



Triangle Energy (Global) Limited

ABN 52 110 411 428

Interim Financial Report

31 December 2011

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DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Triangle Energy (Global) Limited and the entities it controlled for the half-year ended 31 December 2011.

Directors

The names of persons who were Directors of Triangle Energy (Global) Limited during the whole of the half-year and up to the date of this report are:

John Towner	Executive Chairman	
Robert Lemmey	Non-Executive Director	
Lewis Johnson	Non-Executive Director	
Steven Hamer	Non-Executive Director	
Alistair Morrison	Non-Executive Director	Appointed 7 December 2011
Peter Godfrey	(Alternate for A Morrison)	Appointed 7 December 2011
Adam Sierakowski	Non-Executive Director	Resigned 5 October 2011

Review and results of operations

Review of Operations

During the half year the Group continued to concentrate its focus on the Pase Production Sharing Contract (PSC) in the Aceh Province of Indonesia as well as completion of the work-over program initiated earlier in 2011. The Pase PSC presently encompasses 922km². It was acquired from ExxonMobil and the area has historically had little exploration and specifically only for augmentation of gas supply to the Arun LNG plant.

Production

Production from the A-1, A-5 and A-6 wells totalled 463.35 MMcf for the half year. Gas flow was interrupted during the period due to completion of work-over activity on wells A-1 and A-2.

Significant effort during the Half year was on the implementation of the 2011 well work-over program. This work-over program was completed on time and within budget. At the 2011 BPMIGAS Drilling and work-over summit in December 2011, Triangle Energy received accolades for achieving its work program in full in a year when most Indonesian PSC achieved no more than 30% of their annual work programs.

The 2012 work program and budget (WP&B) was prepared during the half year and was presented to BPMIGAS, the Indonesian upstream oil & gas regulator during November. Triangle Energy's 2012 WP&B incorporating additional investment in the PSC through new seismic acquisition and drilling activities planned for late 2012 was approved with AFE approval to occur following PSC renewal.

Exploration Activity

The Company's technical team continued its evaluation of all Pase wells for missed reservoir pay and remaining gas potential using PLT, borehole and fracture study data to understand the distribution of water and gas in the wells and development of potential exploitation programs. The team also engaged in re-processing of seismic data for infill and near field well locations and has now awarded a contract to re-process approximately 400 km of 2D seismic over the Pase field and generate PSDM lines and a velocity model that ties in with existing well data. Work has commenced to prepare drilling equipment and services tenders and preparations are underway to carry out prequalification of drilling rigs.

DIRECTORS' REPORT - continued

Work-over Activity

The Company's 2011 workover program activities during the half year included the following:

- A1: Reperforation of the upper reservoir zone was completed and the well returned to production. Several attempts were made to surge the well to clean up the new perforations and establish communication into the fracture system without any apparent success.
- A2: The upper DST reservoir zone was reperforated, unfortunately it was not possible to reperforate the lower DST reservoir zone due to debris in the well. An organic acid wash over the original perforations was also carried out and limited gas influx into the well has been established at rates insufficient to sustain natural flow and well below the rates achieved in the original DST on the well. In consideration of the apparent failure to establish effective communication into the reservoir fracture system from conventional perforating the option to reperforate using conventional perforating with propellant stimulation technology is being considered.

PSC renewal

Triangle Energy continued its efforts to renew the Pase PSC for 20 years ahead of its expiry on 23 February 2012. Djakfar Husein, a North Sumtran engineer with extensive Aceh government relations experience was appointed in November to Head Triangle's Aceh Government Relations. Significant meetings with Aceh government bodies were facilitated by Djakfar during the half year.

BPMIGAS reaffirmed its support for Triangle and Pertamina has confirmed that it is not interested in acquiring the PSC. Positive meetings have been held with the Ministry of Energy. Migas is proceeding under protocol to process the application having received recommendation to renew the PSC from BPMIGAS in July 2010.

Total production for the half-year was as follows:

July 11	84.23 MMCF
August 11	55.04 MMCF
September 11	85.69 MMCF
October 11	77.39 MMCF
November 11	76.99 MMCF
December 11	84.01 MMCF
	463.35 MMCF

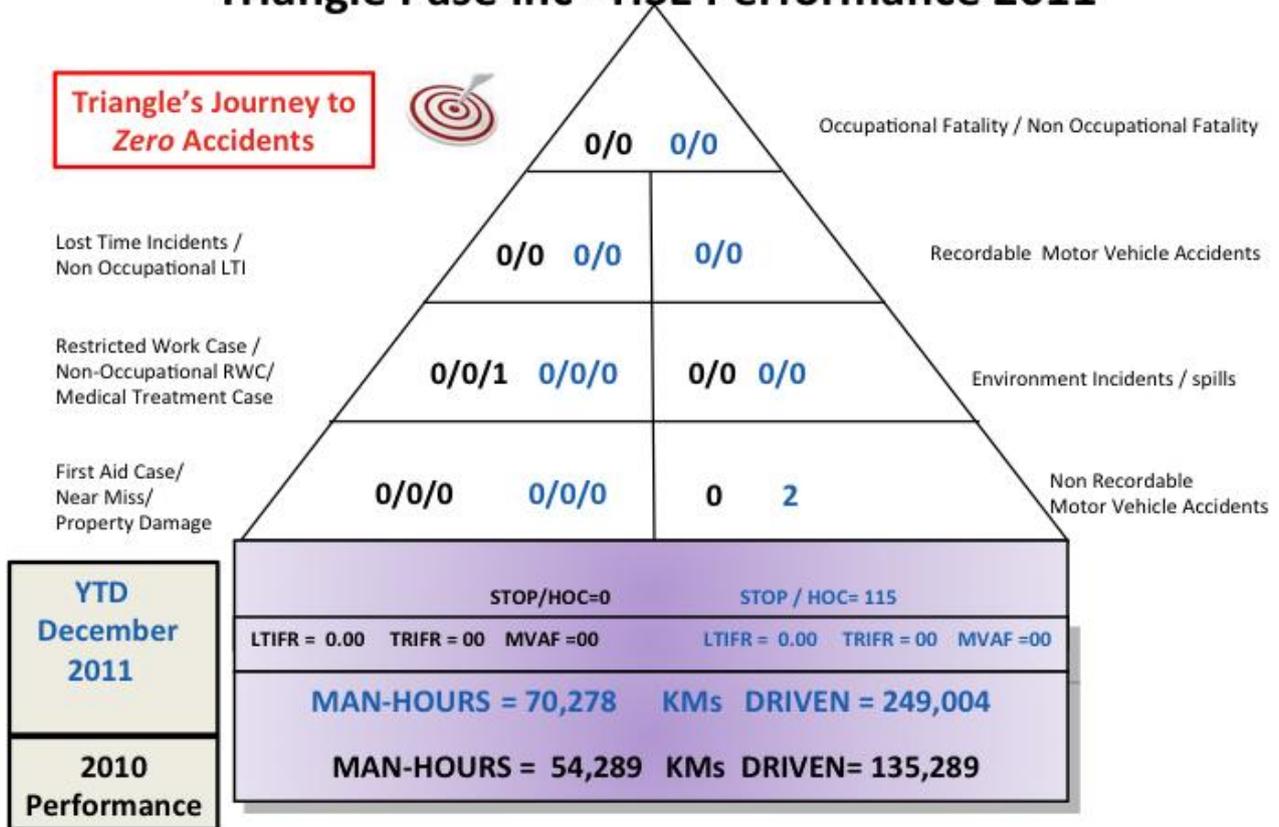
DIRECTORS' REPORT – continued

Health Safety Environment

Triangle Energy maintained its excellent safety record during the half year with zero Lost Time Incidents, zero environment incidents and zero recordable motor incidents.

This is an excellent achievement particularly in light of the increased activity at Pase during the well work-over program.

Triangle Pase Inc - HSE Performance 2011



Corporate Social Responsibility

Triangle Energy is committed to assisting Acehnese communities. During the half year Triangle Energy continued to implement its community development programs focusing on the areas of health, education and economic development. Additionally Triangle Energy provided assistance to local communities with funding for ceremonial events, sport and youth activities and religious festival activities.

DIRECTORS' REPORT – continued

Corporate

During the half year the Company continued to evaluate acquisition opportunities in Indonesia. A particular focus was on the NSO and Block B PSCs operated by ExxonMobil and adjacent to Pase. The planned divestment of these PSCs was announced in August and due diligence activities in relation to the two PSCs commenced late in the half-year and these efforts are continuing.

The following material corporate events occurred during the half year ended 31 December 2011:

- The Group raised \$2,000,000 by way of a placement of shares with attached options.
- The Group executed a Convertible Notes Subscription Agreement with Standard Chartered Private Equity (Singapore) Pte Ltd (“SCPE”) for convertible notes issues comprised of a first tranche of US\$3.5M and a second tranche of US\$6.5M. The first tranche was issued on 9 December 2011. The second tranche is subject to a number of conditions, including Triangle Energy shareholder approval under ASX Listing Rule 7.1 (gained on 14 February 2012), FIRB approval and Pase PSC renewal conditions.

Operating results

The consolidated entity reported a net loss after tax of \$7.614M (2010: profit of \$1.843M) during the half year to 31 December 2011.

The principal activities of the consolidated entity are onshore petroleum production and exploration.

Significant post balance date events

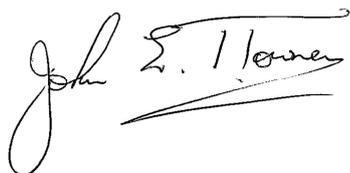
- On 17 February 2012 the Indonesian Upstream Oil & Gas Regulator BPMIGAS advised Triangle Pase Inc. to continue to operate the Pase Block for a further 6 months while a decision is made on the PSC.

Other than as disclosed above, at the date of this report there were no significant events occurring after reporting date requiring disclosure.

Auditor's Independence Declaration

A copy of the independence declaration by the lead auditor under section 307C is included on page 7 these half-year financial statements.

This report is made in accordance with a resolution of the Board of Directors and is signed for and behalf of the directors by:



John E T Towner
Executive Chairman
13 March 2012



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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

13 March 2012

Triangle Energy (Global) Limited
The Board of Directors
Unit 7, 589 Stirling Highway
COTTESLOE WA 6011

Dear Sirs,

**DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF
TRIANGLE ENERGY (GLOBAL) LIMITED**

As lead auditor for the review of Triangle Energy (Global) Limited for the half-year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Triangle Energy (Global) Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'B. McVeigh'.

Brad McVeigh
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

	Notes	Consolidated Half-Year	
		2011 \$'000	2010 \$'000
Revenue		4,815	8,579
Interest revenue	2	17	21
Total revenue		4,832	8,600
Operating expenses	2	(1,874)	(1,443)
Gross profit from operating activities		2,958	7,157
Other expenses	2	(10,121)	(4,458)
Profit/(loss) before income tax expense		(7,163)	2,699
Income tax expense		(451)	(856)
Profit/(loss) after tax from continuing operations		(7,614)	1,843
Net Profit/(loss) for the half-year attributable to the members of Triangle Energy (Global) Limited		(7,614)	1,843
Other comprehensive income			
Exchange differences on translation of foreign operations		501	(1,298)
Other comprehensive income for the half-year, net of tax		501	(1,298)
Total comprehensive income for the half-year attributable to the members of Triangle Energy (Global) Limited		(7,113)	545
Basic earnings per share (cents per share)		(0.536)	0.002
Diluted earnings per share (cents per share)		N/A	0.002

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011**

	Note	Consolidated	
		31 Dec 2011 \$'000	30 June 2011 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		7,691	8,968
Other receivables		2,849	2,338
Derivative financial instruments	6	259	-
Other assets		298	274
Total Current Assets		11,097	11,580
Non-Current Assets			
Property, plant and equipment		293	1,085
PSC interest		128	154
Exploration and evaluation expenditure		-	-
Total Non-Current Assets		421	1,239
TOTAL ASSETS		11,518	12,819
LIABILITIES			
Current Liabilities			
Trade and other payables		1,302	2,176
Other payables		292	798
Provision for income tax		2,798	2,248
Total Current Liabilities		4,392	5,222
Non-Current Liabilities			
Provisions		350	300
Derivative financial instruments	6	1,831	-
Borrowings	5	1,854	-
Total Non-Current Liabilities		4,035	300
Total Liabilities		8,427	5,522
Net Assets		3,091	7,297
EQUITY			
Issued capital	4	7,093	5,093
Reserves		193	(1,215)
Accumulated profits / (losses)		(4,195)	3,419
Total Equity		3,091	7,297

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

	Consolidated	
	2011 \$'000	2010 \$'000
Cash flows from operating activities		
Receipts from customers	4,903	9,668
Payments to suppliers and employees	(11,777)	(5,068)
Interest received	16	25
Income tax paid	-	(267)
Net cash provided from/(used in) operating activities	(6,858)	4,358
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	-	(297)
Payments for plant, property and equipment	(82)	-
Net cash used in investing activities	(82)	(297)
Cash flows from financing activities		
Proceeds from borrowings – convertible note funding	3,359	-
Proceeds from the issue of shares (net of costs)	2,000	650
Dividends paid	(56)	(2,933)
Net cash provided from/(used in) financing activities	5,303	(2,283)
Net increase/(decrease) in cash held	(1,637)	1,778
Cash and cash equivalents at the beginning of the period	8,968	7,047
Effect of foreign exchange fluctuations on cash held	360	(865)
Cash and cash equivalents at the end of the period	7,691	7,960

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

Consolidated

	Issued Capital \$'000	Accumulated Profits/(Losses) \$'000	Foreign Currency Exchange Reserves \$'000	Share Based Payment Reserve \$'000	Total Equity \$'000
At 1 July 2010	2,606	6,024	203	-	8,833
Profit for the period	-	1,843	-	-	1,843
Exchange differences arising on translation of foreign operations	-	-	(1,298)	-	(1,298)
Total comprehensive income for the half year	-	1,843	(1,298)	-	545
Transactions with owners in their capacity as owners					
Dividend paid	-	(3,000)	-	-	(3,000)
Shares issued during the half-year on exercise of options	650	-	-	-	650
Shares issued during the half-year immediate vesting of rights	612	-	-	-	612
Share performance rights issued during the half-year	-	-	-	69	69
At 31 December 2010	3,868	4,867	(1,095)	69	7,709
At 1 July 2011	5,093	3,419	(1,788)	573	7,297
Profit for the period	-	(7,614)	-	-	(7,614)
Exchange differences arising on translation of foreign operations	-	-	501	-	501
Total comprehensive income for the half-year	-	(7,614)	501	-	(7,113)
Transactions with owners in their capacity as owners					
Shares issued during the half-year	2,000	-	-	-	2,000
Share performance rights issued during the half-year	-	-	-	907	907
At 31 December 2011	7,093	(4,195)	(1,287)	1,480	3,091

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

NOTE 1: BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These general purpose financial statements for the half-year reporting period ended 31 December 2011 have been prepared in accordance with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The historical cost basis has been used, except for derivatives and available-for-sale financial assets which have been measured at fair value.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2011 and any public announcements made by Triangle Energy (Global) Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The same accounting policies and methods of computation have generally been followed in these half-year financial statements as compared with the most recent annual financial statements.

Basis of preparation

The half-year financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year financial statements, the half-year has been treated as a discrete reporting period.

Going Concern

The financial statements have been prepared on the going concern basis of accounting which assumes that the Group will be able to meet its commitments, realise its assets, discharge its liabilities in the ordinary course of business and meet the production budgets. In arriving at this position, the Directors recognise the Company is depending on various funding alternatives to meet these commitments including share placements or other methods.

The Directors believe that at the date of signing the financial statement there are reasonable grounds to believe that having regard to matter set out above, the Group will be able to raise sufficient funds to meet its obligations as and when they fall due.

In the event that the Group does not achieve the matters as set out above, there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

NOTE 2: PROFIT/(LOSS) FOR THE HALF YEAR

	Consolidated	
	31 December 2011 \$'000	31 December 2010 \$'000
<i>Profit/(loss) for the half-year includes the following items:</i>		
Consultant cost	(521)	(313)
Employment expense	(444)	(620)
Share based payments	(907)	(682)
Management fees	(369)	(307)
Travel expenses	(239)	(101)
PR and community liaison Ache	(488)	-
Work-over geological and geophysical expense	(4,883)	(673)
Depreciation and amortisation expense	(874)	(29)

NOTE 3: DIVIDENDS

The Company paid no dividend during the period (2010: \$3M).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

NOTE 4: EQUITY SECURITIES ISSUED

	Half-Year		Half-Year	
	2011 Shares	2010 Shares	2011 \$'000	2010 \$'000
Ordinary Shares				
Opening balance	1,357,808,791	1,295,151,207	5,093	2,606
<i>Issue of Ordinary Shares During the Half-Year</i>				
Exercise of \$0.03 options	-	21,666,666	-	650
Share rights vested immediately	-	17,500,000	-	613
Shares issued for cash	66,666,667	-	2,000	-
Closing balance	1,424,475,458	1,334,317,873	7,093	3,869
Options				
Opening balance	-	21,666,666	-	-
<i>Issue of Options During the Half-Year</i>				
Exercise of \$0.03 unquoted options expiring 31 December 2010	-	(21,666,666)	-	-
Options issued pursuant to placement	16,666,667	-	-	-
Closing balance	16,666,667	-	-	-
Performance Rights				
Opening balance	34,250,000	-	776	-
<i>Issue of Share Rights During the Half-Year</i>				
Performance rights issued	-	17,500,000	-	682
Performance rights issued	15,000,000	-	907	-
Closing balance	49,250,000	17,500,000	1,683	682

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

NOTE 5: BORROWINGS

Convertible Notes

The parent entity issued 3,500,000 8% convertible notes for \$3.409M (USD3.5M) on 8 December 2011. The notes are convertible into ordinary shares of the parent entity at the option of the holder, or repayable on 8 December 2014. The conversion price is \$0.03 per share. The Notes are unsecured obligations of Triangle Energy (Global) Limited.

The convertible note issue comprises a first tranche of US\$3.5m and a second tranche of US\$6.5m. The first tranche was issued on 8 December 2011. The second tranche is subject to a number of conditions, including Triangle Energy shareholder approval (received at shareholder meeting on 14 February 2012), Foreign Investment Review Board ("FIRB") approval and Pase PSC renewal conditions.

The convertible notes are presented in the balance sheet as follows:

	Note	Consolidated	
		31 December 2011 \$'000	30 June 2010 \$'000
Face value of notes issued		3,409	-
Interest accrued		17	-
Derivative asset from forward foreign exchange rate	6	259	-
Derivative liability from conversion option	6	(1,831)	-
		1,854	-

Interest expense is calculated by applying the interest rate of 8% to the liability component.

NOTE 6: DERIVATIVE FIANNCIAL INSTRUMENTS

Current assets

Forward foreign exchange contracts	259	-
	259	-

Current liabilities

Option of conversion to shares	1,831	-
	(1,831)	-

- (a) The forward foreign exchange contract asset represents the differential in the 3 year forward AUD/USD rate at 7 December 2011 of AUD/USD 0.926 applied to the \$3.409M (USD3.5M) face value of the convertible note.
- (b) The option of conversion to shares liability represents the Black Scholes valuation of the note holder's ability to convert as per the following variables:

Closing share price 7 December 2011	\$0.025
Conversion price	\$0.03
Interest rate	4.25%
Volatility	105.17%
Number of shares convertible	116,666,667

The underlying value of the option to convert is \$0.0157 per share.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

NOTE 7: SEGMENT REPORTING

Description of Segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. Reportable segments have been identified as follows:

- Indonesian exploration
- Australian corporate

The Board monitors performance of each segment.

Segment Information

The following table presents the revenue and profit information regarding the segment information provided to the Board for the half-year periods ended 31 December 2011 and 31 December 2010.

Half year ended 2011

	Continuing operations			Consolidated
	Australia	Indonesia	Unallocated	
	\$'000	\$'000	\$'000	\$'000
Segment revenue	17	4,815	-	4,832
Segment result	(4,302)	(3,312)	-	(7,614)
Segment assets	5,855	5,663	-	11,518
Segment liabilities	5,760	2,666	-	8,426

Half year ended 2010

	Continuing operations			Consolidated
	Australia	Indonesia	Unallocated	
	\$'000	\$'000	\$'000	\$'000
Segment revenue	21	8,579	-	8,600
Segment result	(1,953)	4,068	(272) ¹	1,843
Segment assets	1,781	9,175	-	10,956
Segment liabilities	1,467	1,781	-	3,248

(1) Unallocated results refer to FX movements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

NOTE 8: SHARE BASED PAYMENTS

The share based payments expense recognised for employee and consultant services received during the year is shown in the table below:

	Consolidated	
	31 December 2011 \$'000	31 December 2010 \$'000
Expense arising from equity-settled share-based payment transactions	907	682
Total expense arising from share-based payment transactions	907	682

At the annual general meeting on 26 November 2010, shareholder approval was granted to issue share rights to John Towner and to Robert Lemmey as per the following table:

Director	Number of Rights that vest immediately	Number of Rights that vest upon PSC renewal	Total number of Rights
John Towner	7,500,000	15,000,000	22,500,000
Robert Lemmey	10,000,000	10,000,000	20,000,000

Rights vesting immediately are valued at the closing share price of Triangle Energy (Global) Limited on the ASX on the date of the AGM (\$0.035). Rights to vest upon the event of the PSC renewal have been calculated at \$0.035 proportionally from the approval date, to the expiry of the current PSC on 23 February 2012.

During the 2011 half-year, the board granted rights to employees and consultants as per the following table:

Recipient	Number of Rights that vest immediately	Number of Rights that vest upon PSC renewal	Total number of Rights
Employees and consultants	-	15,000,000	15,000,000

Rights granted to employees and consultants vesting immediately are valued at the 5 day VWAP share price of Triangle Energy (Global) Limited on the ASX on the acceptance date of the offer to recipients. Rights to vest upon the event of the PSC renewal have been calculated proportionally from the acceptance date, to the expiry of the current PSC on 23 February 2012.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2011

NOTE 9: RELATED PARTY TRANSACTIONS

	Consolidated	
	31 December 2011 \$'000	31 December 2010 \$'000
Transactions with related parties		
<i>Mandolin Pty Ltd (a company of which Mr John Towner is a Director)</i>		
- Management and consulting fees	212	192
- Office rent (Perth)	15	15
<i>PT Prestige Petroleum (a company associated with Mr Steven Hamer)</i>		
- Consulting fees	132	132
- Office rent (Jakarta)	40	48

Loans to related parties

At Balance Date, Triangle Energy (Global) Limited had loaned \$3.228M to its wholly owned subsidiary, Triangle Energy Limited to fund on-going operations. In December 2010, the Parent had loaned \$1.471M from its wholly owned subsidiary, Triangle Energy Limited to fund on-going operations. The loan is non-interest bearing and has no specific repayment date nor is it subject to any contract. The balance is eliminated on Group consolidation.

At Balance Date, Triangle Energy Limited had loaned \$6.248M (2010: \$4.468M) from its wholly owned subsidiary, Triangle Pase Inc to fund on-going operations. The loan is non-interest bearing and has no specific repayment date nor is it subject to any contract. The balance is eliminated on Group consolidation.

NOTE 10: COMMITMENTS AND CONTINGENCIES

There has been no change in commitments and contingent liabilities since the last annual reporting date.

NOTE 11: EVENTS SUBSEQUENT TO REPORTING DATE

- On 17 February 2012 the Indonesian Upstream Oil & Gas Regulator BPMIGAS advised Triangle Pase Inc. to continue to operate the Pase Block for a further 6 months while a decision is made on the PSC.

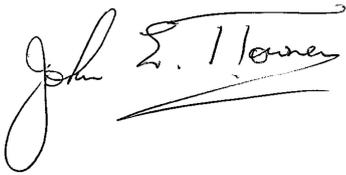
Other than as disclosed above, at the date of this report there were no significant events occurring after reporting date requiring disclosure.

DECLARATION BY DIRECTORS

The directors of the company declare that:

- (a) The financial statements and notes set out on pages 8 to 18 are in accordance with the Corporations Act 2001 and:
 - (i) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.
- (b) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and behalf of the directors by:



John E T Towner
Executive Chairman

13 March 2012



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TRIANGLE ENERGY (GLOBAL) LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Triangle Energy (Global) Limited, which comprises the consolidated statement of financial position as at 31 December 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Triangle Energy (Global) Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Triangle Energy (Global) Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the financial report, where the company is required to secure its PSC renewal to draw down on available facilities in order to meet its working capital requirements. If the company is unable to obtain its PSC renewal it may indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business at the values stated in these financial statements.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'BDO' above 'BMV/A'.

Brad McVeigh
Director

Perth, Western Australia
Dated this 13th day of March 2012