

# ASX Announcement

23 July 2024  
ASX: TEG



## Cliff Head Update

### Highlights

- Triangle and Pilot have finalised revised terms for the sale of Triangle's 78.75% interest in the Cliff Head Project to Pilot, with Triangle to receive up to \$16 million in staged payments and a royalty
- Operations at Cliff Head will now enter a Non-Production-Phase (NPP) from August 2024 in preparation for the project's conversion to carbon storage
- Triangle is focused on the upcoming drilling of the Booth-1 and Becos-1 wells in the Perth Basin with the Ventia 106 rig currently mobilising to the Booth-1 well location

Triangle Energy Global Ltd (ASX:TEG) (Triangle or Company) is pleased to announce that it has agreed revised terms under which it will sell its share of the Cliff Head Joint Venture (CHJV) in Western Australia to Pilot Energy Limited (ASX: PYG) (Pilot) (see ASX release re original agreement dated July 27, 2023). In addition, as part of the preparation for conversion to a carbon storage project the Cliff Head oil field will enter NPP during August 2024.

### Revised Terms of the Sale of Cliff Head to Pilot

Under the revised terms of sale the total consideration to be paid by Pilot to Triangle is expected to total up to \$16 million over the Carbon Storage project life and will be staged as follows:

1. \$4.5 million cash in staged payments between mid-October and 31 December 2024
2. \$4.0 million cash when NOPTA issues a Greenhouse Gas Injection License (the next stage); and
3. Up to \$7.5 million in royalty payments from the Carbon Storage project

Under the revised terms of sale:

1. Triangle will sell and transfer its interests in the Arrowsmith land and facilities to Pilot for cash consideration of \$4.5 million, to be paid in staged payments between mid-October and 31 December 2024;
2. Triangle will sell and transfer its remaining interests in the Cliff Head Joint Venture (CHJV) (held via its subsidiaries holding interests in the CHJV) for \$4.0 million cash consideration; and
3. Triangle will be entitled to up to \$7.5 million in royalty payments from the Carbon Storage project.

Pilot will commence paying the operating expenses for Cliff Head from mid-October 2024 and will reimburse Triangle for the Cliff Head operating expenses it incurs between 1 August 2024 to mid-October 2024.

Completion of the sale of the Arrowsmith land and facilities is scheduled to occur in mid-October 2024 and is conditional upon Pilot having sufficient funding in place by October 2024 to pay the consideration. The sale and transfer of Triangle's shareholding interests in its subsidiaries holding interests in the CHJV remains conditional on the approval of NOPTA to the change in control of the subsidiaries in accordance with the Offshore Petroleum and Greenhouse Gas Storage Act 2006, proposed to occur on or before 31 December 2024

The divestment of Cliff Head will also remove any associated liabilities from Triangle's balance sheet and leave the Company well placed to focus on its upcoming Booth-1 and Becos-1 wells in the Perth Basin.

## Cliff Head oil field suspension of production

As part of the preparation for the project's conversion to a carbon storage operation the CHJV will enter NPP August 2024. This is expected to significantly reduce the operating costs until the facilities are converted to a carbon storage project.

During the NPP the Cliff Head wells will be suspended, the pipelines flushed, and the storage tanks at the Arrowsmith Facility will be cleaned.

Existing employees of Triangle Energy Operations (the CHJV entity) will continue to work on the Cliff Head field as it transitions from oil production to the carbon storage project. Triangle will also support the ongoing operations of the Cliff Head oil field until the transaction completes.

### Triangle Managing Director, Conrad Todd, said:

*"We are very pleased to have finalized the Cliff Head sale agreement with Pilot. To offset the delay in settlement, Triangle's consideration has increased and will total up to \$16 million, and Pilot will reimburse the operating costs from August 1st until settlement in October 2024. This modifies the agreement to meet updated legislation and is a significant step forward for both companies and, importantly, the culmination of a significant amount of work from the Triangle team over the past two years to streamline the Company's portfolio. The decision will enable Triangle to focus on its highly prospective conventional oil and gas activities, including the upcoming wells in the Perth Basin.*

*"With the Booth-1 well expected to spud later in July, Triangle is on the verge of the most active period in the Company's recent history and we look forward to keeping our shareholders updated throughout this exciting period".*

**Authorised for Release by:** The Board of Directors

## ENDS

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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 the adjacent EP 437 exploration licence, both located in the Perth Basin.*

*In the UK Triangle has a 50% interest in the recently awarded P2628 licence comprising four blocks containing the Cragganmore gas field and licence P2650 comprising 9 blocks in the Outer Moray Firth.*

*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.*