

QUARTERLY REPORT

For the period ended 30 June 2015



COMPANY UPDATE

INDONESIAN OPERATIONS

On 31st July 2015, after the end of the June quarter, Triangle announced the execution of a Sale and Purchase Agreement (“SPA”) with Indonesian based company PT Enso Asia (“PTEA”) for the sale of its 100% interest in the Pase Production Sharing Contract (“PSC”) for a cash consideration of:

- US\$2.5 million; plus,
- Cost recovery up to a maximum of US\$5.0 million - Triangle will receive a proportion of future recovery of past sunk costs in respect to Pase A and B fields future production as it occurs.

The payment of US\$2.5 million to Triangle from PTEA is structured as follows:

- US\$150,000 was paid as an advance upon signing the Term Sheet on 23 June 2015;
- US\$650,000 for Triangle’s working capital until completion of the transaction;
- US\$700,000 upon shareholder approval or upon ASX confirmation that shareholder approval is not required; and,
- US\$1.0 million upon Indonesian Government approval and finalisation of all conditions precedent contained within the SPA.

In addition, PTEA will provide the US\$1.5 million Performance Bond required under the PSC and also the US\$1.5 million Signature Bonus payable to SKK Migas, the Indonesian Government’s special task force for upstream oil and gas business activities.

In the event that the transaction is terminated, Triangle will be required to pay:

- a US\$5.0 million break-up fee;
- all amounts paid by PTEA to Triangle as consideration;
- The US\$1.5 million Performance Bond and the US\$1.5 million Signature Bonus; and
- all reasonable and verifiable legal costs incurred to the date of the transaction.

The Company will not be liable for the US\$5.0 million break-up fee in the event that the receipt and obtainment of Indonesian Government Approval for the change of control of the PSC is not forthcoming.

In February 2015, SKK Migas informed the Company that it had been awarded the Pase PSC extension for 20 years and during the June quarter the Company finalised negotiation of all other PSC terms with SKK Migas and Migas. The Pase PSC was executed at a formal signing ceremony held at the Indonesian Petroleum Association’s annual conference on 22 May 2015.

Triangle requested a trading halt on 25 May 2015 and subsequent voluntary suspensions while it finalised negotiations to effect the funding arrangements for the Pase PSC.

The Board of Triangle investigated several opportunities to enable the Company to continue to operate and develop the Pase PSC, however it determined that it was in the Company’s best interests to proceed with a SPA with PTEA.

Following the completion of this transaction, Triangle will be in a stronger position to secure suitable producing oil and gas assets for its future growth.

QUEENSLAND OPERATIONS

Reids Dome (Petroleum Lease 231)

The Company is waiting to receive final approval from the Queensland Department of Natural Resources and Mines to increase its ownership in the Reids Dome tenement (“**PL231**”).

PL231 is currently 40% owned by Senex Energy Ltd, 40% owned by Dome Petroleum Resources Plc and 20% owned by Triangle. Senex Energy Ltd is the operator by virtue of a joint venture agreement.

In September 2013, Triangle signed a binding term sheet to acquire Senex’s 40% interest and operatorship of PL231.

Triangle has submitted a Later Development Plan (“**LDP**”) to the Queensland Department of Natural Resources and Mines for the development of PL231. The LDP outlines the Company’s future plans to drill and produce from PL231.

Termination Goshawk E&P Farmin (ATP1186)

In October 2014, the Company announced that it had entered into an agreement with Goshawk E&P Pty Ltd to farm into ATP1186 in the Surat Basin, Queensland.

In June 2015, the parties agreed to terminate the arrangement under the terms within the Heads of Agreement.

CORPORATE & FINANCIAL

Capital Raising

In April 2015, Triangle closed a Share Purchase Plan (“**SPP**”) which offered eligible shareholders the opportunity to apply for new, fully paid ordinary shares. SPP shares were issued at \$0.001 per share and \$285,000 was raised. All members of the Board participated in the SPP.

The Directors would like to thank shareholders for their support in the SPP that closed successfully despite challenging market conditions.

New Ventures

In October 2014, the Company announced that it had entered into an agreement with Goshawk E&P Pty Ltd (“**Goshawk Energy**”) to farm into ATP1186 in the Surat Basin, Queensland.

In June 2015, the parties agreed to terminate the arrangement under the terms within the Heads of Agreement.

Cash

At the end of June 2015, the Company had cash at bank of \$239,614.

Changes in Capital

In April 2015, 285,000,000 ordinary shares were issued subsequent to the SPP.

As at 30 June 2015 the Company had 1,083 shareholders and 3,194,962,382 ordinary fully paid shares on issue with the top 20 shareholders holding 62.2% 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 other tenements during the June 2015 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.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

TRIANGLE ENERGY (GLOBAL) LIMITED

ABN

52 110 411 428

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	1,528
1.2 Payments for (a) exploration & evaluation	(89)	(460)
(b) development	(76)	(929)
(c) production	(77)	(834)
(d) administration	(226)	(1,414)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
• VAT refunded	-	99
• Production staff redundancies	-	(384)
Net Operating Cash Flows	(468)	(2,388)
Cash flows related to investing activities		
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)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(468)	(2,388)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(468)	(2,388)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	285	907
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	• Capital raising costs	-	(12)
	• Funds on deposit for sale of business	194	194
	Net financing cash flows	479	1,089
	Net increase (decrease) in cash held	11	(1,299)
1.20	Cash at beginning of quarter/year to date	228	1,510
1.21	Exchange rate adjustments to item 1.20	1	29
1.22	Cash at end of quarter	240	240

Payments to directors of the entity, associates of the directors, 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	(39)
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 nil
- Payments made for professional services pursuant to consultancy agreements totalling \$39k

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	(80)
4.2 Development	(75)
4.3 Production	(80)
4.4 Administration	(350)
Total	(585)

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	108	97
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	132	131
Total: cash at end of quarter (item 1.22)	240	228

Changes in interests in mining tenements and petroleum tenements

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

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas 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 Preference ⁺securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	3,194,962,382	3,194,962,382	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	285,000,000	285,000,000	N/A	N/A
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	54,500,000	-	Unlisted Share Rights under TEG Employee Rights Plan with Performance Vesting Criteria	Nil
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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 July 2015
(Director/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 and petroleum 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 or petroleum 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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