

Triangle completes Static Modelling at Cliff Head

Triangle Energy (Global) Ltd (**ASX:TEG**) (**Triangle**, the **Company**) is pleased to announce it has completed static modelling of the Cliff Head Oil Field (**Cliff Head**), located in the Perth Basin, approximately 300 kilometres north of Perth.

Triangle's Managing Director, Mr Rob Towner, said Triangle had invested significant time and resources to undertake the integrated program of full field re-modelling and subsurface re-interpretation.

"Completion of the static modelling is a significant first step in updating and re-defining Cliff Head's future plans," Mr Towner said.

"The results indicate there is a potential to recover further resources and reserves from our discovered, already producing, reservoirs (Main Horst, West, South and South East Fault Blocks – Figure 1) and can potentially extend the life of field.

"We have already commenced dynamic modelling to confirm and quantify any additional contingent resource and reserve volumes. The dynamic modelling will then feed into a more holistic development study (Concept Select Study) which will aim to select the best development concept to extract maximum reserves. We expect the dynamic model to be completed around August 2018."

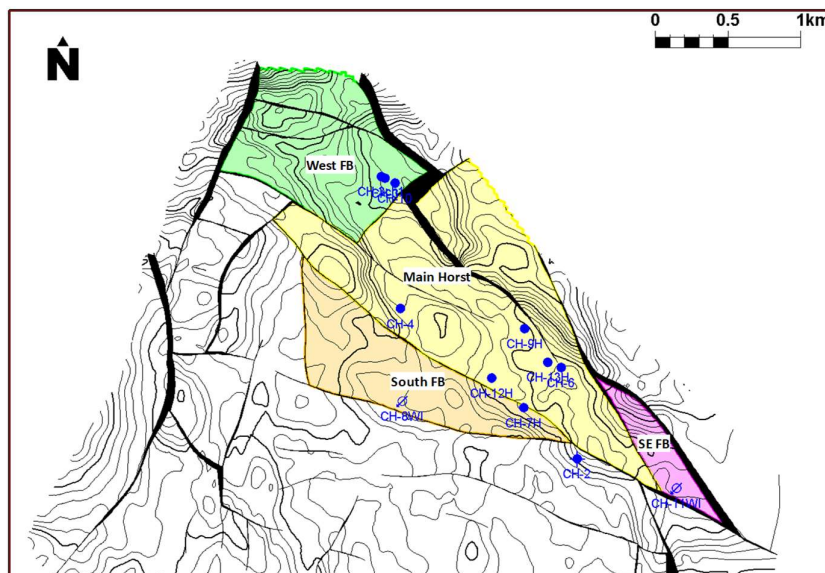


Figure 1: Field block outline showing already discovered reservoirs

Mr Towner said the static modelling was part of the Company's 'Asset Life Extension Program' which focuses on reservoir remodeling, investment in infrastructure and additional upside opportunities.

He said the static modelling work included, among other analyses:

- (a) reinterpretation of the seismic static model, which has refined Triangle's understanding of the size and shape of the reservoirs; and
- (b) petrophysical reinterpretation, which updates and revises water saturation, reservoir rock quality and other parameters across the reservoir.

Mr Towner said that a total of 15.8 million barrels had already been produced from the Cliff Head reservoirs equating to a current oil recovery of 28% and Static modelling indicated this could potentially be increased to a recovery factor of 35% to 40%.

Opportunities to access additional reserves and increase recovery fall into three broad focus areas:

- **Optimised water flooding** - The static model output now reveals more precise fault location and well connectivity. Consequently, Triangle can now redefine its waterflood strategy to achieve better field drainage and target un-swept oil zones. This new strategy will likely include addition of perforations in existing water injection wells or the conversion of (suspended) producing wells to injection wells. While further analysis is ongoing to define this strategy, water injection re-distributions trials are now ongoing, which aim to achieve some nearer term - lower cost - optimization upside.
- **Production enhancement and workover programs** - Triangle is now maturing several well workover and intervention programs. Scopes include new perforations, re-completion activity to increase tubing size and increase well capacities, and removal of sliding sleeves to access unproduced zones. Figure 3(b) highlights an example of the latter in CH10. In the near term, Triangle is now planning a CH7 workover to commence in Q3. CH7 well shut-in was announced in the Q1 Activity Report.
- **Infill development drilling program** - Analysis of the newly completed static model points to possible areas of bypassed oil in the currently accessed zones, and additional reservoir units (in deeper horizons for example) which are currently inaccessible via Cliff Head's current well stock. Figures 2 and 3 respectively, give examples of such areas. This upside oil could be recovered by either new wells, sidetracks or additional re-completion work.

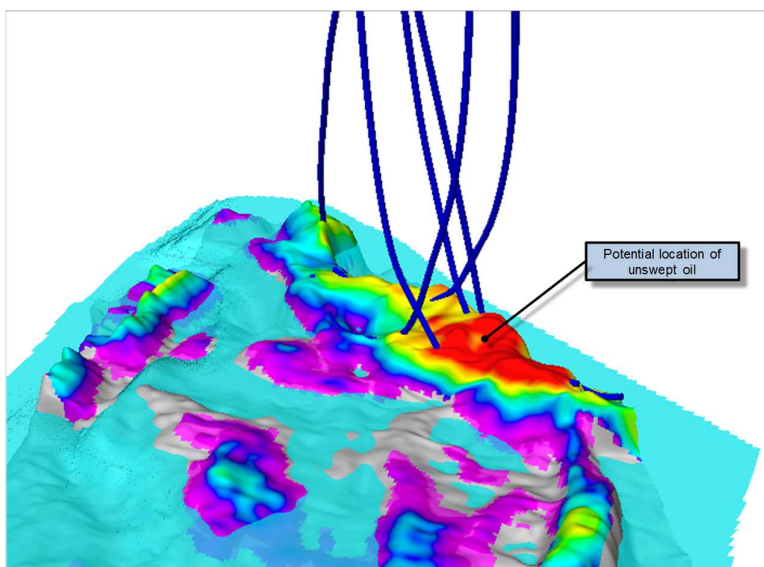


Figure 2: Perspective view of Cliff Head showing OIIP (oil initially-in-place) and the producing wells – an example of potential unswept oil is highlighted in red

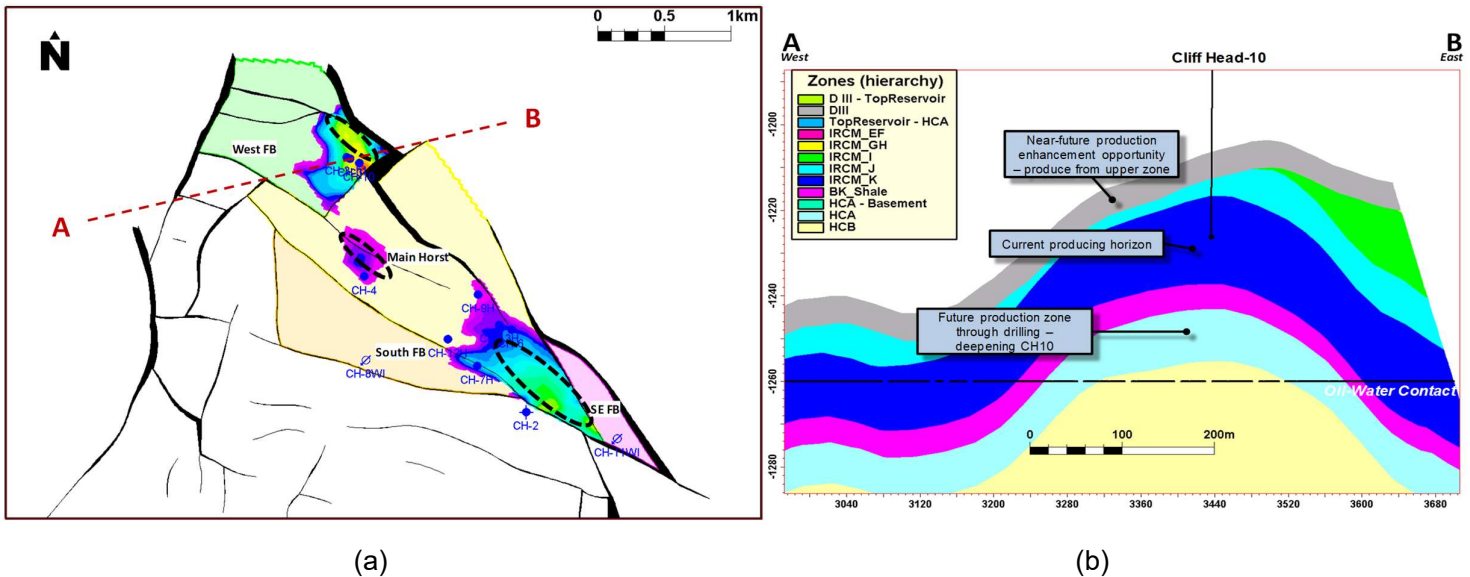


Figure 3: (a) Field map highlighting proven hydrocarbon accumulations not penetrated by a producing well (b) CH10 cross section: well accessing hydrocarbon from IRCM K reservoir; not positioned to produce from known accumulation in deeper HCA and HCB zones – infill drilling opportunity to deepen the well

Mr Towner said the Triangle Board was looking forward to results from dynamic modelling, expected around August 2018, and to then proceed with a Development Study to realise and maximize the additional potential which Cliff Head holds.

Results from the Static Modelling are expected to be announced by mid-July.

Qualified Petroleum Reserves and Resources Evaluator Statement

In accordance with ASX Listing Rules, information in this report that relates to proved and probable oil reserves has been reviewed and signed off by Mr James Tarlton (Tamarind Management Sdn. Bhd. Director). Information that relates to reserves is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Tarlton. He has consented to the form and context in which the information that relates to the reserves presented. Mr Tarlton's qualifications include: Bachelor of Applied Science (Honours) from Queen's University at Kingston Ontario Canada. He has 34 years of operating company experience developed through drilling, production and reservoir engineering before transitioning to asset management in Canada, the North Sea and South East Asia. He is a member of the Society of Petroleum Engineers in Malaysia and he is also a registered professional engineer with the Association of Professional Engineers and Geoscientists of Alberta (APEGA). He consents to that information in the form and context in which it appears.

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For further information:

Rob Towner Managing Director +61 414 594 868
Darren Bromley Executive Director / CFO / COO +61 419 940 587
admin@triangleenergy.com.au | www.triangleenergy.com.au

Media enquiries:

Margie Livingston, Ignite Communications +61 438 661 131

About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX:TEG) oil 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 30% share of the Xanadu-1 Joint Venture, both located in the Perth Basin. Triangle also has a substantial equity interest in State Gas Ltd (ASX:GAS), which has 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.