



Rob Towner says Triangle is in a good position despite the current low oil price and wider impacts of COVID-19. *Photo: Gabriel Oliveira*

Triangle Energy signs new contract, cuts spending

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[Triangle Energy Global](#) [6] has contracted [GR Engineering Services](#) [7] for maintenance work at its Perth Basin operations, while at the same time introducing cost-savings measures to limit the impact of COVID-19.

Under the three-year contract, GR Engineering subsidiary Upstream Production Solutions will provide operations and maintenance services to the Arrowsmith Stabilisation Plant (ASP) and Cliff Head Alpha offshore platform in the Perth Basin.

GR Engineering said Upstream had provided services to the ASP and Cliff Head facilities since they were commissioned in 2006.

“Upstream Production Solutions continues to perform well in challenging market conditions and we are all excited that we have been given the opportunity to continue to support Triangle Energy,” GR Engineering managing director [Geoff Jones](#) [8] said.

The company’s shares were down 6.3 per cent at 10:45am AEDT.

Triangle Energy says it has also negotiated improved contracts with many of its suppliers in addition to temporarily reducing executive salaries and directors fees by 30 per cent.

Further, the company has reduced operating costs at its Cliff Head joint venture operation – of which Triangle holds a 50 per cent stake – and deferred all non-essential planned and processed capex of \$2.5 million.

This will result in lifting costs at Cliff Head falling from around \$US24.95 per barrel to approximately \$US15.40 for the remainder of the 2020 financial year, Triangle says.

Managing director Rob Towner said the company was in a good position despite the current low oil price and wider impacts of COVID-19.

“We have excellent relationships with our suppliers, particularly those we use locally in the Perth Basin area and working with them we have managed to reduce our routine costs significantly,” he said.

“We are well ahead of the curve in that we re-invested into the Cliff Head asset when oil prices allowed it, and we are benefitting from that now and will continue to benefit in the future.”

The Cliff Head joint venture – of which US company Royal Energy holds the remaining 50 per cent interest – has reinvested \$4.47 million in the asset since July 2019.

The oil field is located about 270 kilometres north of Perth and 12 kilometres off the coast of Dongara.

Shares in Triangle Energy were up 22 per cent at 11:50am AEDT to trade at 33 cents.

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