

CHAIRMAN'S ADDRESS

The 2015 Annual Report to shareholders incorporating the 2014/15 accounts has been made available to shareholders and there are additional copies available at the registration desk.

On 22nd May 2015 Triangle signed a 20-year extension to the Production Sharing Contract (**PSC**) over the Pase oil and gas field in Aceh, Indonesia.

Triangle has operated the PSC since 2009. The original 30-year PSC expired in early 2012 and over the past three years, Triangle has acted as the temporary operator as it negotiated the award of a long term PSC with the Indonesian and Acehnese authorities.

The Board of Triangle investigated several opportunities to enable the Company to continue to operate and develop the Pase PSC. However, as announced on 31 July 2015, the Company received an offer from an Indonesian company PT Enso Asia (**PTEA**) to purchase its interests in the PSC.

At the time, subject to shareholder approval, the board determined it was in the company's best interest to proceed with a Share Purchase Agreement with PT Enso Asia. Subsequent to this, as announced to the ASX on 6 November 2015, Triangle received an unsolicited offer for the sale of the Pase PSC from another Consortium.

The Directors of Triangle, after taking all required advice, concluded the Consortium proposal to be a 'Superior Proposal' to the terms of the agreement between PTEA, and as such have accepted the Consortium's proposal subject to shareholder approval.

Details of both transactions are outlined in the Addendum to the Notice of Meeting dated and mailed to shareholders on 20 November 2015.

The Shareholder meeting to vote on the PT Enso Asia Agreement was postponed from 6 November 2015 to 4 December 2015 in order to provide shareholders additional information necessary to ensure they are informed, and are able to properly consider their vote on the transaction with PTEA in the context of the recent developments.

Moving to Triangle's Australian asset, the company is in the final stages of receiving Queensland Department of Energy and Resources approval to acquire an additional 40% interest and operatorship of the Reids Dome project in Queensland.

I would like to thank directors Robert Towner and Darren Bromley and Triangle's in-country management team for their hard work and dedication during a difficult period in both financial and oil and gas markets.

Lastly, I would like to thank shareholders for their continuing support. The oil and gas industry can be both challenging and rewarding and the next 12 months looks to be an exciting period for Triangle with the directors focusing on securing other opportunities to progress the Company and build shareholder value.

