

## QUARTERLY REPORT & APPENDIX 5B

Triangle Energy (Global) Limited (“Triangle” or the “Company”) is pleased to present its quarterly report for the period ended 31 December 2013.

### HIGHLIGHTS

#### Pase PSC (Aceh Province, North Sumatra, Indonesia)

- Triangle’s new Indonesian Management team led by General Manager, Mr Tony Anson and Triangle’s Exploration Manager Mr Witan Ardjakusumah has increased open communication between the Company and the Indonesian PSC stakeholders
- Triangle continues to work with the Aceh Government to facilitate the award of the Pase PSC to the Triangle and PDPA joint venture company, APGE
- The Joint Venture has the full support of the Governor of Aceh, Dr Zaini Abdullah
- Dr Zaini Abdullah, on behalf of APGE, formally approached the Indonesian Central Government including the President of Indonesia, the Minister of Energy and Head of ESDM (Migas), the Vice Chairman National Legislative House, the Head of the National Presidential Development Taskforce and the Head of SKK Migas Upstream Development
- Since 2009 Triangle has successfully operated and produced gas from the Pase field and continues to abide by all SKK Migas requirements to operate the PSC in a safe manner with zero incidents
- Production during the December quarter totaled 82.2 MMcf
- Gross PSC revenue on production for the quarter: US\$1.713M and included lifting of condensate

#### Morocco

- Triangle is awaiting the Office National des Hydrocarbures et des Mines (“ONHYM”) review of the applications and work programs that were submitted in January 2013 covering six Moroccan exploration blocks

#### Corporate

- 31 December 2013 cash balance of \$1.258M



## PASE PSC (Aceh Province, North Sumatra, Indonesia)

### Pase Production

Production during the December quarter totalled 82.2 MMcf from three wells, A-1, A-5 and A-6.

### Development Activities

During the quarter the Company continued technical studies over the Pase Field with the intent of maturing in-fill drilling opportunities to access up-dip gas adjacent to existing producing wells.

### Health, safety & environment

Triangle maintained its excellent operating record during the quarter with zero Lost Time Incidents, zero environment incidents and zero recordable motor incidents.

### Corporate Social Responsibility

Corporate social responsibility activities continued during the quarter these included maintenance on roads, bridges and local infrastructure and the restocking of medical supplies in local clinics.

### History of Pase PSC

#### *February 2012:*

- Pase PSC expires and MIGAS appoints Triangle as temporary Operator of the Block.

#### *February 2013:*

- Triangle is selected as the most qualified partner to operate the new long term PSC with the Aceh Government. Triangle was selected by a committee of government appointed Acehnese industry experts following an open tender process.

#### *July 2013:*

- Triangle and the Acehnese Government entered into a Joint Venture to operate the new PSC. Triangle is the first oil and gas company to partner with Aceh under the 2005 Helsinki Memorandum of Understanding.
- Aceh Pase Global Energy Pte Ltd ("APGE") is incorporated in Singapore as the joint venture company to operate the new PSC. APGE is 75% owned by Triangle and 25% by an Acehnese Government owned company Perusahaan Daerah Pembangunan Aceh ("PDPA").

#### *August 2013:*

- MIGAS extends Triangle's appointment as the temporary Operator of the Pase Block for a further 6 months or until the appointment of a definitive operator.

*Current Status:*

- On behalf of APGE, the Acehnese Government is in discussion with MIGAS to secure the award of a new PSC.
- Triangle is the first foreign company to form a JV with the Acehnese Government to operate an oil and gas field and provides further exploration and production opportunities for Triangle in the Pase Block.

## MOROCCO

Triangle has submitted applications and work programs for six oil and gas concessions in Morocco and is now awaiting review by the Office National des Hydrocarbures et des Mines (“ONHYM”). Triangle will subsequently seek to negotiate and finalise with ONHYM the provisions of the petroleum agreements and associated contracts.

## CORPORATE ACTIVITIES

Triangle’s Management team are assessing acquisition prospects to diversify and grow the Company’s portfolio of assets.

## FINANCIAL SUMMARY

Gross PSC revenue on production for the quarter was US\$1.713M. Cash at bank at the end of the quarter was \$1.258M.

As at 31 December 2013 the Company had 1,140 shareholders and 1,634,475,458 ordinary fully paid shares on issue with the top 20 shareholders holding 60.7% of the total issued capital.

## INFORMATION IN RELATION TO ASX LISTING RULE 5.4.3

Triangle holds a 20% beneficial interest in PL231 located in Queensland, Australia. The Group has not acquired or disposed of any tenements during the December 2013 quarter.

### **About Triangle Energy:**

Triangle Energy is a gas production and exploration company based in Perth. The Company operates the Pase Production Sharing Contract located in Aceh Province, North Sumatra, Indonesia. Triangle Energy continues to assess acquisition prospects to diversify and grow the portfolio of assets.

### **For Further information, please contact:**

John Towner – Executive Chairman | Mob: +61 419 851 020

#### **Triangle Energy (Global) Limited**

Address: PO Box 337, Cottesloe WA 6911 | Tel: + 61 8 9286 8300 |

Fax: + 61 8 9385 5184 | [admin@triangleenergy.com.au](mailto:admin@triangleenergy.com.au) | [www.triangleenergy.com.au](http://www.triangleenergy.com.au) |

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/10

Name of entity

TRIANGLE ENERGY (GLOBAL) LIMITED

ABN

52 110 411 428

Quarter ended ("current quarter")

31 December 2013

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	964	2,293
1.2 Payments for (a) exploration & evaluation	(188)	(326)
(b) development	(540)	(1,104)
(c) production	(873)	(1,366)
(d) administration	(904)	(1,816)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
• VAT refunded	-	-
<b>Net Operating Cash Flows</b>	<b>(1,536)</b>	<b>(2,313)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,536)</b>	<b>(2,313)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,536)	(2,313)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	1,500
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from convertible notes	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) - Share issue costs	(64)	(64)
	<b>Net financing cash flows</b>	(64)	1,436
	<b>Net increase (decrease) in cash held</b>	(1,600)	(877)
1.20	Cash at beginning of quarter/year to date	2,835	2,121
1.21	Exchange rate adjustments to item 1.20	23	14
1.22	<b>Cash at end of quarter</b>	1,258	1,258

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(224)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Included at 1.23 are:

- Directors fees of \$19k
- Payments made for professional services pursuant to consultancy agreements totalling \$205k

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(125)
4.2 Development	(420)
4.3 Production	(400)
4.4 Administration	(670)
<b>Total</b>	<b>(1,615)</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,145	2,727
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other - Deposit as security for SBLC provided to Exxon Mobil Oil Indonesia	113	108
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,258</b>	<b>2,835</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference <sup>+</sup>securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b><sup>+</sup>Ordinary securities</b>	1,634,475,458	1,634,475,458	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	13,750,000 2,000,000	13,750,000 2,000,000	0.8c Immediate vesting of Share Rights without performance vesting criteria.	N/A N/A
7.5 <b><sup>+</sup>Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	91,500,000 27,000,000	-	Unlisted Share Rights under TEG Employee Rights Plan with Performance Vesting Criteria  Unlisted \$0.01 Options expiring 26 September 2014	Nil
7.8 Issued during quarter	3,000,000 2,000,000	-	Issue of Unlisted Share Rights under TEG Employee Rights Plan with Performance Vesting Criteria  Issue of Unlisted Share Rights under TEG Employee Rights Plan vesting immediately	Nil Nil
7.9 Exercised during quarter	2,000,000	-	Immediate vesting of Share Rights without performance vesting criteria.	Nil
7.10 Expired during quarter	(250,000)	-	Unlisted Share Rights under TEG Employee Rights Plan with Performance Vesting Criteria	Nil

+ See chapter 19 for defined terms.

7.11	Debtures <i>(totals only)</i>	N/A	N/A
7.12	Unsecured notes <i>(totals only)</i>	-	-

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 31 January 2014  
(Company secretary)

Print name: Darren Bromley

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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