

10 November 2021

Joint Announcement to ASX

Cliff Head Joint Venture

Effectively held by the following group entities:

ASX: TEG Triangle Energy (Global) Limited - 78.75%

ASX: PGY Pilot Energy Limited - 21.25%

CLIFF HEAD JOINT VENTURE REDUCED DECOMMISSIONING COST ESTIMATE

The Cliff Head Joint Venture (**CHJV**) is pleased to advise that it has completed an updated decommissioning estimate for Cliff Head related infrastructure (**Cliff Head Asset**). In the 2021 Cliff Head Decommissioning Cost Estimate, prepared by Elemental Group, an independent third-party expert, the estimated decommissioning cost has been reduced to AU\$28.7 million (CHJV 100%) from AU\$39.5 million. This estimate is based on the same parameters as the previous studies.

The decrease of approximately AU\$10.8 million is mainly due to the use of the Hydraulic Workover Unit in plugging and abandoning the wells (**HWU**) versus a more costly traditional jack-up rig. In the last 2 years, the CHJV has secured this HWU technology and conducted contracted works on Cliff Head Alpha wells. The HWU is now an integral component in Cliff Head Alpha well workover operations and has proven to be operationally safe and cost effective in the last 3 workovers that the CHJV has completed.

With the availability of the 40% Petroleum Resource Rent Tax (**PRRT**) benefit for closing-down expenditures (which includes decommissioning, abandonment, and rehabilitation expenditures), the theoretical net decommissioning cost to the CHJV is approximately AU\$17.2 million (CHJV 100%, before income tax) assuming all other conditions of the PRRT regulation are met at the time of decommissioning.

Mr Robert Towner, Triangle Energy (Global) Ltd Managing Director, said:

"This is pleasing news to the Cliff Head Joint Venture as it gives us an updated, and therefore a more accurate estimation of the Cliff Head decommissioning cost. Consequently, this has significantly reduced the provision recorded in the financials of the CHJV partners in their favour. This new estimate is a positive result for the CHJV. At present, the focus of the CHJV is to expand production and extend field life with the drilling of the Cliff Head Mark II opportunities. The Western Development and SE Nose appraisal/development wells could extend Cliff Head field life to the late 2020s based on the announced Contingent Resources. The Mentelle exploration well could extend Cliff Head field life beyond 2030 on a successful outcome. These three wells can be drilled from Cliff Head Alpha platform and tied-in for near term production."

Note: Elemental Group is a specialist group that provides consultancy services around the world that include environmental assessment and risk management of energy assets, well integrity and asset decommissioning studies and project management. Elemental Group is dedicated to providing sustainable environmental solutions to decommissioning projects. In compliance with the request of the

Australian National Offshore Petroleum Titles Administrator (NOPTA), Elemental Group was engaged by CHJV to conduct an independent review of the current Cliff Head Development project and provide a detailed cost and method estimate to decommission and rehabilitate the facility in compliance with current Australian regulations and environmental practices.

Approved for release by:

Robert E T Towner
Managing Director
Triangle Energy (Global) Limited

Tony Strasser
Managing Director
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About Triangle Energy (Global) Limited

Triangle Energy (Global) Ltd (ASX:TEG) is an ASX listed 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 an 100% operating interest in the Reids Dome production licence (PL 231) and 100% operating interest in the Rolleston –West exploration licence (ATP 2062 in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

Enquiries

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About Pilot Energy Limited

Pilot is currently a junior oil and gas exploration and production company that is aggressively pursuing the diversification and transition to the development of integrated renewable energy, hydrogen, and carbon management projects by leveraging its existing oil and gas tenements and infrastructure to cornerstone these developments. Pilot holds a 21.25% interest in the Cliff Head Oil field, material working interests in WA-481-P and EP416/480 exploration permits, located offshore and onshore Western Australia, which form foundation assets for the potential development of clean energy projects in Western Australia.

Enquiries

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