



triangle energy
oil gas energy

WORK-OVER PROGRAM

2011



OIL | GAS | ENERGY

2011 WORK-OVER PROGRAM

In April 2011 Triangle Energy will commence a work-over program to work over its Pase A-2 well followed by its Pase A-1 well. The work-over program has been designed to increase production by adding one proven suspended Gas well (A-2) and unblocking another proven Gas well (A-1).

The work-over program has been designed to significantly increase gas production. Triangle Energy's Directors believe that the work-overs will be value enhancing to Triangle Energy and that this enhanced value will be realised in the second half of 2011.

Pase A-1 will be worked over to remove an obstruction above the fractured upper basement, which has potential to contain considerable gas reserves. Successful work-over of A-1 could open up an additional 802 feet below the blockage for gas production. Production logging tests in 1998 showed some prolific gas zones in the blocked intervals.

Pase A-2 will be worked over to drill out temporary cement plugs, with a new 13% chrome production completion string to surface.

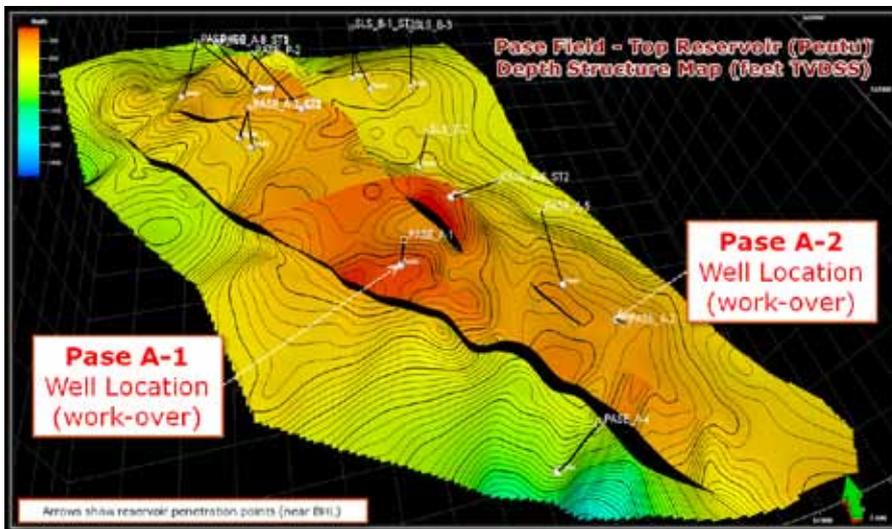


Figure 1 Top Reservoir Map showing locations of Pase A-1 and A-2 Wells

Pase A-1 Work-over

Pase A-1, (the Pase 'A' Gas Field discovery well) was drilled in 1983. Previously perforated intervals were re-perforated in addition to Basement intervals. The entire interval below the 7" casing from 7165' to 8550' (1385') was left open hole.

In total 1746' Total Vertical Depth of Basement complex has been penetrated at the Pase A1 ST1 location. The production logging data confirmed that the fractured Basement complex is a significant reservoir.

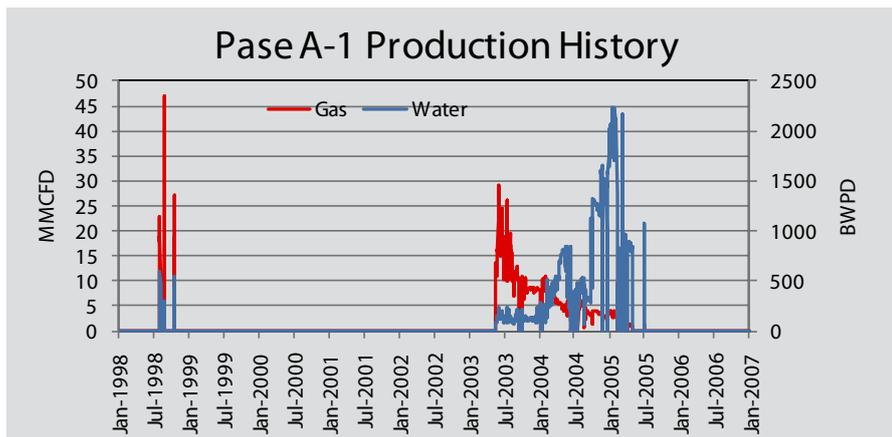


Figure 2 ExxonMobil Pase A-1 Production History

TRIANGLE ENERGY'S DIRECTORS BELIEVE THAT THE WORK-OVERS WILL BE VALUE ENHANCING TO TRIANGLE ENERGY AND THAT THIS ENHANCED VALUE WILL BE REALISED IN THE SECOND HALF OF 2011.

On October 4, 2003, ExxonMobil discovered an obstruction in the Pase A-1 well at 6668 ft. MD (-6433 ft. TVDSS) during a production logging run. Although the exact date or cause of the obstruction is unknown, possibly a collapsed liner or damage from an earthquake, Triangle Energy conducted a down-hole video (DHV) imaging survey in August 2010 to investigate the obstruction. The DHV survey confirmed the obstruction depth and no gas flow was observed through the blockage. The Pase A-1 well produced at up to 8 MMCFD in 2010 and the Company expects higher flow rates after working over the well.

Pase A-2 Work-over

Pase A-2 is located approximately 4km South East from A-1 and was drilled as an appraisal well by Mobil in 1984, but was never produced.

Three Drill Stem Tests (DSTs) were successfully conducted and a maximum rate of 23.9 MMCFD was recorded during DST #3A (maximum flow-rate for a Hydrospring FulFlo Valve testing tool), a commingled Peutu/Belumai test (no cement). Additionally, the Bruksah sandstone flowed a maximum rate of 22.5 MMCFD. Lowest Known Gas (LKG) in the well was at 7700 feet True Vertical Depth Sub-Sea (TVDSS) with no indications of a Gas-Water Contact in any formation. No conventional cores were taken. Matrix porosities for the Peutu, Belumai and Bruksah were determined as 3.2%, 6.7% and 4.8% respectively. Test interpretation indicated a dual flow permeability model comprising both matrix and fracture permeability.

Triangle Energy believes that significant remaining reserves are in place at A-2, within the fractured reservoir.

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PASE FIELD BACKGROUND

The PASE Production Sharing Contract (PSC) is located in North Sumatra. It was acquired from ExxonMobil effective 1 June 2009. The acreage has only been explored once and this was specifically for augmentation of gas supply to the Arun LNG plant. Triangle has identified significant remaining potential through the improvement of current gas production through work-overs, water handling and attic drilling. Triangle hopes to realise significant further production and upside through a focused approach and a different mindset.

The PASE PSC was awarded to Mobil in 1981 for a period of 30 years which has been extended through until February 2012 due to the Force Majeure provisions of the contract. The PASE Field was discovered in 1983. Production commenced in 1998 and in 2003 ExxonMobil estimated that the field contained 498 BCF gas in place. Cumulative production to date is 183 BCF.

Triangle's gas is predominantly sold through the Arun LNG plant at a premium price tied to a basket of crude oil markers.

ABOUT TRIANGLE ENERGY

Triangle Energy is a gas production and exploration company based in Perth. Its wholly-owned subsidiary, Triangle PASE Inc, is based in Jakarta and is the 100% holder and operator of the PASE PSC which covers an area of 922km² in Aceh Province, North Sumatra, Indonesia.

Triangle Energy has been cash-flow positive since early 2010 and continues to operate profitably. It paid a dividend of 0.2316 cent (\$0.002316) per share to shareholders in September 2010 in accordance with its policy of paying dividends to shareholders. Approximately 90% of the gas produced is sold at premium LNG prices. Triangle Energy is continuing to review further acquisition opportunities in the area.