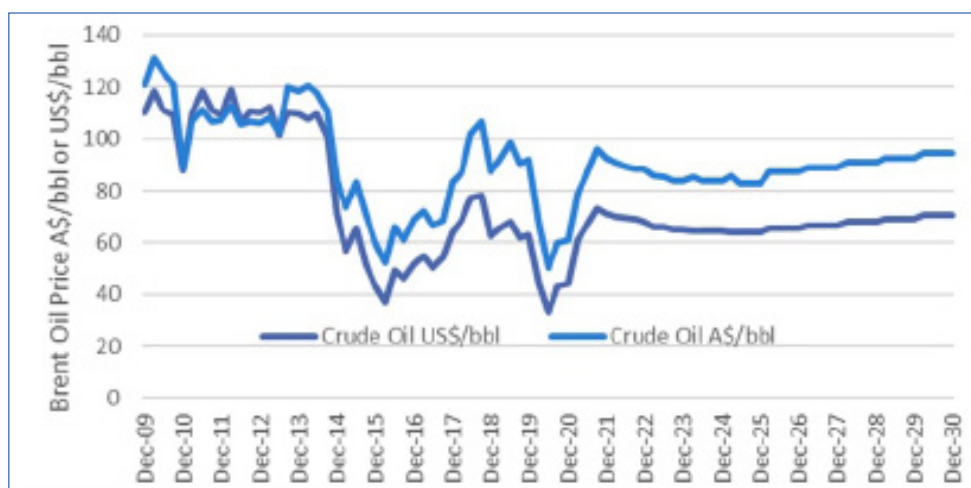
Source: TEG presentation 11 May 2021

- ◆ This project is being driven by Pilot Energy, as part of its broader plan to move into the generation of renewable energy and using part of that energy to produce green hydrogen.

VALUATION

- ◆ Triangle is an asset rich company with existing oil production currently operating at a small profit.
- ◆ Our base case valuation is A\$0.06/sh (see Table 5).
- ◆ That valuation is heavily leveraged to the oil price, with A\$20/bbl increase or decrease resulting in a share price move in the same direction by A\$0.015/sh.

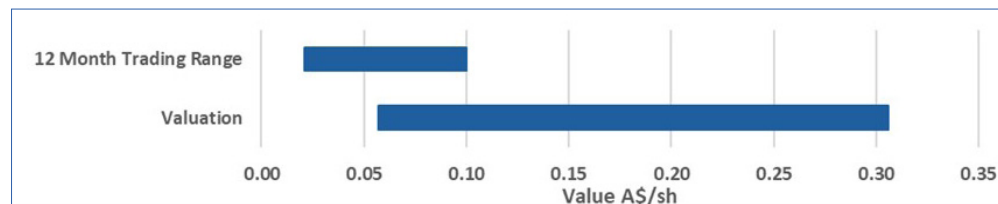
Figure 4 Brent oil price history and Consensus forecast (as at July 2021)



Source: History from ICE, RBA, forecasts from Consensus Economics

- ◆ The current oil price has recovered strongly from the COVID 19 price collapse in early 2020, and the current spot price is above the consensus forecasts at over A\$100/bbl. The reluctance of the US industry to restart drilling, and the control currently exerted by OPEC point to potential upward revisions in the oil price consensus forecast.
- ◆ We note that the spot oil price is weakening from its highs, but given consensus forecasts have been calling for this weakness, a lower oil price is probably in the market, meaning there is likely to be little downside in the Triangle share price, unless the US\$ oil price goes below US\$60/bbl.
- ◆ The chart and table below highlight the last 12 months trading range, and our valuation range, which is driven by a combination of oil prices (A\$80/bbl to A\$120/bbl), and the impact of exploration success.

Figure 5 Valuation ranges



Source: IIR estimates

Table 4 Valuation ranges

Valuation Table A\$/sh	Min	Max
Valuation	0.06	0.31
12 Month Trading Range	0.021	0.10

Source: IIR estimates

Table 5 Valuation Base Case using consensus oil prices and exchange rates

	A\$M	A\$/sh
Cliff Head 57.5% Interest	2.98	0.003
Triangle Energy (Operations)	1.10	0.001
Corporate Overhead	-10.02	-0.009
Cash on hand	11.82	0.011
Debt	-0.31	0.000
Recognised Tax Asset	3.98	0.004
Rehabilitation	-28.76	-0.027
Net Working Capital	-0.67	-0.001
Operating Assets	-19.88	-0.019
State Gas Shareholding	15.26	0.014
Exploration Risked 20%	69.25	0.065
Valuation A\$M	64.6	0.060
Issued Shares M	1069.9	1069.9
Discount Rate	7.1%	

Source: IIR estimates

- ◆ We have valued Triangle's 57.5% direct interest in Cliff Head separately from its interest via 50% owned Triangle Energy Operations Pty Ltd.
- ◆ The forecast oil production from 1 July 2020 to end of reserve is 1.8 MMbbl on a 100% of field basis vs the 3P reserves on 30 June 2020 of 1.98 MMbbl.
- ◆ The assumptions are stated in Table 10. We have also valued the operations at flat real Australian dollar oil prices from A\$80/bbl to A\$120/bbl, a range that is consistent with the price history shown in Figure 4, ignoring the Covid 19 sell off and the 2015-2016 period.
- ◆ The Cliff Head Joint venture pays PRRT, and Triangle 2020 accounts assumed at tax rate of 27.5%, but we are 30% in our forecasts. Triangle has large onshore unrecognised PRRT and income tax assets, and has an A\$65M PRRT shield in the WA-481-P Joint Venture. We have assumed zero value for these unrecognised losses in our valuation.

VALUATION OF EXPLORATION UPSIDE

Table 6 Sensitivity to oil price variation and to drilling success (WWS = West High/West Flank/SE Nose and M1 is Mentelle 1U (ie Prospective) Resources, M2 is Mentelle 2U Resources and M3 is Mentelle 3U Resources)

At A\$100/bbl at June 2022 in A\$/sh	Base	+WWS2	+M1	+M2	+M3
Cliff Head 57.5% Interest	0.011	0.030	0.037	0.080	0.128
Triangle Energy (Operations)	0.004	0.011	0.014	0.030	0.047
Corporate Overhead	-0.009	-0.009	-0.009	-0.009	-0.011
Cash on hand	0.013	0.013	0.013	0.013	0.013
Debt	0.000	0.000	0.000	0.000	0.000
Recognised Tax Asset	0.002	-0.002	-0.004	-0.010	-0.018
Rehabilitation	-0.027	-0.027	-0.027	-0.027	-0.027
Net Working Capital	-0.001	-0.001	-0.001	-0.001	-0.001
Operating Assets	-0.007	0.016	0.023	0.077	0.132
State Gas Shareholding	0.014	0.014	0.014	0.014	0.014
Exploration Risked 20%	0.065	0.065	0.065	0.065	0.065
Valuation A\$M	0.072	0.095	0.102	0.156	0.211
Issued Shares M	1069.9	1069.9	1069.9	1069.9	1069.9
Sensitivity					
Valuation at A\$80/bbl	0.057	0.061	0.059	0.087	0.115
Valuation at A\$100/bbl	0.088	0.111	0.118	0.172	0.227
Valuation at A\$120/bbl	0.086	0.127	0.145	0.224	0.306
+A\$20/bbl increased NPV by:	0.015	0.033	0.043	0.069	0.096

Source: IRR estimates. The valuations are cumulative ie Base Case + WWS + one of the three Mentelle cases. The WWS case assumes 2C (Contingent) Resources only.

- ◆ In the table below, the Value and Valuation columns are for 100% of the asset or liability, and the "Triangle's Share" column represents the net impact on our valuation of Triangle.
- ◆ On our base case, the value of the Cliff Head cash flow plus the shareholding in State Gas is largely cancelled out but the Cliff Head rehabilitation liability, and the Exploration Asset forms most of the net valuation.

Table 7 Estimation of Exploration Value

Exploration/Project Generating Upside	Value ASM	Factor	Valuation ASM	Triangle Share ASM
Wind farm to defer Rehab by 10 Years at 7% WACC	-36.5	1.97	14.2	11.2
Risk Factor				
Chance of WWS on 2C Resources	35.8	50%	17.9	14.1
Chance of Mentelle 30%	93.7	30%	28.1	22.1
Chance of WA 481 P 252MM bbl	187.4	10%	18.7	14.8
L7/EP437	30.0	30%	9.0	7.1
Total	310.4		87.9	69.2

Source: IIR estimates. WWS = West High/West Flank/SE Nose exploration targets

- ◆ We noted the Wind Generation Joint Venture with Pilot earlier, and we have assumed no value for Triangle's 20% interest in that Joint Venture, but we have assumed that it will defer the spend on the rehabilitation liability by 10 years, and if that spend is discounted

10 years at the 7% discount rate its present value is almost halved, and the improvement in the Triangle valuation is A\$11.2M.

- ◆ We see West High/West Flank/SE Nose exploration targets as likely to be developed in sequence, with the West High well passing through West Flank. The nature of well operation means there is little chance of anything other than producing sequentially. We have valued these wells as a group in our model (Table 6) and separately in Table 3. We see these wells as low risk. West Flank was intersected by CH 8. They are currently Contingent Resources, and have been studied intensively, hence our valuation is risked at 50%.
- ◆ Mentelle could have a considerable impact but is currently Prospective Resources and so is awaiting a discovery hole. Mentelle 1 detected hydrocarbons but no flow, and the new well is located updip from the first well. We have valued Mentelle the same way as the other wells, using a greater risk factor of 30%.
- ◆ WA 481 P has an enormous potential to add value, given the large existing Prospective Resource. Our valuation assumes that out of the 252MMbbl of Resource, Triangle finds two 5MMbbl Mentelles (ie 4% of the Resource), and we have heavily risked this outcome at 10%. The targets in this permit are discussed later, and have potential to be considerably larger than our valuation.
- ◆ The onshore L7 permits has Prospective Resources totalling 24.5MMbbl (2U) of oil and 165bcf gas (Triangle Estimate), and EP437 has 7.82MMbbl (2U KEY estimate), with a number of targets awaiting the completion of the currently planned 3D seismic study. A risk factor of 30% is considered appropriate.

HAVING THE FINANCIAL POWER TO BE ABLE TO DRIVE VALUE RECOGNITION

- ◆ Valuing assets is one thing, but getting that value recognised by the market is a completely different issue. For example, we have valued WA 481 P at A\$28M, although Triangle paid only A\$1.5M for 78.75% a few months ago. The difference is the likelihood that drilling will take place in the foreseeable future, and that drilling will drive value recognition.
- ◆ Triangle has indicated that it has opened a data room and is interested in farm outs to companies with the financial muscle to be able to execute the required drilling programs.
- ◆ An alternative exists to the farm out, and one that is within Triangle's current capital structure and achievable within its current business plan, if the market recognises the upside potential and is prepared to fund it. In that case, Triangle could either go alone or at least have significantly more bargaining power with farm in partners.
- ◆ Triangle has 516M options outstanding that would raise A\$23M if the share price passed A\$0.035/sh. If Cliff Head continues to generate some cash, that A\$23M would combine with the existing cash balance of around A\$10M giving a total of over A\$30M, at which point sole funding L7/EP 437 onshore drilling becomes possible, or perhaps even funding the West High/West Flank well at what we estimate to be A\$10M to A\$15M. The options exercise could create an very good institutional entry point.
- ◆ A driver of the share price could be institutional interest, but at Triangle's current market capitalization, liquidity is an issue that can prevent institutional investors from buying companies under A\$200M of market capitalisation. They may take large positions in illiquid smaller companies that are likely to grow strongly, but they are generally looking for companies that will grow to A\$200M and then keep going. This is where Triangle's consolidated portfolio comes into play. If it can be demonstrated that Cliff Head can be boosted back to a 10,000 bopd producer and sustained there by the likes of Cliff Head South and Leander Reef and well as the step outs inside WA 31 L itself, or if Dunsborough and Frankland start to look big enough to develop as standalone projects, Triangle starts to look interesting to big investors, and with their interest a virtuous circle of share price appreciation and issuance to fund additional drilling commences.

TAX SHIELD LIKELY TO COVER A\$56M OF PRRT EARNINGS AND A\$17M OF PROFIT

- ◆ Triangle is assessed for the Commonwealth Petroleum Resource Rent Tax (Cliff Head being an offshore production facility) and Corporate Income Tax.
- ◆ The company has significant recognised and unrecognised Deferred Tax Assets of A\$7.46M and A\$25.5M respectively at 30 June 2020, which we estimate will mean that it will not have to pay PRRT on the next A\$66.41M of assessable income, and on the next A\$23.05M of income assessable for Income Tax (see Table 8 column 3). This is in relation to its 57.5% direct interest in Cliff Head only.

- ◆ TEG also owns 21.25% through Triangle Energy Operations Pty Ltd, its 50% owned associate company. The accounts of that entity include a \$5.9M recognised Deferred Tax Asset, but we have no detail as to its split between PRRT and Income Tax benefits.
- ◆ WA 481 P comes with A\$65.5M of PRRT deductions (100% basis) which would improve the economics of any development, but which are not included in Table 8, nor included in our valuation of Triangle.
- ◆ The Profit and Loss is likely to show amounts on the income tax line, relating to the movement of in the various provisions and deferred accounts, but we have chosen not to try to estimate these movements because they do not impact cash flow nor valuation, except in the event that Mentelle or WA 481 P success adds significant production.

Table 8 PRRT and Income Tax information from the Triangle FY2020 accounts for Triangle's 57.5% direct share.

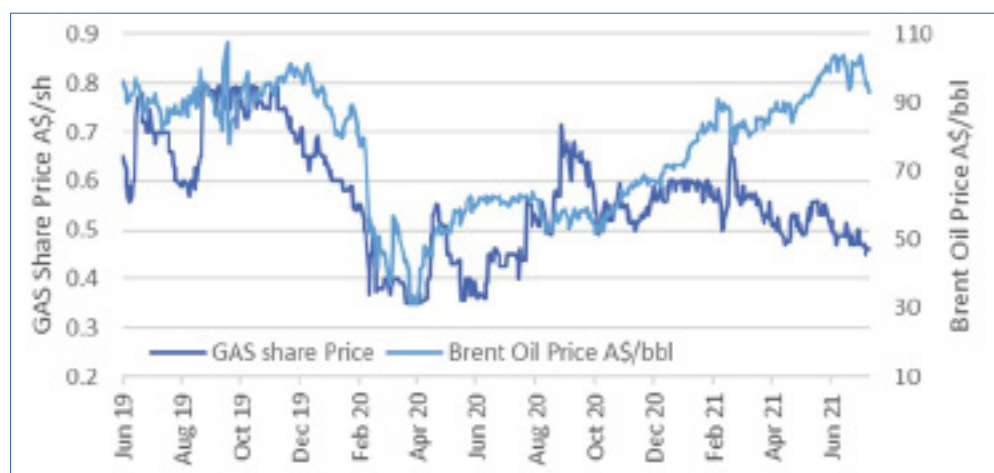
As at 30 June 2020	Deferred Tax Asset Recognised	Deferred Tax Assets not Recognised	Income neutralised
Relevant to PRRT			@40%
PRRT (credit on decommissioning)	6.68	5.90	31.43
Project Pool Costs	3.65	10.02	34.18
Assessable Receipts	-1.84	1.95	0.28
Other		0.14	0.34
Exploration Assets		0.07	0.17
Total	8.49	18.07	66.41
Relevant to Corporate Income Tax			@27.5%
Tax Losses	1.68	7.46	33.24
Exploration Assets	-2.80		-10.19
Total	-1.12	7.46	23.05

Source: TEG 2020 annual report note 1.3

VALUATION OF TRIANGLE'S HOLDING IN STATE GAS

- ◆ Triangle owns 47,830,149 shares in State Gas, or 4.4 GAS shares per 100 TEG share. Our valuation assumes a value of the shares at a market price of A\$0.47/sh (the average share price of the last 6 months) ie A\$22.5M or A\$15.7M net of capital gains tax. Triangle has some capital losses that could be offset, but they were not recognised for this exercise.
- ◆ The State Gas share price has been sensitive to both the oil price and project delivery. We have not recognised any value upside for project delivery. Fig 6 below shows how the State Gas share price closely tracked the A\$ oil price until the start of 2021. If the historical relationship were to reassert itself, the State Gas share price would be almost double its current level, and that would flow through to our Triangle valuation.

Figure 6 State Gas share price vs the Brent Oil Price in A\$/bbl – State Gas cheap vs oil price since December 2020



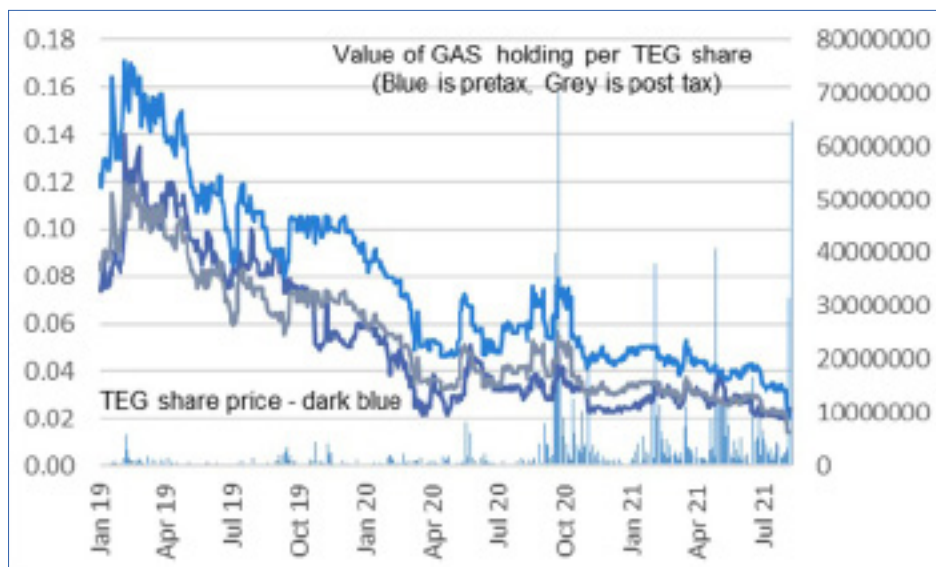
Source: ASX, ICE, RBA

- ◆ The State Gas share price has fallen with the rest of the oil and gas sector in response to the lower oil and energy prices, but the company is in a strong position with the recent Australian Federal Government energy plan emphasising gas as the short to medium

preferred energy source, positive exploration success, and capital markets remaining open for funding.

- ◆ If the Triangle stake in State Gas was sold, then Triangle would have to pay capital gains tax of 30% on the profits. Triangle's book value was A\$1.8M in June 2017, so our valuation of the shareholding is based on the conservative of 70% of the sale price. However, there may be alternative structures that eliminate the need to pay tax, including remerging with State Gas, or distribution GAS shares to shareholders, which would increase the value of the holding.

Figure 7 Triangle share price v the GAS holding per TEG share before and after capital gains tax



Source: ASX share prices, TEG 3B releases for issued TEG shares

- ◆ The figure above shows the Triangle share price vs the before and after tax value per Triangle share of the Triangle holding in State Gas Limited (ASX:GAS). Triangle has been trading approximately in line with the after-tax value of its State Gas shareholding since 2018.
- ◆ If someone wanted to bid for State Gas, Triangle would be a discounted entry, and given the buyer would not be planning to sell the State Gas holding, the issue of paying tax would not arise, and so Triangle would represent a way of gaining a potentially controlling 27.6% stake in State Gas at a 30% discount to the current State Gas share price.

FINANCIAL STATEMENTS AND FORECASTS

Table 9 Profit and Loss

PROFIT & LOSS	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jun-25
Operating Revenue	13.17	12.26	6.66	17.25	11.01	15.89	10.70
Other Income	0.16	0.37	0.00	0.00	0.00	0.00	0.00
Revenue	13.34	12.62	6.66	17.25	11.01	15.89	10.70
Operating Costs	-9.75	-7.81	-6.39	-9.93	-7.24	-10.00	-7.36
Corporate OH	-2.89	-3.68	-4.15	-3.50	-3.00	-3.00	-3.00
Exploration	0.00	0.00	-1.03	-3.00	0.00	0.00	0.00
Costs	-12.64	-11.50	-11.57	-16.43	-10.24	-13.00	-10.36
EBITDA	0.70	1.12	-4.92	0.82	0.77	2.89	0.34
D&A	-0.64	-3.66	-3.96	-0.80	-0.80	-0.80	-0.80
EBIT	0.05	-2.53	-8.87	0.02	-0.03	2.09	-0.46
Share of Loss in Associates	-0.41	-0.49	-0.46	0.95	0.19	0.70	0.17
Interest Costs	-0.44	0.00	-0.01	0.00	0.00	0.00	0.00
Amort of Restoration	-0.30	-0.31	0.00	0.00	0.00	0.00	0.00
PBT	-1.11	-3.34	-9.34	0.97	0.16	2.79	-0.29
Tax Expense	-0.66	-0.45	0.45	-0.29	-0.05	-0.84	0.09
NPAT	-1.76	-3.79	-8.89	0.68	0.11	1.95	-0.20
Shares on Issue	312.75	351.18	701.41	1069.85	1118.90	1118.90	1118.90
Options on Issue M	103.44	103.44	569.82	569.82	520.77	520.77	520.77
Adj EPS A\$/sh	-0.006	-0.011	-0.013	0.001	0.000	0.002	0.000

Source: IIR estimates

Notes to the accounts

- ◆ Oil production since 1 March 2021 is being stored at BP in Fremantle awaiting shipment which occur approximately when the Cliff Head JV accumulates over 100,000 bbl, resulting in 2-3 shipments per year.
- ◆ Most of the line items of the Profit and Loss are driven by Triangles 57.5% direct interest in Cliff Head.
- ◆ Triangle also owns 21.25% of Cliff Head through its 50% interest in Triangle Energy Operations Pty Ltd, which is accounted for as an equity accounted associate. This asset shows up in the accounts as single line items in the P&L (Share of Profit in Associate), in the Balance Sheet (Investment in Associates) and in the Cash Flow Statement (Dividends from Associates).
- ◆ The valuable investment in State Gas has no impact on the Profit and Loss and is at zero value in the balance sheet.
- ◆ We assume no PRRT and no Income Tax is expensed or paid because of the sizeable recognised and unrecognised tax losses. The Deferred Tax Asset doesn't change, because we assume there are unrecognised Deferred Tax Assets that will be recognised.

KEY ASSUMPTIONS

Table 10 Assumptions including Triangle's 78.75% share of oil production

Assumptions	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jun-25
Oil Production bopd	690	757	642	831	799	747	698
Oil Production mbbl	251.89	276.45	234.43	303.48	291.77	272.68	254.84
Oil Price (Brent) US\$/bbl	68.54	50.38	53.63	70.93	67.25	64.67	64.24
BP Premium	-3.02	1.13	-4.08	0.00	0.00	0.00	0.00
Realized US\$/bbl	65.53	51.52	49.55	70.93	67.25	64.67	64.24
AUDUSD	0.713	0.669	0.747	0.769	0.773	0.769	0.766
Cost Inflation		0.7%	0.9%	1.0%	1.0%	1.0%	1.0%

Source: Consensus Economics for Brent oil price and AUDUSD forecasts, the rest are IIR estimates

Table 11 Balance Sheet

BALANCE SHEET	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jun-25
Cash	2.49	2.41	0.60	11.82	12.31	19.50	19.02
Receivables	1.14	0.63	0.44	0.33	0.21	0.30	0.21
Inventories	0.47	0.96	1.63	0.80	2.56	1.17	2.05
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets	4.10	3.99	2.67	12.95	15.08	20.97	21.28
Equity Accounted Investments	0.49	0.00	0.00	0.18	0.40	0.68	1.00
Financial Assets	0.11	0.11	0.11	0.11	0.11	0.11	0.11
PP&E	0.08	0.18	2.57	2.57	2.57	2.57	2.57
Intangibles	4.95	4.26	4.26	4.26	4.26	4.26	4.26
Expln & Mine Devt	10.78	12.45	11.65	8.51	5.34	2.15	-1.06
Deferred Tax Asset	7.82	7.37	7.82	7.82	7.82	7.82	7.91
Total Non Current Assets	24.23	24.38	26.42	23.45	20.51	17.60	14.80
Total Assets	28.33	28.37	29.09	36.40	35.59	38.57	36.07
Trade Payables	3.81	3.66	3.06	1.80	1.12	1.42	1.14
Borrowings	0.87	0.87	0.31	0.31	0.31	0.31	0.31
Current Tax Liabilities	0.00	0.00	0.00	0.29	0.05	0.84	0.00
Deferred Tax Liabilities	0.00	0.00	-0.28	-0.28	-0.28	-0.28	-0.28
Provisions	21.13	21.44	21.00	21.00	21.07	22.17	20.88
Total Liabilities	25.81	26.09	24.21	23.24	22.38	24.58	22.16
Net Assets	2.52	2.28	4.88	13.16	13.21	13.99	13.91
Issued Capital	33.36	36.72	45.74	53.85	53.85	53.85	53.85
Reserves	0.58	0.77	0.77	0.77	0.77	0.77	0.77
Retained Profits	-31.42	-35.20	-44.10	-43.42	-43.38	-42.59	-42.67
Shareholder Equity	2.52	2.28	2.42	11.20	11.24	12.03	11.94

Source: IIR estimates

- ◆ The book value of the investment in State Gas Limited was zero at June 2020. The untaxed market value of Triangle's State Gas holding has consistently been in excess of Triangle's market capitalization, until July 2021.
- ◆ Equity Accounted investments include State Gas and the 50% holding in Triangle Energy Operations Pty Ltd.

Table 12 Cash Flow

CASH FLOW	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jun-25
Receipts From Customers	13.81	13.91	6.85	17.36	11.13	15.79	10.80
Payments to Suppliers	-13.17	-12.98	-12.26	-13.86	-12.68	-11.30	-11.53
Cash Flow from Operations	0.63	0.93	-5.41	3.49	-1.55	4.49	-0.73
Exploration	0.00	0.00	-1.03	-3.00	0.00	0.00	0.00
Financing Costs	-0.31	0.00	0.00	0.00	0.00	0.00	0.00
Taxes Paid	1.03	-0.28	0.00	0.00	-0.29	-0.05	-0.84
Net Cash from Operations	1.35	0.65	-6.44	0.49	-1.84	4.44	-1.56
Investments	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
PP&E	-2.16	-2.53	-2.39	0.00	0.00	0.00	0.00
Exploration	-3.23	-1.67	0.00	2.34	2.37	2.39	2.41
Investing Activity	-5.40	-4.20	-3.44	3.10	2.33	2.81	2.26
Issue of Equity, Option Conversion	5.07	3.43	9.03	8.11	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00	0.00	-0.07	-1.17
Net Borrowings	-1.60	0.00	-0.56	0.00	0.00	0.00	0.00
Financing Costs	0.00	0.00	-0.34	-0.49	0.00	0.00	0.00
Financing Activity	3.46	3.43	8.13	7.62	0.00	-0.07	-1.17
FX Difference	0.12	0.03	-0.06	0.00	0.00	0.00	0.00
Net Increase in Cash	-0.47	-0.08	-1.80	11.21	0.49	7.19	-0.47
YE Cash on Hand	2.49	2.41	0.60	11.82	12.31	19.50	19.02

Source: IIR estimates

CLIFF HEAD OPERATIONS

WHAT IS NEW

Production to recover from a series of issues to over 800 barrels/day

- ◆ In the June 2020 quarter, Cliff Head experienced two Electric Submersible Pump (ESP) failures in wells CH6 and CH7, reducing production to 579 bopd. CH7 was back online on 28 November 2020, lifting production to 758 bopd in January and February 2021, easing to 720 bopd in April and June 2021. May 2021 production was impacted by routine maintenance.
- ◆ CH6 workover commenced on 30 June 2021 and is expected to be completed in the September 2021 quarter, adding 120 bopd to production. An additional production boost (IIR estimates 20-40 bopd) is expected as a result of the slickline intervention in water Injection well CH11 WI, which was completed on 28 July 2021.
- ◆ As a result of all these measures, we are expecting to see Cliff Head Joint Venture production at 860 bopd in the December 2021 quarter.

Sales of current and future production expected to be delivered to BP Singapore

- ◆ On 30 October 2020, BP announced that its Kwinana refinery would be ceasing to refine locally produced crude and would become a fuel import terminal. BP Kwinana ceased purchases of Triangle crude on 1 March 2021, but continued to receive and store crude.
- ◆ Triangle has been storing its production at BP Kwinana paying a monthly rental and a throughput fee under a binding 12 month agreement to 22 April 2022. (TEG release on 22 April 2021).
- ◆ At the time this report was written, Triangle was selling its production to BP Singapore under a non-binding offtake Term Sheet, for a two year period, at a fixed discount to the Brent Oil price (TEG release on 22 April 2021).
- ◆ The first shipment by the Joint Venture to BP Singapore was 25,850 bbl in May 2021.

HISTORY

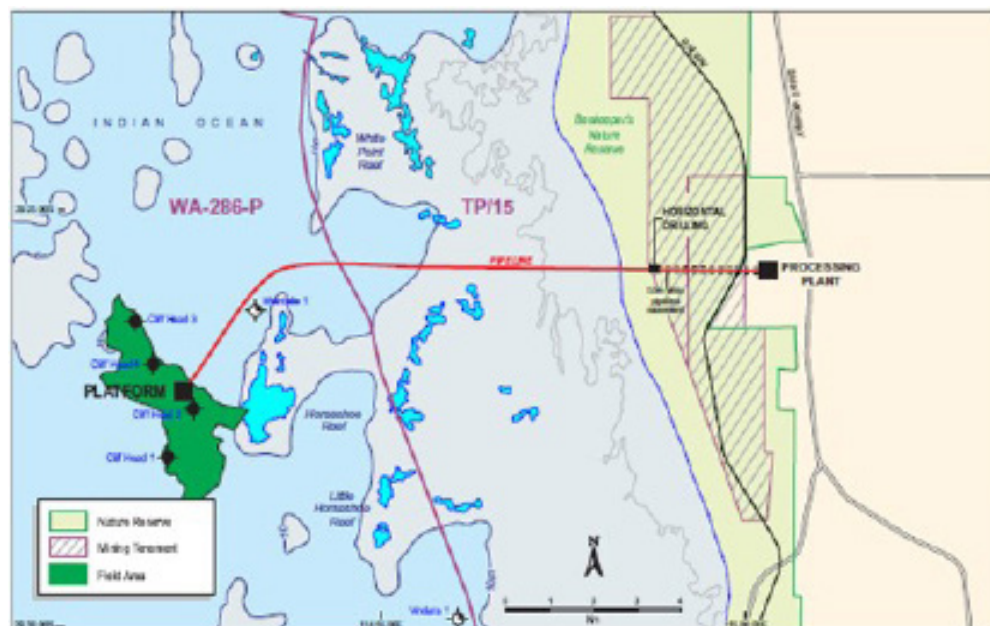
- ◆ Cliff Head is located ~300km north of Perth and was the first commercial offshore Perth Basin discovery (2001) and commenced production in 2006. The development consisted of the Cliff Head Alpha unmanned platform and twin injection and production pipelines to the onshore Arrowsmith plant for a capex cost of US\$327 million.
- ◆ At the time of discovery, Cliff Head was part of WA-286-P which was held by Roc Oil 30%, AWE Oil (Western Australia) Pty. Ltd. 27.5%, Wandoo Petroleum Pty. Ltd. 25%, ARC Energy NL 7.5%, and 5% each for Voyager Energy Ltd. and the Westranch Holdings Pty. Ltd. subsidiary of Norwest Energy NL.
- ◆ Cliff Head was the first commercial oil discovery developed in the offshore Perth Basin. The development cost of the field was A\$327m with first oil production commencing in May 2006. To-date the field has produced almost 17 million barrels (see Table 15).
- ◆ In June, 2016 Triangle acquired a 57.5% interest in Cliff Head, including the Arrowsmith onshore oil processing plant, from AWE Limited. The operating 42.5% was owned by Roc Oil Company Ltd at that time.
- ◆ ON the 6 September 2016, the Department of Mines and Petroleum (DMP), formally accepted for use the TPL/18 Cliff Head Development Pipeline Management Plan in accordance with Regulation 25 of the Petroleum (Submerged Pipelines) Regulations 2007 along with the PL70 Cliff Head Development Safety Case in accordance with Regulation 36(1) of the Petroleum Pipeline (MoSoPO) Regulations 2010. The next five yearly revision is now due during September 2021. (Source TEG Quarterly Activities Statement 1 November 2016).
- ◆ Triangle and Royal Energy entered into a 50/50 share purchase agreement, to purchase the remaining 42.5% interest in Cliff Head from ROC on 22 May 2017 for US\$3.75M. Triangle then held 78.75% interest in Cliff Head, with Royal Energy holding an interest of 21.25%.
- ◆ Triangle Energy (Operations) Pty Ltd became the Registered Operator of the Cliff Head asset on the 17 July 2018.
- ◆ Pilot Energy announced the acquisition of Royal Energy Pty Ltd on 25 September 2020 for 143.9M Pilot shares. The average price over the previous month was A\$0.037/sh valuing the transaction at A\$5.3M for 21.25% of the Cliff Head Joint Venture.

OWNERSHIP SUMMARY

- ◆ Triangle Energy is the Registered Operator and majority owner of the Cliff Head Oil Field.
- ◆ 57.5% direct interest since 30 June 2016
- ◆ 21.25% indirect interest, being half of Triangle Energy Operations, which owns 42.5% and is now a 50:50 joint venture between Triangle and Pilot.
- ◆ Under the equity method of accounting, the investment is recognised at cost in the Balance Sheet, and that amount is adjusted to reflect the associates reported profit or loss. The carrying value is reduced by any dividend paid and increased by any capital injections. Cash is received as dividends.

CLIFF HEAD PRODUCTION ASSETS

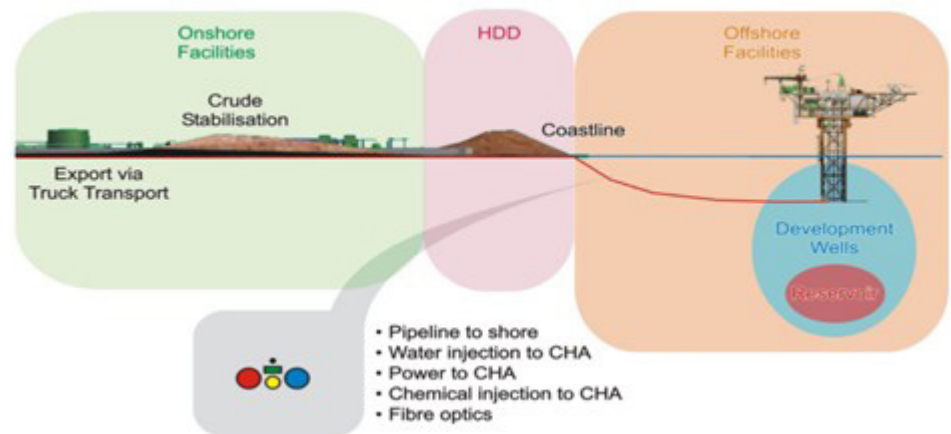
Figure 8 Cliff Head platform and Arrowsmith processing plant 270Km north of Perth, WA, Australia



Source: ROC Cliff Head Development PER April 2004

- ◆ The Cliff Head Oil Field is located in the Perth Basin, about 270 kilometres north of Perth and 12 kilometres off the coast of Dongara in Western Australia. Cliff Head is located at a shallow water depth of 15-20 metres.
- ◆ Production is currently from five ESP (Electrical Submerged Pump) production wells, and two water injection wells. All the wells can be serviced from the Cliff Head Alpha Production Platform, which has slots for nine operating or water injection wells in total, with plans to add three more slots to accommodate extra wells.
- ◆ The Cliff Head Alpha platform is connected to the shore side facilities by two 14km 250mm pipelines, one for crude oil/water produced and one for returning water for re-injection, a pipeline for injection chemicals, a power cable, and a fibre optics cable.
- ◆ Oil produced is piped to the Arrowsmith Separation Plant, with the separated water returned by another pipeline for reinjection. The limitation on the separation plant capacity is water re-injection back into the formation, and that is a function of pumping capacity.
- ◆ The crude oil is trucked 350Km to BP's Kwinana Refinery south of Perth, where it is stored for shipment to BP Singapore.

Figure 9 Cliff Head production facility including Alpha platform, Stabilization Plant and connecting infrastructure



Source: TEG 2019 annual report

Figure 10 Cliff Head Alpha Platform and Arrowsmith Stabilization Plant



Source: TEG

Cliff Head resources and reserves

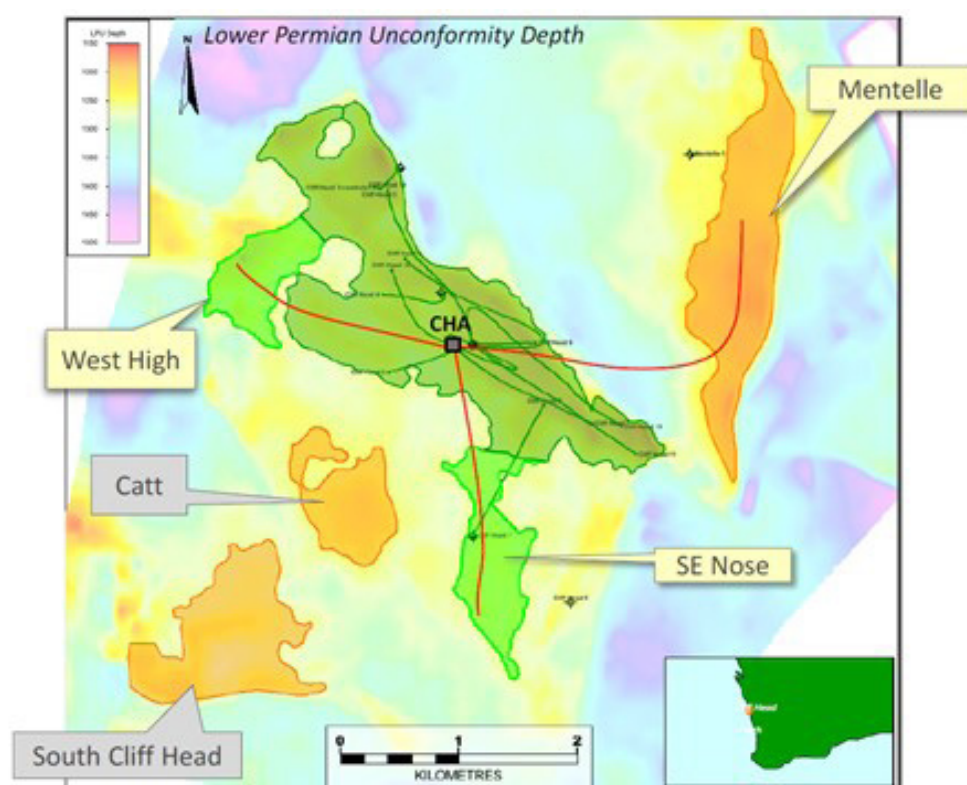
Table 13 Resources at 30 June 2020

(MMstb Oil)	100% Field Basis			TEG 78.75% Basis		
	1C	2C	3C	1C	2C	3C
Gross Contingent Resources						
Cliff Head Life Extension		0.70			0.55	
SE Nose	0.49	0.81	1.25	0.39	0.64	0.98
West High	0.61	1.06	1.94		0.83	1.53
West Flank		0.79			0.62	0.00
Far North		0.41			0.32	
Total (Gross)		3.52			2.97	
Gross Prospective Resources	Low	Best	High	Low	Best	High
Mentelle Updip	1.71	5.44	9.96	1.35	4.28	7.84
South Cliff Head		3.00			2.36	
Catts	0.35	0.83	1.42	0.28	0.65	1.12
Total (Gross)		9.27			7.30	

Source: TEG Resource statement 15 March 2021

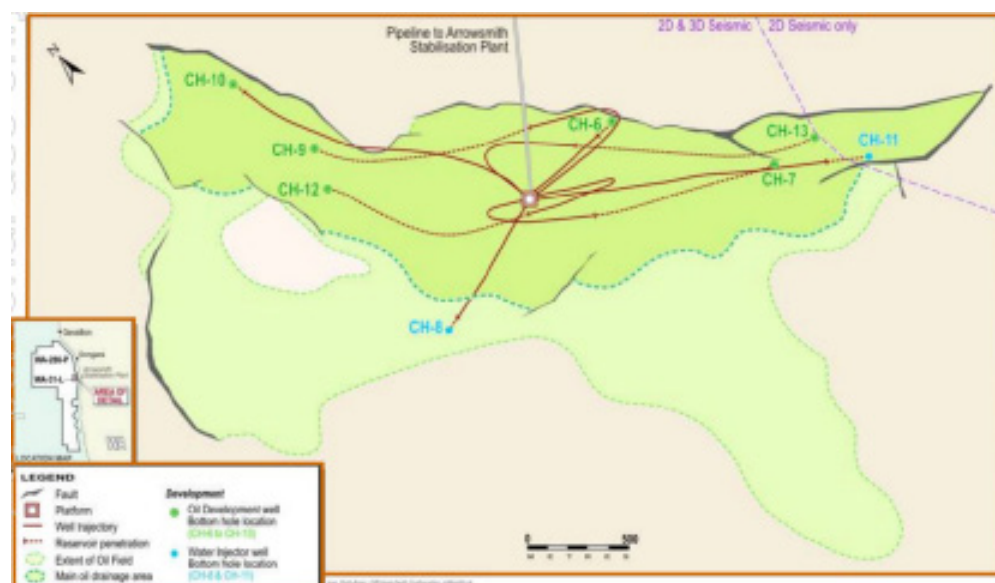
- Triangle reported 2P Reserves on 29 October, but when BP announced the closure of oil refining at its Kwinana refinery on 3 November 2020, Triangle had to withdraw any reserve statement pending the signing of the refining agreement with BP Singapore.

Figure 11 Location of current and proposed wells and exploration targets



Source: TEG presentation 11 June 2021

Figure 12 Tracks and termination locations for the production and water return wells



Source: ROC presentation 10 April 2008

- ◆ With respect to the table below, well CH9 was a producing well that was converted to water injection in December 2012, to support CH8 and CH11. CH 11 has been taken off water injection with little impact on total oil production, and was evaluated as an oil producer from a higher reservoir, before being returned to water injection duties with enhanced effect post a slickline intervention in mid 2021.

Table 14 Key data for the wells in the Cliff Head system

Well	Structure	Completed	TD m	Oil	Gas	Status
Cliff Head 13H		13-Jul-06	2739	L5 Producer		Operating
Cliff Head 12H		30-Apr-06	2698	L5 Producer		Operating
Cliff Head 11WI		26-Jan-06	2304			Service
Cliff Head 10		9-May-06	2150	L5 Producer		Operating
Cliff Head 9H		21-May-06	2684	L5 Producer		Operating
Cliff Head 8WI		4-Feb-06	1619			Service
Cliff Head 7H		28-Mar-06	2548	L5 Producer		Operating
Cliff Head 6	Horst Block	9-Mar-05	1530	L4 Excellent		Operating
Cliff Head 5		23-Feb-05	1516	L0 Nil		P&A
Cliff Head 4	Faulted Anticline	10-Mar-03	1598	L4 Excellent		P&A OS
Cliff Head 3B CH1	Horst Block	19-Jan-03	1375	L3 Good		P&A O
Cliff Head 3 CH1	Horst Block	12-Jan-03	1408	L4 Excellent	G2 Fair	P&A O
Cliff Head 2		3-Jan-02	2020	L3 Good	G2 Fair	P&A OS
Cliff Head 1	SE Nose	29-Dec-01	1499	L4 Excellent	G2 Fair	P&A OS

Source: <https://wapims.dmp.wa.gov.au/WAPIMS/Search/Wells>

Onshore Assets – Arrowsmith Stabilization Plant

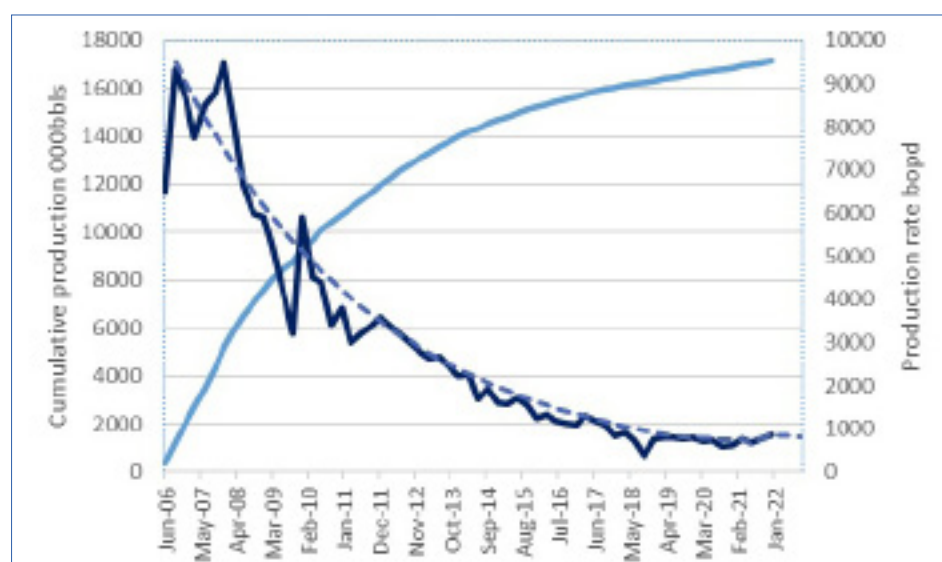
- ◆ Processing at the treatment facility will comprise degassing, dewatering and stabilisation of the crude oil. The facility will be designed to have a gross liquid (oil and formation water) capacity of approximately 5,000 m³ per day (32,000 barrels per day). Plant design includes storage facilities for approximately 6,360 m³ (40,000 barrels) of crude oil.
- ◆ The volumes of gas associated with the oil are so low that they are not by themselves a practicable source of fuel for the production facilities. These minimal volumes of recovered gas are supplemented with reticulated gas delivered to the site to provide fuel for the production.
- ◆ IIR estimates the current crude oil production rate is around 850 bopd, so the bulk of the fluid processed is water. If production was replaced by a new well, ie West High, SE Nose or Mentelle, it would have a lower water cut initially and would boost production by displacing water. The overall system would still be processing the same fluid volume, and the A\$M pa costs would be largely unchanged. However, IIR believes the Joint Venture is

likely to maintain existing production and increased fluid throughput by increasing water disposal capacity (ie bigger pumps with increased operating costs).

PRODUCTION HISTORY

- ◆ Triangle replaced Roc Oil as operator in July 2018.
- ◆ The producing wells today are horizontal wells CH7, CH12, and CH13, and deviated Well CH10, with vertical well CH6 returning to production in the September Quarter following the replacement of its 10 year old Electric Submersible Pump . All the producing wells have downhole electrical submerged pumps (ESPs). CH10 was replaced in December 2010, CH12 in October 2018, and CH13 in December 2019. CH 7 was replaced in November 2020.
- ◆ We do not know the individual well production history nor capacity, but from the commentary in the quarterlies, we believe that CH13 has a sustainable capacity of 150 bopd (December 2019 Quarterly Activities Report p5), CH12 at around 230 bopd and when it returned to production. CH 6 is expected to add 120 bopd (June Quarterly Activities Report p4).
- ◆ With 5-8 years life from an ESP, the field could operate without major outages from downhole pump maintenance for the next 5 years or so.

Figure 13 Historical production since start-up



Source: AWE, ROC and TEG quarterly production reports, with dotted trend line estimated by IIR

- ◆ Since the start of production, the trend production across the field appears to have declined by 22% pa (dotted line in Fig 13). The expected reservoir decline at the time of purchase was likely to have been 9.6%, and with well maintenance appears to be less than that now.
- ◆ Our base case production forecast assumes a 7% pa decline for the production from the main Horst area, on the basis of the stage of well life, the renewal program results in improved availability, and low cost accessing of higher oil-bearing horizons in existing wells. These targets include East Horst K Block, which could be drained by existing development, and West Flank which could be drained by the CH12 well.

Table 15 Production history

	000bbl /qtr	Cumulative 000bbl	bopd	Comment
Mar-07	698	2716	7751	Rectify pumps
Jun-07	781	3497	8500	
Sep-07	810	4306	8800	Pumping problems
Dec-07	870	5177	9460	
Mar-08	731	5908	8035	
Jun-08	604	6512	6641	
Sep-08	552	7064	6000	replacing two pumps
Dec-08	536	7600	5900	
Mar-09	468	8068	5200	
Jun-09	379	8447	4200	CH6 CH10 maintenance downtime
Sep-09	296	8743	3200	Problems with CH6 CH10
Dec-09	536	9278	5900	CH6 early mar 10 qtr CH10 by Dec new pumps
Mar-10	409	9687	4500	
Jun-10	402	10089	4400	
Sep-10	313	10402	3400	10day shutdown in August
Dec-10	350	10751	3800	CH12 higher capacity ESP
Mar-11	270	11021	3000	
Jun-11	291	11312	3200	
Sep-11	311	11623	3378	
Dec-11	331	11954	3593	
Mar-12	308	12262	3378	
Jun-12	289	12550	3200	
Sep-12	277	12827	3000	
Dec-12	256	13082	2800	CH9 converted to water injector completed in Dec qtr
Mar-13	237	13319	2631	
Jun-13	242	13561	2662	
Sep-13	225	13786	2447	Critical function tests and pig operations
Dec-13	204	13990	2217	Critical function tests and pig operations
Mar-14	203	14193	2257	CH13 ESP failed in quarter
Jun-14	153	14346	1684	CH13 back on line mid June
Sep-14	177	14523	1928	
Dec-14	146	14669	1587	
Mar-15	141	14810	1567	
Jun-15	156	14966	1714	
Sep-15	141	15107	1533	
Dec-15	114	15221	1241	8 day facility shutdown for critical test
Mar-16	122	15343	1345	cost reduction program
Jun-16	107	15450	1174	
Sep-16	104	15554	1128	
Dec-16	102	15656	1111	
Mar-17	117	15774	1301	
Jun-17	108	15882	1187	
Sep-17	100	15981	1097	
Dec-17	75	16057	819	
Mar-18	84	16140	929	
Jun-18	68	16208	747	CH12 stopped 31 May 2018
Sep-18	37	16245	397	
Dec-18	70	16315	766	CH12 back on line 10 October 2018
Mar-19	72	16388	802	CH13 shut 13 March
Jun-19	73	16460	798	
Sep-19	72	16532	778	
Dec-19	74	16605	801	CH13 back on 16 Dec 2019

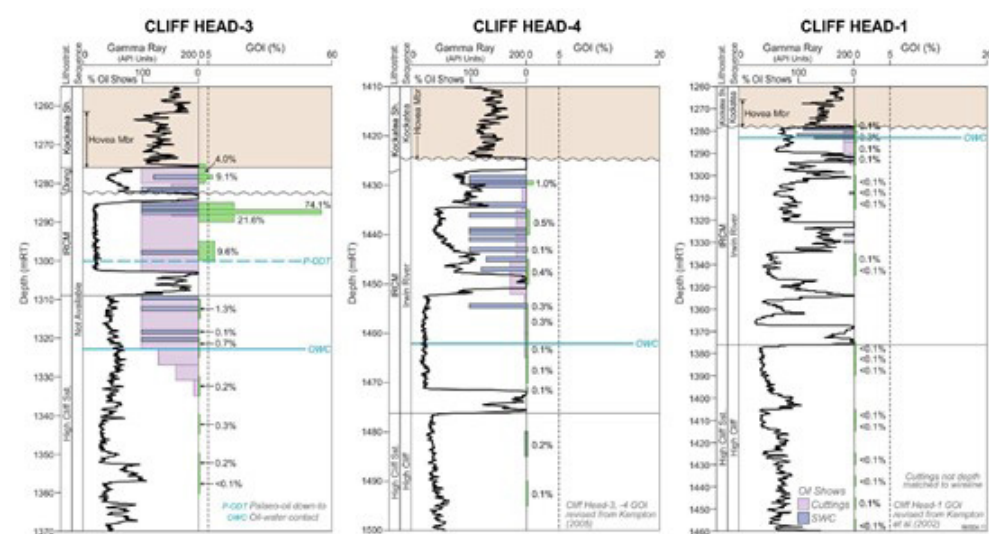
	000bbl /qtr	Cumulative 000bbl	bopd	Comment
Mar-20	64	16670	707	CHA down 24 Feb to 10 Mar, electrical
Jun-20	67	16737	735	Harmonizer fault slowing prodn in April
Sep-20	53	16790	579	CH6 CH7 shut due to ESP failure 17 Jun 2020
Dec-20	58	16848	632	CH7 on line 28 Nov 2020
Mar-21	68	16916	758	758 BOPD produced and sold for two mths to 1 March
Jun-21	61	16977	671	Routine maintenance in May. April & June averaged 720bopd

Source: AWE, ROC and TEG quarterly activities statements

GEOLOGY

- ◆ The Cliff Head structure is a large, faulted horst block at the Permian reservoir, sealed by the overlying Triassic Kockatea Shale. The closure is located on a narrow NW-SE oriented horst bounded by a conjugate pair of sub-parallel faults (Jones and Hall, 2002). The structure is part of a larger NNE-SSW trending rotated block created in the early Permian and is bound to the west by the Geraldton Fault, which has acted as a significant hinge zone across which the Mesozoic section thickens westward into the Abrolhos Sub-basin.
- ◆ Post-Permian tectonic episodes have resulted in complex faulting, reactivating both the NNESSW and NW-SE oriented fault sets developed in the Early Permian and creating additional faulting, particularly in a NW-SE direction. Over the Cliff Head structure, the reactivated Permian faults and newly formed Middle Jurassic to Early Cretaceous faults formed soft linkages that might interact within the Kockatea top seal. The post-Permian reactivation has resulted in compartmentalization of the western Beagle Ridge into a series of discrete structures of which Cliff Head is one (Jones and Hall, 2002).
- ◆ The oil reservoirs are in the Permian Dongara Sandstone, Irwin River Coal Measures and High Cliff Sandstone, with a field-wide oil-water contact at 1260 mTVDSS (True Vertical Depth from mean sea level).
- ◆ The oil is waxy and viscous in nature with an API of 31-33°. It has high pour point and very low gas-to-oil ratio. At room temperature, the crude oil is virtually a solid. When sold it is blended with less viscous crudes and condensates. It is low in sulphur which has historically earned a price premium.
- ◆ The high viscosity has not been an issue over the life of the project to date. The formation water returned from the Arrowsmith Separation Plant for reinjection is heated to assist oil recovery.
- ◆ Some of the existing wells may be capable of producing from different oil bearing horizons. Triangle is evaluating this potential.

Figure 14 Logs for early wells



Source: Geomechanical Modelling of Trap Integrity in the Northern Offshore Perth Basin, CSIRO, March 2012 p54

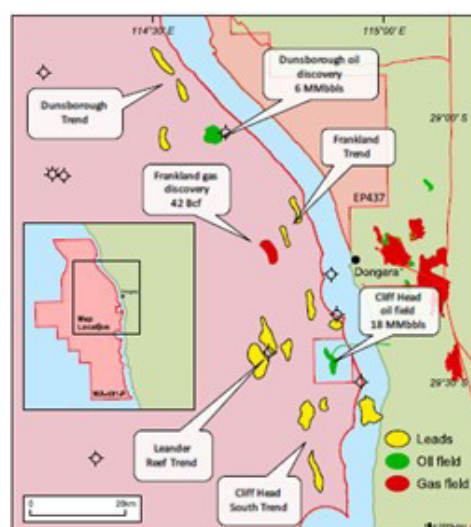
EXPLORATION OUTSIDE OF CLIFF HEAD WA 31 L

WA 481 P (78.75% AND OPERATOR)

History

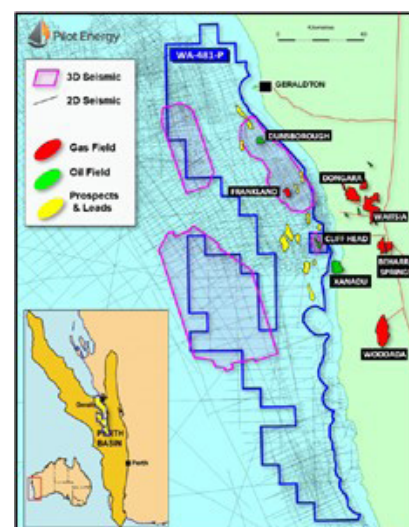
- ◆ The bulk of the exploration of WA 481 P was done prior to acquisition by Pilot, initially when it was WA 286 P and operated by Roc Oil, then as WA 418 P when owned by Murphy who shot two major 3D seismic surveys and drilled three wells.
- ◆ Pilot Energy (ASX:PGY) purchased 100% of WA 481 P from Murphy Australia on 27 July 2016. On 29 July 2016, Key Petroleum exercised its right to acquire a 40% interest in the tenement.
- ◆ Pilot Energy repurchased the 40% interest from Key Petroleum on 18 December 2020, paying 21m Pilot shares worth A\$0.69M. This transaction valued WA 481 P at A\$1.73M.
- ◆ Triangle purchased 78.75% interest from Pilot and was appointed operator on 29 January 2021 after first announcing the deal on 9 November 2020. Triangle also ends up with 20% of the offshore wind generation JV with Pilot. Triangle paid Pilot A\$0.3M and will carry Pilot through to completion of the three year work program costing A\$5.75M. Triangle is effectively acquiring 78.75% of WA 481 P for A\$1.52M.

Figure 15 Location of discoveries and targets



Source: PGY release 20 December 2016

Figure 16 Seismic coverage and nearby fields



Source: TEG release 11 May 2021

Ownership

- ◆ Triangle Energy owns 78.75% interest and Pilot Energy (ASX:PGY) owns the balance (ie the same as the ownership of the Cliff Head WA 31 L joint venture).
- ◆ The tenement comes with a A\$65.5M PRRT credit arising from the expenditure by previous owners on seismic and three exploration wells (PGY release 16 November 2016).

Table 16 WA 481 P work commitment agreed as part of Triangle's acquisition - Pilot free carried for three years

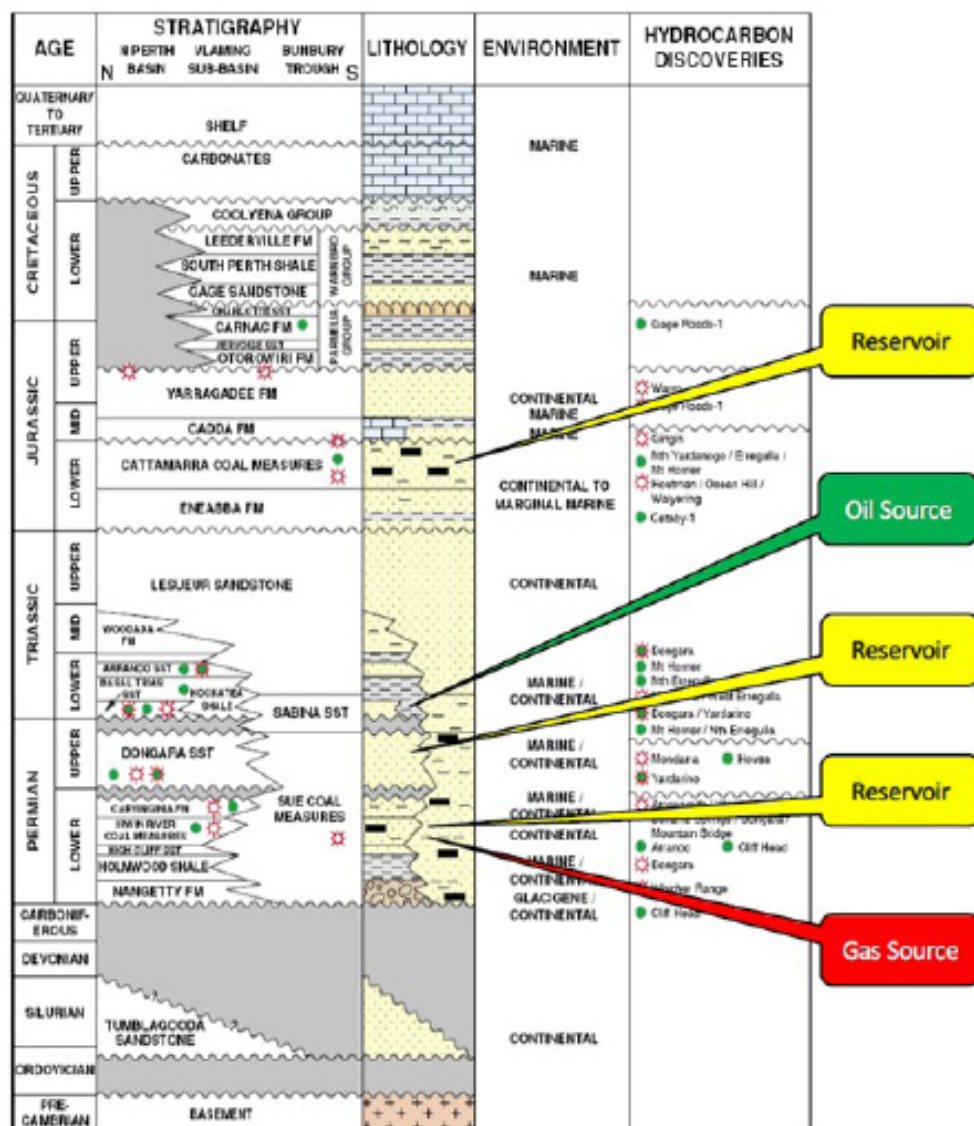
Year	Start	Ends	Minimum Work Requirement	Cost A\$M
1-3	13-Aug-20	12-Aug-23	2000Km 2D PSDM reprocessing, 550 Km2 3D seismic acquisition and PSDM processing	5.75
4	13-Aug-23	12-Aug-24	Studies & Well planning	0.45
5	13-Aug-24	12-Aug-25	Drill one well	15.00

Source: TEG release 11 May 2021

Geology

- ◆ WA-481-P is generally well covered by both 3D and 2D seismic data, which confirms the presence of fourteen structural prospects across a variety of geological plays. However, there is no 3D seismic over the major structures close to Cliff Head (ie Cliff Head South and Leander Reef).

Figure 17 L7 and EP 437 stratigraphy with discoveries noted by horizon, and is applicable to WA 481 P



Source: PGY release 20 December 2016

Table 17 Contingent and prospective resources in WA 481 P

	Gross (100%)			TEG Share 78.75%		
Contingent Resources	1C	2C	3C	1C	2C	3C
Frankland Gas Bcf	26.0	39.0	56.0	20.5	30.7	44.1
Dunsborough Oil MMbbl	3.3	6.0	9.8	2.6	4.7	7.7
Prospective Resources	Low	Best	High	Low	Best	High
Cliff Head South Oil MMbbl	59.1	106.8	186.4	46.5	84.1	146.8
Dunsborough Oil MMbbl	22.6	46.9	91.8	17.8	36.9	72.3
Leander Reef Oil MMbbl	55.9	98.1	168.0	44.0	77.3	132.3
Total Oil MMbbl	137.6	251.8	446.2	108.3	198.3	351.4
Frankland Gas Bcf	28.0	45.6	70.3	22.1	35.9	55.4

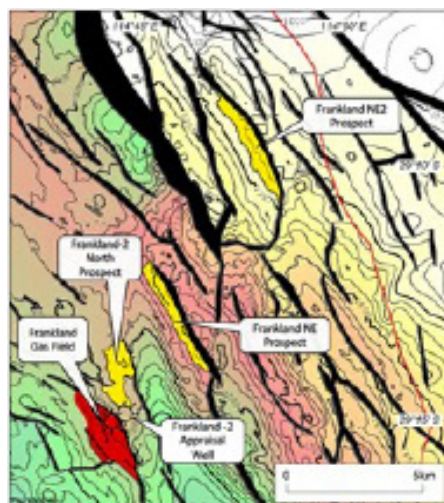
Source: PGY release 30 January 2017. KEY release 24 February 2020 (MMbbl = million barrels)

FRANKLAND GAS DISCOVERY

- ◆ The Frankland gas play lies on trend with the Frankland-1 gas discovery, which has estimated 2C contingent resources of 39 Bcf gas. Three further structures are located to the northeast of Frankland-1, offering the potential to increase the resource base to above the minimum economic limit – estimated by Pilot Energy to be 60 Bcf gas at a gas sales price of A\$6.50 per MMBtu.

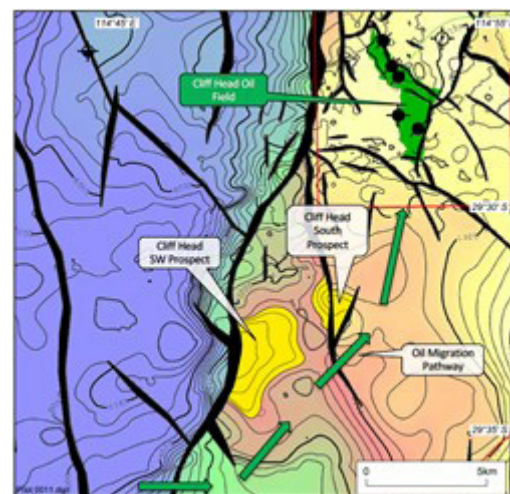
- Importantly this play has been largely de-risked by the Frankland-1 well, and Pilot was considering conducting a seismic inversion study in order to further de-risk the prospects. In the event of future exploration success, commercialisation of two or more fields could occur as a hub, tied back to the onshore Dongara gas facility, located some 20km to the east.

Figure 18 Frankland discovery and targets



Source: PGY release 20 December 2016

Figure 19 Cliff Head South targets

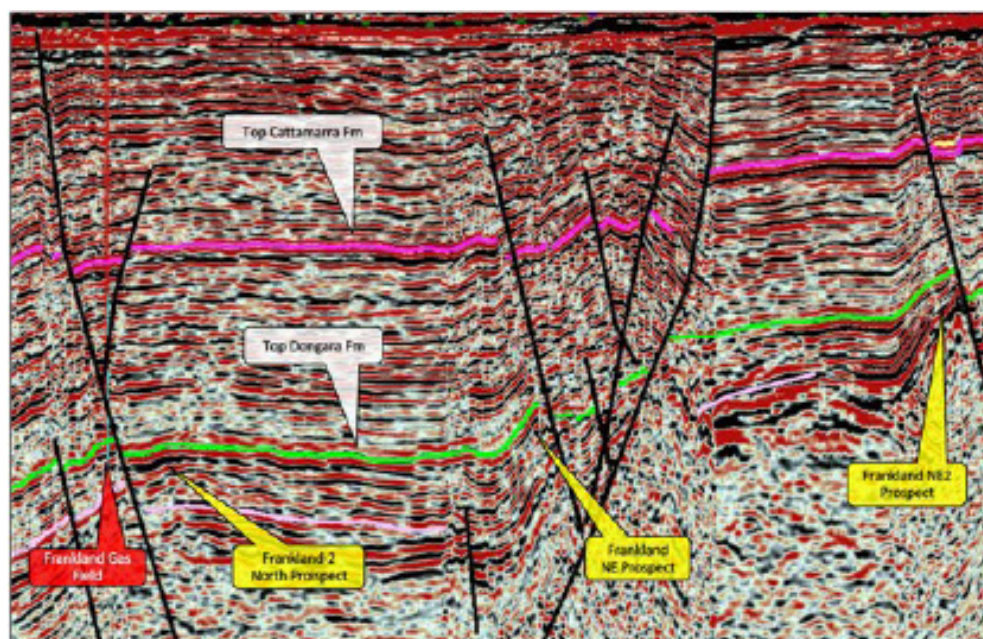


Source: PGY release 20 December 2016

CLIFF HEAD SOUTH OIL PROSPECT

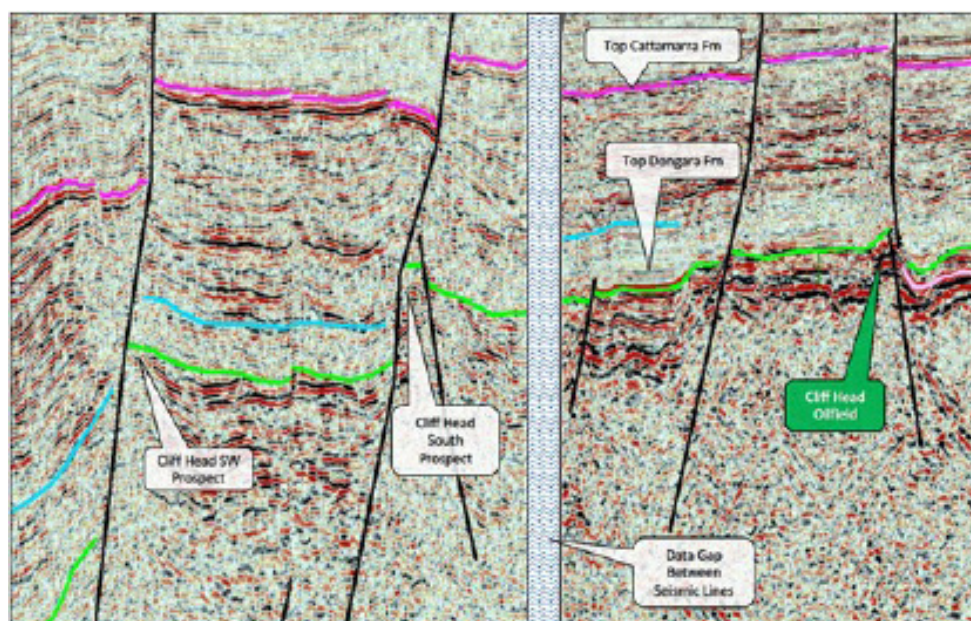
- The Cliff Head South play incorporates four structural prospects to the south and west of the Cliff Head oil field. Two of these structures are over twice the size of Cliff Head and are situated between Cliff Head and the hydrocarbon source kitchen to the west. The oil within Cliff Head would have migrated directly through this area, resulting in a high probability for oil charge into the prospects. While three of the prospects are sufficiently large to warrant standalone development, even a small discovery could likely be developed by tying back to the Cliff Head offshore facility.

Figure 20 Frankland discovery and targets in seismic cross section



Source: PGY release 20 December 2016

Figure 21 Cliff Head South targets and Cliff Head operating oilfield in seismic cross section

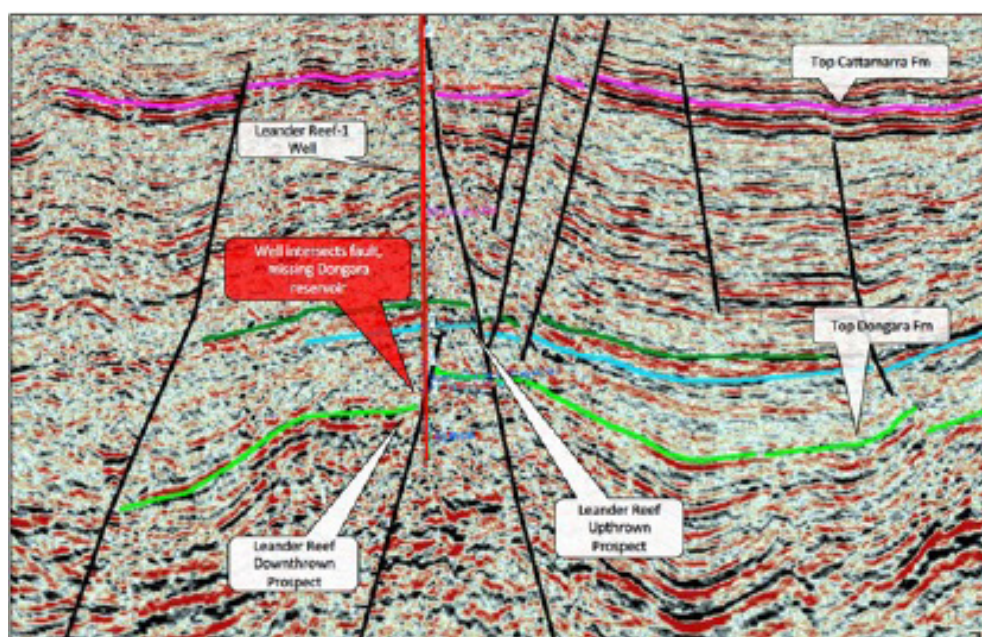


Source: PGY release 20 December 2016

LEANDER REEF OIL PROSPECT

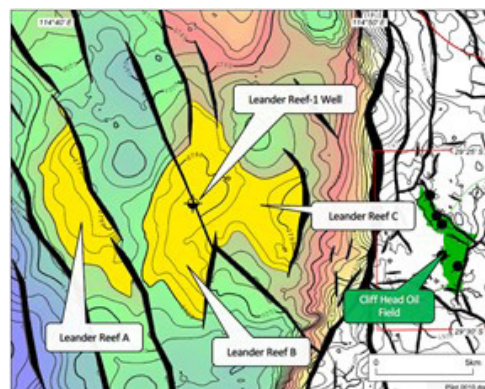
- ◆ The Leander Reef area offers potential for very large accumulations of oil. Three large structures exist to the west of Cliff Head, each of which is expected to offer potential in the region of 100 MMBbls oil. While the Leander Reef-1 well was drilled in the area in 1983, the structures remain untested. The well intersected a fault at a location where the Dongara reservoir target has been "faulted out" - ie reservoir was absent due to movement on the fault. However, oil and gas shows were encountered by the well, and while currently higher risk than the Frankland and Cliff Head South plays, the Leander Reef area warrants further study as a possible future drilling target due to the huge upside potential.
- ◆ 3D seismic would be required for well targeting to avoid a repeat of Leander Reef 1.

Figure 22 Leander Reef targets in seismic cross section



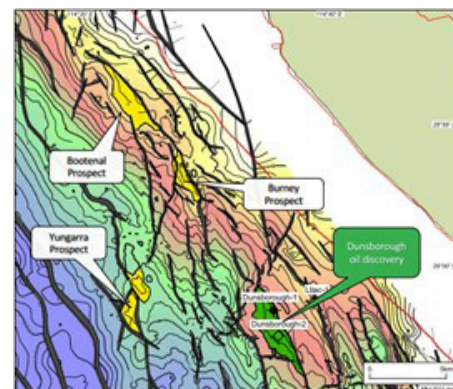
Source: PGY release 6 February 2017

Figure 23 Leander Reef target adjacent to Cliff Head



Source: PGY release 20 December 2016

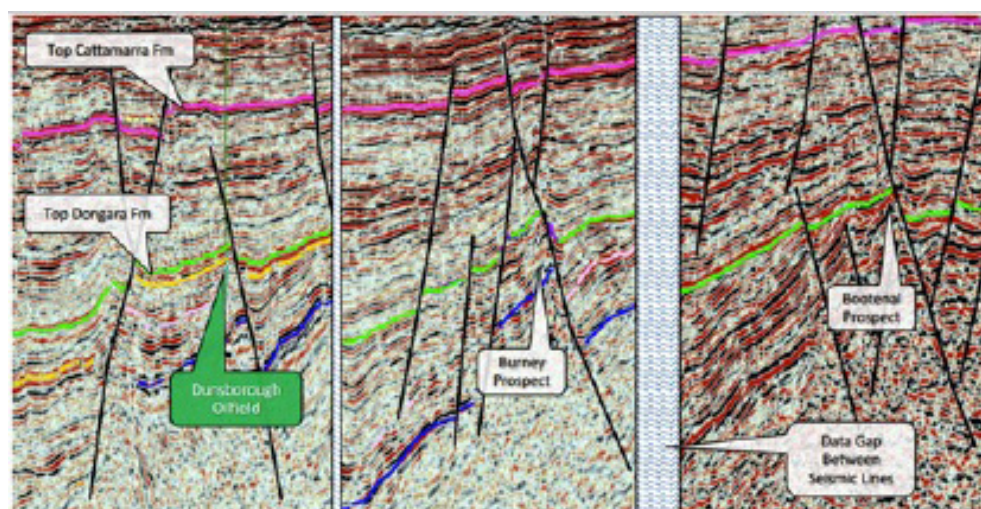
Figure 24 Dunsborough discovery and targets



Source: PGY release 6 February 2017

DUNSBOROUGH OIL DISCOVERY

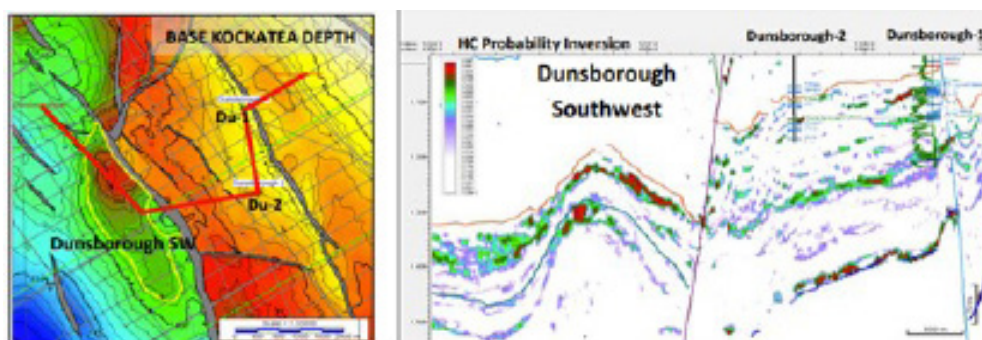
Figure 25 Dunsborough discovery and targets in seismic cross section



Source: PGY release 6 February 2017

- ◆ Dunsborough-1 oil discovery has 2C contingent resources of 6 MMBbls, and this set of targets was probably regarded as the priority by previous operators.
- ◆ Three additional structures mapped on trend – Yungarra, Burney and Bootenal.
- ◆ Prospects substantially derisked by Dunsborough-1 discovery, and available 3D seismic.
- ◆ Discovery of incremental oil resources could create a hub for commercial development
- ◆ Following an inversion study in early 2020, the Dunsborough SW target was identified as having a low side fault rollover with similar characteristics to the onshore Waitsia gas discovery and is in close tieback proximity of 2.5 kilometres from the existing Dunsborough oil discovery, presenting a new low risk step out target to determine field commerciality in this part of the basin.
- ◆ The Prospective Resource Estimates determined at Dunsborough SW are from only three levels of the multiple targets identified. Combined distribution is determined as 3.95 mm bbls (1U and low case), 11.58 mm bbls (2U and base case) and 22.03 mm bbls (3U and high case). The Geological chance of success is calculated as between 24 and 36%.

Figure 26 Dunsborough SW target added in 2020



Source: Key Petroleum release 24 February 2020

MT HORNER (L7 100%) AND EP 437 (86.94%)

History

- ◆ The Mount Horner Field, which was shut-in during 2011 due to high water cut and aged infrastructure, has produced approximately 1.86 mmbbls of oil.
- ◆ On 31 October 2018, Triangle entered into a Farmout Agreement with Key Petroleum Limited (ASX:KEY). Triangle was to earn a 50% participating interest in Production Licence L7 by spending US\$3M.
- ◆ On 17 September 2019, Key Petroleum gave Triangle notice that it was terminating the Farmout Agreement with Triangle from 23 September 2019.
- ◆ On 2 October 2019, Triangle announced that the Farmout agreement had been completed with all approvals received and on completion of the Farmout spend, Triangle would earn a 50% stake and the right to assume operatorship.
- ◆ On 29 January 2021, Triangle and Key announced that Triangle would acquire Key's 50% interest in Mt Horner L7, and an 86.94% interest on the adjacent EP 437 from Key. Consideration was A\$0.6M cash, any outstanding cash calls and a 5% gross overriding royalty payable on production from L7 and EP 437. Triangle assumed all ongoing work program commitments, including the acquisition of 20 square kilometres of 3D seismic and drilling one well by 27 May 2022, and a second discretionary well by 22 May 2023.

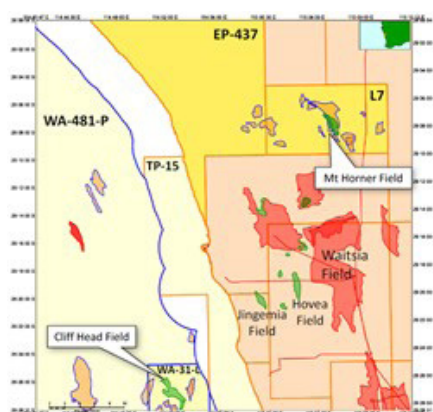
Ownership

- ◆ Triangle Energy operates and will own 100% of L7 and 86.94% of EP 437, on completion of the purchase from Key Petroleum. Pilot Energy owns the balance of EP 437.
- ◆ Triangle must pay Key a 5% gross overriding royalty on all production from L7 and EP 437.

Geology

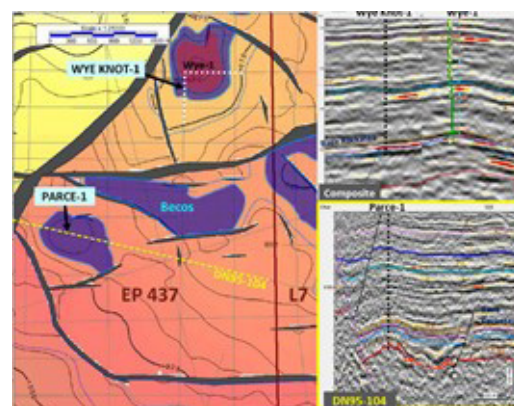
- ◆ The Mt Horner L7 and EP437 licences are located about four hours drive north of Perth, and around 30Km north of Triangle's Arrowsmith separation facility.
- ◆ The Mt Horner licence lies on the Bookara Shelf, which Key Petroleum believed to have potential to be a new oil fairway, with similarities to the Western Flank of the Cooper Eromanga Basin Western Flank. The Mount Horner Oil Field (L7) has produced oil from Jurassic reservoirs.
- ◆ Triangle is in the planning stages of a new 200 sq km Bookara 3D seismic survey, to develop several drilling opportunities identified in the area. L7 and EP 437 lie on the northern extent of oil migration in the basin and contain a portfolio of opportunities that includes infill drilling and redevelopment of Mt Horner oil field, Mt Horner look-alike Jurassic oil exploration, Higher upside Permo-Triassic oil exploration, and Permian gas exploration potential in the Mt Horner footwall block.

Figure 27 L7 & EP 437 Location



Source: TEG release 29 January 2021 (green = oil, red = gas, orange is prospective)

Figure 28 Parce Wye Knot and Becos targets EP 437



Source: Key Petroleum release 18 Nov. 2018

Table 18 Prospective oil estimate for L7 (100% Basis)

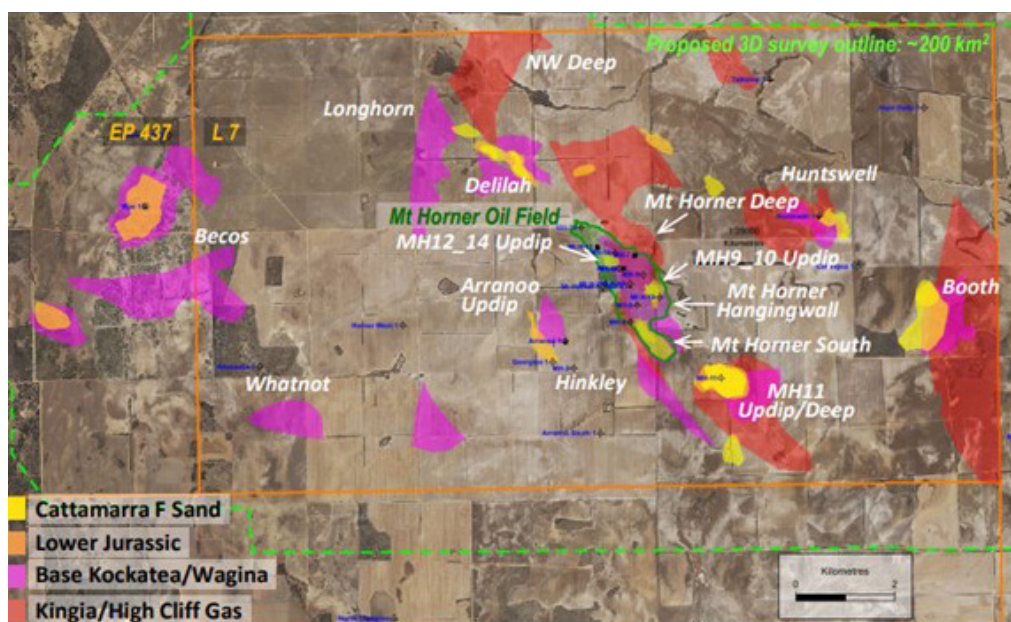
	Prospective Oil (Best Estimate 2U)		
	Objective	Gross (100%) MMstb	Status
L7 Oil Targets			
Mt Horner 9_10 Updip	Jurassic	0.23	Prospect
Mt Horner 12_14 Updip	Jurassic	0.23	Prospect
Mt Horner Hanging Wall	Wagian (Permian)	3.11	Prospect
Mt Horner South (MH6 Updip)	Jurassic & Wagina	0.83	Prospect
Mt Horner 11 Updip	Jurassic	1.49	Prospect
Mt Horner 11 Deep	Wagina (Permian)	0.71	Prospect
Arranoo Ipdip	Wagina (Permian)	1.41	Prospect
Becos L7	Kingia/High Cliff	1.35	Lead
Whatnot	Kingia/High Cliff	2.18	Lead
Delilah Hangingwall	Jurassic	0.20	Lead
Delilah Footwall	Wagina (Permian)	1.62	Lead
Longhorn	Wagina (permian)	4.19	Lead
Booth	Jurassic & Wagina	4.46	Lead
Hinkley A	Wagina (Permian)	2.09	Lead
Hinkley South	Wagina (Permian)	0.36	Lead
Aranoo Sandstone	Arranoo	tba	Concept
Huntswell Trend	Kingia/High Cliff	tba	Concept
Mt Horner Footwall	Kingia/High Cliff	tba	Concept
Total Oil		24.5	
L7 Gas Targets			
		bcf	
Mt Horner Deep Gas	Kingia/High Cliff	28	Lead
MH11 Deep Gas	Kingia/High Cliff	25	Lead
Booth Deep Gas	Kingia/High Cliff	89	Lead
NW Deep Gas	High Cliff	24	Lead
Prospective Total		165	

Source: TEG release 20 August 2021

- ◆ Much of the Mt Horner oil was produced from the Jurassic level. The Permian and Triassic prospectivity in the norther part of the basin appears to have been overlooked.
- ◆ Oil was recovered at Mt Horner 5 on the upthrown side of the Mt Horner Fault from Permian objectives.
- ◆ The Permian prospectivity has been the focus of gas exploration south at the Dongara and Waitsia Fields by AWE historically.
- ◆ Importantly the Dongara and Hovea Fields are interpreted to be dual charge systems where the majority of initially charged oil has been expelled into structures in the northern part of the basin on trend from the Dandaragan Trough which encompasses Key's EP437 and L7 interests.

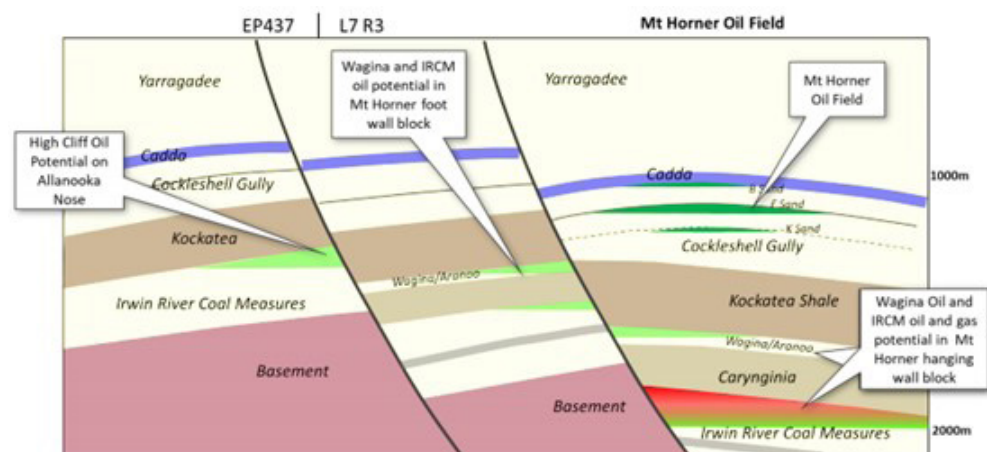
- ◆ The Becos structure/lead in EP437 is down dip of the Wye gas discovery, a similar downthrown fault play as identified in areas in L7, is now mapped to be much larger, based on current 2D seismic.
- ◆ Wye-1 tested gas at commercial rates from two good quality reservoirs, with the Bookara and the Arranoo sandstone reservoirs flowing 4.4MMscf per day and 2.5 MMscf per day respectively. Neither of the reservoirs exhibited a water leg and both exhibited good, live oil shows during drilling.
- ◆ The presence of oil shows indicates that the reservoirs were originally oil-filled at the Wye-1 location, with the oil being displaced to a down-dip oil rim by subsequent gas migration into the crest of the structure. This dual-charge model is evident elsewhere within the north Perth Basin, including at the nearby Dongara gas field, where the Dongara-8 well produced at an initial rate of 800 barrels of oil per day from an oil rim.

Figure 29 Mt Horner prospects as of 28 November 2018



Source: TEG release Mt Horner and EP 437 Resources 20 August 2021

Figure 30 Mt Horner up dip from known producing strata



Source: TEG release Mt Horner and EP 437 acquisition 29 January 2021

XANADU (TP 15 45%)

History

- ◆ Triangle announced a farm into the Xanadu TP 15 property on 23 September 2016, where it earned a 30% working interest by contributing 40% of the well costs. The well was drilled from onshore out to sea, and cost around A\$7M.
- ◆ The Xanadu-1 well was spudded on 4 September 2017, with total depth reached on Sunday 17 September of 2035 m MDRT. Xanadu-1 well intersected hydrocarbon bearing reservoirs demonstrated by elevated gas readings, oil shows, fluorescence, and cut-fluorescence whilst drilling.
- ◆ TEG increased its equity stake from 30% to 45% on 25 October 2018, with the purchase of 15% from Whitebark Energy Limited (ASX:WBE). The purchase price was A\$2m cash and A\$1M in TEG shares (ie 11.191M shares). There is a contingent payment of \$1m on the first 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 of 24 October 2018.

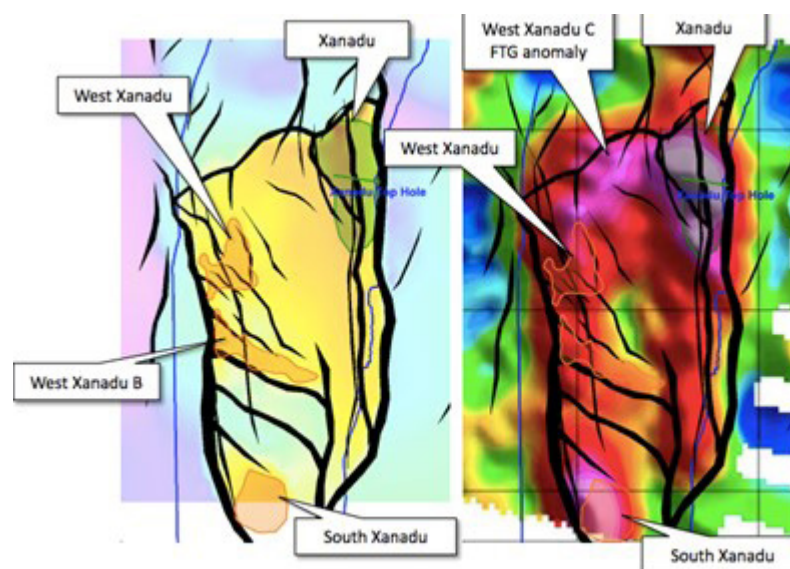
Ownership

- ◆ Triangle has a 45% interest
- ◆ 3C Group has a 30% interest
- ◆ Norwest Energy NL has a 25% interest and operatorship

Geology

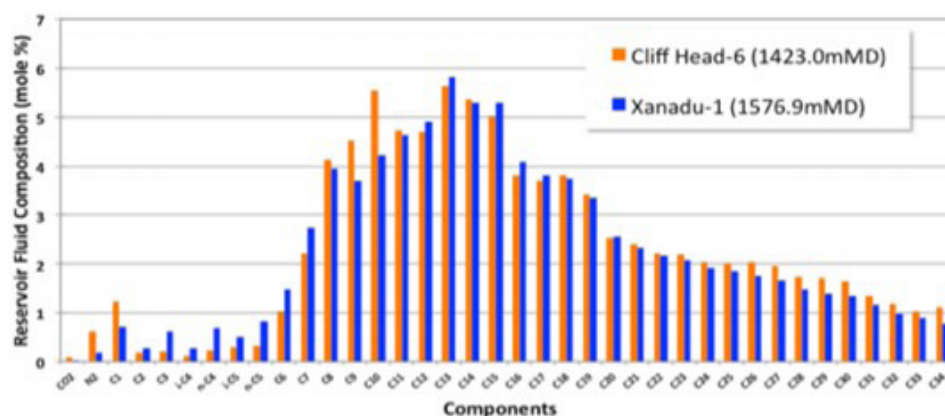
- ◆ Xanadu oil discovery extends the petroleum bearing system to the south of TP 15. The well was drilled from onshore into the target reservoir located offshore. The field is closer to Triangle's Arrowsmith separation plant than Cliff Head.
- ◆ The results of the 3D seismic and subsequent interpretation were reported as disappointing in the December 2019 Quarterly (p2), with initial analysis indicating that the commerciality is marginal. Evaluation is ongoing to determine if appraisal drilling is justified.
- ◆ At present, Xanadu is now lower priority behind Cliff Head and Mt Horner. However, it retains considerable prospectivity, with South Xanadu, West Xanadu and West Xanadu B being evaluated by a 2D infill seismic program.

Figure 31 Xanadu structural maps and target locations



Source: TEG AGM presentation 11 November 2019

Figure 32 Chemical analysis of Xanadu oil vs Cliff Head



Source: TEG release September 2017 Quarterly Report 31 October 2017

Resources and Reserves

- ◆ 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 the Xanadu-1 location.

Table 19 Xanadu Prospective Resources

	Gross (100%)			TEG Share 45%		
	Low	Best	High	Low	Best	High
Dongara Sandstone	3.0	12.0	22.0	1.4	5.4	9.9
Irwin River Coal Measures	13.0	88.0	159.0	5.9	39.6	71.6
High Cliff Sandstone	29.0	60.0	256.0	13.1	27.0	115.2
Total	45.0	160.0	437.0	20.3	72.0	196.7

Source: TEG 2017 Annual Report

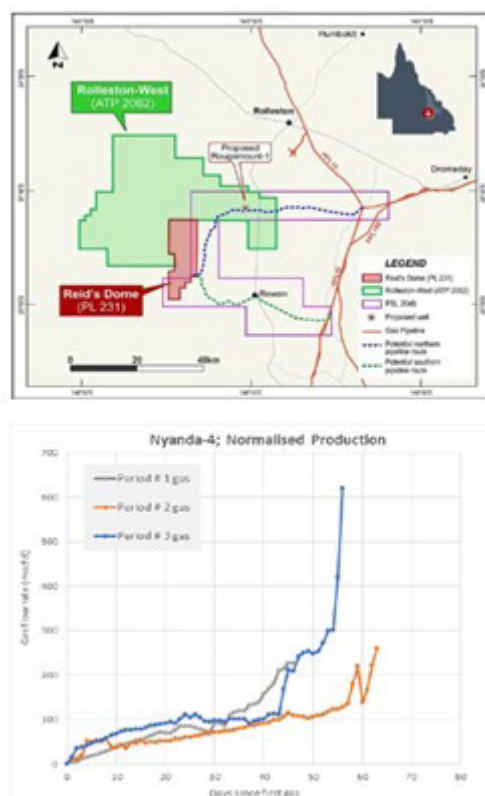
INVESTMENT IN STATE GAS (ASX:GAS)

HISTORY

- ◆ A joint venture between Triangle and Dome Petroleum Resources plc was the winning tender bid for PL 231, in the Queensland Denison Trough coal seam gas fairway, with Triangle owning 60% of the JV. Historical gas flows had been from the Cattle Creek Formation at 400m depth.
- ◆ On 8 September 2017, Triangle announced that the holding company of PL 231 would be listed with an IPO issuing 26.25M shares to raise \$5.25M. Triangle retained 47.38M shares in the company (State Gas Limited ASX:GAS), which at the time was a 35.47% interest, but which has been diluted to 32.71% as at 30 January 2020.
- ◆ PL 231 is a Petroleum Lease with 30 years to 14 December 2035
- ◆ 181Km² covering a classic north-south dome structure
- ◆ 50Km from the Queensland Gas Pipeline
- ◆ State Gas holds 100%
- ◆ Pipeline Services License held for route to market
- ◆ Nyanda-4 production test well is the first test well of the Reid's Dome Beds in PL 231. At 6am 13 January 2020, the well was flowing 120,000 cubic ft/day for a total volume to date of 2,000 mscf since tests started on 4 December 2019 and reached 620,000 cubic ft/day on 16 March 2021.
- ◆ Nyanda-7 flowed 5,000 cubic ft/day on 16 March 2021, with gas coming in as water levels dropped.

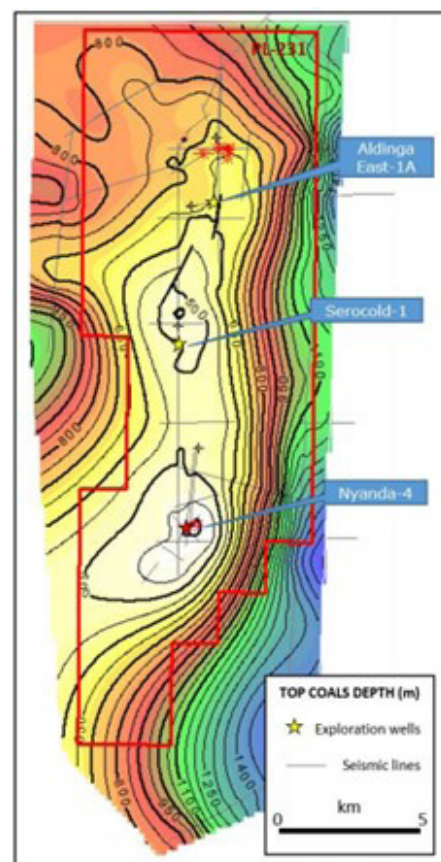
- ◆ Nyanda-8 flowed 31,000 cubic ft/day on 16 March 2021 and was building steadily.
- ◆ Granted ATP 2095 in September 2020 with drilling targeted for April 2021.

Figure 33 State Gas PL231 & ATP 2095 Location



Source: GAS presentation 17 March 2021

Figure 34 PL231 top of coal structure



Source: GAS presentation 22 October 2019

CAPITAL STRUCTURE

Table 20 Major shareholders at 11 August 2021

	Shares M	%
Tamarind Resource Pte Ltd	50.2	4.7%
Michael Arnett	7.6	0.7%
Mayburys/Carmich Super	3.5	0.3%
Above Shareholders Combined	61.3	5.7%
Altor Capital	64.1	6.0%
Directors	20.7	1.9%
Rest of Top 10	94.2	8.8%
Other	835.0	77.7%
Shares on Issue	1075.3	100.0%

Source: TEG 2020 annual report, substantial shareholder notices on 4 August 2021, 10 August 2021

- ◆ The company still has a very open register.
- ◆ The history of share issuance over the past 12 months is detailed in Table 23. There have been a string of issues relating to Cliff Head operational requirements as well as supporting the commitments entailed in the asset acquisitions over the same period.
- ◆ Over the period, Triangle has raised A\$17.6M and issued 714.6M shares. While the dilution of original shareholders to the then asset base has been substantial, the addition of new assets and the increased flexibility to add value through farm outs and increased drilling activity should be seen as a major positive.

Table 21 Capital structure at 11 August 2021

	Issued M	Exercise A\$/sh	Exercise A\$/M	Market A\$/sh	Market A\$/M
Ordinary Issued Shares m	1075.3			0.018	19.4
Quoted Options expiring 4 Aug 2023	672.7	0.035	23.5	0.005	3.4
Option Expiring on 8 Feb 2022	4.0	0.030	0.1		
Option Expiring on 8 Nov 2021	1.8	0.100	0.2		
Performance Rights	49.0				
Fully Diluted	1802.8		23.8		22.7

Source: TEG release 4 August 2021

Table 22 Issuance in last 12 months

Date	Action	Raised A\$/M	Issue Price A\$/sh	Shares Issued M	Shares On Issue M	Options Issued M	Options on Issue M	Perf. Rights
Opening					360.8		1.8	29.1
27-Aug-20	Placement	2.2	0.030	73.3	434.1	0.0	1.8	29.1
7-Oct-20	Entitlement	3.9	0.030	130.2	564.3	0.0	1.8	29.1
29-Jan-21	Placement	1.2	0.021	56.4	620.4	4.0	5.8	49.0
29-Jun-21	Tranche 1	1.8	0.022	80.6	701.4	0.0	5.8	49.0
4-11Aug-21	Tranche 2	8.2	0.001	373.9	1075.3	0/0	5.8	49.0
	Attached Opt.	0.0	0.000	0.0	1075.3	227.3	233.1	49.0
	Entitled Opt.	0.3	0.022	0.0	1075.3	310.4	543.5	49.0
	Fee Options	0.2	0.001	0.0	1075.3	135.0	678.5	49.0

Source: TEG releases on dates noted in table

BOARD AND MANAGEMENT

TIM MONCKTON – NON-EXECUTIVE CHAIRMAN

- ◆ Tim was appointed Non-Executive Chairman of Triangle Energy (Global) Ltd in March 2019. Tim previously held the position of Non-Executive Director from July 2018 until March 2019.
- ◆ Tim has been in the Stockbroking Industry for over 25 years starting his career as an analyst before moving into sales.
- ◆ Tim spent eleven years with ABN AMRO/ Royal Bank of Scotland where he was Head of Domestic Sales for six years before being promoted to Managing Director Corporate Broking.
- ◆ Prior to moving his family to Australia Tim worked for the Albert Abela Corporation. He was employed as Head of Local Human Resources and sat as Chairman of the Albert Abela Group UK.
- ◆ Tim currently sits on the Sydney Norths Rugby Referee Committee and is still an active referee which he has done for 14 years.
- ◆ Tim was educated at Harrow Public School in the UK and attended the Royal Agriculture College of Cirencester.

ROBERT TOWNER – MANAGING DIRECTOR & CEO

- ◆ Rob has over 25 years' corporate advisory and executive experience in the energy and biotechnology sectors, specifically, in business and project development, financial markets, corporate governance, organisation structuring and working capital requirements.
- ◆ Rob was appointed managing director of Triangle Energy (Global) Ltd in February 2015 and managed the Company's transition from operating Indonesian based assets, to establishing a portfolio of Australian oil and gas projects.
- ◆ Since Rob's appointment the Company has become the majority owner (78.75%) and operator of the Cliff Head Oil Field and Arrowsmith Stabilisation Plant.

WAI-LID WONG – NON-EXECUTIVE DIRECTOR

- ◆ Wai-Lid has over 17 years of oil and gas experience in process engineering, operations and asset management roles. He was appointed a Non-Executive Director of Triangle Energy (Global) Ltd in April 2018.
- ◆ Currently, Wai-Lid holds the position of Chief Operating Officer for Tamarind Resources. In this role, he is responsible for the delivery of all aspects of Tamarind's operated business, working closely with Tamarind's Regional leadership.
- ◆ Prior to this, Wai-Lid was the Asset Manager for two PSCs and headed all Asset Development and CAPEX Project activity for Talisman / Repsol in Malaysia. Wai-Lid has also spent a period of time within Schlumberger's strategic advisory arm (Asia and Australia) where he assisted a number of Regional E&P Players drive major strategic transformation and performance improvement programs.
- ◆ Wai-Lid has a PhD and Master of Engineering (M.Eng.) in chemical engineering from Imperial College, London.

MALCOLM KING – NON-EXECUTIVE DIRECTOR

- ◆ Mr King has over 30 years of upstream oil, gas & power and LNG experience in technical, commercial and management roles, most of this with Shell in Australia and across Asia. He was appointed a Non-Executive Director of Triangle Energy (Global) Ltd in June 2020.
- ◆ Mr King is currently based between Perth and Brisbane providing consulting to the energy industry with key focus areas being commercial, strategy, business development, exploration, and project management services and advice. Recent prior roles include director of ASX listed Emperor Energy and heading up the Commercial and Business Development/New Ventures areas for Senex Energy.
- ◆ Mr King has a Bachelor of Applied Science (Geology) degree from the University of Southern Queensland and a Masters of Science (Petroleum Geology) from the University of Aberdeen, Scotland. He is a member of AICD and a graduate of the AICD Director Program.
- ◆ Mr King is the Chair of the Remuneration and Nomination Committee and Member of the Audit Committee.

MARVIN CHAN - CHIEF FINANCIAL OFFICER

- ◆ Marvin joined the Company in February 2019 as Finance Manager, having previously held the position of Financial Controller for Nido Petroleum Pty Ltd.
- ◆ Marvin was then appointed Chief Financial Officer in November 2019.
- ◆ Marvin has more than 19 years in financial leadership positions in the oil and gas and power generation industries within Southeast Asia and Australia.
- ◆ Marvin is a Fellow of the Certified Practising Accountants of Australia and a Certified Public Accountant and Lawyer in the Philippines.

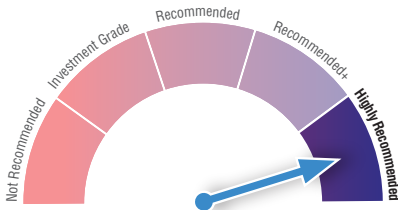
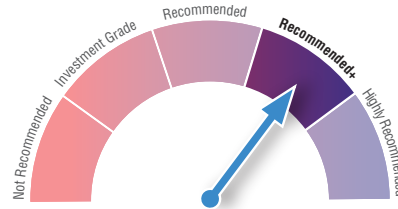
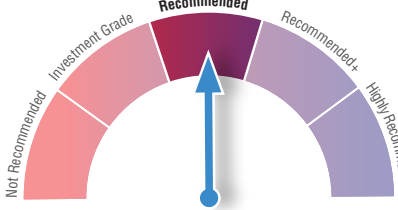
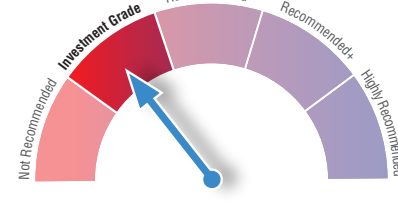
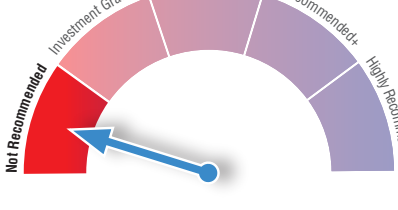
LUCY ROWE – COMPANY SECRETARY

- ◆ Lucy was appointed Company Secretary of Triangle Energy (Global) Limited in November 2017.
- ◆ Lucy is an experienced compliance professional, with 18 years' experience in the financial services, oil and gas, and IT industries.
- ◆ Lucy held the position of Company Secretary of New Guinea Energy Limited for 6 years and has also been the Company Secretary of a number of other listed and unlisted public companies.
- ◆ Lucy gained her PS 146 securities adviser accreditation in 2002 and holds a Graduate Diploma in Legal Studies majoring in financial services law.

APPENDIX A – RATINGS PROCESS

Independent Investment Research Pty Ltd “IIR” rating system

IIR has developed a framework for rating investment product offerings in Australia. Our review process gives consideration to a broad number of qualitative and quantitative factors. Essentially, the evaluation process includes the following key factors: management and underlying portfolio construction; investment management, product structure, risk management, experience and performance; fees, risks and likely outcomes.

LMI Ratings	SCORE
Highly Recommended	83 and above
	<p>This is the highest rating provided by IIR, indicating this is a best of breed product that has exceeded the requirements of our review process across a number of key evaluation parameters and achieved exceptionally high scores in a number of categories. The product provides a highly attractive risk/return trade-off. The Fund is likely effectively to apply industry best practice to manage endogenous risk factors, and, to the extent that it can, exogenous risk factors.</p>
Recommended +	79–83
	<p>This rating indicates that IIR believes this is a superior grade product that has exceeded the requirements of our review process across a number of key evaluation parameters and achieved high scores in a number of categories. In addition, the product rates highly on one or two attributes in our key criteria. It has an above-average risk/return trade-off and should be able consistently to generate above average risk-adjusted returns in line with stated investment objectives. The Fund should be in a position effectively to manage endogenous risk factors, and, to the extent that it can, exogenous risk factors. This should result in returns that reflect the expected level of risk.</p>
Recommended	70–79
	<p>This rating indicates that IIR believes this is an above-average grade product that has exceeded the minimum requirements of our review process across a number of key evaluation parameters. It has an above-average risk/return trade-off and should be able to consistently generate above-average risk adjusted returns in line with stated investment objectives.</p>
Investment Grade	60–70
	<p>This rating indicates that IIR believes this is an average grade product that has exceeded the minimum requirements of our review process across a number of key evaluation parameters. It has an average risk/return trade-off and should be able to consistently generate average risk adjusted returns in line with stated investment objectives.</p>
Not Recommended	<60
	<p>This rating indicates that IIR believes that despite the product's merits and attributes, it has failed to meet the minimum aggregate requirements of our review process across a number of key evaluation parameters. While this is a product below the minimum rating to be considered Investment Grade, this does not mean the product is without merit. Funds in this category are considered to be susceptible to high risks that are not reflected by the projected return. Performance volatility, particularly on the down-side, is likely.</p>

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