

QUARTERLY REPORT

For the period ended 31 December 2014



HIGHLIGHTS

Indonesia

- In November 2014, the Minister of Energy and Mineral Resources, Sudirman Said, publically confirmed that the Pase oil and gas block in Aceh is to be managed by Triangle's joint venture partner PT Perusahaan Daerah Aceh Development ("PDPA"), a company owned by the Aceh local government.
- The Company is awaiting official confirmation for a 20 year extension and the effective date for the start of the extension period.
- The Pase production facility was shut in on 11 October 2014.
- Triangle has submitted a full 5 year Exploration & Development Work Program for the Pase block to SKK Migas, the Indonesian Upstream Regulator.
- Triangle produces condensate as a by-product of its gas production meaning the Pase economics are not affected materially by the current decline in oil prices.

Australia

- In line with Triangle's strategy of finding low cost prospective or near production assets, in October 2014 the company entered into an agreement with Goshawk E&P Pty Ltd to farm into ATP1186 in the Surat Basin, Queensland.

Corporate

- 31 December 2014 cash balance of \$0.686M. The Company is in advanced discussions relating to funding alternatives and anticipates completing this in the next quarter.

COMPANY UPDATE

Indonesia Operations

Triangle Energy (Global) Limited ("Triangle" or the "Company") continues as the Operator of the Production Sharing Contract ("PSC") over the Pase oil and gas fields in Aceh, Indonesia. On 21 November 2014, the Indonesian Minister of Energy and Mineral Resources publically confirmed that the PSC will be extended for an additional 20 years. The Company is awaiting official confirmation of the 20 year extension and the effective date of the extension. Triangle looks forward to operating the Pase field with their Joint Venture partner, the Acehnese Government.

Triangle has submitted a full 5 year Exploration & Development Work Program for the Pase block to SKK Migas, the Indonesian Upstream Regulator. The long term extension will enable Triangle to implement this Work Program to maximize the exploration potential of the Pase field.

The Pase Block production facility was shut in on 11th October 2014 due to a regular maintenance program of the Exxon Arun plant production facility. Triangle's Pase production feeds directly into this facility and will remain shut in due to the expiry of the export LNG contract. Production during the December quarter totalled 16.0 mmbtu from three wells, A-1, A-5 and A-6. The Company maintained its excellent operating record during the quarter with no lost time incidents, environment incidents or recordable motor incidents.

During the quarter the Company continued technical studies over the Pase Field with the intent of maturing in-fill drilling opportunities to access up-dip gas adjacent to existing producing wells.

Triangle's 10 year work programme for the Pase PSC has been designed on domestic gas prices where demand remains strong with robust price structures. Domestic gas sales will be negotiated at a price in the US\$6 - \$8/mmbtu range. The economics of the Pase field remain strong despite the recent drop in oil prices.

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The new gas pipeline between Arun and Medan, the largest city in Sumatra and the fourth largest city in Indonesia has been completed, and is currently undergoing testing and commissioning. Triangle Pasa is ideally positioned to take advantage of this new gas infrastructure, the pipeline follows the Pasa block from the Northern to southern boundaries. Upon PSC award and a successful drilling campaign the pipeline offers an immediate tie in opportunity.

Triangle has successfully operated the Pasa field since 2009 and continues to abide by all SKK Migas requirements to operate the PSC in a safe manner with zero incidents. CSR activities continued during the quarter these included maintenance on roads, bridges and local infrastructure and the restocking of medical supplies in local clinics.

Australia Operations

Triangle has entered into an agreement with Goshawk E&P Pty Ltd (“Goshawk Energy”) to farm into ATP1186 in the Surat Basin, Queensland (“the Licence”). ATP1186 is located 100km west of the Moonie oil field, one of Queensland’s oldest and largest oil fields, and is proximal to the Alton and Fairymount fields, both of which have produced in excess of 1 million barrels of oil.

There is a significant amount of geological information for the area that will now be used to progress the understanding of the Licence with a view to identifying prospects and drilling targets. The principal targets for exploration will be the same formations as the oil accumulations discovered in the surrounding oil fields.

Triangle will acquire a 75% ownership of ATP1186 in two phases. Triangle will acquire a 50% interest in the Licence in return for repayment of past costs of \$73,830 and the issue of 120,000,000 Triangle shares to Goshawk Energy. Triangle will earn the remaining 25% upon completion of the 4 year work program which includes acquisition of 105 km of new 2D seismic and drilling two exploration wells.

Triangle has also executed a consulting agreement with Goshawk Energy for the provision of Geological and Geophysical services including progressing to exploration drilling and the identification of future projects for the Company.

The acquisition of this licence is in line with the Company’s strategy of finding low cost prospective or near production assets to grow its portfolio. ATP1186 complements the Company’s existing Queensland licence, PL231 (Reids Dome Project). In August 2014, Triangle updated a Later Development Plan for the Reids Dome licence and submitted the plan to the Queensland Department of Natural Resources and Mines. The Later Development Plan outlines the Company’s future plans to drill and produce from the Reid’s Dome gas field.

CORPORATE & FINANCIAL

New Ventures

Triangle has entered into an agreement with Goshawk E&P Pty Ltd to farm into ATP1186 in the Surat Basin, Queensland.

Triangle’s Management team continue to assess acquisition prospects to diversify and grow the Company’s portfolio of assets.

Revenue

Gross PSC revenue on production for the quarter was US\$0.335M.

Cash

At the end of December 2014, the Company had cash at bank of \$0.686M. The Company has undertaken a Cost Reduction Program in Australia and Indonesia and achieved significant savings in corporate and staffing costs in both jurisdictions.

Changes in Capital

As at 30 December 2014 the Company had 1,084 shareholders and 2,704,712,382 ordinary fully paid shares on issue with the top 20 shareholders holding 68.97% of the total issued capital.

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INFORMATION IN RELATION TO ASX LISTING RULE 5.4.3

Triangle holds a 20% beneficial interest in PL231 located in Queensland, Australia.

Upon the payment of \$73,830, and the issue of 120,000,000 TEG shares, Triangle will acquire a 50% interest in ATP1186 in Queensland, Australia.

The Group has not acquired or disposed of any other tenements during the December 2014 quarter.

About Triangle Energy:

Triangle Energy is a gas production and exploration company based in Perth. The Company operates the Pase Production Sharing Contract located in Aceh Province, North Sumatra, Indonesia. Triangle Energy continues to assess acquisition prospects to diversify and grow the portfolio of assets.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

TRIANGLE ENERGY (GLOBAL) LIMITED

ABN

52 110 411 428

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	566	1,528
1.2 Payments for (a) exploration & evaluation	(135)	(280)
(b) development	(293)	(697)
(c) production	(244)	(692)
(d) administration	(448)	(852)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
• VAT refunded	-	57
• Production staff redundancies	(384)	(384)
Net Operating Cash Flows	(937)	(1,315)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(936)	(1,315)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(936)	(1,315)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	422
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	422
	Net increase (decrease) in cash held	(936)	(893)
1.20	Cash at beginning of quarter/year to date	1,590	1,510
1.21	Exchange rate adjustments to item 1.20	32	68
1.22	Cash at end of quarter	686	686

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(107)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Included at 1.23 are:

- Directors fees of \$5k
- Payments made for professional services pursuant to consultancy agreements totalling \$102k

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(90)
4.2 Development	(125)
4.3 Production	(50)
4.4 Administration	(410)
Total	(675)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	562	1,474
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	124	116
Total: cash at end of quarter (item 1.22)	686	1,590

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	2,704,712,382	2,704,712,382	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	59,500,000	-	Unlisted Share Rights under TEG Employee Rights Plan with Performance Vesting Criteria	Nil
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30 January 2015
(Director/Company secretary)

Print name: Darren Bromley

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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