

ASX Announcement

8 September 2017
ASX:TEG



Initial Public Offering of State Gas Limited

HIGHLIGHTS

- State Gas Limited, until recently a wholly-owned subsidiary of Triangle, lodges Prospectus and seeks admission to ASX
- State Gas Limited holds a 60% interest in PL 231 (Reids Dome) in the Bowen Basin, south-east Queensland
- Triangle will hold the largest stake in State Gas with an interest of 35.47% (\$9.577 million value at the completion of a successful IPO)
- IPO to subscribe for 26,250,000 shares at \$0.20 per share to raise \$5.25M
- Funds raised will provide State Gas with capacity to appraise the shallow, conventional gas target of the Cattle Creek Formation, and potentially develop the resource

Triangle Energy (Global) Limited (**Triangle**, the **Company**) is pleased to announce that State Gas Limited (**State Gas**), until recently a wholly-owned subsidiary of Triangle and the holder of a 60% interest in PL 231, has today lodged a Prospectus to raise \$5.25 million and seek admission to the official list of the ASX.

State Gas will, on completion of the Offer and admission to the ASX, have a market capitalisation of \$27 million (at the issue price). Triangle will hold the largest stake in State Gas with an interest of 35.47% on its admission to the ASX, equivalent to \$9.577 million in value at the completion of a successful IPO. Mr Rob Towner (Managing Director of Triangle) will represent Triangle's interests on the board of State Gas.

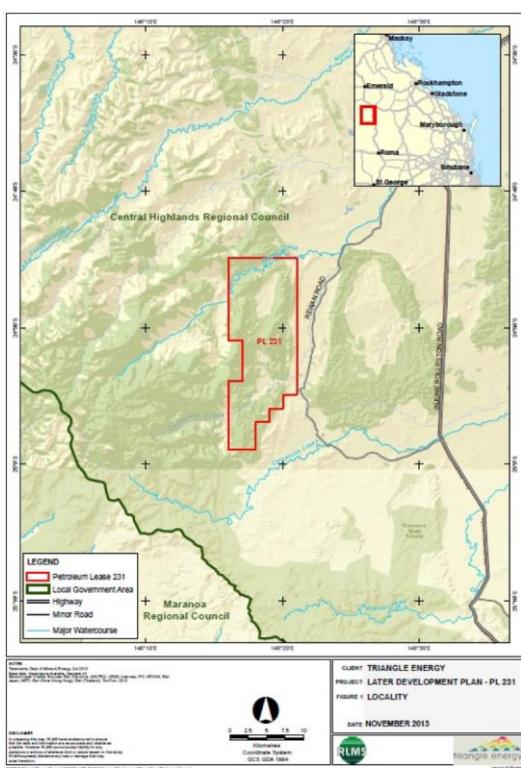
The Prospectus for State Gas invites investors to subscribe for 26,250,000 Shares, at \$0.20 per Share to raise \$5.25 million (before Offer costs). The funds raised will provide State Gas with capital to appraise the shallow, conventional gas target of the Cattle Creek Formation and, should the appraisal program be successful, take steps to develop the resource.

Triangle Managing Director Mr Rob Towner said: "*The spin-out of PL 231 has been carefully planned to ensure the asset is in the hands of a team focused exclusively on its development. Triangle shareholders will benefit from the success of State Gas through the meaningful equity stake that we continue to hold. The supply constraints in the east coast gas market presented an ideal time for Triangle to move on this opportunity.*"

Triangle has secured a priority allocation of \$1 million of the \$5.25 million to be raised under the State Gas IPO for eligible Triangle shareholders. The priority offer will be open to all Triangle shareholders on the register as at 4 September 2017, who will receive a letter providing more detail on how to apply for shares under the priority offer. The Offer is currently expected to open on 12 September 2017. The priority offer closes at 5.00pm AEST on 28 September 2017. Commencement of trading on ASX is expected on or about 17 October 2017.



Image: Flaring of Aldinga East 1 drilled in about November 1993



About PL 231 and State Gas' plans

PL 231 hosts a conventional gas project located in the Denison Trough (Queensland), first discovered in the 1950's. The primary area of focus for State Gas is the shallow, conventional gas target in the Cattle Creek Formation, a marine sandstone source rock, with a major secondary target in the underlying Reids Dome beds. Both targets have produced gas during the drilling of exploration and appraisal wells on PL 231. A number of historical wells have flowed gas from the Cattle Creek Formation, which was reached at depths as shallow as 130 meters. The underlying Reids Dome beds are anticipated to be at least 2,770 metres thick and have not been fully tested in the Denison Trough.

With the gas industry on the east coast undergoing significant structural change and the growth of demand from the Queensland-based liquefied natural gas (LNG) export industry causing a tight supply market, the board of State Gas will focus on accelerating the commercialisation of the project.

Important Note: The Prospectus for the offer of shares in State Gas Limited ACN 617 322 488, the issuer, is available from <http://www.state-gas.com>. The offers of shares will be made in the Prospectus. Investors should consider the prospectus in deciding whether to acquire the shares. To acquire shares, you must complete the application form that accompanies the Prospectus.

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About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX: TEG) oil and gas producer and explorer based in Perth, Western Australia. The Company has a 78.75% interest in, and is Operator of, the producing Cliff Head Oil Field, which includes the Arrowsmith Stabilisation Plant located in the Perth Basin, and a substantial equity interest in State Gas Limited, a company with a 60% operating interest in the Reids Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.