

4 August 2020
ASX:TEG



UPDATE ON MOUNT HORNER FARMOUT AGREEMENT

Triangle Energy (Global) Limited (**Triangle / the Company**) (ASX: **TEG**) would like to provide an update in relation to its interest in the Mt Horner Production Licence L7(R1) (**L7**) in response to the recent announcement today by Key Petroleum Limited.

Triangle and Key Petroleum Limited (**KEY**), through their relevant subsidiaries, are party to a Farmout Agreement and a Joint Operating Agreement (together, the **L7 Agreements**) in relation to L7 under which Triangle has a right to earn-in to a 50% interest in L7 (as announced on 31 October 2018).

Under the terms of the L7 Agreements, Triangle is obliged to prepare a work program and budget (**WP&B**) in respect of the farm-in work and provide it to KEY for comment. However, Triangle retains the right, at its sole discretion, to determine the WP&B.

In compliance with this obligation, Triangle issued its WP&B to KEY in December 2019.

Notwithstanding that the Farmout Agreement states that the WP&B will be prepared by Triangle at its sole discretion, KEY is disputing Triangle's WP&B and has purported to issue its own work program and budget, and purported to issue a cash call in respect of that work program and budget.

Triangle disputes that Key has the right to do this under the terms of the L7 Agreements.

Triangle and KEY have attempted to resolve this dispute since earlier this year but to date, have not been able to. Consequently, Triangle has commenced a formal dispute resolution process in order to resolve this matter.

Triangle strongly refutes KEY's claim that KEY may prepare an alternative WP&B and/or that it is obligated to pay KEY's purported cash call, as well as any consequences that KEY might allege flow from the non-payment of KEY's purported cash call (including a deemed withdrawal from L7 and the L7 Agreements).

Triangle intends to vigorously defend its rights as to the validity of its original WP&B as provided to Key in December 2019, as well as any purported withdrawal from L7 and the L7 Agreements.

Further updates will be provided in line with the Company's continuous disclosure obligations.

Approved for Release by: Mr Robert E T Towner
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Further Enquiries

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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. Triangle also has a 50% share of the Mt Horner L7 production licence and a 45% 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 100% 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.