

ASX: TEG

www.triangleenergy.com.au

52 Wk Share Price Range

\$0.115 – \$0.021

Market Capitalisation

\$12.3M (at \$0.034 per share as at 30 July 2020)

Issued Capital (as at 30 June 2020)

360.8M Outstanding Shares

72.1M Listed Options @ \$0.12

29.1M Performance Rights

1.8M Unlisted Options @\$0.10

0.4M Unlisted Performance Shares

Cash (as at 30 June 2020)

\$2.41M

Investment in State Gas Limited

\$21.5 million (at \$0.45 per share, as at 30 July 2020)

Debt (as at 30 June 2020)

\$0.87M TEO Inter-Company Loan

Top 20 Shareholders (30 June 2020)

53.29%

Board and Management

Timothy Monckton

Non-Executive Chairman

Rob Towner

Managing Director/CEO

Wai-Lid Wong

Non-Executive Director

Ted Farrell

Non-Executive Director

Malcolm King

Non – Executive Director

Lucy Rowe

Company Secretary

Troy Brice

Chief Operating Officer

Marvin Chan

Chief Financial Officer

Triangle Energy (Global) Ltd

Suite 2, 100 Havelock Street,

West Perth, WA 6005

T: +61 8 9219 7111

E: info@triangleenergy.com.au

HIGHLIGHTS DURING THE QUARTER

Cliff Head Oil Field (Cliff Head) Production

- Produced and sold: 66,921 bbls (ave. 735 bopd) – an increase of 4% from last quarter as a result of all wells online after the resolution of the Cliff Head Alpha electrical incident that caused production downtime in February and March
- Cliff Head Joint Venture (CHJV) crude sales revenue: AU\$2.65 million (previous quarter AU\$5.31 million) – a decrease of 50% from last quarter resulting from a combination of production downtime and low oil price. Low production was caused by the shut-in of CH6 and CH7 Wells on 17 June 2020. Oil price has declined by 50% from last quarter due to over-supply and low demand caused by the COVID-19 pandemic
- Lifting costs: US\$21.46/bbl (previous quarter US\$27.04/bbl), a decrease of 21%. The decrease in lifting costs was the result of cost and cash saving measures implemented by the CHJV during the quarter to balance the effect of crushing oil prices
- Operating margin/(loss): -US\$3.62/bbl at an average price for the quarter of U\$26.04
- June 18, 2020 – the Company announced that the 2021 work programme for Cliff Head wells CH6 and CH7 had been brought forward due to the shutting in of these wells on 17 June 2020

Corporate

- April 3, 2020 – the Company gave an operations update in which it announced cost cutting measures and salary deferrals for Management and the Board of Directors
- April 23, 2020 – the Company confirmed three key technically mature and economically attractive drilling opportunities in the Perth Basin
- June 1, 2020 – the Company announced further Board changes with the appointment of Mr Malcolm King as Non – Executive Director and the resignation on 30 June 2020 of Mr Edward “Ted” Farrell, as Non – Executive Director after 6 years with the Company
- The Company is the major shareholder of State Gas Limited (ASX:GAS, State Gas) with an interest of 32.71%. The investment is equivalent to AU\$21.52 million in value at \$0.45 (as at 30 July 2020) per State Gas share
- Cash: AU\$2.41 million (previous quarter: AU\$4.17 million) which includes AU\$1.49 million in escrow



MANAGING DIRECTOR OVERVIEW - Mr Rob Towner

The June 2020 quarter certainly demonstrated the short term flow on effects of a global crisis for the Oil and Gas sector. The Company and its management at the Cliff Head Oil Field (**Cliff Head**) responded accordingly, reducing operating costs for the quarter to US\$21.46 per barrel. Since assuming operatorship of the field in 2018 this represents a reduction of US\$19.00 per barrel.

The successful restructuring of operations at Cliff Head over the last three years has generated strong gross profits, which has enabled the Company to reinvest into its infrastructure and assets in anticipation of the Company's business growth at Cliff Head and the greater Perth Basin. Since July 2019 the Cliff Head Joint Venture has invested AU\$5.15 million which has helped provide a high level of asset integrity ensuring we continue to deliver a steady state of oil production.

The planned work programme for the 2021 financial year for Cliff Head 6 Well (**CH6**), and Cliff Head 7 Well (**CH7**) has been brought forward. During routine operational maintenance, as a precautionary measure, production from CH7 was shut-in during the afternoon of 17 June 2020 to enable the testing of the integrity of the lower completion part of the well, and to allow a forward remediation plan to be approved, and implemented in the immediate future. The Company is evaluating the options to return CH7 to production at the earliest opportunity, including near term return to production and/or a workover pre-scheduled for October 2020.

The Company's strategy for extending the life of Cliff Head and associated Arrowsmith processing infrastructure is a priority, and continues to deliver positive outcomes. This long-term strategy is often forgotten in the situation in which the Oil and Gas sector finds itself currently due to the COVID - 19 pandemic. The Company's Cliff Head Renewal Project has provided three priority drilling prospects. The Mentelle Updip prospect could materially impact the life-cycle of the Cliff Head asset, while West High and SE Nose could also provide a significant uplift in production. In addition, two new features were identified from the CHRP, the Catts exploration prospect and the Far North opportunity north of Cliff Head 10. The next steps are to commence detailed well planning, targeting a drilling campaign within the constraints of the current oil price and industry down-turn.

I am very pleased to welcome Mr Malcom King to the Board of the Company, and again thank Mr Ted Farrell for his tenure over the last six years.

Finally, I would like to thank our entire staff and wider Triangle vendors who have completed a very difficult quarter with absolute professionalism.

COVID -19 Response

The Company has been steadfast in ensuring a healthy and safe work environment given the COVID-19 risk profile. All staff and core contractors remain COVID-19 infection free. The strict measures imposed early during the emergence of the Pandemic, has directly contributed to Triangle's results so far, whilst sustaining production at all times.

COMPANY UPDATE

Cliff Head Oil Field (100%)

Production and Revenue

- CHJV oil produced and sold 3 months to 30 June 2020: **66,921 bbls**
- CHJV oil sales revenue June 2020 quarter: **AU\$2.65 million**
- CHJV June 2020 quarter average barrels sold: **735 bopd**

June 2020 Quarter	CHJV Total (100%) AU\$ Millions	CHJV Total (100%) US\$* Millions	Per barrel US\$*
Sales	2.650	1.742	\$26.04/bbl
Lifting costs ¹	(2.185)	(1.436)	(\$21.46)/bbl
Operating margin	0.465	0.306	\$4.58/bbl
Trucking	(0.335)	(0.220)	(\$3.29)/bbl
Routine profit	0.130	0.086	\$1.29/bbl
Non-routine costs ¹	(0.499)	(0.328)	(\$4.90)/bbl
Gross profit (loss)	(0.369)	(0.242)	(\$3.61)/bbl

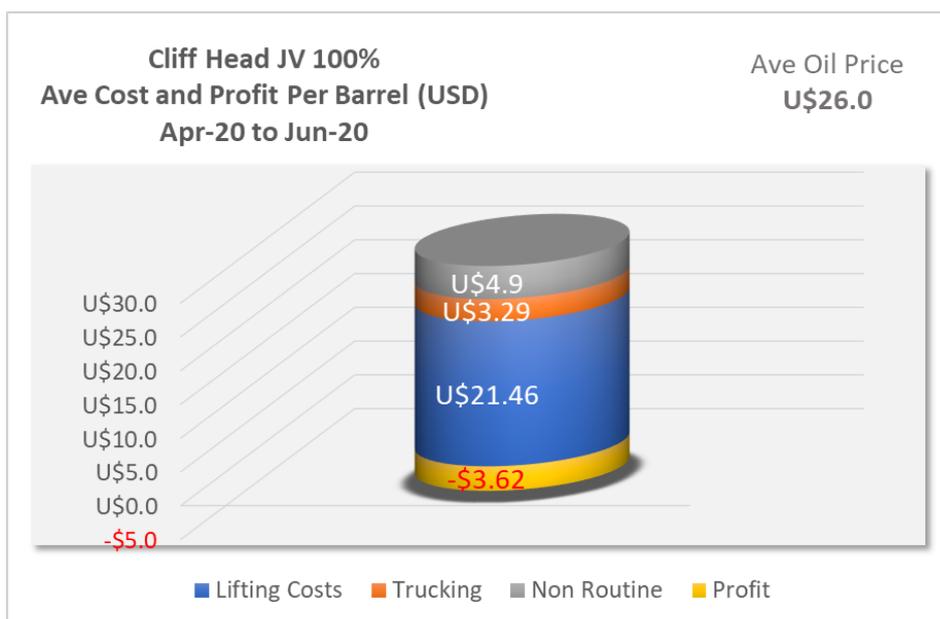
* US\$/AU\$ conversion rate of 0.6575

Note: Triangle will be continuing to report for the CHJV at 57.5% as it currently controls two of the three joint venture participants in the CHJV. The 42.5% acquired by Triangle and Royal (21.25% each) on 31 March 2017 is controlled 50/50 and will not be consolidated into the Triangle Group of Companies.

Cliff Head Operating Margin

On 17 June 2020, two wells in Cliff Head, CH6 and CH7, were shut-in due to Electronic Submersible Pump (ESP) failure and to allow for testing of lower completion, respectively. These incidents caused non-optimal production performance thereby increasing the cost per barrel even with a substantial budget savings during the quarter. During the 3-month period April to June 2020, the Cliff Head Joint Venture saved \$850K of costs from its approved budget resulting from the cost cutting measures announced by the Company in April 2020.

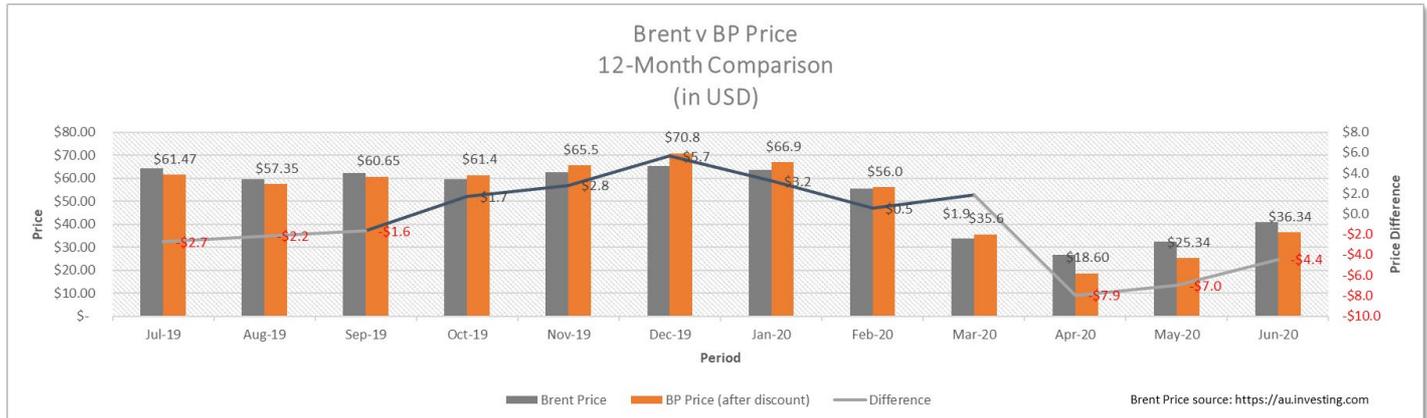
Notwithstanding lower production levels during the period, lifting cost per barrel was down to U\$21.46 from U\$27.04 from last quarter. Including non-routine cost and trucking cost, Cliff Head economic break-even during the quarter was U\$29.60.



¹ Lifting costs are calculated to include routine production costs only. Non-routine costs exclude exploration, capitalisable expenditures and the associated amortisation.



Average oil sale price realised for the quarter was US\$26.0/bbl. The low oil price is a result of the continuation of over-supply of crude oil in the international market further exacerbated by low demand caused by the COVID-19 pandemic. In April 2020, OPEC+ agreed to a 9.7 million barrels of oil per day production cut for the months of May and June 2020 and further agreed to extend the cut until July 2020. In July 2020, OPEC+ reduced the cut to 7.7 million barrels of oil per day until December 2020. These production cuts triggered the oil price to rise to US\$43 levels (Brent).



Operational Activities and Cost Cutting Measures

On 3 April 2020 the Company was pleased to provide an update on its Perth Basin Cliff Head oil project operations, exploration interests and operating budget.

A strong focus on reducing operating costs even before the current low oil price saw Triangle's lifting costs at Cliff Head decrease from more than US\$40 a barrel in 2017 to just US\$24.95 average from July 2019 to February this year. As discussed above, a further reduction to US\$21.46 was achieved by the Company in this reporting quarter.

Amidst the continuing low oil price environment due to over-supply and weak demand, Triangle announced that it had negotiated improved contracts with many of its major suppliers, whilst extending our commitment to valued suppliers and contractors during this challenging period. These negotiations have resulted in substantial and immediate cost savings to the business.

The Company also implemented a 30% salary deferment in respect of executive salaries for the Managing Director, Chief Financial Officer and Chief Operating Officer, as well as Directors' fees by the same amount, which came into effect from 1 May 2020.

As mentioned above, on 18 June 2020, the Company announced that the planned work programme for the 2021 financial year for CH6 and CH7 has been brought forward, with production from each of these wells currently shut in.

The Company is currently evaluating the options to return CH7 to production at the earliest opportunity, including near term return to production and/or a workover pre-scheduled for October 2020.

Production is currently stabilised at approximately 560 bopd from the other primary producing wells while these maintenance issues are resolved.

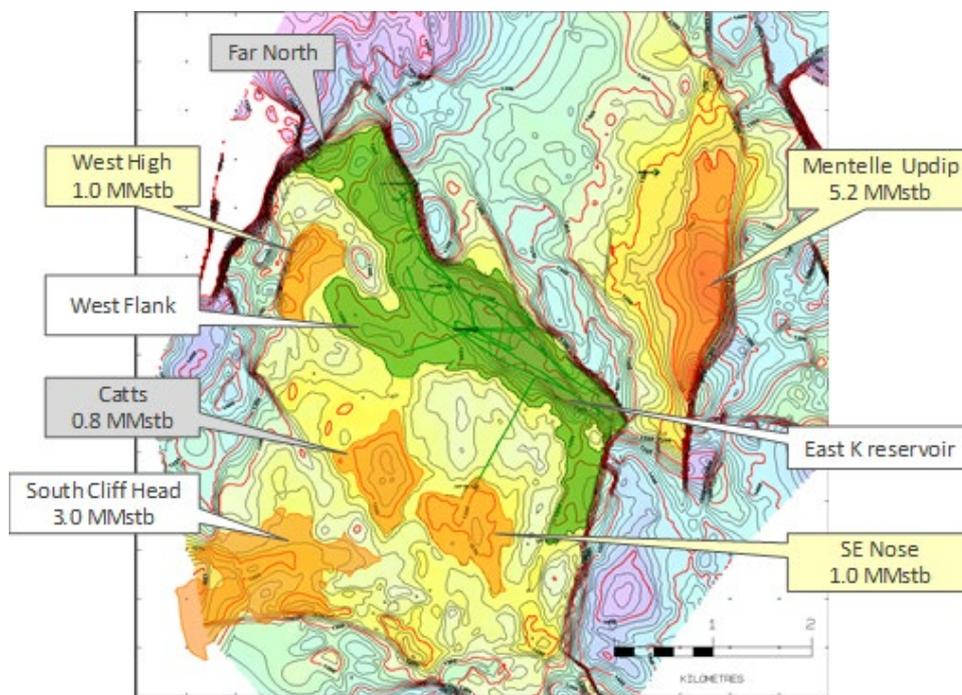
Further updates in relation to the status of both the CH6 and CH7 wells will be provided in accordance with the Company's continuous disclosure obligations.



Cliff Head Renewal Project

Three attractive drilling opportunities that can be drilled and developed from the Cliff Head platform are now technically mature and economically justified for drilling; the SE Nose development, West High appraisal/development and Mentelle Updip exploration prospect. The results of this Cliff Renewal Project (CHRP) work were announced on 23 April 2020. Success with these opportunities would provide a substantial uplift in production and materially extend the life of the Cliff Head platform, and the onshore Arrowsmith Oil Stabilisation Plant. An additional new exploration opportunity was also confirmed immediately SSW of Cliff Head platform, the Catts prospect.

The company is continuing to progress the drilling of these opportunities for the earliest possible timeframe.



Mentelle Updip

The Mentelle Updip prospect was upgraded from previous assessments and developed into an opportunity with sufficient resource potential to materially impact the life-cycle of the Cliff Head asset. Best Estimate Prospective Resources are assessed to be of 5.2 MMstb. Further seismic acquisition was evaluated and is not justified because of relative cost and additional time delays. Mentelle Updip is mature for drilling.

West High

The West High appraisal/development opportunity, on a likely western extension of the Cliff Head field, could be drilled by a deviated appraisal well from the Cliff Head platform, and then completed as a production well in the event of success. Best Estimate Contingent Resource of 0.95 MMstb is assessed, and it is also mature for drilling.

SE Nose

The SE Nose development opportunity is a low relief structure updip of the original Cliff Head 1 discovery well, that was confirmed and de-risked by depth conversion studies and is assessed to have Best Estimate Contingent Resources of 1.01 MMstb and is also mature for drilling.

Two new features were identified from the CHRP, the Catts exploration prospect 1.4 kms SSW of the Cliff Head Alpha platform, and the Far North opportunity north of Cliff Head 10. Catts is a subtle two-way-time closure that is enhanced with

depth conversion and analogous to the SE Nose structure, and can also be developed from the Cliff Head Alpha platform in the event of exploration success. Far North is a possible structural culmination on the northern limit of the field that is indicated by upside scenarios of the depth conversion work. The upside depth model is supported by the production performance of the Cliff Head 10 well. Far North is still under evaluation.

The next steps are to commence detailed well planning, targeting a drilling campaign within the constraints of the current oil price and industry down-turn.

The assessment of unrisks Contingent Resources and Prospective Resources for the Cliff Head Project (WA-31-L), previously announced on April 23, 2020 is provided in the table below:

(08)

Cliff Head (WA-31-L)				
Gross Contingent Resources				
(MMstb Oil)	1C (Low)	2C (Best)	3C (High)	
SE Nose	0.50	1.01	2.07	
West High	0.00	0.95	2.27	
West Flank	0.00	0.79	1.14	
Far North		0.41		
East Horst K Sand		0.36		
CH11 Block	0	0.06	0.69	
Total (Gross)	0.5	3.52	5.48	
Net TEG (78.75%) Contingent Resources				
(MMstb Oil)	1C (Low)	2C (Best)	3C (High)	
SE Nose	0.39	0.80	1.63	
West High	0.00	0.75	1.79	
West Flank	0.00	0.62	0.90	
Far North		0.32		
East Horst K Sand		0.28		
CH11 Block	0.00	0.05	0.54	
Total TEG Share		2.77		
Gross Prospective Resources**				
(MMstb Oil)	Low	Best	High	
Mentelle Updip	1.98	5.15	9.18	
Catts	0.35	0.77	1.42	
Southern Extension		0.54		
South Cliff Head		3.00		
Total (Gross)		9.46		
Net TEG (78.75%) Prospective Resources**				
(MMstb Oil)	Low	Best	High	
Mentelle Updip	1.56	4.06	7.23	
Catts	0.28	0.61	1.12	
Southern Extension		0.43		
South Cliff Head		2.36		
Total TEG Share		7.45		

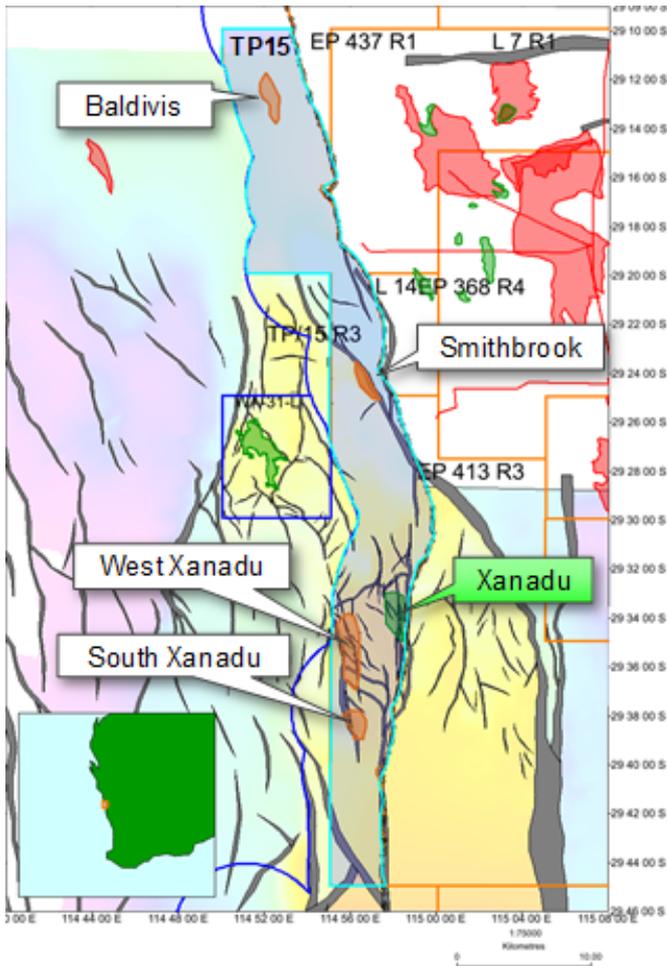
Table 1: Contingent and Prospective Resources Cliff Head (WA-31-L)

** The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.



TP/15 Xanadu-1 JV (45%)

TP/15 hosts the Xanadu oil discovery within the large Xanadu structure. Although the reservoir quality is less than optimal, the discovery of oil in the Xanadu-1 well is positive in so far as it demonstrates an oil charge to and moveable oil within TP/15. The Company also expects reservoir quality to improve west of the Xanadu structure.



During the March quarter Norwest Energy Limited (ASX:NWE), as Operator of the TP/15 Joint Venture, progressed engineering and commercial studies focused on the Xanadu oil discovery, the aim of which is to determine whether further appraisal is justified.

In addition to the remaining prospectivity previously mapped within and adjacent to the Xanadu 3D seismic area, a regional evaluation is underway that has resulted in the mapping of two large structural leads to the south of Xanadu. These leads offer potential for very significant accumulations of oil within the Permian High Cliff Sandstone, in addition to the Dongara and Irwin River Coal Measure Formations that have previously been the main focus of exploration within the offshore Perth Basin. A detailed technical update will be released in due course upon completion of the various studies.

The Company continues to be encouraged by the additional prospectivity in the permit and is working with our joint venture partners to agree a budget and programme of work to further define this additional prospectivity. Acquisition of low cost 2D seismic data to mature the West Xanadu area for drilling will be considered by the Joint Venture.

Farmout Agreement with Key Petroleum Limited for Mt Horner Production Licence L7(R1) (TEG 50%)

On 31 October 2018, the Board of Triangle was pleased to announce that it had entered into a Farmout Agreement with Key Petroleum Limited (ASX:KEY) to acquire a 50% participating interest in Production Licence L7(R1) (**Acquisition**). A wholly owned subsidiary of Triangle will hold the relevant interest earned under the Farmout Agreement.

On 2 October 2019, the Company announced that the Farmout Agreement had completed with all approvals received.

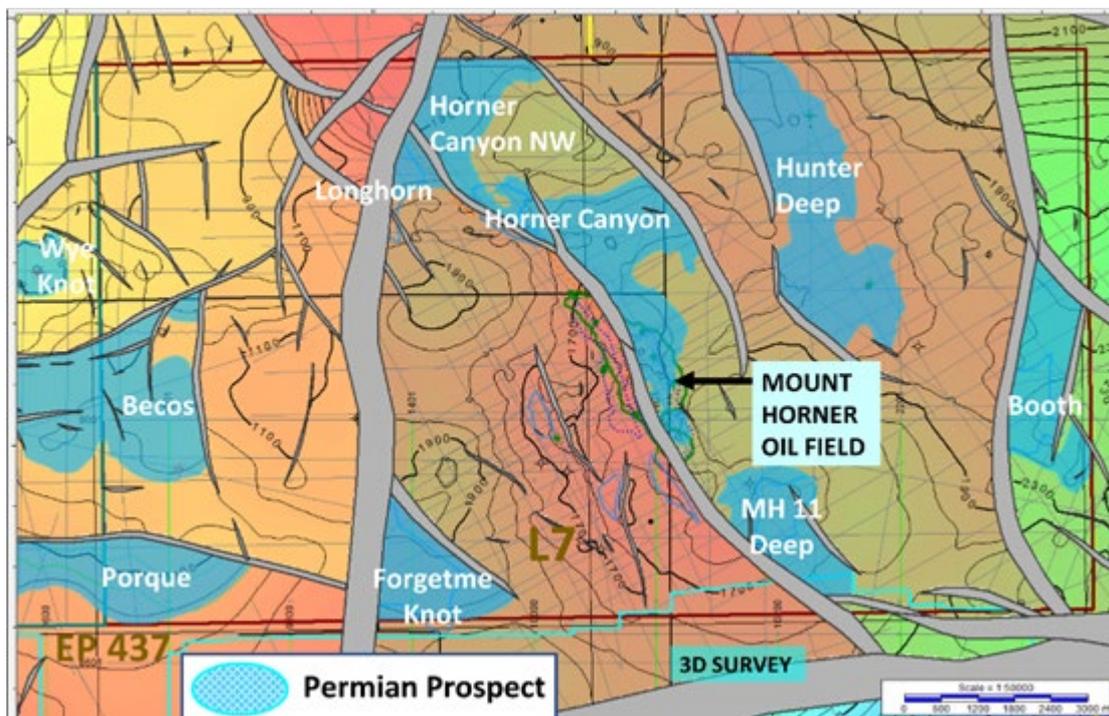
Upon completion and earning a 50% stake in the Mount Horner Production Licence, the Company has the right to assume Operatorship of L7.

During the reporting period KEY, Operator of L7(R1) (Mt Horner oil field), announced the results of their evaluation of the broader prospectivity of the Bookara Shelf, which includes L7.

KEY reported on 16 June 2020 that they believe the updated Prospective Resource estimates of prospects within the Bookara Shelf Project represent a material impact.

The decommissioning and well abandonment operations at Mt Horner at wells including Mount Horner-5, 7 and 13 were also completed without incident by Operator (KEY). The remaining two wells and infrastructure are strategic assets that have been left in place for possible near-term Pilot Production Program.

Planning of the Bookara Shelf 3D seismic survey acquisition planning and stakeholder engagement is scheduled for the next quarter.



Permian Prospects and Leads in L7 (R1)

INVESTMENTS

State Gas Limited (ASX: GAS)

Triangle is the major shareholder of State Gas Limited (**State Gas**) (ASX:**GAS**) with an interest of 32.71%, the investment is equivalent to AU\$21.52 million in value at a AU\$0.45 (as at 30 July 2020) per State Gas share.

For further information on State Gas Limited, please refer to that company's website www.stategas.com.au.

Triangle's Managing Director, Mr Rob Towner, represents Triangle's interests on the board of State Gas as a non-executive Director.

CORPORATE

Board Appointment and Resignation

On 1 June 2020, the Board was pleased to announce that Mr Malcolm King had joined the Company as Non – Executive Director.

Mr King has over 30 years' experience in the upstream oil and gas industry in both technical and commercial leadership roles. Most of this has been with Shell in assignments across Australia and Asia, leading exploration and commercial delivery teams, strategy, business development, acquisitions & divestments and gas/LNG marketing & negotiations.

The Directors also announced that Mr Edward "Ted" Farrell resigned as a Non – Executive Director as of 30 June 2020 after nearly six years with the Company and thanked Ted for his years of sound guidance and direction as the Company established and grew its position in the Perth Basin.

Capital and Management Expenditure

As at 30 June 2020, Triangle had a cash balance of AU\$2.41 million of which AU\$1.49 million is held in escrow.

The Company also holds a 50% equity interest in Triangle Energy (Operations) Pty Ltd which had AU\$77K in cash attributed to the Company at 30 June 2020. This investment is equity accounted for in the Company's financial statements.

Payments to Related Parties of the Company and its Associates

During the quarter ending 30 June 2020, the Company paid AU\$95K in salary and fees to related parties of the entity and their associates. The payment is broken down as follows:

1. payments to executive director of AU\$77K, and
2. payments to non-executive directors of AU\$18K.

Pase PSC – PT Enso Asia

The Company is owed US\$1.02 million (AU\$1.49 million), cash held in escrow, in relation to the Sale and Purchase Agreement of the Pase Production Sharing Contract (PSC) to PT Enso Asia which completed in February 2016.

The US\$1.02 million held under contract, is to be released to Triangle after the Indonesian Ministry of Energy and Resources (ESDM) or Special Unit for Upstream Oil and Gas Operations (SKKMIGAS) provides written approval of the Change of Control of the Pase PSC.

The Company will provide further updates as and when they are available.

Request for Arbitration from PDPA

On 6 March 2019, the Company advised shareholders that it had received a request for arbitration from former joint venture partner Perusahaan Daerah Pembangunan Aceh (**PDPA**), an Acehnese government-owned company, with PDPA filing an application for arbitration with the BANI Arbitration Centre located in Jakarta.

The claim related to the Production Sharing Contract for the Pase Concession (in which the Company sold its interest in February 2016), with PDPA alleging the Company did not comply with obligations to pay corporate social responsibility contributions to a community development fund and to build a road.

Subsequent to the end of the quarter, the Company was pleased to announce the results of the award hearing in respect of the aforementioned arbitration proceedings held in the BANI Arbitration Centre in Jakarta on Friday 24 July 2020.

The Tribunal found in favour of Triangle, rejecting the claim of Perusahaan Daerah Pembangunan Aceh (PDPA), in its entirety. The Tribunal also ordered PDPA to pay Triangle's arbitration costs of IDR490,303,550 (approximately AU\$47,380).

The Company is now looking forward to focusing all its attention on continuing its work on Triangle's Perth Basin expansion strategy and the continued safe and efficient production at its Cliff Head oil asset.

Shareholder Analysis

As at 30 June 2020 the Company had 1033 shareholders and 360,753,682 ordinary fully paid shares on issue. The Top 20 shareholders hold 53.29% of the total issued capital.

Information in relation to ASX Listing Rule 5.4.3

At 30 June 2020, the Company held:

- 78.75% interest in WA-31-L in the Perth Basin, Western Australia;
- 45% interest in TP/15 Joint Venture in the Perth Basin, Western Australia; and
- 50% participating interest in Production Licence L7(R1).

The Group did not acquire or dispose of any other tenements during the quarter.



BACKGROUND TO OPERATIONS

WESTERN AUSTRALIA

Cliff Head Oil Field - Operator WA-31-L Offshore Perth Basin (78.75%)

The Cliff Head Oil Field is located 10km off the coast of Western Australia at a water depth of 15-20 metres. The Production Licence WA-31-L covers 72km² and the oil field covers 6km². It was the first commercial oil discovery developed in the offshore Perth Basin. The development cost of the field was A\$327 million with first oil production commencing in May 2006.

Production is from five ESP production wells and produced water is reinjected into three injection wells. Produced crude oil is trucked to the BP refinery in Kwinana, 42kms south of Perth.

Facilities and Infrastructure

The Cliff Head facilities are the only offshore infrastructure in the Perth Basin and are therefore important for any development in the surrounding area. An unmanned platform with a 14km pipeline carries the crude oil to a dedicated stabilisation processing plant at Arrowsmith with a production capacity of 15,000 bopd.

The field has the capacity to produce approximately 1000 bopd from five production wells (3 horizontal and 2 deviated). The production from the field is supported by a water flood with 3 water injection wells (1 horizontal and 2 deviated). An additional unused well slot is available on the platform for future drilling activities.

Production Optimisation and Exploration Upside

The Perth Basin has more than 60 wells drilled offshore (approximately 47 wildcat wells) and 320 wells drilled onshore. The Northern Perth Basin has 20 commercial oil and gas fields and numerous additional significant discoveries of varying sizes. The Northern Perth Basin has proven production with 10 producing fields and with Cliff Head being the only offshore producing field.

The Cliff Head joint venture has developed a set of near field opportunities within the WA-31-L permit area to enhance production through the asset. These include in-field appraisal and development drilling, and near field exploration. Three opportunities are both technically mature and economically justified for drilling.

Health, Safety and Environment

The Cliff Head Joint Venture is dedicated to HSE and Asset Integrity Management.

Offshore Australian projects are subject to the OPGGSA safety case regime and all requirements are implemented at the offshore and onshore facilities.

All environmental requirements (EIAs, EMPs, Oil Pollution Emergency Plans, carbon emissions reporting) are being met.

Through its existing Cliff Head Oil Field production operations, the Cliff Head Joint Venture has established good relations with the regulators, fishing community, landholding sectors, tourism stakeholders and other operators in the area.



Arrowsmith Stabilisation Plant

Xanadu - TP/15 Offshore Perth Basin (45%)

TP/15 is located in the offshore northern Perth Basin approximately 280km north of Perth. The permit occupies the 3 nautical mile wide state territorial waters of Western Australia, adjacent to Port Denison, and covering an area of 645km².

Both Cliff Head and Xanadu lie on Beagle Ridge, east of the major Geraldton fault. The oil generation kitchen filling the Cliff Head Oil Field is viewed as the same source kitchen for the Xanadu prospect. Cliff Head and Xanadu also share the same reservoir units. The technical understanding of the Xanadu prospect including reservoir seal and trap dynamics, is greatly enhanced by the analogous Cliff Head Oil Field.

The Xanadu-1 well was spudded on 4 September 2017 and reached a total depth of 2035 MDRT on 17 September 2017. On 25 September 2017, Triangle announced that an oil discovery at Xanadu-1 was confirmed. This was an outstanding achievement and the first oil discovery in the offshore Perth Basin since Cliff Head more than 15 years ago.

Analysis of the oil recovered from Xanadu-1 samples show is a yield of 34.7° API crude oil with no H₂S and extremely low levels of CO₂ (0.02%). The Xanadu crude is similar to that produced at Cliff Head Oil Field and would be expected to receive similar pricing in the market. The minimal levels of CO₂ and no H₂S characteristics of the crude oil enable the use of lower-cost, schedule efficient development options.

The Xanadu 3D seismic survey was acquired during June and July 2019 to evaluate the extent and resource potential of the Xanadu structure and evaluate appraisal well locations. The results of the Xanadu 3D seismic data, along with the well data, suggests that commercial potential of the Xanadu discovery may be limited.

The recovery of moveable oil in the Xanadu-1 well is very encouraging for TP/15. It indicates that an oil charge is present south of the Cliff Head. A number of potentially large leads are mapped on the western sector of the Xanadu structure (West Xanadu) that appear to have excellent reservoir potential and are upgraded by the Xanadu discovery. The acquisition of low cost 2D seismic is being considered to mature these leads for drilling. The wider prospectivity of TP/15 is also being re-evaluated for the Xanadu-1 well data.

The value of any discoveries in the near shore TP/15 licence are potentially highly valuable because of the low cost to develop through the Cliff Head and Arrowsmith infra-structure.

TP/15 Joint Venture as at the date of this Report

JV Participant	ASX Code	Percentage Interest
Norwest (via subsidiary) (Operator)	ASX:NWE	25%
Triangle (Global) Energy Ltd (via subsidiary Triangle Xanadu Pty Ltd)	ASX:TEG	45%
3C Group IC Limited (via subsidiaries)		30%

Authorised for Release by: The Board of Directors

ENDS

General Shareholder Enquiries: info@triangleenergy.com.au

Investor Relations Enquiries: Peter Kermode
Cannings Purple
+61 411 209 459



Notes Regarding Contingent and Prospective Resources

1. *The Prospective Resources and Contingent Resources within the Cliff Head Production Licence WA-31-L were announced on the ASX on April 23rd, 2020.*
2. *Gross Prospective and Contingent Resources in this quarterly report are attributed to 100% joint venture interest in WA-31-L and L7(R1).*
3. *Net Prospective and Contingent Resources are attributed to Triangle Energy's 78.75% net interest in WA-31-L.*
4. *The Contingent and Prospective Resources within WA-31-L (Cliff Head) are estimated using the probabilistic methodology that incorporates ranges of uncertainty for the reservoir parameters that determine the range of resource outcome, except for Far North, East Horst K Sand, Southern Extension and South Cliff Head which are estimated using the deterministic method.*
5. *There is no new data or information that materially affects the Prospective and Contingent Resources in this quarterly report.*
6. *The Petroleum Resources were prepared in accordance with the SPE-PRMS (2018).*

Qualified Petroleum Reserves and Resources Evaluator Statement

In accordance with ASX Listing Rules, Information in this report that relates to all Petroleum Resources and Prospective Resources and proved, and probable reserves has been reviewed and signed off by Mr Matt Fittall, a full-time employee of Triangle Energy (Global) Limited. Information that relates to reserves is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Fittall. He has consented to the form and context in which the information that relates to the reserves is presented. Mr Fittall is a Geologist BSc(hons)Geology with more than 30 years' experience, practising in Petroleum Geology. Mr Fittall is a member of the Petroleum Exploration Society of Australian (PESA).

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, and a 45% share of the Xanadu-1 Joint Venture and has executed a Farmout Agreement with Key Petroleum Limited for its Production Licence L7(R1), all located in the Perth Basin. Triangle also has a 32.71% interest in State Gas Limited, a company with an 100% operating interest in the Reid's Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Triangle Energy (Global) Limited

ABN

52 110 411 428

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,635	13,310
1.2 Payments for		
(a) exploration & evaluation (if expensed)	0	0
(b) development	0	0
(c) production	(1,222)	(8,554)
(d) staff costs	(358)	(2,673)
(e) administration and corporate costs	(207)	(1,158)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	7
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes / PRRT paid	0	(280)
1.7 Government grants and tax incentives	0	0
1.8 Other (provide details if material)	0	0
1.9 Net cash from / (used in) operating activities	(152)	651

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	0	0
(b) tenements	0	0
(c) property, plant and equipment	(1,283)	(2,529)
(d) exploration & evaluation (if capitalised)	(141)	(1,666)
(e) investments	0	0
(f) other non-current assets	0	0

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	0	0
	(b) tenements	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) other non-current assets	0	0
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	(1,424)	(4,195)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	3,600
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	(243)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(3)	(3)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	72
3.10	Net cash from / (used in) financing activities	(3)	3,426

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,166	2,490
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(152)	651
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,424)	(4,195)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	3,426

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(182)	33
4.6	Cash and cash equivalents at end of period	2,405	2,405

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	871	2,383
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details) Escrow and Joint Venture Cash	1,534	1,783
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,405	4,166

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
(95)
0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>			
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	0	0
7.2	Credit standby arrangements	0	0
7.3	Other (please specify)	0	0
7.4	Total financing facilities	0	0
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000	
8.1	Net cash from / (used in) operating activities (Item 1.9)	(152)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(141)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(293)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,405
8.5	Unused finance facilities available at quarter end (Item 7.5)	0
8.6	Total available funding (Item 8.4 + Item 8.5)	2,405
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	8
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2020



Authorised by: Robert E T Towner on behalf of the Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.