



**Triangle**Energy

TRIANGLE ENERGY (GLOBAL) LIMITED

ABN 52 110 411 428

ANNUAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023

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## CORPORATE DIRECTORY

### DIRECTORS

Gregory Hancock (Non-Executive Chairman)

Conrad Todd (Executive Director)

Michael Collins (Non-Executive Director)

### COMPANY SECRETARY

Henko Vos

### REGISTERED OFFICE

Suite 2, Ground Floor, 100 Havelock Street, WEST PERTH, WA 6005, Australia

Tel: +61 (0)8 9219 7111

Email: [info@triangleenergy.com.au](mailto:info@triangleenergy.com.au)

Web: [www.triangleenergy.com.au](http://www.triangleenergy.com.au)

### PRINCIPAL PLACE OF BUSINESS

Suite 2, Ground Floor, 100 Havelock Street, WEST PERTH, WA 6005, Australia

### BANKERS

Westpac Banking Corporation

275 Kent Street SYDNEY NSW 2000, Australia

### SECURITIES EXCHANGE LISTING

ASX Limited

20 Bridge Street SYDNEY NSW 2000, Australia

ASX Code: TEG

### SHARE REGISTRY

Automic

Level 2, 267 St Georges Terrace, PERTH WA 6000, Australia

Tel: 1300 288 664 (within Australia)

Tel: +61 (8) 9324 2099 (outside Australia)

Email: [hello@automic.com.au](mailto:hello@automic.com.au)

Web: [www.automic.com.au](http://www.automic.com.au)

### AUDITORS

HLB Mann Judd (WA Partnership)

Level 4, 130 Stirling Street, PERTH WA 6000, Australia

### SOLICITORS

Hamilton Locke

Central Park, Level 27, 152-158 St Georges Terrace, PERTH WA 6000, Australia

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## CHAIRMAN'S LETTER

Dear Shareholders,

On behalf of the Board of Directors of Triangle Energy (Global) Limited (**Triangle, the Company, Consolidated Entity or the Group**) (ASX:TEG), it is my pleasure to present the 2023 Annual Report.

In 2023 Triangle continued its re-positioning from an oil producer in the late-life Cliff Head oil field towards exploration of its exciting onshore Perth Basin permits where we expect to drill for gas and oil in 2024.

The Company consolidated its Truck to Tanker oil export route for oil produced from the Cliff Head oil field, with shipments of oil being sold into Thailand and Malaysia. In total the Cliff Head Joint Venture (CHJV) sold four shipments of oil in the financial year, with another delivered in August 2023.

In November 2022 the CHJV submitted the initial Cliff Head Carbon Capture and Sequestration (CCS) application to the Regulatory Authority to convert the Cliff Head oil field to a carbon dioxide sequestration project at the end of field life.

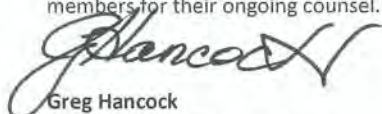
Subsequent to 30<sup>th</sup> June 2023, Triangle signed an agreement with our Cliff Head Joint Venture partner Pilot Energy, to sell all of Triangle's holding in the Cliff Head assets to Pilot, for staged payments totalling \$7.5 million in cash and \$7.5 million in royalties. This deal is expected to complete in the first half of 2024 subject to condition precedents being satisfied which are out of the control of Triangle. Up to the time of completion, Triangle will continue to operate the Cliff Head oil field and export and sell the oil produced from it.

In the onshore Perth Basin, the Company received the newly acquired Bookara 3D seismic data on the L7 and EP 437 permits and commenced interpretation and mapping of the data, resulting in a series of high value prospects and leads which we aim to drill over the next few years.

During this time Triangle also farmed out a 25% working interest in the permits to Talon Energy and New Zealand Oil and Gas for a cash plus promote payment of nearly \$20 million.

The new Joint Venture confirmed multiple prospects within the permits and is progressing plans to drill two of the prospects in the first half of 2024. It is planned that these would be followed by a third well towards the end of the year, then potentially further wells in 2025.

I would like to again take this opportunity, as always, to thank the Company's shareholders for their support as well as my fellow Board members for their ongoing counsel.



Greg Hancock  
Non-Executive Chairman

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## DIRECTORS' REPORT

Your directors submit the annual report of the consolidated entity consisting of Triangle Energy (Global) Limited (the **Company, Group, Consolidated entity or TEG**) and the entities it controlled during the financial year ended 30 June 2023. In compliance with the provisions of the Corporations Act 2001, the directors' report is as follows:

### DIRECTORS

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### GREGORY HANCOCK

**CHAIRMAN / NON - EXECUTIVE DIRECTOR APPOINTED 14 FEBRUARY 2022**



**Length of Service: 1 year and 7 months**

Greg has over 25 years' experience in capital markets practising in the area of Corporate Finance. He has extensive experience in both Australia and the United Kingdom. He has specialised in mining and natural resources and has a background in the finance and management of small, listed companies. He was the founding shareholder and first Chairman of Cooper Energy Ltd (ASX: COE), an Australian oil and gas producer with operations in the Cooper, Otway and Gippsland basins.

Greg is the Non-Executive Chairman of ASX listed companies Ausquest Ltd, BMG Resources Ltd and LSE Listed Cobra Resources plc. He is Non-Executive Director of Golden State Mining Ltd and Group 6 Metals Ltd (formerly King Island Scheelite Ltd). Greg continues his close association with the capital markets in Australia and the United Kingdom through his private company Hancock Corporate Investments Pty Ltd.

Greg is a member of the Remuneration and Nomination Committee and the Audit and Risk Management Committee.

#### CONRAD TODD

**MANAGING DIRECTOR / EXECUTIVE DIRECTOR - APPOINTED 14 FEBRUARY 2022**



**Length of Service: 1 year and 7 months**

Conrad has over 40 years' experience in oil and gas exploration and development. He has worked as Exploration and Development Manager for Cooper Energy in Australia and Lundin in Malaysia. In Indonesia he was Chief Geophysicist and New Business Manager for LASMO and in Oman was Chief Geophysicist for Occidental. During his time at Lundin in Malaysia he ran the subsurface team which produced 20,000 bopd from a complex mixed oil and gas field. Whilst at Cooper, he ran the geoscience department during a period of growth when the market cap increased from \$20 million to \$200 million.

Recently he has worked for RISC in M&A and reserve auditing, then co-founded Vizier Energy Consulting which has undertaken reserve and resource audits, and a large unitization redetermination. During this time Conrad was also a Non-Executive Director of Pilot Energy, helping them gain access to several of their present projects.

He is a member of the American Association of Petroleum Geoscientists (AAPG), the Petroleum Exploration Society of Australia (PESA), the Petroleum Exploration Society of Great Britain (PESGB) and the Southeast Asian Petroleum Exploration Society (SEAPEX).

Conrad does not currently, nor has he held, in the last 3 years, any other listed company directorships.

Conrad is a member of the Remuneration and Nomination Committee and the Audit and Risk Management Committee.

## DIRECTORS' REPORT (CONTINUED)

### MICHAEL COLLINS

NON-EXECUTIVE DIRECTOR APPOINTED 14 FEBRUARY 2022



**Length of Service: 1 year and 7 months**

Mike has over 35 years' experience in Oil and Gas exploration and development in Perth and London. He worked as VP Exploration and Geoscience for Mitsui E&P Australia and as both Senior Geophysicist and Senior Business Analyst for Woodside Energy Ltd in Australia. He was also Senior Explorationist for AGIP (now Eni) in London. During his time at Mitsui E&P he managed the E&G subsurface team to provide focussed technical, economic and commercial advice/support across the Mitsui E&P exploration portfolio and assets in Australia, New Zealand, PNG and Indonesia culminating in various discoveries/acquisitions and divestments in the Browse, Exmouth, Otway, Gippsland, Taranaki and onshore Perth basins with the most recent asset acquisitions being Waitsia (from AWE) and Kipper (from Santos).

He is a member of the Geological Society of London, the Petroleum Exploration Society of Australia (PESA), the Petroleum Exploration Society of Great Britain (PESGB), the European Association of Geoscientists and Engineers (EAGE) and the South East Asia Petroleum Exploration Society (SEAPEX).

Mike does not currently, nor has he held, in the last 3 years, any other listed company directorships.

Mike is the Chair of the Audit and Risk Management Committee and is a member of the Remuneration and Nomination Committee.

### HENKO VOS

COMPANY SECRETARY – APPOINTED 15 FEBRUARY 2022



**Length of Service: 1 year and 7 months**

Henko is a member of the Australian Institute of Company Directors, the Governance Institute of Australia and Chartered Accountants Australia & New Zealand. He holds similar secretarial roles in various other listed public companies in both industrial and resource sectors.

### MARVIN CHAN

CHIEF FINANCIAL OFFICER



**Length of Service: 4 years and 8 months**

Marvin has over 21 years' experience in the energy industry including in the oil and gas sector. Prior to joining Triangle, Marvin held the financial controller position of a Perth-based oil and gas company with service contracts in Southeast Asia. Marvin joined Triangle in February 2019 as manager for finance and subsequently repositioned as Chief Financial Officer in November 2019.

## DIRECTORS' REPORT (CONTINUED)

Marvin is a Fellow of Certified Practicing Accountants in Australia, a member of the Philippine Institute of Certified Public Accountants and the Integrated Bar of the Philippines.

### Interests in the shares and options of the company and related bodies corporate

The following relevant interests in shares and rights of the Company or a related body corporate held as at the date of this report.

Directors	Number of fully paid ordinary shares 30 June 2023	Number of options 30 June 2023	Number of performance shares 30 June 2023
Gregory Hancock	3,453,846	30,576,923	-
Conrad Todd	11,662,820	1,923,077	33,771,930
Michael Collins	6,009,989	1,923,077	9,000,000

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REVIEW OF OPERATIONS

Company Overview

Triangle is an oil and gas exploration and production company based in Perth, Western Australia. The Company currently has a 78.75% interest in, and is the Registered Operator of, the producing Cliff Head Oil Field in the Perth Basin, which includes the onshore Arrowsmith Stabilisation Plant and offshore Cliff Head Alpha Platform. Triangle has a 50% interest in the onshore L7 (R1) Production Licence (Mt Horner), and a 50% interest in EP 437, also onshore in the Perth Basin (Figure 1). The Company held approximately 10% equity interest in State Gas Limited as at 30<sup>th</sup> June 2023, which is a Queensland company with a 100% operating interest in the Reids Dome production licence (PL231), 100% of ATP 2062 (Rolleston-West), a 35% interest in permit ATP 2068 and shared interest in blocks PLR2021-1-2 and PLR2021-1-3 with Santos.

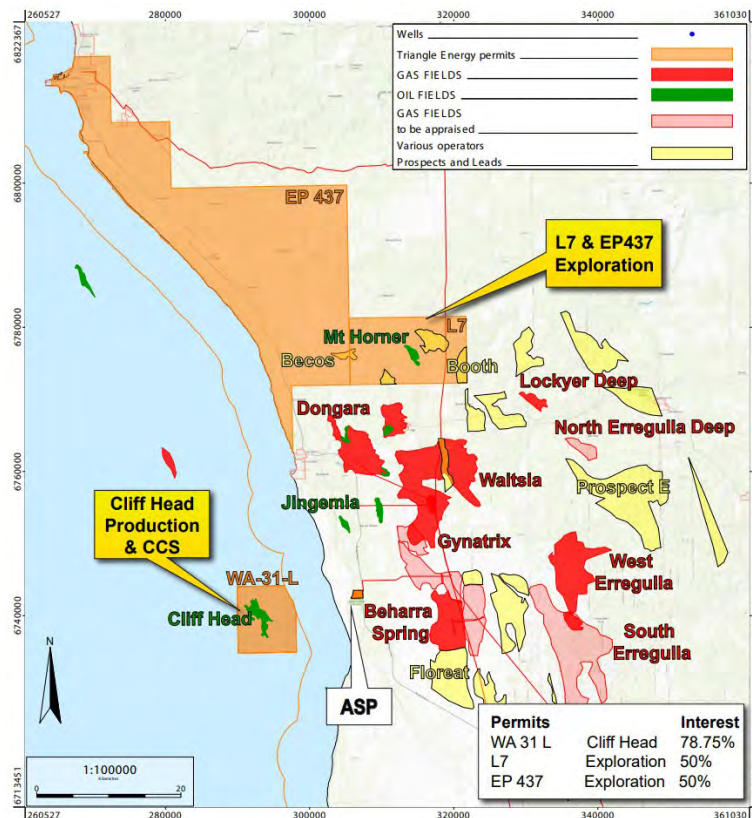


Figure 1: Location of Triangle's Perth Basin assets

The Company continues to assess acquisition and joint venture opportunities to expand its portfolio of assets.

Triangle has thirteen years of operational experience in the oil and gas sector in Australia and Indonesia. The Company has a track record of performing ahead of industry averages in safety performance and will continue to pursue the highest standards in Health and Safety.

Cliff Head, Perth Basin, Western Australia

The Cliff Head Oil Field (Cliff Head) is located approximately 270 kilometres north of Perth. The Cliff Head Alpha offshore platform is 12 kilometres off the coastal town of Dongara in Western Australia in a water depth of 15-20 metres. The Production Licence WA-31-L covers 72km<sup>2</sup> and the oil field covers 6km<sup>2</sup>. It was the first commercial oil discovery developed in the offshore Perth Basin with first oil production commencing in May 2006.

The Cliff Head facilities are the only offshore and onshore infrastructure in the highly prospective and under-explored Perth Basin and are therefore very well situated for conversion to a future Carbon Sequestration facility. The unmanned remotely operated Cliff Head offshore platform (Figure 2) has 5 production wells and 2 water injection wells. It is tied to two 14km 250mm diameter pipelines which comprises a closed loop water re-injection system that carries the crude oil to a dedicated onshore stabilisation processing plant at Arrowsmith with a production capacity of 15,000bopd and the capacity to process third party crude. The crude oil is trucked 100km to Geraldton Port for export.

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Figure 2: Cliff Head Alpha platform

Triangle Energy (Operations) Pty Ltd (**TEO**) became the Registered Operator of the Cliff Head Joint Venture (**CHJV**) after it successfully developed two Safety Cases for the Cliff Head facilities which were accepted and approved by the relevant Regulatory Authorities: the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) for the onshore ASP, and the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) for the offshore Cliff Head Alpha Platform, which lies in Federal waters.

Approval of the Safety Cases demonstrated that TEO, as the Operator of Cliff Head, has properly identified hazards and risks, can describe how the risks are controlled, and has defined the safety management system to ensure these controls are effectively and consistently applied.

#### **Cliff Head Development**

As a result of the agreement to sell the Cliff Head oil field and its associated assets to Pilot Energy, for conversion of the facilities to a Carbon Capture and Sequestration project (announced to the ASX 27<sup>th</sup> July 2023), the Company has determined that it is unlikely that any further oil development and exploration projects associated with Cliff Head will proceed. The Company will no longer carry the Contingent and Prospective Resources associated with these oil projects and has taken a financial write-down associated with their removal.

The Company will, however, continue to produce the remaining oil reserves from the Cliff Head Field until the Conditions Precedent of the Pilot Energy agreement are satisfied or until the economic cessation of production of the field, currently expected in mid-2025.

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REVIEW OF OPERATIONS (continued)

Oil Export Truck-to-Tanker Route

In view of the Kwinana refinery closure in April 2022, Triangle established a new oil export route out of the Perth Basin. This comprises storing up to 30,000 barrels of oil in newly refurbished tanks at the Arrowsmith Stabilisation Plant (ASP), then periodically loading onto road trains to the port of Geraldton for loading onto a chartered tanker for export to Asia (Figure 3). The first load-out occurred in early July 2022, since when the export route has operated throughout the year, with the latest delivery of oil being made to Malaysia in August 2023.

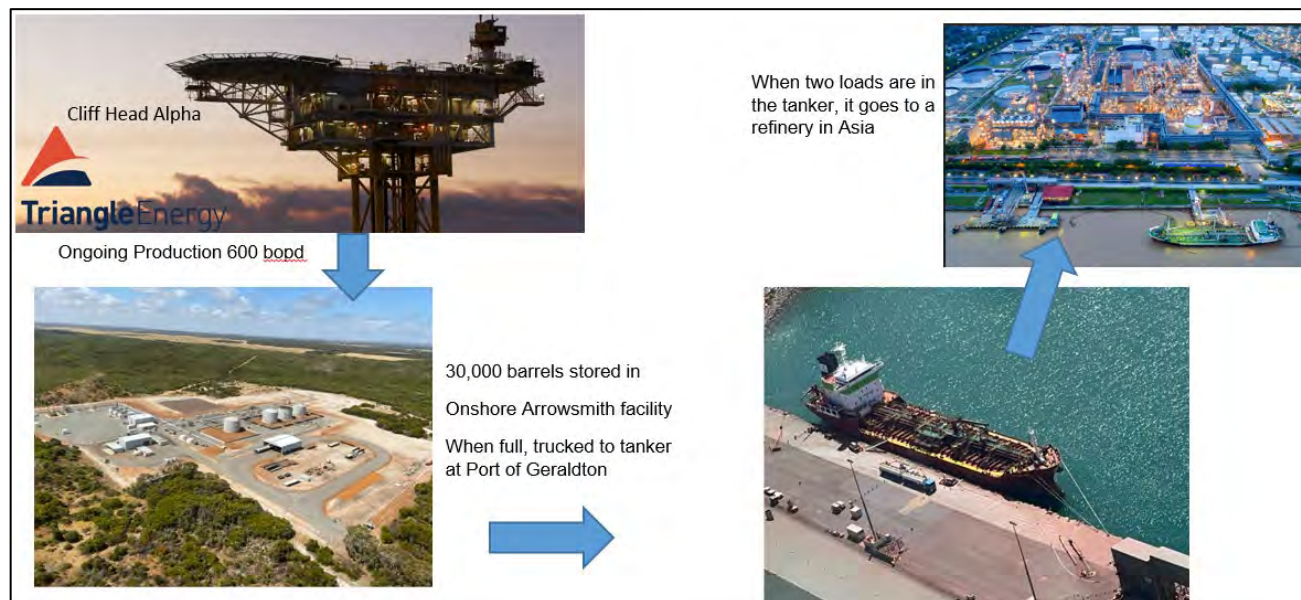


Figure 3: Cliff head Oil Production and Export Scheme

Production

In FY 2023 Triangle, as operator of the CHJV, produced 220,645 barrels of oil from the Cliff Head Oilfield at an average of 603 barrels per day. The production reflects the effect of an offline CH-10 well from the beginning of the year.

CHJV oil sales revenue from 1 July 2022 to 30 June 2023 was US\$16.17 million.

Triangle continues to work with stakeholders to deliver further operational efficiencies in the facility.

The CHJV is dedicated to HSE and Asset Integrity Management. The facility at Cliff Head has been producing oil since May 2006 and the operation has been without significant safety or operational incident since start-up. Offshore Australian projects are subject to the OPGGSA safety case regime and all requirements are being implemented at the offshore and onshore facilities.

The Company is committed to the principles of ESG and the Board is mindful of its responsibilities whilst conducting oil production activities and has put in place a range of actions that will limit its impact on the environment. Further, the Company is in full compliance with all the environmental legislations, regulations, and industry standards.

This year, the Company commenced baseline reporting on the Environmental, Social, and Governance disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

The Company has developed an Environmental and Social Risk Register applicable for the whole Group. The aim is to identify the Company's potential environmental and social risks and determine which of the identified risks may present as material risks to the Company. The register indicates the likelihood and severity of the risks and assigns a corresponding mitigating control.

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## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

The Company has an excellent safety record and focuses on safety awareness and safe work processes especially on-site. Occupational health and safety performance is continually monitored. As the operator of Cliff Head, the Company works closely with the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) regulations to monitor and approve safety and environmental practices.

The Company operations are subject to environmental and other regulations. The Company has a policy of engaging appropriately experienced staff, contractors and consultants to advise on and ensure compliance with environmental regulations in respect of its operational activities. The Company monitors compliance with relevant legislation on a continuous basis and maintained its excellent operating record during the year with zero environment reportable incidents.

Through its existing Cliff Head oil field production operations, the CHJV has established good relations with the regulators, heritage groups, fishing community, landholding sectors, tourism stakeholders and other operators in the area.

### Carbon Capture and Sequestration

Triangle and its Joint Venture partner, Pilot Energy signed an agreement (ASX release dated 6<sup>th</sup> October 2022) by which Triangle would reduce its interest in the Cliff Head Joint Venture to 40% and both parties would work towards the conversion of the Cliff Head facility to a Carbon Capture and Sequestration project after the cessation of economic oil production.

Subsequent to the end of the 2023 financial year, the October 6<sup>th</sup> 2022 agreement was replaced by a new agreement (ASX release dated 27<sup>th</sup> July 2023) in which Triangle agreed to sell its entire holding in the CHJV to Pilot for staged cash payments of \$7.5 million and a further royalty payment associated with the success of the CCS project capped at \$7.5 million. This agreement is subject to National Offshore Petroleum Titles Administrator (**NOPTA**), the offshore regulator, declaring that the Cliff Head reservoir is a suitable greenhouse gas storage formation for carbon dioxide, and Pilot obtaining finance, sufficient to assure both NOPTA and Triangle that they can meet the abandonment liability of the asset.

### Production Licence L7(R1) and Exploration Permit EP 437

Triangle is the owner of a 50% interest in Production License L7(R1) ("L7") and a 50% interest in the adjacent exploration permit EP 437, located in the North Perth Basin, north of the large Waitsia, Lockyer Deep, North Erregulla Deep and West Erregulla gas fields (Figure 4 and 5).



Figure 4: Mt Horner, located in permit L7



REVIEW OF OPERATIONS (continued)

Triangle originally farmed into a 50% interest in L7 and EP 437 in 2018. The Company and Key Petroleum later signed a Share Sale Agreement for the acquisition of the Key subsidiaries holding the remaining interests in L7 and EP 437, thereby effectively resulting in the Company holding 100% interest in L7 and 86.94% of EP 437 without any condition. The transaction cost was \$600,000 cash which included the balance of \$100,000 on the previous purchase of interest plus \$500,000 worth of Triangle shares to be issued on or before 30<sup>th</sup> June 2023. These shares were issued on 21<sup>st</sup> March 2023 and placed on behalf of Key to Lowell Resource Fund and to certain investors.

Triangle also purchased the remaining 13.04% interest in EP437 from Pilot Energy to complete its 100% ownership in permits L7 and EP 437.

In May 2022 Triangle acquired the 160km<sup>2</sup> Bookara 3D seismic over permits L7 and EP 437, which was processed by February 2023. Triangle farmed out a 25% interest in the two permits to Talon Energy (ASX release dated 19<sup>th</sup> December 2022) and a further 25% interest to New Zealand Oil and Gas (ASX release dated 20<sup>th</sup> March 2023) leaving Triangle as operator with a 50% interest.

The farmout resulted in Talon Energy and New Zealand Oil and Gas paying just under \$20 million for their combined 50% interest in the permits.

The geoscience work on the permits is still ongoing. The early interpretation displays the structural form of the permits at the Base Kockatea Shale level (Figure 6). This shows that the prospects sit to the north of the large Allanooka Fault and are cut by the same north-south trending faults that are proven to seal the gas fields to the south.

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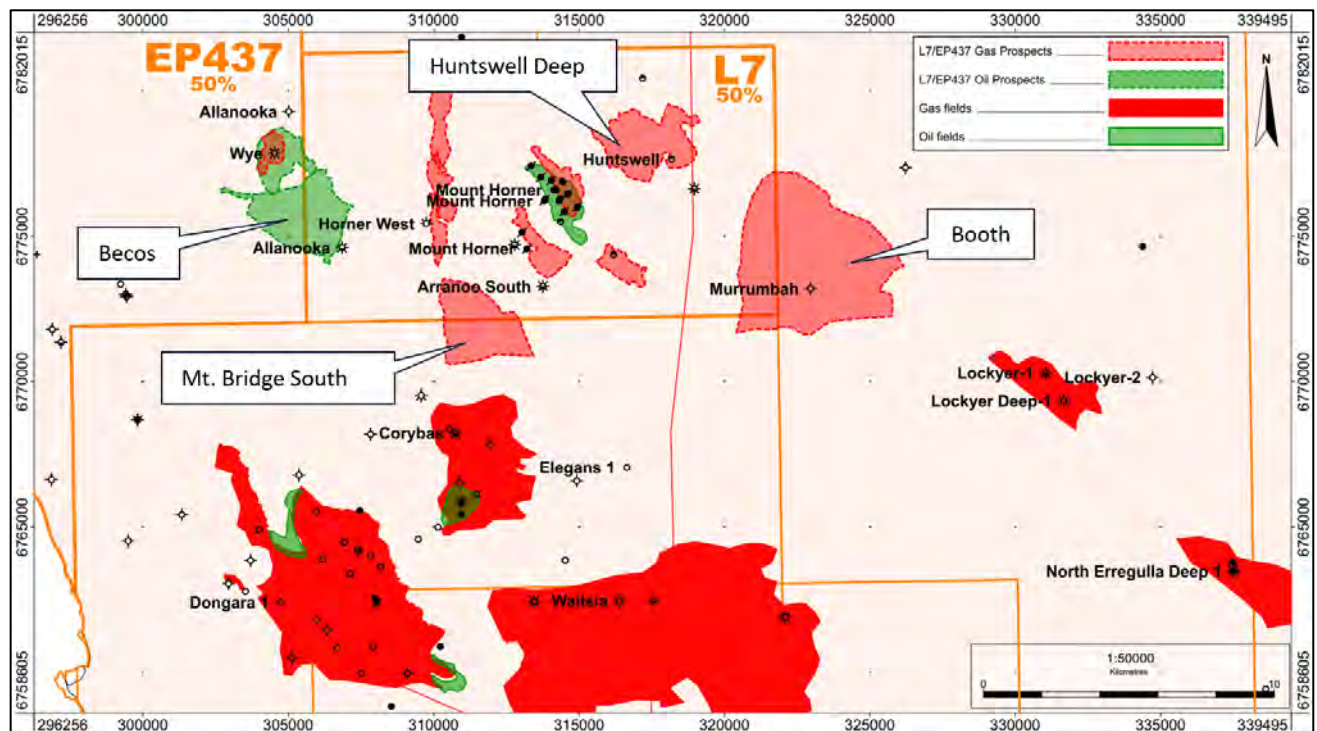


Figure 5: Triangle prospects and adjacent gas fields



REVIEW OF OPERATIONS (continued)

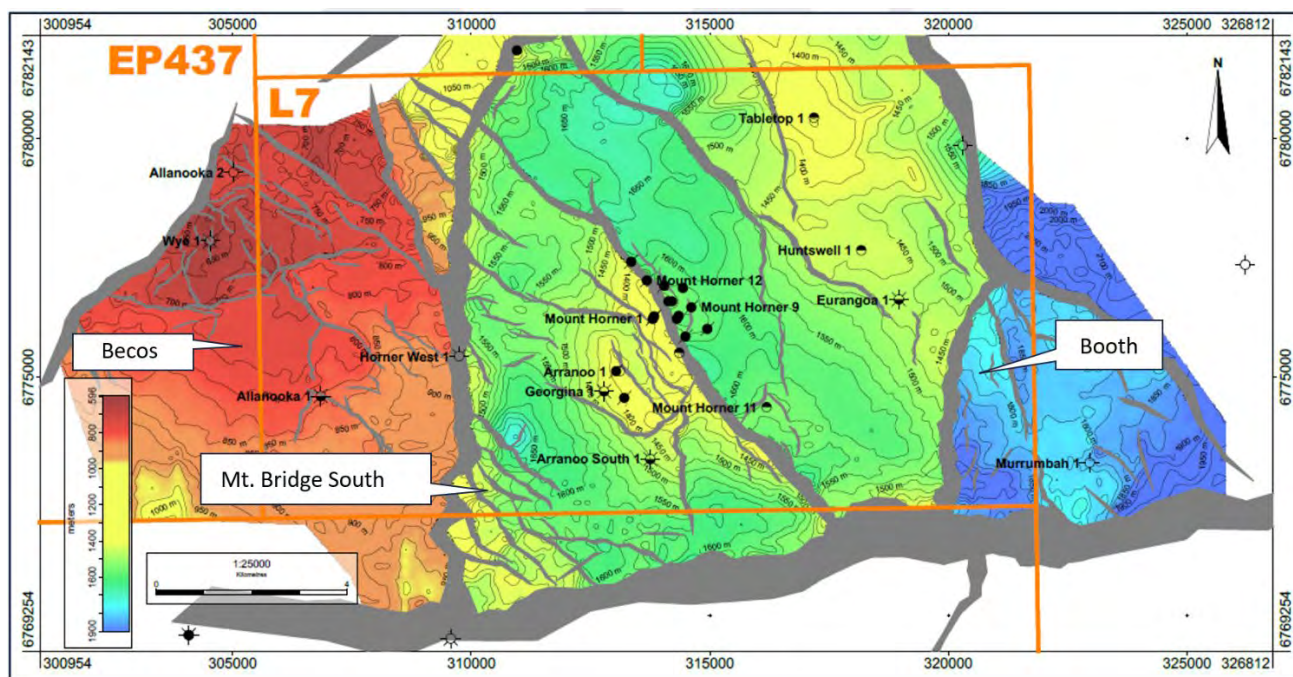


Figure 6: Structure map over L7 and EP 437 showing prospects and major faults

The Joint Venture released an update on the prospectivity of the permits on the 27<sup>th</sup> March 2023 outlining the prospective resource estimates for the “top 3” prospects, considered as likely candidates for the two wells to be drilled for gas targets in 2024 (Table 1 and Figure 6). The Booth prospect is the primary drill candidate on L7 (Figure 7). This will be a deviated well to approximately 2,500m TVDSS, with multiple targets including the Kingia gas play (Figure 8).

The Becos commitment well on EP437 (Figure 9) will test a fault-bounded structure at the Early Triassic level in the equivalent formations that encountered hydrocarbons in the Wye-1 well. Additional deeper Permian Kingia and High Cliff Sandstone targets will also be tested by the well (Figure 10). This relatively shallow vertical well will be drilled to approximately 1100m TVDSS. The most likely hydrocarbon phase at this location is oil.

L7 Drilling Prospects Gas Prospective Resources			
Gross 100% (Bcf Gas)		Net TEG 50% Equity (Bcf Gas)	
Best Estimate (2U)		Best Estimate (2U)	
Booth	279	Booth	139
Mtn Bridge South	53	Mtn Bridge South	27
Huntswell Deep	61	Huntswell Deep	30
<b>Total</b>	<b>393</b>	<b>Total</b>	<b>196</b>
EP437 Drilling Prospect Oil Prospective Resources			
Gross 100% (MMbbl Oil)		Net TEG 50% Equity (MMbbl Oil)	
Best Estimate (2U)		Best Estimate (2U)	
Becos	5	Becos	2.5

*NB: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons. Prospective Resources quoted were derived probabilistically, are unrisks, and are on-block only.*

Table 1: L7 and EP437 drill candidates Prospective Resources

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REVIEW OF OPERATIONS (continued)

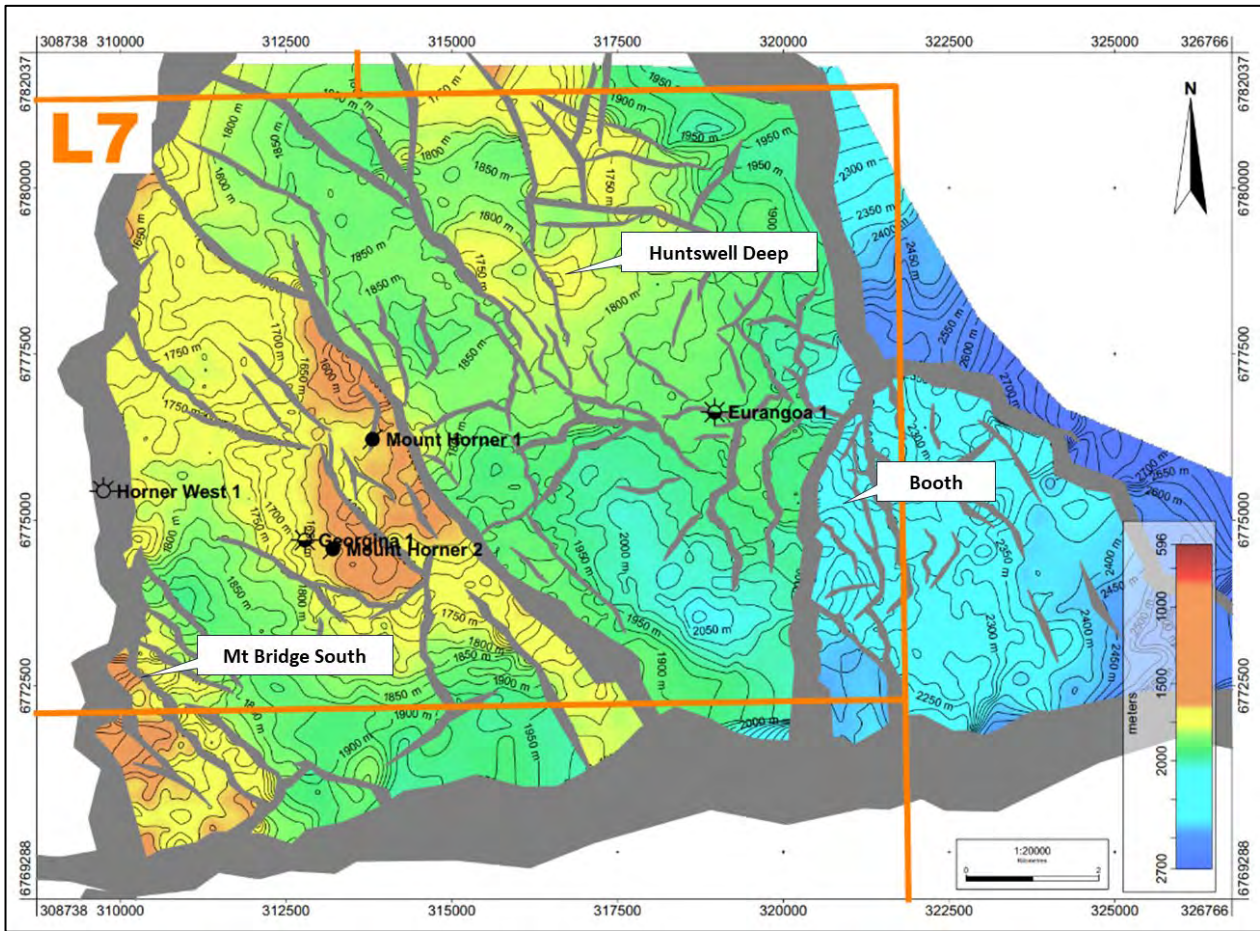


Figure 7: L7 Drilling Prospects Kingia depth map.

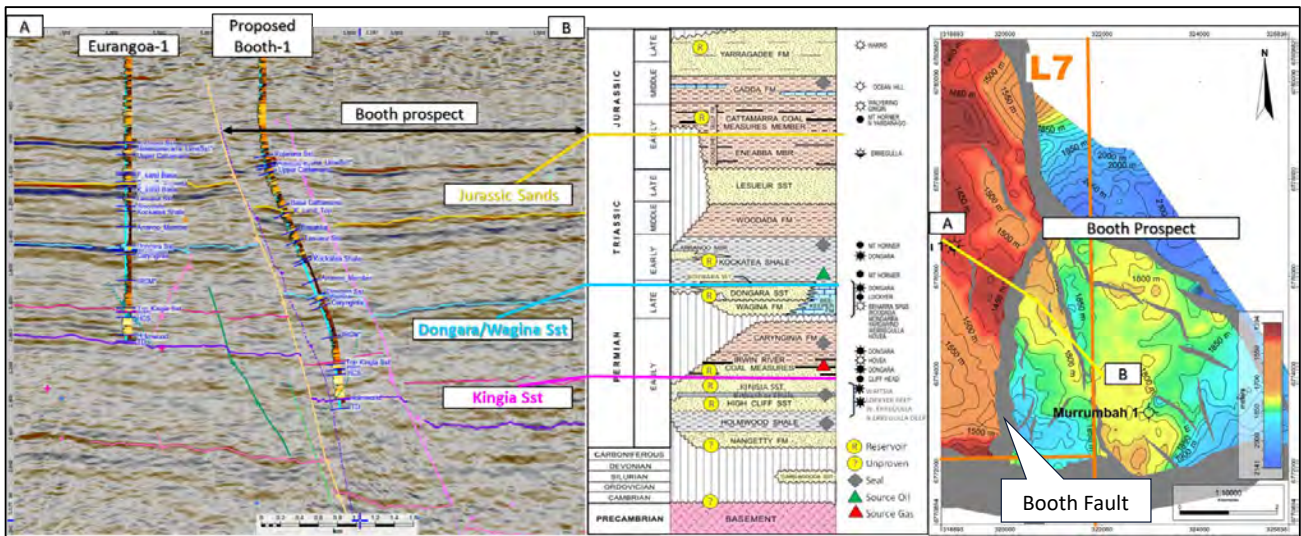


Figure 8: Booth Prospect showing seismic line with preliminary well trajectory, target horizons and Base Kockatea depth map.

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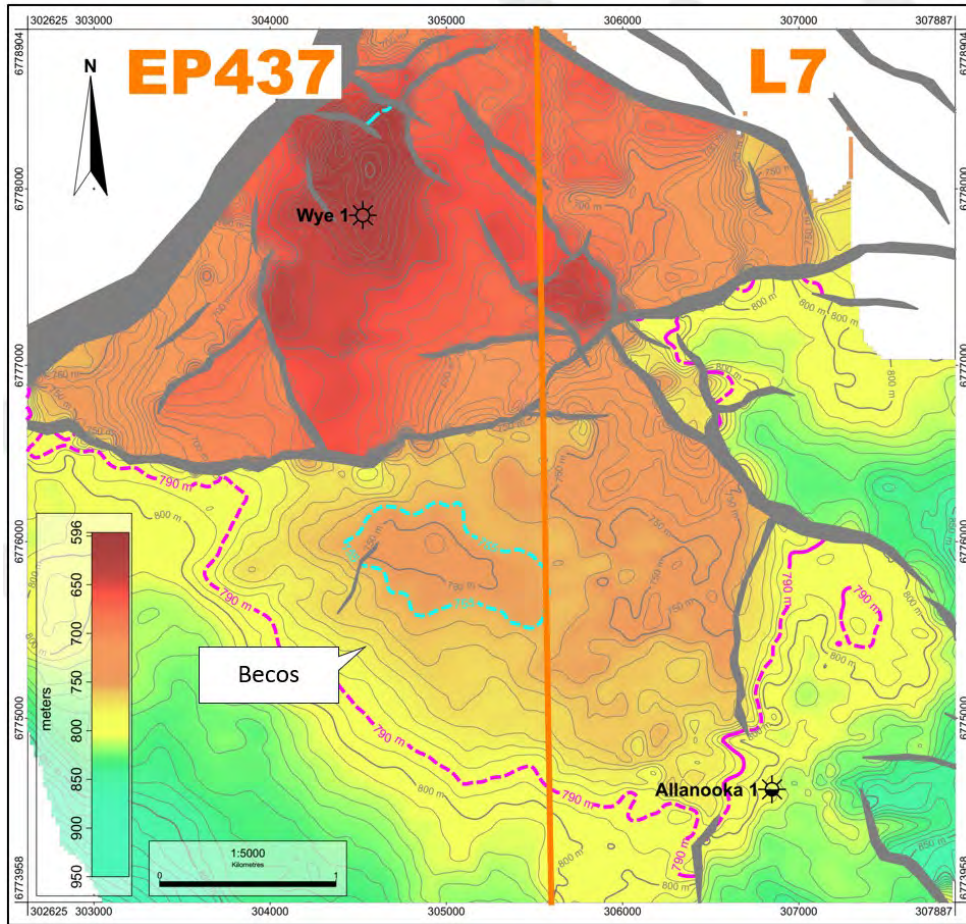


Figure 9: EP437 Becos prospect depth map

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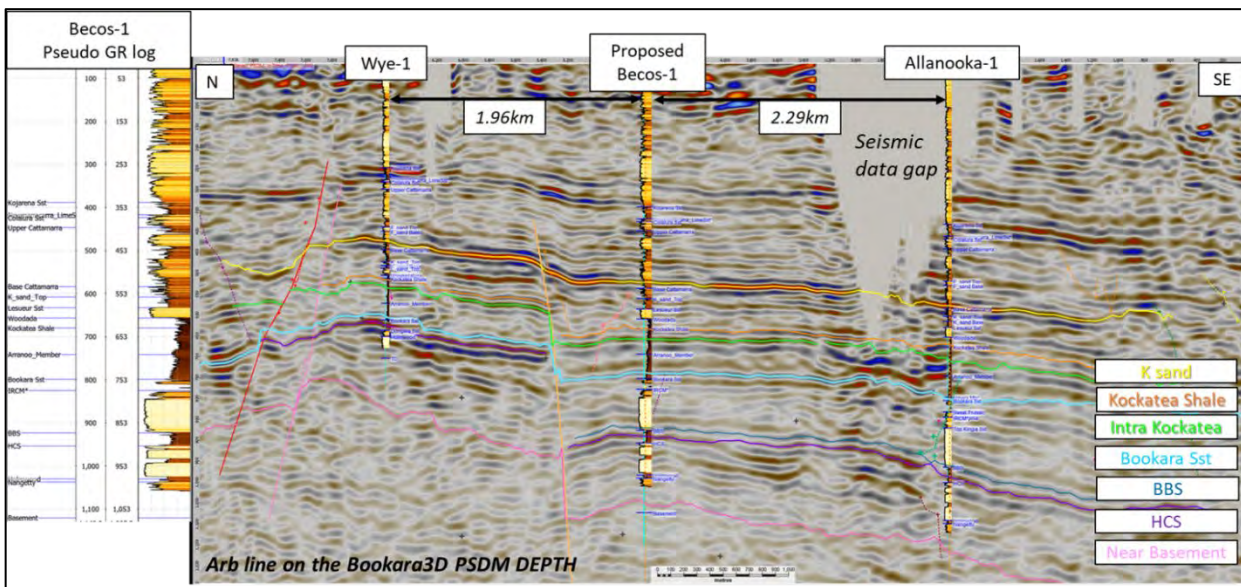


Figure 10: Seismic section across the Becos drill target

## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

#### TP/15 Xanadu Joint Venture

Having completed all obligations on the permit, the Operator of the Joint Venture<sup>1</sup> submitted an application for surrender of this title on behalf of the JV parties to DMIRS in September 2022. At the time of this report, the processing of this application is still pending.

#### Investments

##### State Gas Limited (ASX: GAS)

Triangle is a major shareholder of State Gas Limited (**State Gas**) (**ASX:GAS**) with a 10.6% holding as at 30<sup>th</sup> June 2023. Subsequent to the end of FY 2023, the Company participated in a State Gas capital raise. At the time of this report, the Company has a holding of 9.33% in State Gas.

State Gas holds 100% interest in, and is operator of, the Reid's Dome Gas Project (PL 231) in central eastern Queensland, approximately 545 km northwest of Brisbane and 50 km southwest of Rolleston, in the Bowen Basin. The permit hosts both conventional and unconventional gas and is less than 50 km from the high-pressure gas pipeline network in Queensland. State Gas is also the holder of Authority to Prospect ATP 2062 ("Rolleston-West"), a 1,414 square kilometre permit that is contiguous with the Reid's Dome Gas Project. It also holds a 35% interest in exploration permits ATP 2068 and ATP2069 through its joint venture with Santos QNT Pty Ltd.

State Gas developments and updates can be found at <https://stategas.com/>.

#### Reserves and Resources

The Company's Reserves all lie within the WA-31-L Cliff Head production licence, which is held at a 78.75% equity (See Table 2 below). In addition, there are undiscovered Prospective Resources within the company's other permits (See Table 3 below).

On 27<sup>th</sup> July 2023, Pilot Energy Limited (ASX:PGY) and Triangle Energy (Global) Limited (ASX:TEG) agreed to revise the existing Sales and Purchase agreement (announced 6th October 2022), to consolidate ownership arrangements for the Cliff Head Joint Venture (CHJV) and the proposed Cliff Head Carbon Capture and Storage Project (CH CCS Project) whereby, pending certain regulatory approvals that are expected within the next year, Pilot will become 100% owner of the CHJV. This will strengthen Pilot's ability to complete the transformation of the Cliff Head facility to a Carbon Capture & Storage (CCS) project and oil production from Cliff Head will cease. As a result, the previously identified in-field development opportunities and new-drill exploration opportunities within WA-31-L that may have extended the life of the oil production will not now be practical or economical to pursue and as such, the Contingent Resources and Prospective Resources previously assigned to WA-31-L will now be written-down.

As the existing Cliff Head production wells continue to produce oil, Reserves are still reported for the permit.

#### Reserves:

The Company's 2P Reserves (Proven + Probable) remaining at 30<sup>th</sup> June 2023 are assessed to be 430,000 stb net (78.75%) to Triangle. This is based upon reservoir engineering analysis of future production based on historical trends (i.e. decline curve analysis) undertaken in 2022, minus the last year's production (Table 2 below).

Production Licence WA-31-L Cliff Head		
Oil Developed Reserves (MMstb)	Gross (100%)	Net TEG (78.75%)
Cliff Head Field	2P	2P
30 June 2022 Reserves	0.76	
2022-2023 Production	0.23	
30 June 2023 Reserves	0.53	0.43

Table 2: Triangle Energy Reserves as at 30 June 2023

<sup>1</sup> Westranch Holdings, a subsidiary of Norwest Energy, now owned by Mineral Resources.



## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

#### Notes Regarding Reserves

1. The Company prepares its Reserves in accordance with the definitions and guidelines of the Society of Petroleum Engineers (SPE) 2018 Petroleum Resources Management System (PRMS).
2. The estimates of Reserves are reported as at 30<sup>th</sup> June 2023.
3. The Company is Operator of WA-31-L.
4. Triangle holds a 78.75% interest in the Cliff Head production licence WA-31-L. Gross Reserves are attributed to 100% joint venture interest in WA-31-L. Net Reserves are attributed to Triangle's existing 78.75% net interest in WA-31-L.
5. Reserves have been prepared using standard reservoir engineering practice, specifically decline curve analysis incorporating field production data to 30<sup>th</sup> June 2022, production during the 2023 financial year, well and facility uptime, expected shutdown durations and timing into the future.

#### Contingent Resources

The Company's Contingent Resources that were reported on 30<sup>th</sup> June 2022, all lay within the WA-31-L Cliff Head production licence. As mentioned above, with the Cliff Head Field now nearing cessation of production, the Company has decided that no Contingent Resources can be assigned to the Cliff Head asset.

#### Prospective Resources

The Company has developed an extensive portfolio of gas and oil Prospects and Leads within its permits and licences. As reported on 27<sup>th</sup> March 2023, the new Bookara 3D seismic interpretation has resulted in confirmation of the prospectivity of the L7 and EP437 permits and has resulted in the identification of drillable prospects, mainly gas in L7 and oil in EP 437. The seismic has high graded 3 drillable gas prospects in L7 and one drillable oil prospect in EP437 (Table 3 below). Numerous other oil and gas prospects and leads are presently being refined and will be presented in detail to the JV after further interpretation and studies have been completed.

Some of the prospects extend outside L7 and EP437, which adds to their economic attractiveness and adds monetary value to the portion within the JV's permits (Figure 6).

L7 Drilling Prospects Gas Prospective Resources			
Gross 100% (Bcf Gas)		Net TEG 50% Equity (Bcf Gas)	
Best Estimate (2U)		Best Estimate (2U)	
Booth	279	Booth	139
Mtn Bridge Sth	53	Mtn Bridge Sth	27
Huntswell Deep	61	Huntswell Deep	30
<b>Total</b>	<b>393</b>	<b>Total</b>	<b>196</b>

EP437 Drilling Prospect Oil Prospective Resources			
Gross 100% (MMbbl Oil)		Net TEG 50% Equity (MMbbl Oil)	
Best Estimate (2U)		Best Estimate (2U)	
Becos	4.9	Becos	2.4

Table 3: Best Estimate (2U) Prospective Resources of L7 & EP437 exploration drill targets

The Prospective Resources previously reported for WA-31-L have been removed for the reasons stated above.

**REVIEW OF OPERATIONS (continued)****Notes Regarding Prospective Resources**

1. The Company prepares its Prospective Resources in accordance with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2018 Petroleum Resources Management System (PRMS).
2. The estimates are reported as at 30<sup>th</sup> June 2023.
3. The Prospective Resources lie within Production Licence L7 (R1) and Exploration Permit EP 437.
4. Gross Prospective Resources are attributed to 100% joint venture interest.
5. Net Prospective Resources are net to Triangle's 50% interest.
6. The Prospective Resources in L7 and EP 437 were estimated using the probabilistic method.
7. The total Prospective resources in the L7 Production licence are arithmetically summed Best Estimate (2U)

NB: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons. Prospective Resources quoted were derived probabilistically, are unrisks, and are on-block only.

**Qualified Petroleum Reserves and Resources Evaluator Statement**

The information contained in this report regarding the Triangle Energy Reserves and Resources is based on, and fairly represents, information and supporting documentation reviewed by Dr Douglas Gillies who is a full-time employee of Triangle Energy (Global) Ltd holding the position of Subsurface Manager. He holds a Bachelor of Science (Hons) and a PhD (Edinburgh) in geology, is a member of the Society of Petroleum Engineers (SPE), the American Association of Petroleum Geoscientists (AAPG) and the Petroleum Exploration Society of Australia (PESA). He is a qualified resources estimator in accordance with ASX listing rule 5.41, and has consented to the inclusion of this information in the form and context in which it appears.

**Growth Opportunities**

The Company is in the process of rearranging its portfolio of assets by divesting Cliff Head and replacing it with earlier life fields. The Company believes that the exposure to the right combination of assets in different regions will provide the best opportunity for the Company.

In January 2023, the Company submitted four applications with three separate partner groups for permits in the United Kingdom 33<sup>rd</sup> Licence Round. The North Sea Transition Authority (NSTA) expects to announce bid awards in Q4 2023. The focus of the bids is the appraisal and development of previously sub-economic discovered gas, that now has the potential for development due to the escalation of global gas prices. Some gas exploration permits have also been applied for.

The Company also submitted a bid for an onshore permit in the Philippines' Cagayan Basin (Nominated Area No. 11) under the Philippines Conventional Energy Contracting Program. The area has prospectivity for gas which is in high demand. The Philippines government is supportive of petroleum projects and offers some of the best fiscal terms in South-East Asia.

The Company's bid was opened by the Philippines Department of Energy (DOE) on 4 September 2023 and is now under technical and regulatory review, with results expected in Q4 2023.

The company continues to assess and evaluate new ventures conventional oil and gas opportunities globally to grow the existing portfolio with the aim of becoming a mid-cap energy company.

## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

#### Corporate

#### Capital Raisings

There have been no capital raises in the 2023 financial year.

#### Non – Renounceable Entitlement Offer – June/August 2021

As part of the June 2021 Placement, the Company announced a pro-rata non-renounceable entitlement offer (**Entitlement Offer**) to eligible shareholders of quoted options in the Company at an issue price of \$0.001 each and on the basis of 1 new quoted option (**New Option**) for every 2 shares held on the record date. Each New Option had an exercise price of \$0.035 and an expiry date of 4<sup>th</sup> August 2023.

Subsequent to the end of the year these options have expired and cancelled on the 5<sup>th</sup> August 2023.

#### Capital and Management Expenditure

As at 30<sup>th</sup> June 2023, Triangle had a cash balance of AU\$10.80 million.

The Company holds a 50% equity interest in Triangle Energy (Operations) Pty Ltd. This investment is equity accounted for in the Company's financial statements. As at 30<sup>th</sup> June 2023, Triangle Energy (Operations) Pty Ltd had a cash balance of \$621K.

#### Changes in Capital

#### Shares and Options

On 21 March 2023, the Company issued 31,378,015 ordinary shares to Key Petroleum Ltd as consideration for the purchase by the Company of two (2) Key Petroleum Ltd subsidiaries. The purchase of Key Petroleum Ltd subsidiaries resulted in the Company owning 100% of L7 and EP437 permits. There were no other issuances of shares made during the year.

During the financial year, the following options were issued:

- on 11<sup>th</sup> July 2022, the Company issued 159,615,385 unlisted options to sophisticated investors, directors and to broker unlisted options with an exercise price of \$0.025 and expiry of 30 June 2025;
- on 30<sup>th</sup> November 2022, the Company issued 10,000,000 unquoted options to Mr Gregory Hancock with an exercise price of \$0.025 and expiry of 24 November 2025;
- on 30<sup>th</sup> November 2022, the Company issued 10,000,000 unquoted options to Mr Gregory Hancock with an exercise price of \$0.03 and expiry of 24 November 2025; and
- on 30<sup>th</sup> November 2022, the Company issued 10,000,000 unquoted options to Mr Gregory Hancock with an exercise price of \$0.035 and expiry of 24<sup>th</sup> November 2025.

#### Loan and borrowings

The Company considers loans to be part of its capital management. As at 30<sup>th</sup> June 2023, there were no unpaid loans by the Company.

#### Shareholder Analysis

As at 30<sup>th</sup> June 2023, the Company had 2,050 shareholders and 1.38 million shares on issue with 673 million quoted and 190 million unquoted options. Subsequent to the end of the year, the 673 million quoted options expired without being exercised.

The Top 20 shareholders of the Company held 38.36% of the total issued capital.

## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

#### Information in relation to ASX Listing Rule 5.4.3

At 30<sup>th</sup> June 2023, the Company held the following permits:

Licence	Percentage Interest
WA-31-L	78.75%
TP/15	45.00%*
L7(R1)	50.00%**
EP437	50.00%**

\* The joint venture operator submitted an application for surrender of permit TP/15 in conjunction with the joint venture parties to the Department of Mines, Industry Regulations and Safety (DMIRS) in September 2022. At the time of this report, the processing of this application is still pending.

\*\* The Company has completed a farmout of a 25% interest each to Talon Energy Ltd and New Zealand Oil and Gas Ltd, announced 19<sup>th</sup> December 2022 and 20<sup>th</sup> March 2023.

The Group has not acquired any tenements during the financial year.

#### Principal Activities

During the year, the principal continuing activities of the Group was the sale of crude oil from its 78.75% share of the Cliff Head producing oil field and the exploration activities at L7 and EP437 permits. The Company has undertaken processing and interpretation of the Bookara 3D seismic acquired over permits L7 and EP 437 in the North Perth basin leading towards drilling in the L7 and EP437 permits.

#### Operating results

The net profit of the Consolidated Entity after income tax for the year was AU\$1.323 million (2022 net loss: AU\$7.705 million). The key inputs for the result of operations for the year ended 30<sup>th</sup> June 2023 are set out below:

- the Company's revenue decreased due to a reduction in barrels sold by 33,611 to 119,470 (2022: 153,081 barrels sold) and a deterioration of the US oil price per barrel from a high of US\$105.25 in 2022 to a low of US\$69.55 in late June 2023. This resulted in the gross profit decreasing by \$5.35 million compared to the previous year;
- the Company's administration costs increased by \$4.12 million due to the increased storage and logistics costs of the truck to tanker solution of \$4.93 million offset by reductions in project costs \$0.934 million and reduction in consulting fees of \$0.386 million but increases in most other smaller overheads.
- the Company had substantial other income amounts of \$16.24 million driven by the sale of a portion of State Gas Limited shares \$6.687 million and a fair value accounting entry for the change the change of an associate to an investment for State Gas Limited of \$9.79 million.
- the Company performed an impairment testing on the recoverability of its oil and gas assets and exploration assets during the period. As a result, the Company recognised an impairment of \$7.49 million on its oil and gas assets through the removal of its Cliff Head Exploration and Development Assets;
- the Company recognised its share of the loss of its associate Triangle Energy (Operations) Pty Ltd of \$0.71 million; and
- the Company adjusted its deferred tax asset resulting in the recognition of an income tax expense of \$0.041 million.

#### Financial position

The Company has a 50% interest in Cliff Head's operating company, Triangle Energy (Operations) Pty Ltd. The Company currently accounts for this investment as an associate on the basis that it is jointly controlled by two (2) shareholders equally holding 50% of the shares. The Company also holds an investment in State Gas Limited of approximately 10.6% as at 30<sup>th</sup> June 2023.

The Company financial statements show the following key movements in the Group's assets and liabilities over the two periods:

- Decrease in cash assets by \$3.03 million to \$10.80 million (2022: increase by \$13.24 million from \$0.59 million);
- Increase in trade receivables by \$0.90 million (2022: decrease by \$1.27 million to nil);
- Increase in crude oil inventory by \$0.41 million to \$1.516 million (2022: decrease by \$0.79 million to \$1.10 million);
- Increase in other receivables by \$0.34 million to \$1.85 million (2022: decrease by \$0.61 million to \$1.51 million);
- Decrease in trade and other payables by \$3.84 million to \$3.65 million (2022: increase by \$4.08 million to \$7.49 million);
- Non-current assets decreased to \$13.76 million (2022: decreased to \$17.93 million from \$20.77); and
- Non-current liabilities increased to \$17.44 million (2022: increased by \$0.13 million to \$15.83 million).



## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

At 30<sup>th</sup> June 2023, the Consolidated entity had an increase in working capital surplus of \$2.48 million to \$11.42 million (2022: capital surplus of \$8.94 million).

### Dividends

During the financial year the Company did not pay any dividend (2022: nil).

### Treasury Policy

The Board is responsible for the treasury function and management of the Group's financial resources.

### Risk Management

The Board takes a pro-active approach to risk management. The Board is responsible for ensuring that risks and also opportunities are identified on a timely basis and the Group's objectives are aligned with the risks and opportunities identified by the Board.

### Environment, Social and Governance (ESG)

The Company is committed to the principles of ESG as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals. The Board is mindful of its responsibilities whilst conducting oil production activities and has put in place a range of actions that will limit its impact to the environment. Further, the Company is in full compliance with all the environmental legislations, regulations and industry standards.

This year, we made a commitment to commence reporting on the Environmental, Social, and Governance disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF). We are in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity and principles of governance that organisations can report on regardless of industry or region.

The Company has developed an Environmental and Social Risk Register applicable for the whole Group. The aim is to identify the Company's potential environmental and social risks and determine which of the identified risks may present as material risks to the Company. The register indicates the likelihood and severity of the risks and assigns a corresponding mitigating control. The formulated response is provided with a timeline to achieve and a continuous monitoring and improvements to be implemented thereafter. The Risk Register is designed to be a current document that is maintained to ensure that there is up to date understanding of potential material risks and how the risks are being managed.

In preparing the Environmental and Social Risk Register, the following potential material risks were identified:

- Climate change – the Company is aware of the risks that changing climactic conditions presents to its business. An Emergency Management Plan is in place which reflects changing climatic conditions.
- Environmental impact – possible impact to the environment may occur in the course of the operations. The Company has in place a range of controls, including preventive maintenance, inspection and training programs as well as auditing processes.
- Community – the Company values stakeholders in the area it operates. Controls are in place to minimise potential impacts to the fisheries and tourism industries.
- Cultural heritage - the Company is aware of the importance of managing relationships with Traditional Owners along with mitigating the risk of potential disturbance to sites and objects of heritage significance. The Company is proactively engaging with all the relevant stakeholders.
- Economic – the Company is investigating strategies to adapt to the changing external expectations particularly in relation to its business of producing crude oil.

## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

#### Occupational Health and Safety

The Company has an excellent safety record and focuses on safety awareness and safe work processes especially in on-site. Occupational health and safety performance is continually monitored. As the operator of Cliff Head asset, the Company works closely with the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) guidelines to monitor and approve safety and environmental practices.

The Company operations are subject to environmental and other regulations. The Company has a policy of engaging appropriately experienced contractors and consultants to advise on and ensure compliance with environmental regulations in respect of its operational activities. The Company monitors compliance with relevant legislation on a continuous basis and maintained its excellent operating record during the year with zero environment reportable incidents.

#### Greenhouse gas and energy data reporting requirements

The National Greenhouse and Energy Reporting Act 2007 requires the Company to report its annual greenhouse gas emissions data. The group has implemented systems and processes for the collection and calculation of the data required and submits its annual report to the Greenhouse and Energy Data Officer.

#### Human Capital Management

The Company values the contribution of its personnel in the attainment of business strategy and continuity. In addition to the compliance of the laws protecting employee welfare, the Company has provided benefits to its staff which acknowledges their contribution to the success of the Company. Short term and long-term variable remuneration are assessed annually and measured against Key Performance Indicators set by the Remuneration and Nomination Committee.

The Company has a Remuneration and Nomination Committee which is separate and independent from the management of the Company. It is responsible for the determination of the remuneration policy of the directors and key management and review of the structure and criteria for assessing employee performance and remuneration. It is also responsible for assessing the compensation and benefits strategy to ensure that the Company continues to attract and maintain the best talents in the market to maximize shareholder value.

#### COVID – 19

Due to policies and procedures implemented, the Covid-19 Pandemic has had minimal effect on the business during the year. Personnel and contractors mostly reside locally and are not affected by travel restrictions. Further, as proven in previous years, personnel can effectively work from home. The Company has a flexible policy of allowing its personnel to work from home when required.

## DIRECTORS' REPORT (CONTINUED)

### REVIEW OF OPERATIONS (continued)

#### Future Plans

Subsequent to the end June 2023, Triangle and Pilot Energy Ltd (**Pilot**) announced an agreement to sell all of Triangle's interest in the Cliff Head oil field and the Arrowsmith Stabilisation Plant. The Sale and Purchase Deed was announced on 27<sup>th</sup> July 2023. The deal can be summarised below:

The consideration to be paid by Pilot to Triangle is expected to total approximately \$15 million over the CCS project life and will be staged as follows:

- \$3.0 million cash when NOPTA issues a Declaration of Greenhouse Gas Storage Formation (that the Cliff Head reservoir is suitable for carbon injection);
- \$4.5 million cash when NOPTA issues a Greenhouse Gas Injection License; and
- Up to \$7.5 million in royalties from the Carbon Sequestration project (2% Revenue Royalty from third party carbon management services)

Completion of the revised agreement is subject to the following conditions precedent:

- NOPTA must issue a Declaration of a Greenhouse Gas Storage Formation (that the Cliff Head reservoir is suitable for carbon dioxide injection and storage)
- Pilot must obtain sufficient financial security to satisfy NOPTA and Triangle that it can assume the full abandonment liability for the Cliff Head oilfield in accordance with the Offshore Petroleum and Greenhouse Gas Storage Act 2006.

#### State of Affairs

During the year, the Consolidated Entity continued to participate in the Cliff Head oil production asset in Western Australia through its 78.75% interest. As detailed above, the Company has agreed to sell its interest in Cliff Head to Pilot subject to conditions.

The Company also progressed its exploration permits, farming out a 25% interest in permits L7 and EP 437 to Talon Energy for a cash and work program promote consideration of \$9.2 million and farming out a 25% interest in the same permits to New Zealand Oil and Gas for a cash and work program promote consideration of approximately \$10 million.

Triangle continued to hold substantial investment in State Gas Limited which operates the Reid's Dome exploration asset and ATP 2062 Permit in Queensland.

## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT – AUDITED

This report outlines the remuneration arrangements in place for the key management personnel (KMP) of **Triangle Energy (Global) Limited (Triangle, Company, Consolidated Entity or The Group)** for the financial year ended 30 June 2023. The information provided in this remuneration report has been audited by the independent auditor as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent Company.

The following table shows the gross revenue, profit / (losses) and share price of the Consolidated Entity at the end of the respective financial years.

	30 June 2023	30 June 2022
Revenue from continuing operations	\$13.64 million	\$19.45 million
Net Profit / (Loss)	\$1.32 million	(\$7.70 million)
Share price (cents)	\$0.016	\$0.011

### Directors and Key Management Personnel

#### i. Directors

Gregory Hancock	Non-Executive Chairman	Appointed Non-Executive Director on 14 Feb 2022 and Non-Executive Chairman on 15 Feb 2022
Conrad Todd	Managing Director	Appointed Non-Executive Director on 14 Feb 2022 and Managing Director on 15 Feb 2022
Michael Collins	Non-Executive Director	Appointed Non-Executive on 14 Feb 2022

#### ii. Executives

Conrad Todd	Managing Director	Appointed Non-Executive Director on 14 Feb 2022 and Managing Director on 15 Feb 2022
Marvin Chan	Chief Financial Officer	Appointed Chief Financial Officer on 18 November 2019

### Remuneration Philosophy

The Company's policy for determining the nature and amount of remuneration of board members and senior executives is as follows:

#### (i) Non-Executive Directors

The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment, and responsibilities. The Board determines payments to its non-executive directors and reviews their remuneration annually.

The maximum aggregate annual remuneration of non-executive directors is subject to approval by the shareholders in general meeting. The shareholders have approved the maximum aggregate remuneration amount to be \$500,000 per year. The directors have resolved that fees payable to the non-executive chairman is \$60,000 and non-executive directors are to receive \$48,000 for this financial year. As provided for in the Company's Constitution, from time to time, non-executive directors may be remunerated to perform special duties. These duties are reviewed by the remaining directors of the Company to assess whether the carrying out of these duties affect the independence of the relevant non-executive director at that time.



## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

#### (ii) Key management personnel

The objective of the Company's new executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board will ensure that executive reward satisfies the following key criteria for good reward governance practices:

- (i) competitiveness and reasonableness;
- (ii) acceptability to shareholders;
- (iii) performance linkage / alignment of executive compensation to key strategic goals on a case by case basis;
- (iv) transparency;
- (v) capital management;
- (vi) focuses on sustained growth in shareholder wealth;
- (vii) attracts and retains high calibre executives;
- (viii) alignment to program participants' interests;
- (ix) rewards capability and experience;
- (x) provides a clear structure for earning rewards; and
- (xi) KPIs are used to determine Long Term and Short Term Incentive benefit.

The Company implements an Incentive Scheme policy in remunerating KMP and its employees. The Incentive Scheme was presented and approved by the shareholders at the 2022 AGM.

The Incentive Scheme comprises an element of Long-Term Incentives (LTI) and Short-Term Incentives (STI) which should be realistic targets but not expected to be completely met. The LTI and STI are set out in the succeeding pages below.

The amount of fixed and at-risk remuneration is set out below:

	Fixed Remuneration		At risk – STI and LTI	
	2023	2022	2023	2022
<b>Directors and Key Management Personnel of Triangle Energy (Global) Limited – present and past</b>				
Greg Hancock	33%	100%	67%	-
Conrad Todd	69%	100%	31%	-
Michael Collins	51%	100%	49%	-
Marvin Chan	86%	92%	14%	8%

During the year, the Company awarded bonuses to the following directors and KMP:

	Cash Bonus
Gregory Hancock	\$30,000
Conrad Todd	\$80,000
Michael Collins	\$40,000

## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

#### Service agreements

During the year, there were no retirement allowances or other benefits paid to non-executive directors.

Remuneration and terms of employment for KMP are formalised in an employment agreements. The major provisions relating to remuneration to existing KMP are set out below:

**1. Conrad Todd, Executive Director**

- Term of agreement – indefinite;
- Base salary of \$335,000;
- Superannuation based on legislated rate (at 10.5%);
- Performance-based benefits may be payable under the agreement and may be linked to individual performance outcomes only; and
- Contract may be terminated early by the Company or by the executive with six (6) months' notice.

**2. Marvin Chan, Chief Financial Officer**

- Term of agreement – indefinite;
- Base salary of \$250,000;
- Superannuation based on legislated rate (at 10.5%);
- Performance-based benefits may be payable under the agreement and may be linked to individual performance outcomes only; and
- Contract may be terminated early by the Company or by the executive with three (3) months' notice.

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**DIRECTORS' REPORT (CONTINUED)****REMUNERATION REPORT (continued)****Termination benefits**

No other termination benefits are payable to KMP.

**Financial Year 2022-23**

	Cash Salary & fees <sup>1</sup>	Cash benefits <sup>1,6</sup>	Super- annuation	Long Service Leave <sup>2</sup>	Security- based payments <sup>3</sup>	Total	% of Remuneration linked to performance
	\$	\$	\$	\$	\$	\$	
<b>Directors and KMP</b>							
G Hancock <sup>4,6</sup>	70,500	30,000	-	-	114,590	215,090	67%
C Todd	335,000	80,000	43,575	-	88,581	547,156	49%
M Collins <sup>5,6</sup>	66,161	40,000	-	-	23,892	130,053	31%
M Chan	250,000	-	26,250	20,015	46,854	343,119	14%
	<u>721,661</u>	<u>150,000</u>	<u>69,825</u>	<u>20,015</u>	<u>273,917</u>	<u>1,235,418</u>	

<sup>1</sup> Amounts paid and payable.

<sup>2</sup> Long service leave amounts calculated in accordance with AASB 119 with reference to the contracts. As at the end of the financial year, Mr Chan has 4.67 years of service. Under the WA Long Service Leave Act, an employee is not, by law, entitled to long service leave until after 7 years of continuous employment with the Company.

<sup>3</sup> The annual value of performance rights and options in accordance with AASB 2 Share-based Payment.

<sup>4</sup> Mr Hancock was paid consulting fees of \$10,500 during the period based on the consulting agreement in place with the Company on normal commercial terms;

<sup>5</sup> Mr Collins was paid consulting fees of \$18,161 during the period based on the consulting agreement in place with the Company on normal commercial terms;

<sup>6</sup> The Company agreed to pay a bonus to directors and staff linked to the L7 and EP437 farm-out and new ventures work.

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## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

Financial Year 2021-22

	Cash Salary & fees <sup>1</sup>	Cash benefits	Non-cash benefits	Super-annuation	Security-based payments <sup>3</sup>	Total	% of Remuneration linked to performance
	\$	\$		\$	\$	\$	
<b>Directors and KMP</b>							
G Hancock <sup>4</sup>	33,000	-	-	-	-	33,000	-
C Todd <sup>4</sup>	125,625	-	-	12,562	-	138,187	-
M Collins <sup>4</sup>	47,103	-	-	-	-	47,103	-
T Monckton <sup>5</sup>	48,000	-	-	-	-	48,000	-
R Towner <sup>6</sup>	226,093	197,573	-	40,903	<sup>2</sup> 74,102	538,671	14%
W Wong <sup>5</sup>	21,750	-	-	-	-	21,750	-
D Carpenter <sup>5</sup>	16,333	-	-	-	-	16,333	-
M King <sup>5</sup>	47,625	-	-	-	-	47,625	-
L Rowe <sup>7</sup>	145,676	62,899	-	18,685	<sup>2</sup> 9,578	236,838	4%
M Chan <sup>8</sup>	250,000	16,124	-	26,612	<sup>2</sup> 24,460	317,196	8%
	961,205	276,596	-	98,762	108,140	1,444,703	-

<sup>1</sup> Amounts paid and payable.

<sup>2</sup> Performance rights issued on 19 November and 17 February and issued on 8 February 2021, refer to the share tables in succeeding pages.

<sup>3</sup> The annual value of performance rights in accordance with AASB 2 Share-based Payment.

<sup>4</sup> Mr Hancock, Mr Todd and Mr Collins were appointed on 14 February 2022.

<sup>5</sup> Mr Monckton, Mr King and Mrs Carpenter resigned on 14 February 2022 and Mr Wong on 8 February 2022.

<sup>6</sup> Mr Towner resigned on 8 February 2022. Mr Towner was paid a termination payment of \$175,000 in lieu of notice. During the year, Mr Towner also received a short-term cash incentive payment of \$22,573 together with all the staff.

<sup>7</sup> Mrs Rowe resigned on 14 February 2022. Mrs Rowe was paid a termination payment of \$50,000 in lieu of notice. During the year, Mrs Rowe also received a short-term cash incentive payment of \$12,899 together with all the staff.

<sup>8</sup> During the year, Mr Chan received a short-term cash incentive payment of \$16,124 together with all the staff.

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**DIRECTORS' REPORT (CONTINUED)****REMUNERATION REPORT (continued)****Share-based compensation**

The Company issued 40,289,473 short term Rights and 50,938,595 long term Rights (totalling 91,228,068 Rights) to key staff including, but not restricted to, the Managing Director, Non-Executive Director and Chief Financial Officer (after shareholder approval in November 2022). The total number of Rights available at the date of issue was as follows:

<b>2023</b>	<b>Number of rights granted during the year</b>	<b>Value of rights at grant date*</b>	<b>Number of rights vested during the year</b>	<b>Value of rights at vesting date*</b>	<b>Number of rights lapsed during the year</b>	<b>Value at lapse date</b>
		\$		\$		\$
<b>Directors</b>						
Conrad Todd (STI)	13,157,895	223,684	-	-	-	-
Conrad Todd (LTI)	20,614,035	315,394	-	-	-	-
Mike Collins (STI)	4,000,000	68,000	-	-	-	-
Mike Collins (LTI)	5,000,000	76,500	-	-	-	-
<b>Executives</b>						
Marvin Chan (STI)	7,719,298	131,228	-	-	-	-
Marvin Chan (LTI)	7,719,298	118,105	-	-	-	-
	<b>58,210,526</b>	<b>932,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The value at grant date calculated in accordance with AASB 2 Share-based payment of rights granted during the year as part of remuneration. The value provided is nominal only and calculated prior to assessing the probability of vesting. The fair value of the Rights is outlined below.

The Company notes that subsequent to 30<sup>th</sup> June 2023, 40% of the STI above will be cancelled prior to vesting due to target criteria not being met.

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## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

The Company issued 30,000,000 options to Mr Hancock following shareholder approval on 24 November 2022.

2023	Number of options granted during the year	Value of options at grant date* \$	Number of options vested during the year	Value of options at vesting date* \$	Number of options lapsed during the year	Value at lapse date \$
<b>Director</b>						
Greg Hancock (1 yr)	10,000,000	49,945	10,000,000	49,945	-	-
Greg Hancock (2 yrs)	10,000,000	71,409	-	-	-	-
Greg Hancock (3 yrs)	10,000,000	87,048	-	-	-	-
	<b>30,000,000</b>	<b>208,402</b>	<b>10,000,000</b>	<b>49,945</b>	<b>-</b>	<b>-</b>

\* The value at grant date calculated in accordance with AASB 2 Share-based payment of options granted during the year as part of remuneration. The value provided is nominal only and calculated prior to assessing the probability of vesting. The fair value of the options is outlined below.

2022	Number of rights granted during the year	Value of rights at grant date* \$	Number of rights vested during the year	Value of rights at vesting date* \$	Number of rights lapsed during the year	Value at lapse date \$
<b>Director</b>						
Robert Towner (ATSR)	3,664,959	-	-	-	3,664,959	-
Robert Towner (RRR)	3,664,959	-	-	-	3,664,959	-
	<b>7,329,918</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,329,918</b>	<b>-</b>

In the 2021 Annual General Meeting, 7.3 million Rights (valued at \$0.019 per rights) were authorised to be issued to Mr Towner. On 8 February 2022, Mr Towner resigned without the Rights being issued. At the time of his resignation, the same Rights were forfeited.

#### Prior period Rights

Subsequent to the end of the financial year, these rights have expired due to non-performance of vesting conditions and were cancelled:

2021	Number of rights granted during the year	Value of rights at grant date* \$	Number of rights vested during the year	Value of rights at vesting date* \$	Number of rights lapsed during the year	Value at lapse date \$
<b>Directors</b>						
Robert Towner (ATSR)	2,246,349	43,284	-	-	-	-
Robert Towner (RRR)	2,246,349	12,917	-	-	-	-
<b>Executives</b>						
Marvin Chan (ATSR)	1,283,628	37,257	-	-	-	-
Marvin Chan (RRR)	1,283,628	10,590	-	-	-	-
	<b>8,600,308</b>	<b>132,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The value at grant date calculated in accordance with AASB 2 Share-based payment of Rights granted during the year as part of remuneration.

## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

Further information on the rights is set out in notes 3.2 and 3.7 to the annual financial report.

The assessed fair value at grant date of Rights granted to the individual is allocated equally over the period from grant date to expected vesting date. The fair value amount is included in the remuneration tables above.

- The Long-Term Incentive scheme was approved at the AGM held on 24 November 2022. The LTI targets are summarised below:

LTI	2022 to 2023 KPIs to be fulfilled over 3 years				
	Measure	Vest Schedule	Target	Stretch	Weighting
ATSR	Inc in Share Price	Sliding	100%		50%
Resources	Inc in Agg Resources	Sliding	50%		25%
New Ventures	New project acquisition	Cliff	By 30 June 2026		25%
	NB meeting stretch results in full % weighting, target results in 50% of percentage weighting.				

- The Short-Term Incentive scheme was approved at the AGM held on 24<sup>th</sup> November 2022. The STI targets are summarised below:

STI	2022 to 2023 KPIs to be fulfilled over 1 year				
	Measure	Vest Schedule	Target	Stretch	Weighting
Ops	Achieve funding for L7 exploration	Cliff	By 30 June 2023		40%
ESG	Reduction in Decom liability	Sliding	20%	40%	20%
Production	Production in excess of 2P profile	Sliding	10%	30%	20%
Safety	Lost Time Injury	Sliding	2	0	20%
	NB meeting stretch results in full % weighting, target results in 50% of percentage weighting.				

The Company notes that in order for targets to be meaningful, they are all stretch targets and it is expected that not all will be met. 40% of the STI's awarded in 2022 will be cancelled prior to vesting due to the stringent target criteria not being met.

The fair value of the Rights has been calculated using the following inputs:

#### Short term Rights

	Farm-out (a)	ESG (b)	Production (c)	Safety (d)
Maximum Rights	16,115,789	8,057,895	8,057,895	8,057,895
Probability factor	100%	0%	0%	100%
Share price at grant date	\$0.017	\$0.017	\$0.017	\$0.017
Fair value of Rights	\$273,968	\$136,984	\$136,984	\$136,984
Value based on probability factor	\$273,968	-	-	\$136,984
Hurdle timeframe	1 Year	1 Year	1 Year	1 Year
Service condition timeframe	2 years	2 years	2 years	2 years

The expense is amortised over the vesting period and is adjusted for the expected number of Rights to vest.



## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

#### Long term Rights

	ATSR	Resources	New Projects
Maximum Rights	25,469,299	12,734,649	12,734,649
Probability factor	N/A	30%	100%
Monte Carlo share price	\$0.0136	-	-
Share price at grant date	-	\$0.017	\$0.017
Fair value of Rights	\$346,636	\$216,489	\$216,489
Value based on probability factor	-	\$64,947	\$216,489
Hurdle timeframe	3 Years	3 Years	3 Years

The fair value of the increase in aggregate resources and New Projects Right was \$0.017 per Right. The Company assessed the ATSR Rights using a Monte Carlo simulation to estimate the share price with the following inputs:

- (a) Grant Date: 24 November 2024
- (b) Expiry date: 30 June 2025
- (c) Exercise price: Nil
- (d) Volatility: 102.18%

The expense is amortised over the vesting period and is adjusted for the expected number of Rights to vest (excluding an adjustment for the ATRS Rights). The Fair value of the Rights was \$0.136 per Right.

## DIRECTORS' REPORT (CONTINUED)

### REMUNERATION REPORT (continued)

#### Details of remuneration: Share based compensation benefits

The table below shows the vesting period of the Rights:

#### Share-based compensation benefits (Rights)

	Year granted	Vested %	Forfeited %	Financial years in which rights vest	Maximum total value of grant yet to vest %
Marvin Chan *	2020/2021	0%	0%	2023	100
Conrad Todd (STI)	2022/2023	0%	0%	2024	100
Conrad Todd (LTI)	2022/2023	0%	0%	2025	100
Mike Collins (STI)	2022/2023	0%	0%	2024	100
Mike Collins (LTI)	2022/2023	0%	0%	2025	100
Marvin Chan (STI)	2022/2023	0%	0%	2024	100
Marvin Chan (LTI)	2022/2023	0%	0%	2025	100

\* Post year end the Rights associated with the 2020/2021 for Mr Chan have expired and have been cancelled

The table below shows the vesting period of the Options.

#### Share-based compensation benefits (Options)

	Year granted	Vested %	Forfeited %	Financial years in which rights vest	Maximum total value of grant yet to vest %
Greg Hancock (1 yr)	2022/2023	100%	N/A	2023	-
Greg Hancock (2 yrs)	2022/2023	0%	0%	2024	100
Greg Hancock (3 yrs)	2022/2023	0%	0%	2025	100

#### Additional disclosures relating to key management personnel

##### Related party transactions

There have been no other transactions or loans with key management personnel during the reporting period.

##### Shareholding

The number of shares in the Company held during the financial year by each director and other members of KMP of the Consolidated Entity including their personally related parties, is set out below:

Ordinary Shares	Balance at beginning of year or appointment date	Rights exercised to shares	Issued on exercise of options	Purchased or acquired	Other changes <sup>1</sup>	Balance at end of year
<b>2023</b>						
<b>KMP</b>						
G Hancock	3,453,846	-	-	-	-	3,453,846
C Todd	11,662,820	-	-	-	-	11,662,820
M Collins	3,846,154	-	-	2,163,835	-	6,009,989
<b>Total</b>	<b>18,962,820</b>	<b>-</b>	<b>-</b>	<b>2,163,835</b>	<b>-</b>	<b>21,126,655</b>

**DIRECTORS' REPORT (CONTINUED)****REMUNERATION REPORT (continued)****Option holdings**

The number of listed options in the Company held during the financial year by each director and other members of KMP of the Consolidated Entity including their personally related parties, is set out below:

<b>Options</b>	<b>Balance at beginning of year or appointment date</b>	<b>Granted as compensation</b>	<b>Purchase of options</b>	<b>Net change other</b>	<b>Balance at end of year</b>
<b>2023</b>					
<b>KMP</b>					
G Hancock	576,923	30,000,000	-	-	30,576,923
C Todd	1,923,077	-	-	-	1,923,077
M Collins	1,923,077	-	-	-	1,923,077
<b>Total</b>	<b>4,423,077</b>	<b>30,000,000</b>	<b>-</b>	<b>-</b>	<b>34,423,077</b>

**Share rights**

The number of Rights over shares in the Company held during the financial year by each director and other members of KMP of the Consolidated Entity including their personally related parties, is set out below:

<b>Share rights</b>	<b>Balance at beginning of year or appointment date</b>	<b>Granted as compensation</b>	<b>Rights vested to shares</b>	<b>Forfeited rights</b>	<b>Balance at end of year</b>
<b>2023</b>					
<b>KMP</b>					
C Todd	-	33,771,930	-	-	33,771,930
M Collins	-	9,000,000	-	-	9,000,000
M Chan	2,567,256 <sup>1</sup>	15,438,596	-	(2,567,256)	15,438,596
<b>Total</b>	<b>2,567,256</b>	<b>58,210,526</b>	<b>-</b>	<b>-</b>	<b>58,210,526</b>

<sup>1</sup> Mr Chan's 2.6 million Rights have expired due to non-performance of vesting conditions and were cancelled subsequent to year end.

## DIRECTORS' REPORT (CONTINUED)

### Voting of shareholders at November 2021 Annual General Meeting (AGM)

The Company received 94.35% of 'yes' votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback from the shareholders at the AGM. This includes the remuneration report which has been audited.

### Directors' Meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' Meetings*		Remuneration and Nomination Committee		Audit Committee and Risk Management Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
G Hancock	6	6	1	1	6	3
C Todd	6	6	1	1	6	6
M Collins	6	6	1	1	6	6

\*Board business during the year has also been affected by execution of circulated resolutions by directors.

### Indemnification and insurance of Directors and Officers

During the financial year the Company paid a premium in respect of a contract insuring the directors and officers of the Company against a liability incurred by such directors and officers to the extent permitted by the Corporations Act 2001. The nature of the liability and the amount of the premium has not been disclosed due to confidentiality of the insurance contracts. The Company has not otherwise during or since the end of the year, indemnified, or agreed to indemnify an officer or an auditor of the Company, or of any related body corporate, against a liability incurred by such an officer or auditor.

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of the proceedings.

The Company was not a party to any such proceedings in the year.

### Events subsequent to the end of the financial year

On 27 July 2023 the Company announced that Triangle and Pilot Energy Ltd had signed a new agreement to sell the whole of Cliff Head to Pilot, for a staged payment of \$7.5 million cash and a royalty capped at \$7.5 million. This is subject to two conditions precedent; Declaration of a Greenhouse Gas Storage Formation by the regulator, NOPTA, and Pilot Energy Ltd providing financial assurance to both NOPTA and Triangle that they accept the full abandonment liability for the Cliff Head oilfield.

In August 2023, the Company sold its fifth (5<sup>th</sup>) offtake under truck-to-tanker export route for 52,606 barrels of crude oil. The crude oil was delivered to Malaysia. Payment for the fifth (5<sup>th</sup>) offtake was received in September 2023.

### Likely Developments

The Company's focus for the next year includes:

- (a) progress drilling in the L7 and EP437 permits;
- (b) continue with the operations of the Cliff Head oil field until the sale to Pilot concludes
- (c) conclude the sale of Cliff Head to Pilot; and
- (d) continue evaluating new business opportunities.



## DIRECTORS' REPORT (CONTINUED)

### Corporate Governance

The Company's corporate governance statement can be found on the Company's website, in a section titled 'Corporate Governance': <http://triangleenergy.com.au/about/corporate-governance/>

### Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd (WA Partnership) to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 36 and forms part of this directors' report for the year ended 30 June 2023.

HLB Mann Judd (WA) Partnership and their related entities have no non-audit services rendered to the Company during the year.

Signed in accordance with a resolution of the directors.



Conrad Todd

Managing Director

Date: 28 September 2023

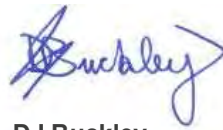
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## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Triangle Energy (Global) Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia  
28 September 2023



**D I Buckley**  
Partner

**hlb.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

TRIANGLE ENERGY (GLOBAL) LIMITED  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(INCOME STATEMENT)  
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
Revenue	1.1	13,641,311	19,448,013
Cost of sales		(8,996,975)	(9,455,900)
Gross profit		4,644,336	9,992,113
Other income	1.1	16,235,862	1,127,399
Employment expenses	1.2	(2,974,969)	(3,031,931)
General and administration expenses	1.2	(7,781,174)	(3,659,010)
Impairment expense	1.2	(7,490,226)	(11,702,709)
Interest cost		(486)	(85,882)
Amortisation and depreciation		(388,839)	(240,589)
Share of associate's (loss) / profit	2.4	(715,125)	715,125
Interest – unwind of discounts for provision for restoration	4.6	(246,822)	(227,936)
<b>Profit / (Loss) before income tax expense</b>		1,282,557	(7,113,420)
Income tax benefit / (expense)	1.3	40,719	(591,469)
<b>Profit / (Loss) after tax from continuing operations</b>		1,323,276	(7,704,889)
<b>Other comprehensive income</b>			
Items which will not be transferred to profit or loss:			
Movement in FVOCI reserve		(5,493,479)	-
<b>Other comprehensive income for the year, net of tax</b>		(5,493,479)	-
<b>Total comprehensive loss for the year, net of tax</b>			
Owners of Triangle Energy (Global) Limited		(4,170,203)	(7,704,889)
<b>Continuing operations (cents)</b>			
Basic earnings/(loss) per share	1.4	0.098	(0.72)
Diluted earnings/(loss)s per share	1.4	0.096	(0.72)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

TRIANGLE ENERGY (GLOBAL) LIMITED  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(BALANCE SHEET)  
AS AT 30 JUNE 2023

	Notes	30 JUNE 2023 \$	30 JUNE 2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3.1	10,804,043	13,836,083
Trade receivables	4.1	900,000	-
Oil inventory	4.7	1,516,141	1,101,066
Other receivables and assets	4.2	1,847,633	1,511,580
<b>Total current assets</b>		<b>15,067,817</b>	<b>16,448,729</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	4.4	-	50,544
Exploration and evaluation expenditure	2.2	3,044,956	10,274,280
Fair value through other comprehensive income	4.3	4,299,245	-
Investment in associates	2.4	-	715,125
Oil and gas properties	2.1	-	513,051
Deferred tax assets	1.3	6,414,074	6,373,354
<b>Total non-current assets</b>		<b>13,758,275</b>	<b>17,926,354</b>
<b>TOTAL ASSETS</b>		<b>28,826,092</b>	<b>34,375,083</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4.5	3,646,133	7,491,184
Borrowings	3.3	-	-
Lease liability	3.4	-	17,364
<b>Total current liabilities</b>		<b>3,646,133</b>	<b>7,508,548</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	4.6	17,441,540	15,803,574
Deferred tax liabilities	1.3	-	-
<b>Total non-current liabilities</b>		<b>17,441,540</b>	<b>15,803,574</b>
<b>TOTAL LIABILITIES</b>		<b>21,087,673</b>	<b>23,312,122</b>
<b>NET ASSETS</b>		<b>7,738,419</b>	<b>11,062,961</b>
<b>EQUITY</b>			
Issued capital	3.2	56,899,901	56,434,885
Reserves	3.7	(3,645,578)	1,467,256
(Accumulated losses)	3.8	(45,515,904)	(46,839,180)
<b>TOTAL EQUITY</b>		<b>7,738,419</b>	<b>11,062,961</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



TRIANGLE ENERGY (GLOBAL) LIMITED  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		13,761,181	21,053,361
Payments to suppliers and employees		(19,461,712)	(15,603,415)
Interest paid		(486)	(44,215)
Income tax (paid)/received and PRRT paid		3,000	(3,000)
R&D rebate		-	336,007
Interest received		118,820	256,594
<b>Net cash (outflows) / inflows from operating activities</b>	3.1	<b>(5,579,197)</b>	<b>5,995,332</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		6,686,400	-
Payments to acquire new assets		(600,000)	-
Cash received in purchase of new assets		1,100	-
Reimbursement for Exploration costs from new JV partners		2,900,000	-
Loans to associates		(1,843,983)	(3,915,046)
Receipts from associates		1,843,983	4,935,046
Payments for exploration and evaluation expenditure		(3,034,477)	(2,465,178)
Payments for development expenditure		(3,546,408)	(2,338,142)
<b>Net cash (outflows) from investing activities</b>		<b>2,406,615</b>	<b>(3,783,320)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares (net of costs)		-	11,010,445
Proceeds from the issue of options		-	311,757
Proceeds from borrowings	3.3	-	3,584,371
Repayment of lease liability		(12,650)	(17,916)
Repayment of borrowings	3.3	-	(3,930,738)
<b>Net cash (outflows) / inflows from financing activities</b>		<b>(12,650)</b>	<b>10,957,919</b>
Net increase/(decrease) in cash and cash equivalents		(3,185,232)	13,169,931
Cash and cash equivalents at the beginning of the year		13,836,083	597,504
Effect of exchange rate fluctuations on cash held		153,192	68,648
<b>Cash and cash equivalents at end of year</b>	3.1	<b>10,804,043</b>	<b>13,836,083</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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TRIANGLE ENERGY (GLOBAL) LIMITED  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2023

	Issued capital	Accumulated losses	Share based payment reserve	Convertible note reserve	Option reserve	Fair value through OCI reserve	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2022</b>	56,434,885	(46,839,180)	1,076,370	7,003	383,883	-	11,062,961
<i>Transactions with shareholders in their capacity as shareholders</i>							
Issue of shares (net of costs)	465,016	-	-	-	-	-	465,016
Issue of options – director	-	-	114,590	-	-	-	114,590
Cost of performance rights	-	-	266,055	-	-	-	266,055
<i>Comprehensive Income</i>							
Profit for the year	-	1,323,276	-	-	-	-	1,323,276
Movement in FVOCI	-	-	-	-	-	(5,493,479)	(5,439,479)
<i>Total comprehensive profit for the year</i>	-	1,323,276	-	-	-	(5,493,479)	(4,170,203)
<b>Balance at 30 June 2023</b>	<b>56,899,901</b>	<b>(45,515,904)</b>	<b>1,457,015</b>	<b>7,003</b>	<b>383,883</b>	<b>(5,493,479)</b>	<b>7,738,419</b>
	Issued capital	Accumulated losses	Share based payment reserve	Convertible note reserve	Option reserve	Fair value through OCI reserve	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	45,424,440	(39,134,291)	917,400	7,003	72,151	-	7,286,703
<i>Transactions with shareholders in their capacity as shareholders</i>							
Issue of shares (net of costs)	11,010,445	-	-	-	-	-	11,010,445
Issue of options – cash	-	-	-	-	311,732	-	311,732
Cost of performance rights	-	-	158,945	-	-	-	158,945
Issue of options	-	-	25	-	-	-	25
<i>Comprehensive Income</i>							
Loss for the year	-	(7,704,889)	-	-	-	-	(7,704,889)
<i>Total comprehensive loss for the year</i>	-	(7,704,889)	-	-	-	-	(7,704,889)
<b>Balance at 30 June 2022</b>	<b>56,434,885</b>	<b>(46,839,180)</b>	<b>1,076,370</b>	<b>7,003</b>	<b>383,883</b>		<b>11,062,961</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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TRIANGLE ENERGY (GLOBAL) LIMITED  
NOTES TO CONSOLIDATED ANNUAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023

**NOTE A: BASIS OF PREPARATION AND COMPLIANCE STATEMENT**

The annual report of Triangle Energy (Global) Limited (the **Company, Group or Triangle Energy**) for the year ended 30 June 2023 was authorised for issue on 28 September 2023 in accordance with a resolution of directors on 28 September 2023.

The Company is a public company limited by shares incorporated and domiciled in Australia whose securities are traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company are described in the directors' report above.

Accounting policies have been consistently applied unless otherwise stated.

(a) **Basis of Preparation**

The annual report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law, as appropriate for for-profit entities.

The annual report has also been prepared on a historical cost basis except for assessing the fair value of the Groups financial assets.

As at 30 June 2023, the Company has the following interests:

- (a) oil production and exploration through the Company's 78.75% interest in the Cliff's Head asset in WA;
- (b) a 45% interest in TP/15 Xanadu Joint Venture (At the time of this report, the processing of the application to surrender the permit is still pending);
- (c) a 50% interest in the L7(R1) Joint Venture;
- (d) a 50% interest in the EP437 Joint Venture; and
- (e) an interest in the Reid's Dome tenement (PL 231) and Rolleston-West (ATP 2062) in the Bowen Basin in Queensland through its equity investment in State Gas Limited (ASX: GAS).

*Basis of measurement and reporting convention*

This annual report has been prepared on an accruals basis and is based on historical cost except for assessing the fair value of the Group's financial instruments measured at fair value on a recurring basis, compound financial instruments, borrowings and share based payments. The annual report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) **Statement of Compliance**

The annual financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards, as adopted in Australia. Compliance with Australian Accounting Standards ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) as adopted by the AASB.

TRIANGLE ENERGY (GLOBAL) LIMITED  
NOTES TO CONSOLIDATED ANNUAL REPORT  
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**1 Profit and loss items**

	Year ended 30 June 2023 \$	Year ended 30 June 2022 \$
<b>1.1 Revenue</b>		
Sales of hydrocarbons (crude oil)	<u>13,641,311</u>	<u>19,448,013</u>
	<u>13,641,311</u>	<u>19,448,013</u>
Total number of barrels produced and sold by the Company was 119,470.05 (57.5%) at an average sales price of AU\$114.18.		
<b>Other income</b>		
Interest income	118,820	140,784
Sale of investment	6,686,400	-
Fair value of associate in transition to an investment through OCI	9,792,724	-
Loss on sale of exploration asset	(1,607,913)	-
Research and development tax incentive	-	336,007
Other income	<u>1,245,831</u>	<u>650,608</u>
	<u>16,235,862</u>	<u>1,127,399</u>

**Revenue from contracts with Customers**

The Group derives revenue from the transfer of hydrocarbons at a point in time. The Group operates in one geographical location being Western Australia but sells its product in Asia. The total revenue for the year from this contract is \$13,641,311.

During the year, revenue was derived from a single customer. The revenue for the period is recognised when the hydrocarbons are delivered to the customer.

Assets recognised in relation to contracts with customers can be found in note 4.1 below.

The Group does not have any expected credit losses in relation to its customer as historically the Group receives all of the payments within the terms of the contract. There is no history of default with the Group's sole customers.

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**1 Profit and loss items**

	Year ended 30 June 2023 \$	Year ended 30 June 2022 \$	
<b>1.2 Expenses</b>			
(a) Employment expenses			
Salaries and wages	2,230,345	2,532,960	
Other personnel costs	106,067	131,538	
Superannuation	200,053	242,226	
Increase in leave liabilities	57,859	(33,738)	
	2,594,324	2,872,986	
Share-based payments	380,645	158,945	
	2,974,969	3,031,931	
(b) General and administration costs			
Accounting expenses	76,343	55,037	
ASX fees	46,454	107,711	
Audit fees	91,003	59,685	
Consulting expenses	156,124	542,023	
Legal expenses	54,289	66,389	
Project costs	15,468	949,005	
OP levy expenses	130,031	-	
Foreign exchange (gains) losses	(244,031)	(268,393)	
Storage costs	6,477,275	1,545,565	
Other administration expenses	978,218	601,988	
	7,781,174	3,659,010	
(c) Impairment			
Oil and gas asset	2.1	2,516,660	3,492,445
Exploration asset	2.2	4,973,566	8,100,264
Investment asset	4.3	-	110,000
		7,490,226	11,702,709

**Impairment expense**

The Group has recognised impairments for various assets during the year. Further details of each impairment can be found in notes 2.1, 2.2 and 4.3 below.

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TRIANGLE ENERGY (GLOBAL) LIMITED  
NOTES TO CONSOLIDATED ANNUAL REPORT  
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**1 Profit and loss items**

**1.3 Taxation**

	Year ended 30 June 2023 \$	Year ended 30 June 2022 \$
<b>Income tax recognised in profit or loss</b>		
The components of tax expense comprise:		
<b>Statement of profit or loss and comprehensive income</b>		
<i>Deferred tax</i>		
Decrease / (increase) in deferred tax assets	-	935,793
(Decrease) / increase in deferred tax liabilities	-	-
Petroleum resource rent tax	-	935,793
<i>Current income</i>		
Current income tax		
<i>Deferred tax</i>		
Decrease / (increase) in deferred tax assets	(40,719)	(344,324)
(Decrease) / increase in deferred tax liabilities	-	-
<i>PRRT Income tax expense (benefit) reported in statement of profit or loss</i>	(40,719)	(344,324)
Total Income tax expense for the year	(40,719)	591,469
<b>Numerical reconciliation between tax expense and pre-tax net loss</b>		
Profit / (Loss) before income tax expense	1,282,557	(7,113,420)
Income tax expense/(benefit) calculated at 25.0%. (2022 25.0%)	320,639	(1,778,355)
Effect of non-deductible item		
Total non-deductible / (non-assessable) items	(2,379,459)	222,507
Movements in unrecognised temporary differences	3,730,420	1,593,181
Utilisation of capital losses on sale of investment	(1,671,600)	-
Effect of change in tax rates	-	(37,333)
Movement in deferred income tax	-	935,793
Movement in deferred PRRT tax	(40,719)	(344,324)
Income tax expense reported in profit or loss and other comprehensive income	(40,719)	591,469
At effective income tax rate	3.17%	13.16%

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TRIANGLE ENERGY (GLOBAL) LIMITED  
 NOTES TO THE CONSOLIDATED ANNUAL REPORT  
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**1 Profit and loss items**

**1.3 Taxation (continued)**

	Year ended 30 June 2023 \$	Year ended 30 June 2022 \$
Deferred tax assets DTA/(DTL) have not been recognised in respect of the following items:		
Trade and other payables	145,754	141,222
Capital losses	98,811	1,770,411
Tax Losses	12,082,866	9,277,274
Leases	-	4,341
Exploration assets	641,698	425,086
Provision for restoration	4,360,385	3,950,894
Project pools and fixed assets	10,343,018	9,982,057
Black hole expenditure	187,951	247,608
Net deferred tax asset not recognised	<u>27,860,483</u>	<u>25,798,893</u>
The balance comprises temporary difference attributable to:		
PRRT (net credit on decommissioning) (DTA)	6,414,073	6,373,354
Project Pool costs (DTA) (a)	1,905,053	2,717,724
Associate carrying value	-	(178,781)
Assessable receipts PRRT (DTL) (a)	(1,603,521)	(1,593,339)
Tax losses (DTA) (a)	-	1,349,676
Exploration assets (DTL) (a)	(301,532)	(2,295,280)
Total deferred taxes	<u>6,414,073</u>	<u>6,373,354</u>
<b>Set-off deferred tax liabilities pursuant to off-set provisions</b>		
Deferred tax asset on project pool costs (oil and gas properties)	1,905,054	2,717,724
Assessable receipts PRRT	(1,603,521)	(1,593,339)
Associate carrying value	-	(178,781)
Deferred tax asset on carry forward tax losses	-	1,349,676
Deferred tax liability on exploration asset	(301,532)	(2,295,280)
	<u>-</u>	<u>-</u>

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NOTES TO THE CONSOLIDATED ANNUAL REPORT  
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**1 Profit and loss items**

**1.3 Taxation (continued)**

**Recognised deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	30 June 2023	30 June 2022	30 June 2022	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$	\$	\$
<i>CONSOLIDATED</i>						
PRRT	6,414,073	6,373,354	-	-	6,414,073	6,373,354
Project Pool Costs	1,905,054	2,717,724	-	-	1,905,054	2,717,724
Assessable receipts PRRT		-	(301,532)	(1,593,339)	(301,532)	(1,593,339)
Associate carrying value			(1,603,522)	(178,781)	(1,603,522)	(178,781)
Tax losses	-	1,349,676	-	-	-	1,349,676
Exploration Expenditure	-	-	-	(2,295,280)	-	(2,295,280)
<i>Tax (assets) / liabilities</i>	8,319,127	10,440,754	(1,905,054)	(4,067,400)	6,414,073	6,373,354
Set off of tax			1,905,054	4,067,400		
<i>Net tax assets / (liabilities)</i>	8,319,127	10,440,754	-	-	6,414,073	6,373,354

**Movement in temporary differences during the year**

	Balance 1 July 2022	Recognised in Income	Recognised on Acquisitions	Balance 30 June 2023
	\$	\$	\$	\$
Project Pool Costs	2,717,724	(812,670)	-	1,905,054
PRRT	6,373,354	40,719	-	6,414,073
Assessable receipts PRRT	(1,593,339)	(10,183)	-	(1,603,522)
Associate carrying value	(178,781)	178,781	-	-
Tax losses	1,349,676	(1,349,676)	-	-
Exploration Expenditure	(2,295,280)	1,993,748	-	(301,532)
	6,373,354	40,719	-	6,414,073

The potential deferred tax asset other than the items specified above has not been brought to account at 30 June 2023 as the directors do not believe it is appropriate to regard the realisation of the asset as probable. This asset will only be obtained if:

- (a) The Company and its controlled entity derive future assessable income of an amount and type sufficient to enable the benefit from the deductions for the tax losses to be realised;
- (b) The Company and its controlled entity continue to comply with the conditions for deductibility imposed by tax legislation; and
- (c) No changes in tax legislation adversely affect the Company and its controlled entity in realising the benefit from the deductions for the tax losses.

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**1 Profit and loss items**

**1.3 Taxation (continued)**

Estimates and judgements

*Assumptions used to carry forward deferred taxes*

Deferred tax assets are recognised for deductible temporary differences, taxation losses and PRRT decommissioning credits when the directors consider that it is probable that sufficient future tax profits or costs will be available to utilise those temporary differences, losses and credits. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next few years together with future tax planning strategies. There are significant variables relating to generating taxable profits in the future and while the directors take care in assessing the current available information, by its nature any forecast may be materially different to the final actual outcome.

**1.4 Earnings per share**

	2023 (\$) / Cents	2022 (\$) / Cents
<b>Continued Operations</b>		
<b>(a) Basic Earnings Per Share</b>		
Loss from continuing operations attributable to the ordinary equity holders	1,323,276	(7,704,889)
Cents per share	0.098	(0.72)
<b>(b) Diluted Earnings Per Share</b>		
Cents per share	0.096	(0.72)
<b>(c) Weighted Average Number of Shares Used as the Denominator</b>		
	<b>2023 Number</b>	<b>2022 Number</b>
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,353,308,356	1,077,525,684
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	1,377,482,040	1,077,525,684
<b>Calculation of weighted average number of shares</b>		
Number of shares at the beginning of the period	1,344,539,705	701,413,047
Shares issued but adjusted (pro-rata) for the period of issue	8,768,651	376,112,637
Number of shares used to calculate the loss per shares for the year	<u>1,353,308,356</u>	<u>1,077,525,684</u>
<b>Add</b>		
Dilutive instruments issued (options / rights) and adjusted for the period on issue	24,173,684	-
Number of instruments used to calculate the dilutive profit per share for the year	<u>1,377,482,040</u>	<u>1,077,525,684</u>

**(d) Information Concerning the Classification of Securities**

**Options**

The Company has on issue a total number of options of 862,269,683. These options have an exercise price of between \$0.025 and \$0.035 per option and are not considered to be dilutive at the current share price.

**Rights**

Vested rights are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The unvested rights have not been included in the determination of basic earnings per share.

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**2 Significant assets**

	<b>30 June 2023</b>	<b>30 June 2022</b>
	\$	\$
<b>2.1 Oil and gas properties</b>		
Oil and gas properties carried forward – Cliff Head (i)	-	513,051
Reconciliation – Cliff Head		
Carrying amount at the beginning of the year	513,051	-
Additions to the oil and gas properties (i)	2,343,390	4,209,981
Less: Amortisation	(339,781)	(703,729)
Less: Impairment	(2,516,660)	(3,155,217)
Carrying amount at end of the year	-	513,051

- (i) The original Oil & Gas properties were acquired on 30 June 2016 as part of the purchase of the Cliff's Head production licence. Additional capital expenditure has been added over the last 6 years as the Group reinvests in more plant and equipment and well workovers.

**Impairment assessment**

During the year the Company undertook an impairment assessment for its oil and gas assets as a consequence of identifying impairment indicators including changes to the price of oil, foreign currency rates and the operating costs relating to the truck-to-tanker export route. As a consequence of the review, the Company has recognised an impairment of \$2.5 million for the year ended 30 June 2023. The discount rate used for the model was 18% and the additional key inputs used for the impairment assessment include:

Forecast	30/06/2024	30/06/2025	30/06/2026
Pricing (US\$ / bbl)	95.0	95.0	95.0
Foreign currency exchange rates	0.68	0.68	0.68

Estimates and judgements

The assessment of impairment requires the Company to make judgements related to the likely forecast of pricing for oil and foreign currency. These forecasts are based on the most appropriate information available at the time of the assessment. The forecast may not be accurate and may result in a material variance to the expected outcome noted above.

*Assumptions used to carry forward the oil and gas properties*

The write-off or impairment of oil and gas properties is based on a periodic assessment of pre-determined impairment indicators relevant to the operating asset and with the information available at the time of preparing this report. The directors assess whether there are any clear indicators of impairment and if they exist a value in use calculation is prepared to assess the carrying value of the operating assets. The assessment of impairment indicators requires the directors to make judgements in relation to internal and external factors that impact the assets, however, information may come to light in subsequent periods which the directors were unable to predict at the time of making the assessment of indicators.

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**2 Significant assets**

**2.1 Oil and gas properties (continued)**

The estimation of reserves requires significant management judgement and interpretation of complex geological and geophysical models in order to make an assessment of the size, share, depth and quality of reservoirs and their anticipated recoveries. Estimates have been used to determine the fair value of the oil and gas properties for the purpose of the business combination and the assessment of depletion and amortisation charges.

**2.2 Exploration and evaluation assets**

	30 June 2023 \$	30 June 2022 \$
Exploration, evaluation and development costs carried	3,044,956	10,274,280
Reconciliation – Mentelle & West High prospects (i)		
Carrying amount at the beginning of the year	4,880,452	4,748,977
Additions to the exploration and evaluation asset	46,086	131,475
Impairment of exploration asset	(4,926,538)	
Carrying amount at end of the year	-	4,880,452
Reconciliation –TP/15 Xanadu Joint Venture (ii)		
Carrying amount at the beginning of the year	-	7,961,215
Additions to the exploration and evaluation asset	47,029	139,049
Impairment of exploration asset (ii)	(47,029)	(8,100,264)
Carrying amount at end of the year	-	-
Reconciliation – L7 Mount Horner Joint Venture (iii)		
Carrying amount at the beginning of the year	5,393,828	769,102
Additions to the exploration and evaluation asset (including restoration additions)	1,068,019	4,624,726
Acquisition of an entity (with 50% L7 interest)	1,538,830	-
Less: Disposal of 50% interest	(5,407,913)	-
Carrying amount at end of the year	2,592,764	5,393,828
Reconciliation –EP437 (iv)		
Carrying amount at the beginning of the year	-	-
Acquisition of entity	300,000	-
Additions to the exploration and evaluation asset	152,192	-
Less: Transfer to gain on disposal of subsidiary	-	-
Carrying amount at end of the year	452,192	-

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## 2 Significant assets

### 2.2 Exploration and evaluation assets (continued)

#### (i) Cliff Head Joint Venture

The Company holds a direct interest of 57.5% as at 30 June 2023. The joint venture is unincorporated and has three joint venture partners. The Company has recognised its share of the exploration expenditure from the joint venture. The carrying value is listed above and includes the initial acquisition fair value of \$3,747,951.

#### (ii) TP/15 Xanadu Joint Venture

The Company holds an interest of 45% as at 30 June 2023. As at year end, the Company had submitted all of the reports necessary to relinquish the permit and was awaiting confirmation from the regulator. The Company has incurred some expending during the period with has written off.

#### (iii) L7 and EP437 Joint Ventures

As at 30 June 2023, the Company has a 50% interest in the L7 and EP437 licences. During the year the Company executed the following agreements:

- Acquired 2 entities which held a 50% interest in L7 and a 86.94% interest in EP437 from Key Petroleum Limited. The transaction cost included \$600,000 cash which includes the balance of \$100,000 on the previous purchase of interest plus \$500,000 in Triangle shares to be issued on or before 30 June 2023. The details of the acquisition are in note 2.3.
- Farm-out agreement which included the disposal of an interest of 50% held by a subsidiary of TEG in exchange for a reimbursement payment of \$3.8 million paid in two tranches and an agreement to fund a portion of the TEG groups exploration commitments over the next 3 years.

#### Estimates and judgements

##### *Assumptions used to carry forward the exploration assets*

The write-off, impairment or carrying forward of exploration expenditure is based on a periodic assessment of the viability of an area of interest and/or the existence of economically recoverable reserves. This assessment is based on pre-determined impairment indicators, considering the requirements of the accounting standard, and with the information available at the time of preparing this report. Information may come to light in subsequent periods which requires the asset to be impaired or written down for which the directors were unable to predict the outcome.

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**2 Significant assets**

**2.3 Acquisition**

On 30 September 2022, the Company acquired Key Petroleum (Australia) Pty Ltd and Key Midwest Pty Ltd from Key Petroleum Limited for consideration of cash and shares. The acquisition provided the Company with the additional interest in the Mt Horner L7 licence and 86.94% of the EP437 licence (the remaining portion of the EP437 licence was transferred from Pilot Energy Limited to the Company).

The assets and liabilities acquired as at the purchase date are outlined below:

	Book Value \$	Fair Value \$
Other receivable	550	550
Exploration asset	773,815	1,838,830
Trade payables	(289)	(289)
Provision for restoration	(774,075)	(774,075)
	-	1,065,016

The fair value of the asset acquisition was attributed to the exploration licences using a residual basis \$1,065,016. The profit attributed to the period before acquisition for the Key Petroleum (Australia) Pty Ltd and Key Midwest Pty Ltd was \$472,212 (after the write-off of inter-company loans).

The consideration for the acquisition of the entities was \$600,000 in cash and the fair value of \$500,000 of shares in Triangle Energy (Global) Limited. The fair value of equity instruments was determined based on the formula:  
 10 Day VWAP of TEG shares prior to acquisition for \$250,000 + 10 Day VWAP of TEG shares prior to 31 December 2022 for \$250,000.

The Company has determined that the initial \$250,000 was a fixed price for a fixed number of shares as at 30 September 2022. However, the Company has fair valued the remaining \$250,000 as at 31 December and recognised to total fair value of the shares as \$215,016.

The cash received by Key Petroleum (Australia) Pty Ltd was \$550, The remaining \$550 cash was received by Triangle Energy (Onshore) Pty Ltd.

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**2 Significant assets**

**2.4 Investment in Associates and Joint Arrangement**

	30 June 2023 \$	30 June 2022 \$
Triangle Energy (Operations) Pty Ltd (i)	-	715,125
State Gas Ltd (ii)	-	-
	<u>-</u>	<u>715,125</u>

(i) Triangle Energy (Operations) Pty Ltd

The Company holds 50% shareholding in Triangle Energy (Operations) as at 30 June 2023 and one of the two directors is a nominee of the Company. The investment is recorded as an Associate which the Company measures using the equity method. The carrying value is listed above.

Triangle Energy (Operations) is incorporated in Australia.

(ii) State Gas Ltd

During the period, the Company sold a portion of its investment in State Gas Limited. As a result, its percentage holding dropped to below 20%. The Company also no longer has common director with State Gas Limited. As such, the investment is no longer classified as an Associate and have been recognised as an investment in the statement of financial position (refer note 4.3).

(iii) Reconciliation of movements of the investments in associates

Reconciliation - Triangle Energy (Operations) Pty

Ltd (i)

Carrying amount at beginning of the year	715,125	-
(Loss) / Profit for the year (i)	(715,125)	715,125
Carrying amount at end of the year	<u>-</u>	<u>715,125</u>

(iv) Loss

The associate made a loss for the year ended 30 June 2023 and has written the carry value down to nil. In the prior period, the associate made a profit and after recouping previous loss recognised in prior periods the Company recorded its share of the profit for that year.

(v) Summarised financial information

The tables below show the summarised financial information for the associates that are material to the group. The information disclosed is the total value of the relevant associate adjusted by the Company to reflect the equity method including fair values and modifications for differences in accounting policies.

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**2 Significant assets**

**2.4 Investment in Associates and Joint Arrangement (continued)**

	<b>30 June 2023</b>	<b>30 June 2022</b>
	\$	\$
<b>Triangle Energy (Operations) Pty Ltd</b>		
<b>Statement of Financial Position</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	621,389	4,012,416
Other receivables	1,456,939	1,650,004
Inventory	1,231,838	669,813
<b>TOTAL CURRENT ASSETS</b>	<u>3,310,166</u>	<u>6,332,233</u>
<b>NON CURRENT ASSETS</b>		
Oil and gas properties	-	274,505
Exploration assets	-	809,532
Deferred tax assets	4,569,093	4,220,587
<b>TOTAL NON CURRENT ASSETS</b>	<u>4,569,093</u>	<u>5,304,625</u>
<b>TOTAL ASSETS</b>	<u>7,879,259</u>	<u>11,636,858</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	2,635,976	2,187,692
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,635,976</u>	<u>2,187,692</u>
<b>NON-CURRENT LIABILITIES</b>		
Provisions	11,851,843	11,680,903
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>11,851,843</u>	<u>11,680,903</u>
<b>TOTAL LIABILITIES</b>	<u>14,487,819</u>	<u>13,868,595</u>
<b>NET ASSET DEFICIENCY</b>	<u>(6,608,560)</u>	<u>(2,231,737)</u>

(vi) Commitment and contingencies

The operator of the Cliff Head joint venture, Triangle Energy (Operations) Pty Ltd, has the following capital commitments as at 30 June 2023:

	<u>877,952</u>	<u>280,602</u>
--	----------------	----------------

(vii) Statement of comprehensive income

The total loss for the year for Triangle Energy (Operations) Pty Ltd was \$4,376,824 including impairments of \$2.4mill (2022: Profit \$2,689,172). As the Company does not control the Associate it has recognised its share of the loss for the year up to the maximum carrying value of the Associates carried forward from 30 June 2022. The remaining loss has not been recognised. In the prior period, the Company recognised its share of the profit as the value of the investment in Associate after adjusting for the Company's share of the loss in prior periods not previously recognised.

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**2 Significant assets**

**2.4 Investment in Associates and Joint Arrangement (continued)**

*General information – Joint Arrangement*

The Group has a 57.5% interest which it accounts for as a joint operation. It is an unincorporated joint venture at Cliff Head in Western Australia to produce oil. The Group accounts for its interest in the joint arrangement as a joint operation and records its share of the assets, liabilities, revenue and expenses.

(viii) Summarised financial information

The tables below show the summarised financial information for the joint arrangement that is material to the group. The information disclosed is the total value of the relevant joint arrangement.

	<b>30 June 2023</b>	<b>30 June 2022</b>
	\$	\$
<b>Cliff Head Joint Venture (100%)</b>		
<b>Statement of Comprehensive Income</b>		
Operating expenses	(28,184,520)	(17,803,064)
Repairs and maintenance		-
Capital expenditure	(4,008,276)	(5,763,626)
Exploration expenditure	(80,151)	(228,652)
Interest and other income	14,548	11,377
<b>Result from the Joint Venture</b>	<u>(32,258,399)</u>	<u>(23,783,965)</u>
<b>Statement of Financial Position</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	33,051	21,675
Other receivables	2,182,777	1,508,361
<b>TOTAL CURRENT ASSETS</b>	<u>2,215,828</u>	<u>1,530,036</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	4,470,233	5,073,828
Provisions		-
<b>TOTAL CURRENT LIABILITIES</b>	<u>4,470,233</u>	<u>5,073,828</u>

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2 Significant assets

2.4 Investment in Associates and Joint Arrangement (continued)

(xii) Total share of loss for the year

Loss from joint operation (TEG' 57.5% portion of operating expenses)	(16,206,099)	(10,230,220)
--	--------------	--------------

Estimates and judgements

*Assumptions used to assess the recognition of associates and joint arrangements*

The assessment to classify an investment as an associate or the assessment of a joint venture as a joint operation requires a review of the facts and circumstances surrounding the agreements that governs the arrangements and the structure of the investment vehicle. The Company has assessed the arrangements and has determined that it has joint control of the operating company and has direct rights to the assets and liabilities (due to the nature of the joint venture) for the unincorporated joint venture.

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**3 Financing – Capital, debt and risk management**

**3.1 Cash**

	30 June 2023 \$	30 June 2022 \$
<b>(a) Reconciliation to cash at the end of the year</b>		
Cash at bank and in hand	10,706,516	13,823,622
Joint Venture cash	97,527	12,461
Balances per statement of cash flows	10,804,043	13,836,083
	30 June 2023 \$	30 June 2022 \$
<b>(b) Reconciliation of (loss) after income tax to net cash flows provided by operating activities</b>		
Profit / (Loss) for the year	1,323,276	(7,704,889)
<b>Non-cash flows in operating loss:</b>		
Depreciation and loss on sale	50,544	36,103
Amortisation	339,781	204,485
Other income – sale of investment	(6,686,400)	-
Unwind of discount	246,822	227,936
Other income – fair value of associate	(9,792,724)	-
Share based payments expense	380,645	158,945
Impairment	7,490,226	11,702,709
Loss from sale of exploration interest	1,607,913	-
(Profit) / loss from associate	715,125	(715,125)
Foreign currency	(153,192)	(68,648)
<b>Changes in operating assets and liabilities</b>		
(Increase)/decrease in trade debtors	-	1,315,528
(Increase)/decrease in inventory	(415,075)	794,745
(Increase)/decrease in other receivables	(497,914)	(85,869)
Increase/(decrease) in trade and other payables	(147,505)	(462,057)
Increase in tax balances	(40,719)	591,469
<b>Net cash (outflows) / inflows from operating activities</b>	(5,579,197)	5,995,332
<b>(c) Credit risk</b>		
A-1+	10,804,043	13,836,083

1. The equivalent S&P rating of the financial assets represents that rating of the counterparty with whom the financial asset is held rather than the rating of the financial asset itself.

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**3 Financing – Capital, debt and risk management**

**3.1 Cash (continued)**

**(d) Non-cash items**

During the period the Company enter into one (1) non-cash investing and financing transactions:

- On 21 March 2023, the Company issued 31,378,015 fully paid ordinary shares in part satisfaction of the Key Petroleum Limited transaction for the acquisition of entities holding 50% of L7 and 86.94% interest in EP437.

*Prior period non-cash transactions*

There were no non-cash transactions for the prior period.

**(d) Reconciliation of financing activities**

There are no transactions for the period.

**3.2 Equity**

**(a) Number of shares on issue and the amount paid (or value attributed) for the shares**

1,375,917,720 fully paid ordinary shares (30 June 2022: 1,344,539,705)

The following changes to the shares on issue and the attributed value during the year:

	<b>30 June 2023 Number</b>	<b>30 June 2022 Number</b>	<b>30 June 2023 \$</b>	<b>30 June 2022 \$</b>
Balance at the beginning of the year	1,344,539,705	701,413,047	56,434,885	45,424,440
Issue of shares (placement) <sup>1</sup>	-	373,895,889	-	8,225,710
Issue of shares (placement) <sup>2</sup>	-	269,230,769	-	3,500,000
Issue of shares (acquisition) <sup>3</sup>	31,378,015	-	465,016	-
Share issue costs <sup>4</sup>	-	-	-	(715,265)
Balance as at 30 June	<u>1,375,917,720</u>	<u>1,344,539,705</u>	<u>56,899,901</u>	<u>56,434,885</u>

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**3 Financing – Capital, debt and risk management**

**3.2 Equity (continued)**

1. On 4 and 9 August 2021 the Company issued 368,441,347 and 5,454,542 shares at an issue price of \$0.022 per share to sophisticated investors to raise \$8.225 million (before costs).
2. On 10 May 2022 and 30 June 2022, the Company issued 260,384,615 & 8,846,154 shares at an issue price of \$0.013 per share to sophisticated investors and directors.
3. On 30 September 2022, the Company completed the acquisition of Key Petroleum Australia Pty Ltd and Key Midwest Pty Ltd and subsequently issued 31,378,015 shares. The Company agreed to issue shares based on the following formula: (10 day VWAP prior to 30 September to the value of \$250,000 and 10 VWAP prior to 31 December 2022). The Company fair valued the final tranche of the shares at a discount to the 30 September 2022 price by \$34,984. The total fair value was \$465,016.
4. The Company incurred costs in issuing the shares during the year.

The Company has implemented the TEG Employee Incentive Scheme which is outlined in the remuneration report. Details of the Rights issued under the Scheme have been outlined in section 3.2 and 3.6 below.

**(b) Options – share based payments**

	30 June 2023 Number	30 June 2022 Number	30 June 2023 \$	30 June 2022 \$
Balance at the beginning of the year	-	5,803,768	617,449	617,424
Issue of options to consultants <sup>1</sup>	25,000,000	-	-	25
Expiry of options <sup>2</sup>	-	(1,803,768)	-	-
Expiry of options <sup>3</sup>	-	(4,000,000)	-	-
Issue of options to directors <sup>4</sup>	30,000,000	-	114,590	-
Balance as at 30 June	55,000,000	-	732,039	617,449

1. After receiving shareholder approval, the Company issued 25,000,000 options to its broker for the capital raising which occurred in May 2022. The fair value of the options was recognised in the year of the raise.
2. On 12 November 2021, options issued in prior periods lapsed without being exercised.
3. On 9 February 2022, options issued in prior periods lapsed without being exercised.
4. Following the receipt of shareholder approval, On 24 November 2022 the Company issued 30,000,000 options to a director as a compensation. The agreement included the issue of 10 million options at an exercise price of \$0.025 per option with an expiry date of 1 year from the date of issue, 10 million options at an exercise price of \$0.03 per option expiring after 2 years and 10 million options at an exercise price of \$0.035 per option expiring after 3 years. The director is required to be in continuing services during the option periods. The Company valued the options using a Black Scholes Option Pricing model using the following inputs:
  - (a) Grant Date - 24 November 2022;
  - (b) Expiry date – 1-3 years after the date of issue;
  - (c) Market price of securities - \$0.017;
  - (d) Exercise price of securities - \$0.025, \$0.03 and \$0.035;
  - (e) Risk free rate - 3.24%
  - (f) Volatility - 104.02%;
  - (g) Fair value: 1 year options \$0.049 (\$49,945), 2 year options \$0.071 (\$71,409), 3 year options \$0.087 (\$87,048).
 An expense amount for the period was \$114,590 and the remaining balance will be expensed over the vesting period for each option.

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**3 Financing – Capital, debt and risk management**

**3.2 Equity (continued)**

**(c) Performance Rights**

	<b>30 June 2023 Number</b>	<b>30 June 2022 Number</b>	<b>30 June 2023 \$</b>	<b>30 June 2022 \$</b>
Balance at the beginning of the year	49,047,173	49,047,173	458,921	299,975
Rights granted during the prior 2019 year <sup>1</sup>	(29,086,758)	-	-	63,848
Rights granted during the prior 2020 year <sup>2</sup>	-	-	5,834	18,750
Rights granted during the prior 2020 year <sup>2</sup>	-	-	18,235	76,348
Rights granted during the prior 2020 year <sup>3</sup>	90,228,070	-	241,986	-
Balance as at 30 June <sup>1</sup>	<u>110,188,485</u>	<u>49,047,173</u>	<u>724,976</u>	<u>458,921</u>

- The Company issued 24,292,237 Rights to the Managing Director (after shareholder approval) on 19 November 2019. On 17 February 2020, the Company issued 4,794,520 Rights to the Chief Financial Officer after approval from the Board. The annual cost of amortising the fair value over the vesting period has been recorded in this period. These have been tested after the end of the year and were subsequently forfeited as the conditions for their vesting were not met.
- The Company issued 4,492,698 Rights to the Managing Director (after shareholder approval) in November 2020. On 8 February 2021, the Company issued 15,467,718 Rights to some key management personnel and staff after approval from the Board. The annual cost of amortising the fair value over the vesting period has been recorded in this period.

Period: Grant Date Fair value: Number of rights Hurdles - Absolute Total Shareholder Return (ATSR)	3 years from 1 July 2020 27 November 2020 and 8 February 2021 \$0.019 and \$0.029 (refer section 3.6) ATSR 9,980,208 (max) <ul style="list-style-type: none"> <li>• 100% of the rights vest if the compound annual growth rate (CGAR) of the ATSR increases by 25% or more;</li> <li>• 50%-100% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 15%-24.99%;</li> <li>• 50% of the rights vest if the CAGR of the ATSR increases by 15%;</li> <li>• 0%-50% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 10%-14.99%.</li> </ul>
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Period: Grant Date Fair value: Number of rights Hurdles - Reserves replacement ratio (RRR)  Probability	3 years from 1 July 2020 27 November 2020 and 8 February 2021 \$0.023 and \$0.017 (refer section 3.6) RRR: 9,980,208 (max) <ul style="list-style-type: none"> <li>• 100% of the rights vest if the RRR increases by 100% or more;</li> <li>• 50%-100% of the rights vest (on a pro-rata basis) if the RRR increases by 50%-100%;</li> <li>• 50% of the rights vest if the RRR increases by 50%;</li> <li>• 0%-50% of the rights vest (on a pro-rata basis) if the RRR increases by 10%-49.99%.</li> </ul> 50%
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**3 Financing – Capital, debt and risk management**

**3.2 Equity (continued)**

3. The Company issued 40,289,473 short term Rights and 50,938,595 long term Rights (totalling 91,228,068 Rights) to key staff including the Managing Director, Non-Executive Director and Chief Financial Officer (after shareholder approval in November 2022). The incentives had the following hurdles attached to each element of the Rights:

Area	Measure	Targets	Weighting	Probability
Operational	Achieve a farmout for the L7 permit	Completed by 30 June 2023	40%	100%
ESG	Reduction in Decommissioning Liability	20% reduction – 50% reduction	20%	-
Production	Production in excel of 2P Profile	10% Increase – 30 % increase in profile	20%	-
Safety	Lost Time Injury	2 LTI, Spill incidents – Nil incidents	20%	100%

4. The Company has also included a continuing service condition for the period to 24 November 2024. The fair value of the Right was \$0.017 per Right. The expense is amortised over the vesting period and is adjusted for the expected number of Rights to vest.

Area	Targets	Weighting	Probability
Absolute Total Shareholder Return	100% Increase – 200% increase on 10 VWAP to 1 July 2022 share price	50%	N/A
Increase in ML aggregate Resources	50% increase – 100% Increase	25%	30%
New Project Acquisition	Completed by 30 June 2025	25%	95%

The fair value of the increase in aggregate resources and New Projects Right was \$0.017 per Right. The Company assessed the ATRS Rights using a Monte Carlo simulation to estimate the share price with the following inputs:

- (e) Grant Date: 24 November 2024
- (f) Expiry date: 30 June 2025
- (g) Exercise price: Nil
- (h) Volatility: 102.18%

The expense is amortised over the vesting period and is adjusted for the expected number of Rights to vest (excluding an adjustment for the ATRS Rights). The Fair value of the Rights was \$0.136 per Right.

The total expense for all Rights for the year was \$241,986.

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**3 Financing – Capital, debt and risk management**

**3.2 Equity (continued)**

**(d) Option Reserve (Quoted)**

	<b>30 June 2023 Number</b>	<b>30 June 2022 Number</b>	<b>30 June 2023 \$</b>	<b>30 June 2022 \$</b>
Balance at the beginning of the year	672,654,298	-	383,883	72,151
Issue of option under Entitlement offer <sup>1</sup>	-	311,732,420	-	311,732
Issue of option under Entitlement offer <sup>2</sup>	-	360,921,878	-	-
Issue of free attaching options <sup>3</sup>	-	-	-	-
Balance as at 30 June	<u>672,654,298</u>	<u>672,654,298</u>	<u>383,883</u>	<u>383,883</u>

1. On 4, 9 and 11 August 2021 the company issued 311,732,420 options at an issue price of \$0.001 per option with an exercise price of \$0.035 per option expiring on 4 August 2023.
2. On 4 August 2021 the Company issued 360,921,878 free attaching options to shareholders that participated in the capital raising. These options expired on 4 August 2023.

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**3 Financing – Capital, debt and risk management**

**3.3 Borrowings**

	30 June 2023 \$	30 June 2022 \$
Borrowings – current <sup>2</sup>	-	-
Borrowings – non-current <sup>1</sup>	-	-
<i><u>Reconciliation of movements in the balances – current</u></i>		
Opening balance <sup>2</sup>	-	346,367
Amount borrowed <sup>2,3</sup>		3,584,371
Amount repaid		(3,834,371)
Closing balance at end of period	-	-
<i><u>Reconciliation of movements in the balances – non-current</u></i>		
Opening balance <sup>1</sup>	-	96,367
Amount borrowed	-	-
Amount repaid	-	(96,367)
Transferred from current	-	-
Closing balance at end of period	-	-

**1. Related party loan**

During a prior period, the Company has received a loan from Triangle Energy (Operations) Pty Ltd of \$870,967. The Company entered into a formal agreement with the entity which is subject to an interest rate based on the RBA rate as at March 2020 (compounded daily), unsecured and repayable after 5 years or upon a default event.

At the end of the prior year, the related party loan is nil.

**2. Third party loan**

During a prior period the Company established a loan facility of \$500,000 from Pentin Pty Ltd with the following terms:

Interest rate: 8% pa

Facility fee: \$50,000

Repayment date: Earlier of 6 months from drawdown or the date of a capital raising

Security: nil

At the end of the prior year, the third party loan is nil.

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**3 Financing – Capital, debt and risk management**

**3.4 Leases**

	<b>30 June 2023 \$</b>	<b>30 June 2022 \$</b>
Lease – current <sup>1</sup>	-	17,364
Lease – non-current <sup>1</sup>	-	-
<i><u>Reconciliation of movements in the balances</u></i>		
<i><u>– current</u></i>		
Opening balance	17,364	35,280
Derecognition of lease liability	(4,714)	-
Less: Amount repaid	(12,650)	(17,916)
Closing balance at end of year	-	17,364

(1) Leases

The Group's inputs for the lease calculation are below. During the period the remaining vehicle was returned to lessor.

Motor vehicles  
Time Period: 36 months  
Rate: 4.55%  
Fair Value at lease date: \$119,165

**3.5 Going concern**

The financial report has been prepared on a going concern basis.

The Board considers that there are sufficient grounds to believe that the Company will be able to continue to pay its debts as and when they fall due. This is based on future cash forecasts, existing cash reserves and the ability to vary activity to preserve cash if necessary. Furthermore, the Directors are also of the opinion that a capital raising could be achieved to raise additional funds if required or alternatively the Company could consider the sale of its listed entity investment.

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**3 Financing – Capital, debt and risk management**

**3.6 Risk management**

*General*

Triangle's risk management assessment is conducted by the Board and management and together they are responsible for approving and reviewing the Company's risk management strategy and policy. The Board and management are responsible for monitoring appropriate processes and implementing controls to ensure an effective and efficient risk management structure is in place. The Board is responsible for identifying, monitoring and managing significant business risks faced by the Company and considering the effectiveness of its internal control system.

	30 June 2023 \$	30 June 2022 \$
<b>Categories of financial instruments</b>		
<b>Financial assets</b>		
Cash and cash equivalents	10,804,043	13,836,083
Trade and other receivables	920,377	703,452
Investments	4,299,245	-
	16,023,665	14,539,535
<b>Financial liabilities</b>		
Trade and other payables	3,646,133	7,491,184
Lease liability	-	17,364
Borrowings	-	-
	3,646,133	7,508,548

*Capital – (Company's ability to raise equity (issue shares) or obtain loans (borrowings) as and when needed)*

The capital of the Company consists of issued capital (shares) and borrowings, if any. The directors aim to maintain a capital structure that ensures the lowest cost of capital available to the entity at the time when funds are obtained. The directors will assess the options available to the company to issue more shares while considering the effect on current shareholder ownership percentages (dilution) or alternatively assess the ability of the company to access debt (borrowings) where the cost associated of borrowing these funds (interest) is not considered excessive.

*Liquidity – (the ability of the Company to pay its liabilities as and when the fall due)*

Liquidity risk arises from the debts (financial liabilities being creditors and other payables) of the Company and the Company's subsequent ability to meet these obligations to repay its debts (financial liabilities) as and when they fall due.

Ultimate responsibility for liquidity risk management rests with the Board. The Board has determined an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves and monitoring actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and debts (liabilities). There were no changes in the Company's liquidity risk management policies from previous years.

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**3 Financing – Capital, debt and risk management**

**3.6 Risk management (continued)**

**Contractual maturities of financial liabilities**

	Less than 6 months	6 – 12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual cash flows	Carrying amount liabilities
	\$	\$	\$	\$	\$	\$
<b>At 30 June 2023</b>						
Trade and other payables	3,646,133	-	-	-	3,646,133	3,646,133
<b>Total</b>	3,646,133	-	-	-	3,646,133	3,646,133
<b>At 30 June 2022</b>						
Trade payables	7,491,184	-	-	-	7,491,184	7,491,184
<b>Total</b>	7,491,184	-	-	-	7,491,184	7,491,184

*Credit – (the ability of the Company to manage the risk that third parties which hold assets on behalf of the company will not return them at the value recorded in the financial statements)*

The two major current assets of the company are its cash at bank and debtors. The assessment of the credit risk based on a rating agency review of the financial institution has been included in note 3.1 above.

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. To date, exchange rate exposures are managed by utilising forward foreign exchange contracts. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date explained in Australian dollars are as follows:



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**3 Financing – Capital, debt and risk management**

**3.6 Risk management (continued)**

Table A

	Liabilities		Assets	
	2023 \$	2022 \$	2023 \$	2022 \$
US dollars				
Cash at bank	-	-	3,666,347	4,432,145
Other receivables	-	-	-	-
Trade receivables	-	-	-	-
Other payables	-	-	-	-
	-	-	3,666,347	4,432,145

**Foreign currency sensitivity analysis**

As at 30 June 2023, the Group's exposure to foreign currency relates to USD in a number of asset and liability categories.

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the USD. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A positive number indicates an increase in profit or loss and other equity where the Australian Dollar weakens against the respective currency. For a strengthening of the Australian Dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

Table B

	Impact Profit Consolidated		Impact Equity Consolidated	
	2023 \$	2022 \$	2023 \$	2022 \$
<b>Profit or loss</b>				
US dollar assets and liabilities (net) increase 10% <sup>1</sup>	366,347	443,215	366,347	443,215
US dollar assets and liabilities (net) decrease 10% <sup>1</sup>	(366,347)	(443,215)	(366,347)	(443,215)

<sup>1</sup> This is attributable to the exposure in USD on key assets and liabilities within the Group at year end.

Interest rate risk sensitivity analysis

Weighted average interest rate exposure for 2023 is 0.0% (2022: 0.0%). The sensitivity analysis is not material due to the low returns currently available in the market.

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**3 Financing – Capital, debt and risk management**

**3.6 Risk management (continued)**

*Commodity and foreign currency price risk*

During the financial year, the Group was exposed to significant commodity and foreign currency price risk within the sale of oil. The movement in oil price over the 12 months was 25.0% (high to low) and the movement in the average exchange rates for the same period was 9.30%. The impact of a 25.0% movement on the monthly average USD oil price from the actual USD oil price received would have resulted in the commodity price risk values below. The impact of a 9.30% foreign currency movement from the actual sales recorded would have resulted in a currency risk value below:

Table C

	Commodity price risk		Foreign currency risk	
	US\$ movement		A\$ movement	
	25.0 % increase	25.0 % decrease	9.30 % increase	9.30 % decrease
Sales of oil	3,663,144	(3,258,773)	1,268,673	(1,268,673)
	3,663,144	(3,258,773)	1,268,673	(1,268,673)

*Fair value estimation*

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values as the carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The Company also has exposure to price risk relating to available for sale investments. These are investments in other oil and gas companies listed on the Australian Stock Exchange within the same sector as the Company and are subject to movements in equity prices in the normal course of business.

*Financial Instruments Measured at Fair Value*

To provide an indication of the reliability of inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows below:

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

During the year, the Company held financial instruments carried at fair value in the form of investments, Fair value through other comprehensive income. These assets were measured using level 1, observable prices at an arm's length price. The carrying amount at 30 June 2023 is \$4,299,245 (2022: Nil).

The Company originally recognised the fair value through profit or loss in the transition from associate to investment at \$9.792mill. Subsequent to the original measurement, the investment has lost \$5.493mill in value which has been recognised through equity.

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**3 Financing – Capital, debt and risk management**

**3.7 Reserves**

	30 June 2023 \$	30 June 2022 \$
Convertible note reserve 1	7,003	7,003
Share based payments reserves 2	1,457,015	1,076,370
Option reserve 3	383,883	383,883
Fair value through OCI 4	(5,493,479)	-
	<u>(3,645,578)</u>	<u>1,467,256</u>
Convertible note reserve		
<u>Reconciliation of movements in the balance</u>		
Opening balance	7,003	7,003
Closing balance at end of year	<u>7,003</u>	<u>7,003</u>
Share based payments reserve		
<u>Reconciliation of movements in the balance</u>		
Opening balance	1,076,370	917,400
Additional options	-	25
Prior period 2019 rights 2	-	55,351
Prior period 2020 5	24,069	103,594
Current year Rights 7	241,986	-
Options 6	114,590	-
Closing balance at end of year	<u>1,457,015</u>	<u>1,076,370</u>
Fair value through OCI		
<u>Reconciliation of movements in the balance</u>		
Opening balance	-	-
Fair value movement during the period	(5,493,479)	-
	<u>(5,493,479)</u>	<u>-</u>

- The Company calculated the fair value of the convertible note as \$1,014,488 with the residual value being \$7,003.
- The Company has issued a number of Performance Rights during the current and prior periods with the information relating to these issues outlined in points 5 to 7 below. The Rights to staff and executive issued on 30 June 2021 year have subsequently expired and have been cancelled.
- The Company issued options for cash in the prior period with a total of \$383,883 received from the issue of options.
- During the period, the Company sold shares in its associate, State Gas Limited, bringing the ownership percentage below 20%. The Company also no longer has a representative on the board of directors. The Company has now determined that the remaining investment is to be fair valued through other comprehensive income as it is currently held for satisfied long term liabilities.
- During a prior period, the Company granted the following Rights:

2021	Date Issued	Number of rights granted during the year	Value of rights at grant date \$
<b>Directors of Triangle Energy (Global) Limited</b>			
Robert Towner (ATSR)	27/11/20	2,246,349	43,284
Robert Towner (RRR)	27/11/20	2,246,349	12,917
<b>Executive</b>			
Staff (ATSR)	17/02/21	7,733,859	224,473
Staff (RRR)	17/02/21	7,733,859	63,804
		<u>19,960,416</u>	<u>344,478</u>

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**3 Financing – Capital, debt and risk management**

**3.7 Reserves (continued)**

Fair value of Rights

Absolute Total Shareholder Return (ATSR) – the Company used a statistical model to review the likely outcomes of the share price after 3 years based on the previous 12-month historical share price movements in a simple Monte Carlo simulation model. Taking the combined average and standard deviation over 10,000 iterations, the result was compared to the share price hurdles to determine the ultimate fair value of Rights. The fair value was \$0.019 and \$0.029.

Reserves replacement ratio (RRR) – the fair value of Rights was determined using the closing share price at grant date, which was \$0.023 and \$0.017 respectively per share.

The expense recognised during the period relates to the rights issued above and recognised over the vesting period (3 years). The total expense for this period is \$24,069.

**6. Options**

Following the receipt of shareholder approval, On 24 November 2022 the Company issued 30,000,000 options to a director as on-going compensation. The agreement included the issue of 10 million options at an exercise price of \$0.025 per option with a vesting period of 1 year, 10 million options at an exercise price of \$0.03 per option with a vesting period of 2 years and 10 million options at an exercise price of \$0.035 per option with a vesting period of 3 years all expiring on 24 November 2025. The director is required to be in continuing services during the option periods. The Company valued the options using a Black Scholes Option Pricing model using the following inputs:

- (a) Grant date: 1-3 years
- (b) Market price of securities: \$0.017
- (c) Exercise price of securities: \$0.025, \$0.03 and \$0.035
- (d) Risk free rate: 3.24%
- (e) Volatility: 104.02%
- (f) Fair Value: 1 year options \$0.005 \$49,945, 2 year options \$0.007 (\$71,409), 3 year options \$0.0087 (\$87,048)

An expense amount for the period was \$114,590 and the remaining balance will be expensed over the vesting period for each option.

**7. Performance Rights 2022**

During the period and following shareholder approval of the new Incentive Scheme at the annual general meeting, the Company issued up to a maximum of 40,289,473 short term Rights and 50,938,595 long term Rights (totalling 91,228,068 Rights) which are subject to a number of hurdles as outlined below:

Short term Rights

	<b>Farm-out (a)</b>	<b>ESG (b)</b>	<b>Production (c)</b>	<b>Safety (d)</b>
Maximum Rights	16,115,789	8,057,895	8,057,895	8,057,895
Probability factor	100%	0%	0%	100%
Share price at grant date	\$0.017	\$0.017	\$0.017	\$0.017
Fair value of Rights	\$273,968	\$136,984	\$136,984	\$136,984
Value based on probability factor	\$273,968	-	-	\$136,984
Hurdle timeframe	1 Year	1 Year	1 Year	1 Year
Service condition timeframe	2 years	2 years	2 years	2 years

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**3 Financing – Capital, debt and risk management**

**3.7 Reserves (continued)**

Total expense recognised for the period was \$119,908.

The management hurdles for the short term Right are set out below:

- (a) Achieve an L7 farmout during the period;
- (b) Reduce the decommissioning liability relating to Cliff Head by at least 20% (to achieve 50% weighting of the total Rights) or 50% reduction (to achieve 100% of the Rights);
- (c) Achieve an increase in production in excess of 2P budget profile of at least 10% each (to achieve 50% weighting of the total Rights) or 30% increase in production (to achieve 100% of the Rights);
- (d) Achieve a Lost Time Injury assessment of 2 or less including environmental incidents (to achieve 50% weighting of the total Rights) or no LTI or environmental incidents (to achieve 100% of the Rights).

Long term Rights

	ATSR	Resources	New Projects
Maximum Rights	25,469,299	12,734,649	12,734,649
Probability factor	N/A	30%	95%
Monte Carlo share price	\$0.0136	-	-
Share price at grant date	-	\$0.017	\$0.017
Fair value of Rights	\$346,636	\$216,489	\$216,489
Value based on probability factor	-	\$64,947	\$216,489
Hurdle timeframe	3 Years	3 Years	3 Years

Total expense recognised for the period was \$122,078.

The management hurdles for the long-term Rights are set out below:

- (a) Achieve a Total Shareholder Return of 100% based on the 1 July 2022 share price (achieve 50% weighting of the total Rights) or 200% return (to achieve 100% of the Rights);
- (b) Achieve a 50% increase on the total P2 reserves (to achieve 50% weighting of the total Rights) or 150% increase in reserves (to achieve 100% of the Rights); and
- (c) Identify and acquire a new project (subject to board approval) to achieve 95% of the Rights.

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**3 Financing – Capital, debt and risk management**

	30 June 2023 \$	30 June 2022 \$
<b>3.8 Accumulated losses</b>		
Accumulated losses at the beginning of the year	46,839,180	39,134,291
(Profit) / Loss for the year	(1,323,276)	7,704,889
Accumulated losses at the end of the year	45,515,904	46,839,180

**3.9 Commitments**

The Company has commitments of \$504,822 as at the reporting date for its share of Cliff Head Joint Venture commitments.

During the period, the Company acquired two entities from a listed Company which held interests in licences L7 and EP437. The acquisition has been outlined in note 2.3 above. The EP 437 licence has mandatory activities attached to the licence and the Company has estimated the costs relating to these activities below. The Company has the ability to apply for a variation to the level of activity on the licence and this may significantly reduce the anticipated capital expenditure listed below if approval is received for the variation.

Commitment period	Amount (\$)
Within one year	912,110
Between one and five years	1,178,592
Greater than five years	-

**4 Other assets and liabilities**

**4.1 Trade and other receivables**

	30 June 2023 \$	30 June 2022 \$
Trade receivables	-	-
Exploration reimbursement <sup>1 2</sup>	900,000	-
	900,000	-

- The Company executed a Farm-out agreement with Talon Energy Pty Ltd. The Company is due to pay the final instalment of the reimbursement for the prior period seismic work in the next 6 months.
- The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For current trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. At 30 June 2023, no trade receivables were past due. No impairment loss was recognised by the Group for the financial year (2022: \$nil).



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**4 Other assets and liabilities**

**4.1 Trade and other receivables (continued)**

Estimates and judgement

Recoverability of the assets

The Company has recorded an amount receivable for the initial Farm-in from one of its new JV partners, Talon Energy Limited. The contract requires payment to be made in December 2023 and the Company expects to receive this value. Due to the short-term nature of the current receivables, their carrying amounts approximate their fair value.

Refer to Note 3.5 for more information on the risk management policy of the group and the credit quality of the group's trade receivables

	30 June 2023 \$	30 June 2022 \$
<b>4.2 Other receivable and assets</b>		
GST receivable	20,377	285,001
Prepayments	39,902	36,035
JV GST receivable	140,948	163,858
JV other receivables	1,262,615	703,452
Deposits and guarantees	193,262	197,262
Other assets	190,529	125,972
	1,847,633	1,511,580

Due to the short-term nature of the receivables, their carrying amounts approximate their fair value.

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**4 Other assets and liabilities**

	30 June 2023 \$	30 June 2022 \$
<b>4.3 Fair Value through Other Comprehensive income</b>		
<b>Non-current assets</b>		
Equity Securities		
Investments	4,299,245	110,000
	<u>4,299,245</u>	<u>110,000</u>
Investments		
<i>Reconciliation of movements in the balance</i>		
Opening balance	-	110,000
Fair value movement	4,299,245	-
Impairment expense	-	(110,000)
Closing balance at end of year	<u>4,299,245</u>	<u>-</u>

Information relating to the fair value methodology and the risk exposure can be found in note 3.6.

	30 June 2023 \$	30 June 2022 \$
<b>4.4 Plant and equipment</b>		
Administration office – Plant and Equipment		
Right of use asset	53,550	53,550
Accumulated depreciation	(53,550)	(38,675)
	<u>-</u>	<u>14,875</u>
Office equipment	10,345	10,345
Accumulated depreciation	(10,345)	(8,728)
	<u>-</u>	<u>1,617</u>
Furniture and fittings	78,747	78,747
Accumulated depreciation	(78,747)	(44,695)
	<u>-</u>	<u>34,052</u>
Total administration assets	<u>-</u>	<u>50,544</u>

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and at the end of the current period.

	Right of use assets \$	Furniture & Fittings \$	Office Equipment \$	Total \$
Opening net book value at 1 July 2022	14,875	34,052	1,617	50,544
Additions during the year	-	-	-	-
Disposals during the year	(1,487)	-	-	(1,487)
Depreciation expenses	(13,389)	(34,052)	(1,617)	(49,058)
Closing net book value at 30 June 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**4 Other assets and liabilities**

**4.5 Trade and other payables (debts)**

	<b>30 June 2023 \$</b>	<b>30 June 2022 \$</b>
<i><u>Current liabilities (debts payable within 12 months)</u></i>		
Trade payables	155,432	2,708,573
JV trade payables	1,598,424	2,631,956
Accrued expenses	554,019	1,040,843
JV accruals	1,102,903	820,028
Payroll liabilities	63,033	58,596
Dividend payable in trust	7,044	7,044
Share buy-back funds in trust	6,796	6,796
GST liabilities	23,274	27,266
Employee entitlements	135,208	190,082
	<u>3,646,133</u>	<u>7,491,184</u>

Due to the short term nature of current payables, the carrying amount of trade and other payables approximates their fair value. Trade payables are non-interest bearing and are normally settled on 30-day terms.

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**4 Other assets and liabilities**

	30 June 2023 \$	30 June 2022 \$
<b>4.6 Provisions</b>		
Restoration provision (Cliff Head) – non-current	16,035,184	15,575,638
Restoration provision (L7) – non-current	1,406,356	-
	17,441,540	15,575,638
<i>Restoration provisions – non-current liabilities (debts payable after 12 months)</i>		
Reconciliation		
Balance brought forward	15,803,574	15,575,638
Additions for the year 1	1,391,144	-
Unwind of discount (Cliff Head)	231,609	227,936
Unwind of discount (L7)	15,213	-
Balance carried forward	17,441,540	15,803,574

The non-current provision relates to the Cliff Head production licence WA-31-L and L7 permit (both located in the Perth Basin, WA).

Under the terms within the Joint Venture agreement relating to WA-31-L, Triangle is directly liable to pay rehabilitation cost of 57.5% relating to the licence.

- The Company acquired two entities from a listed Company which held interests in licences EP437 and L7. The acquisition has been outlined in note 2.3 above. As a consequence of the acquisition, the Company has assessed the total rehabilitation requirements for the L7 licence (50% as a consequence of the acquisition and 50% within an existing entity) and has determined that a provision of \$1,391,144 (fair valued as at acquisition date) was required to be recognised in this period.

*Estimates and judgement*

*Assumptions used to assess the rehabilitation provision*

The updated study has a substantial number of assumptions embedded in the cost estimate all of which could change and result in the actual amount paid to restore the site being materially different to the carrying value of the liability.

The provision for future restoration costs is the best estimate of the present value (including an appropriate discount rate relevant to the time value of money plus any risk premium associated with the liability) of the expenditure required to settle the restoration obligation at the balance date.

**4.7 Oil Inventory**

	30 June 2023 \$	30 June 2022 \$
Oil Inventory	1,516,141	1,101,066
	1,516,141	1,101,066

The Company has measured the cost and net realisable value and no impairment has been recorded during the year.

## 5 Additional disclosures

### 5.1 Subsequent events

In the opinion of the directors, no items, transactions or events of a material and unusual nature have arisen in the interval between the end of the financial year and the date of this report which have been significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years, other than the following:

- On 3 July 2023, the Company announced that 19,960,416 Performance Rights had lapsed due to the condition becoming incapable of being satisfied;
- On 27 July 2023, the Company announced the agreement to dispose of its interest in the Cliff Head Joint Venture to Pilot Energy on the following terms:
  - Pilot to acquire shares of the entities which hold interests in the Cliff Head asset;
  - Triangle to receive up to \$7.5mill in cash and a further \$7.5mill in royalties based on Pilot achieving certain milestones related to a Carbon Capture project;
  - Conditions precedents of NOPTA issuing a Declaration of a Greenhouse Gas Storage Formation; and Pilot obtaining sufficient financial security to satisfy NOPTA and Triangle that it can assume full abandonment liability for the Cliff Head oilfield; and
- On 4 August 2023, the Company announced that 672,654,298 options expired without being exercised

### 5.2 Contingent liabilities

#### *Royalty*

During the period the Company executed a variance to its original acquisition agreement with AWE (Mitsui) to vary the Royalty payment relating to the sale price of oil from its interest in Cliff Head above US\$70 per barrel. The variation to the agreement enables the Company to temporarily cease the payment of the royalty while it secures an alternative to the current route to market (truck-to-tanker) which is used by all joint venture parties. The royalty payments will recommence once a different path to market is established.

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**5 Additional disclosures**

**5.3 Segment reporting**

**Description of segments**

Management has determined the operating segments based on the reports reviewed by the board that are used to make strategic decisions. Reportable segments have been identified as follows:

- WA oil production
- Australian corporate

The board monitors performance of each segment.

**Segment information**

The following table present revenue and profit information and certain asset and liability information regarding business segments for the years ended 30 June 2023 and 30 June 2022.

	WA Oil Production \$	Australian Corporate \$	Consolidated \$
<b>Year ended 30 June 2023</b>			
<b>Segment Revenue</b>	13,641,311	-	13,641,311
<b>Expenses</b>			
<b>Significant income and expenses</b>			
Interest income	13,619	105,201	118,820
Other Income - investments	-	6,687,400	6,687,400
Other Income – fair value	-	9,792,724	9,792,724
Loss on disposal of E&E interest	(1,607,913)	-	(1,607,913)
Interest expenses	-	(486)	(486)
Depreciation and amortisation	(339,781)	(49,058)	(388,839)
Share of associates profit	-	(715,125)	(715,125)
Impairment loss	(7,443,198)	-	(7,443,198)
Income tax, deferred taxes and PRRT	40,719	-	40,719
<b>Segment net operating loss after tax</b>	<b>(12,824,396)</b>	<b>14,147,672</b>	<b>1,323,276</b>

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**5 Additional disclosures**

**5.3 Segment reporting (continued)**

	WA Oil Production	Australian Corporate	Consolidated
<b>Year ended 30 June 2022</b>			
<b>Segment Revenue</b>	19,448,013	-	19,448,013
<b>Expenses</b>			
<b>Significant income and expenses</b>			
Interest income	60,524	80,260	140,784
Research and development tax incentive	283,447	52,560	336,007
Interest expenses	(33,511)	(52,371)	(85,882)
Depreciation and amortisation	(204,485)	(36,104)	(240,589)
Share of associates profit	-	715,125	715,125
Impairment loss	(3,492,445)	(8,210,264)	(11,702,709)
Income tax, deferred taxes and PRRT	(591,469)	-	(591,469)
<b>Segment net operating loss after tax</b>	<b>3,225,946</b>	<b>(10,930,835)</b>	<b>(7,704,889)</b>
<b>Segment assets</b>			
At 30 June 2023	17,636,726	11,189,366	28,826,092
At 30 June 2022	26,482,036	7,893,047	34,375,083
<b>Segment liabilities</b>			
At 30 June 2023	(20,251,274)	(836,399)	(21,087,673)
At 30 June 2022	(22,542,366)	(769,756)	(23,312,122)

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**5 Additional disclosures**

**5.3 Segment reporting (continued)**

	30 June 2023 \$	30 June 2022 \$
<b>Movements in non-current assets – WA Oil production segment</b>		
Oil and Gas additions (before impairment & provision movement)	2,343,390	4,209,981
Exploration and evaluation additions	2,341,496	4,756,201
	4,684,886	8,966,182
<b>Movements in non-current assets - corporate segment</b>		
Investment in associate	(715,125)	-
Exploration and evaluation additions	4,299,245	139,049
	3,584,120	139,049

**5.4 Related party transactions**

The consolidated financial statements include the financial statements of Triangle Energy (Global) Limited and the subsidiaries listed in the following table. The interest in these subsidiaries and associates is ordinary shares.

Name	Country of Incorporation	% Equity Interest		\$ Investment	
		2023	2022	2023	2022
Triangle Energy (QLD) Pty Ltd	Australia	100	100	2	2
Triangle (Perth Basin) Pty Ltd	Australia	100	100	100	100
Triangle Energy Onshore Pty Ltd	Australia	100	100	1,136,624	1,136,624
Triangle Energy Offshore Pty Ltd	Australia	100	100	1,136,624	1,136,624
Triangle Energy L7 Pty Ltd	Australia	100	100	100	100
Triangle Energy (EP437) Pty Ltd	Australia	100	100	100	100
Key Petroleum (Australia) Pty Ltd	Australia	100	-	100	-
Key Midwest Pty Ltd	Australia	100	-	1	-

**Associates**

Name	Country of Incorporation	% Equity Interest		\$ Investment	
		2023	2022	2023	2022
Triangle Energy (Operations) Pty Ltd	Australia	50	50	-	-
State Gas Pty Ltd	Australia	N/A*	23.96	-	-

\* The Company lost significant influence over the associate during the year.

Triangle Energy (Global) Limited is the ultimate Australian Parent Entity and ultimate Parent of the Group.

**Additional transactions with related parties of the Group**

There were no additional transactions outside the Group during the year not already disclosed above.

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**5 Additional disclosures**

**5.4 Related party transactions (continued)**

**Key management personnel compensation**

	30 June 2023 \$	30 June 2022 \$
Short-term employee benefits	871,661	1,237,801
Post-employment benefits	69,825	98,762
Long-term benefits	20,015	-
Share-based payments	273,917	108,140
	<u>1,235,418</u>	<u>1,444,703</u>

Details of the remuneration amounts can be found in the remuneration report within the directors' report.

**Transactions with related parties**

On 24 November 2022, the Company received shareholder approval to issue Performance Rights and Options to directors and key management personnel. The total number of Rights and Options issued was 91 million and option was 30 million as outlined in Note 3.2 (b) and (c) above.

The number of Options and Rights relating to compensation held during the financial year by each director and other members of key management personnel of the Company including their associates, is set out below:

Performance Rights / Options 2023	Balance at beginning of year	Granted as compensation	Options / Rights vested to shares	Other changes	Balance at end of year
<b>Directors</b>					
Greg Hancock (Options)		30,000,000	-	-	30,000,000
Mike Collins (Rights)	-	9,000,000	-	-	9,000,000
Conrad Todd (Rights)	-	33,771,930	-	-	33,771,930
<b>Key management personnel</b>					
Marvin Chan (Rights) <sup>1</sup>	2,567,256	15,438,596	-	(2,567,256)-	15,438,596
<b>Total</b>	<u>2,567,256</u>	<u>88,210,526</u>	<u>-</u>	<u>(2,567,256)</u>	<u>88,210,526</u>

- Subsequent to the year end, the Rights held by Mr Chan at the start of the year have expired as the performance hurdles were not satisfied and the Rights have been cancelled.

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**5 Additional disclosures**

**5.4 Related party transactions (continued)**

Related party	Nature of transaction	2023	2023	2022	2022
		Amount \$	Outstanding 30 June 2023	Amount \$	Outstanding 30 June 2022
Greg Hancock <sup>1</sup>	Technical consulting	10,500	-	-	-
Mike Collins <sup>2</sup>	Technical consulting	18,161	-	-	-
		<b>28,661</b>	-	-	-

- The Company has executed a consulting agreement with Mr Hancock which provides for additional consulting amounts over and above the hours in the director's appointment letter. During the period Mr Hancock performed additional consulting hours and has charged the Company at normal commercial rates.
- The Company has executed a consulting agreement with Mr Collins which provides for additional consulting amounts over and above the hours in the director's appointment letter. During the period Mr Collins performed additional consulting hours and has charged the Company at normal commercial rates.

There are no additional related party transactions during the year.

**5.5 Dividends**

No dividend has been paid by the Group in respect of the year ended 30 June 2023. (2022: Nil)

**5.6 Parent Entity Disclosure**

	30 June 2023 \$	30 June 2022 \$
<b>Financial position</b>		
Assets		
Current assets	6,697,173	6,299,505
Non-current assets	1,877,645	5,533,212
<b>Total assets</b>	<b>8,574,818</b>	<b>11,832,717</b>
Liabilities		
Current liabilities	836,399	769,756
Non-current liabilities	-	-
<b>Total liabilities</b>	<b>836,399</b>	<b>769,756</b>
Equity		
Issued capital	56,899,899	56,434,885
Accumulated losses	(45,515,903)	(46,839,180)
Reserves	(3,645,577)	1,467,256
<b>Total equity</b>	<b>7,738,419</b>	<b>11,062,961</b>
	56,899,899	56,434,885
<b>Financial performance</b>		
Profit / (Loss) for the year	1,323,276	(7,647,304)
Other comprehensive income	-	-
<b>Total comprehensive profit / (loss)</b>	<b>1,323,276</b>	<b>(7,647,304)</b>

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**5 Additional disclosures**

**5.7 Auditor's Remuneration**

	<b>30 June 2023 \$</b>	<b>30 June 2022 \$</b>
<b>Assurance Services</b>		
<i>Amounts received or due and receivable by HLB Mann Judd (WA) Partnership for:</i>		
An audit or review of the financial report of the entity and any other entity in the Group	91,003	59,685
	91,003	59,685

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TRIANGLE ENERGY (GLOBAL) LIMITED  
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6.1 Accounting Policies (continued)

(a) Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises of the fair value of assets transferred, liabilities incurred to the former owner, equity interests issued and the fair value of any contingent consideration.

Identifiable assets acquired and liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair value at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net assets.

Acquisition related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as an intangible asset. Dependent on the type of asset or entity acquired, this will either be oil and gas properties, exploration and evaluation expenditure or goodwill. If those amounts are less than the fair value of the net assets of the entity acquired, the difference is recognised directly in the profit and loss as a bargain purchase.

(b) Principles of Consolidation

Consolidation process for the year ended 30 June 2023

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 30 June 2023 and the results of all of the Parent's subsidiaries for the year then ended. The Parent and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

The Parent entity is identified when the consolidation process occurs and is considered to be a presentation of the Parent and its subsidiaries at that point in time. The Parent entity controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. These subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity and are de-consolidated from the date that control ceases.

General consolidation principles

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of Triangle Energy (Global) Limited. When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

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**6.1 Accounting Policies (continued)**

Critical accounting judgements and key sources of estimation uncertainty (not disclosed in notes 1.1 to 5.7)

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Contingent consideration

The Company sold its interest in the Indonesian Pase PSC assets in 2016. As part of the sale process the Company obtained the right to receive a production royalty from the purchaser of the asset of 5% of its net profit share (excluding cost recoveries) up to a cap of US\$2 million per annum and in aggregate to US\$25 million. The ability of the Company to obtain any element of the royalty is subject to a number of events and circumstances that are outside the control of the Company and at this time the directors believe these events are unlikely to occur in the short term. However, facts and circumstances may change in the future and could result in a material benefit being received by the Company.

The Company has also obtained the right to receive a cost recovery split for previously incurred exploration and development costs from the purchaser up to a value of US\$7 million. The ability of the Company to obtain any cost recovery split is subject to a number of events and circumstances that are outside the control of the Company and at this time the directors believe these events are unlikely to occur in the short term. However, facts and circumstances may change in the future and could result in a material benefit being received by the Company.

**(c) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of Triangle Energy (Global) Limited.

**(d) Foreign Currency Translation**

Both the functional and presentation currency of Triangle Energy (Global) Limited and its Australian subsidiaries is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All exchange differences in the consolidated annual financial report are taken to profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

At the reporting date, the assets and liabilities of foreign subsidiaries are translated into the presentation currency of Triangle Energy (Global) Limited at the exchange rate on that date. The Group's profit or loss is translated at the weighted average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component and recognised in the foreign currency translation reserve in equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

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**6.1 Accounting Policies (continued)**

**(e) Revenue recognition (AASB 15)**

The Company has signed a Marketing Agreement with BP. During the year, the Company had delivered and sold hydrocarbons to buyers in South-East Asia. The Company assessed the performance obligations under the contract and these relates specifically to the delivery of all product produced by the Cliff Head joint venture to the storage facility in Kwinana and the eventual loadout of the product to a nominated vessel. The customer took delivery once the product was transferred to the vessel. Revenue is recognised when the hydrocarbons pass the flange connection between the delivery hose and the permanent hose connection of the Vessel.

**(i) Sale of hydrocarbons**

Revenue is recognised when the Company completes its obligations to deliver its hydrocarbons which has been produced to its customer.

**(ii) Interest income**

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield of the financial asset.

**(iii) Dividends**

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence.

**(f) Income Tax**

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The Company also recognises the Petroleum Resources Rent Tax (PRRT) paid and payable within tax expense.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:



**6.1 Accounting Policies (continued)**

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**(g) Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST and VAT except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**(h) Derivative financial instruments through profit or loss and hedging**

The Group has not used derivative financial instruments such as forward currency or commodity contracts and interest rate swaps to hedge its risks associated with foreign currency, commodity or interest rate fluctuations.

**6.1 Accounting Policies (continued)**

Where a derivative has been identified, it is initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The fair value movement in subsequent periods is recognised in the profit or loss.

**(i) Impairment of assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**(j) Cash and cash equivalents**

Cash comprises cash at bank and on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**(k) Trade and other receivables**

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 30 days to 45 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is an expectation that the Group will not be able to collect all amounts due according to the original contractual terms.

**6.1 Accounting Policies (continued)**

**(l) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

*Oil and gas production activities*

Cost is allocated on a production basis and includes direct material, labour, related transportation costs to the point of sale and other fixed and variable overhead costs directly related to oil and gas production activities.

**(m) Financial assets**

Financial assets in the scope of AASB 9 *Financial Instruments* are classified as either financial assets measured at fair value through either profit and loss or other comprehensive income or measured at amortised cost. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit and loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

*(i) Financial assets*

There are 3 measurement categories for financial assets, these are:

- (a) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments for principal and interest, are measured at amortised cost. Interest income from those financial assets is included in the finance income using the effective interest rate method. Any gains or losses arising on derecognition is recognised directly in the profit and loss.
- (b) **Fair value through other comprehensive income:** assets that are held for collection of contractual cash flows and for selling the financial asset, where the assets cash flows represent solely payments for principal and interest are measured at fair value through other comprehensive income. Movements in the carrying value are taken through other comprehensive income, other than impairment gains and losses, interest income and foreign exchange which are recognised in the profit and loss. When the financial asset is derecognised, the cumulative gains or losses recognised in other comprehensive income are reclassified from equity to profit and loss and recognised on a gain or loss on sale.

Fair value through profit or loss: assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit and loss. All movements are recognised in the profit and loss.

**6.1 Accounting Policies (continued)**

**(n) Impairment of financial assets**

The Group assesses at each reporting date whether a financial asset or group of financial assets is impaired.

Financial assets carried at amortised cost

From 1 July 2019 the Group assesses on a forward looking basis the expected credit losses associated with its financial assets that are not carried at fair value through profit and loss. The impairment methodology will depend on the financial asset. For trade and other receivables, the group will use an expected lifetime losses model upon initial recognition. However, for a specific class of asset the Company may use the general approach (stage 1) to assess the expected credit losses for this receivable. Where there is evidence that a credit worthiness of the counterparty has deteriorated the Group will move to stage 2 and stage 3 assessments.

**(o) Interest in a joint arrangement**

Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements. In a joint operation, the Group recognises its direct right to the assets, liabilities, revenues and expenses, these have been included in their separate classification categories in the statement of financial position as at 30 June. Interests in a joint venture are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Consolidated Entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

**(p) Property, plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Plant and equipment - over 2 - 15 years depending upon the nature of the asset;

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

*(i) Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

**6.1 Accounting Policies (continued)**

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income in the cost of sales line item. However, because land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

*ii) Derecognition and disposal*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or losses arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

**(q) Trade and other payables**

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

**(r) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

*Restoration of exploration and operating locations*

Provision is made for the obligation to restore exploration and operating locations. The provision is first recognised in the period in which the obligations arise. The nature of the restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas.

Restoration provisions are updated periodically, with a corresponding movement recognised against the related exploration and evaluation asset or oil and gas properties.

Over time, the liability is increased for a change in the present value based on a pre-tax discount rate appropriate to the risk inherent in the liability. The unwinding of the discount is recorded as an accretion charge within finance costs. The carrying amount capitalised in oil and gas properties is depreciated over the useful life of the asset (based on the production profile).

**6.1 Accounting Policies (continued)**

**(s) Employee leave benefits**

- (i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

- (ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits however due to the infancy of the Group, no long service leave has been accrued.

**(t) Share-based payment transactions**

Share-based compensation benefits are provided to employees via the TEG Incentive Scheme. Information relating to these schemes is set out in Note 3.2.

The fair value of options granted under the TEG Incentive Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the rights granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of rights that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

**(u) Issued capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

**(v) Earnings per share**

Basic earnings per share is calculated as net profit attributable to members of the Parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the Parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

**6.1 Accounting Policies (continued)**

**(w) Development expenditure**

Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. Exploration and evaluation expenditure is reclassified to development expenditure once the technical feasibility and commercial viability of extracting the related mineral resource is demonstrable. Where commercial production in an area of interest has commenced, the associated costs together with any forecast future capital expenditure necessary to develop proved and probable reserves are amortised over the estimated economic life of the mine on a units-of-production basis.

Changes in factors such as estimates of proved and probable reserves that affect unit-of-production calculations are dealt with on a prospective basis.

**(x) Exploration and evaluation**

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
  - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

**(y) New and revised accounting standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been adopted by the Company. The Company has assessed the impact of these new standards and has determined that there is no material impact on the financial statements.



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**6.1 Accounting Policies (continued)**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been adopted by the Company. The Company has assessed the impact of these new standards and has determined that there is no material impact on the financial statements.

AASB reference	Nature of Change	Effective date for entity	Impact on Initial Application
<b>AASB 17 Insurance Contracts                      AASB 2020-5 Amendments to Australian Accounting Standards –Insurance Contracts                      AASB 2022-1 Amendments to Australian Accounting Standards – Initial application of AASB 17 and AASB 9 –Comparative Information                      AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</b>	AASB 17 supersedes AASB 4 Insurance Contracts and similarly applies to insurance contracts. The classification of insurance contracts is similar to AASB 4 however unbundling rule changes may mean some contract components now need to be measured under AASB 17. The new standard contains a lower level of aggregation / smaller portfolios, changes to contract boundaries and valuation approaches, the application of Contractual Service Margins to policies valued under certain methodologies, changes in treatment to reinsurance and an ability to use OCI for changes in asset values. The amendments add a new transition option to AASB 17 to alleviate operational complexities and one-time accounting mismatches in comparative information between insurance contract liabilities and related financial assets on the initial application of AASB 17. It allows presentation of comparative information about financial assets to be presented in a manner that is more consistent with AASB 9 Financial Instruments. AASB 17 is applicable for financial years beginning on or after 1 January 2023.	1 January 2023	The Directors do not anticipate that the amendments will impact the Group.
<b>AASB 2023-2 Amendments to Australian Accounting Standards –International Tax Reform Pillar Two Model Rules</b>	AASB 2023-2 amends AASB 112 Income Taxes to introduce: a) a mandatory temporary exception to accounting for deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD); and (b) targeted disclosure requirements to help financial statement users better understand an entity’s exposure to income taxes arising from the reform, particularly in periods before legislation implementing the rules is in effect.	Effective immediately however disclosures apply from 1 January 2023	The Directors do not anticipate that the amendments will have a material impact on the Group

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**6.1 Accounting Policies (continued)**

AASB reference	Nature of Change	Effective date for entity	Impact on Initial Application
<b>AASB 2021-2 Amendments to Australian Accounting Standards–Disclosure of Accounting Policies and Definition of Accounting Estimates</b>	AASB 2021-2 amendments provide a definition of and clarifications on accounting estimates and clarify the concept of materiality in the context of disclosure of accounting policies.	From 1 January 2023	The Directors do not anticipate that the amendments will have a material impact on the Group
<b>AASB 2021-5 Amendments to Australian Accounting Standards–Deferred Tax related to Assets and Liabilities arising from a Single Transaction</b>	The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations.	From 1 January 2023	The Directors do not anticipate that the amendments will have a material impact on the Group
<b>AASB 2023-1 Amendments to Australian Accounting Standards –Supplier Finance Arrangements</b>	AASB 2023-1 amends AASB 107 Statement of Cash Flows and AASB 7 Financial instruments: Disclosures to require an entity to provide additional disclosures about its supplier finance arrangements to enable users of financial statements to assess how supplier finance arrangements affect an entity’s liabilities, cash flows and exposure to liquidity risk. The amendments require an entity to disclose the terms and conditions of the arrangements, the carrying amount of the liabilities that are part of the arrangements, the carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers, the range of payment due dates and the effect of non-cash changes.	From 1 January 2024	The Company has not yet assessed the impact of this standard.

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TRIANGLE ENERGY (GLOBAL) LIMITED  
 NOTES TO CONSOLIDATED ANNUAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2023

**6.1 Accounting Policies (continued)**

<p><b>AASB 2020-1 Amendments to Australian Accounting Standards –Classification of Liabilities as Current or Non-current AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date AASB 2022-6 Amendments to Australian Accounting Standards –Non-current Liabilities with Covenants</b></p>	<p>AASB 2020-1 amends AASB 101 Presentation of Financial Statements to require a liability be classified as current when companies do not have a substantive right to defer settlement at the end of the reporting period. AASB 2020-6 defers the mandatory effective date of amendments that were originally made in AASB 2020-1 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022. AASB 2022-6 specified that only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or noncurrent. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability’s classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. AASB 2022-6 further defers the mandatory effective date of amendments that were originally made in AASB 2020-1 and AASB 2020-6 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2024 instead of 1 January 2023.</p>	<p>From 1 January 2024</p>	<p>The Company has not yet assessed the impact of this standard.</p>
<p><b>AASB 2014-10 Amendments to Australian Accounting Standards –Sale or Contribution of Assets between an Investor and its Associate or Joint Venture AASB 2015-10 Amendments to Australian Accounting Standards –Effective Date of Amendments to AASB 10 and AASB 128 AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections AASB 2021-7(a-c) Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</b></p>	<p>The amendments require the full gain or loss to be recognised when the assets transferred meet the definition of a ‘business’ under AASB 3 Business Combinations (whether housed in a subsidiary or not). AASB 2017-5 defers the mandatory effective date of amendments to AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022 instead of 1 January 2018. AASB 2021-7(a-c) further defers the mandatory effective date to periods beginning on or after 1 January 2025.</p>	<p>From 1 January 2025</p>	<p>The Company has not yet assessed the impact of this standard.</p>

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**6.1 Accounting Policies (continued)**

**(z) Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recoverable principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

**(aa) Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recoverable principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of the disposal group classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

**(bb) Oil & Gas properties**

Oil & Gas properties are stated as cost less accumulated depreciation and impairment charge (unless they have been acquired as part of a business combination). Oil & Gas properties include initial cost to acquire, construct, install or complete production and infrastructure facilities such as pipelines and platforms, transfers from exploration and evaluation assets, development of wells and estimates of costs for dismantling and restoring sites.

Subsequent capital costs, including major maintenance, are included in the assets carrying value only when it's probable that future economic benefits associated with the item will flow to the Group and the costs can be reliably measured.

Oil & gas properties (including all categories within the classification) are depreciated to their estimated residual value at a rate based on their expected useful lives with reference to the unit of production basis over proven reserves or proven plus probable.

**6.1 Accounting Policies (continued)**

**(cc) Investments in associates**

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the impairment policy above.

## DIRECTORS' DECLARATION

In the opinion of the directors of Triangle Energy (Global) Limited:

- (a) the financial statements and notes set out on pages 41 to 98 are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and other mandatory professional reporting requirements;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) the consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
- (d) this declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

This declaration is signed in accordance with a resolution of the board of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors.



**Conrad Todd**

*Managing Director*

Dated at Perth, Western Australia this 28<sup>th</sup> day of September 2023.

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of Triangle Energy (Global) Limited

**REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

**Opinion**

We have audited the financial report of Triangle Energy (Global) Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
<p><b>Exploration and evaluation expenditure</b> Refer to Note 2.2</p> <p>The Group has capitalised exploration and evaluation expenditure of \$3,044,956.</p> <p>In accordance with <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>, the Group capitalises acquisition costs and then expenses further exploration and evaluation expenditure as incurred. The cost model is applied after recognition. We planned our work to address the audit risk that the capitalised expenditure might no longer meet the recognition criteria of the standard.</p> <p>Our audit focussed on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset. We considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.</p> <p>We considered this to be a key audit matter due to its size and importance to the users' understanding of the financial statements.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest;</li> <li>- Substantiated a sample of exploration and evaluation expenditure;</li> <li>- Obtained evidence that the Group has current rights to tenure of its areas of interest;</li> <li>- Considered the Directors' assessment of potential indicators of impairment under <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>;</li> <li>- Considered subsequent events and validity of evidence of fair value under <i>AASB 13 Fair Value Measurement</i>;</li> <li>- Considered the requirements of <i>AASB 5 Non-current Assets Held for Sale and Discontinued Operations</i>;</li> <li>- Examined the exploration budget for the year ending 30 June 2023 and discussed with management the nature of planned ongoing activities; and</li> <li>- Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.</li> </ul>
<p><b>Oil and gas properties</b> Refer to Note 2.1</p> <p>The carrying value of the oil and gas development asset at balance date is nil. Impairment of \$2,516,660 was recognised during the year.</p> <p>We considered this to be a key audit matter due to its nature and importance to the users' understanding of the financial statements and the degree of audit effort directed towards this area.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>- Substantiated a sample of oil and gas development expenditure capitalised;</li> <li>- Obtained evidence that the Group has current rights to tenure of its development area;</li> <li>- Validated the amortisation rate applied is relative to production;</li> <li>- Analysed management's impairment calculation including the assessment of reasonableness of major inputs and assumptions in the value in use model;</li> <li>- Considered subsequent events and validity of evidence of fair value under <i>AASB 13 Fair Value Measurement</i></li> </ul>

Key Audit Matter	How our audit addressed the key audit matter
<b>Oil and gas properties</b> Refer to Note 2.1	<ul style="list-style-type: none"> <li>– Considered the requirements of AASB 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i></li> <li>– Checked the mathematical accuracy of the model; and</li> <li>– Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.</li> </ul>

**Information Other than the Financial Report and Auditor’s Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2023, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor’s Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **REPORT ON THE REMUNERATION REPORT**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Triangle Energy (Global) Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

**Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



**HLB Mann Judd**  
Chartered Accountants

**Perth, Western Australia**  
**28 September 2023**



**D I Buckley**  
Partner

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## ADDITIONAL INFORMATION

### ADDITIONAL INFORMATION IN ACCORDANCE WITH LISTING RULES OF THE ASX LIMITED.

#### Substantial Shareholder Information as at 8 September 2023

Shareholder Name	Securities	%
Altor Capital Management Pty Ltd <Altor Alpha Fund A/C>	93,404,167	6.79%
BNP Paribas Nominees Pty Ltd (including associated entities)	71,545,420	5.20%
<b>Total</b>	<b>98,904,167</b>	<b>11.99%</b>

#### Distribution of Shareholders as at 8 September 2023

Spread of Holdings	Holders	Securities	%
NIL holding	-	-	
1 - 1,000	74	10,567	0.00%
1,001 - 5,000	49	152,197	0.01%
5,001 - 10,000	56	452,804	0.03%
10,001 - 100,000	952	45,997,748	3.34%
100,001 - 9,999,999	965	1,329,304,404	96.61%
<b>Total</b>	<b>2,096</b>	<b>1,375,917,720</b>	<b>100.00%</b>

#### Top Twenty Shareholders as at 8 September 2023

Rank	Holder Name	Securities	%	Rank	Holder Name	Securities	%
1	Altor Capital Management Pty Ltd <Altor Alpha Fund A/C>	93,404,167	6.79%	11*	Calm Holdings Pty Ltd <Clifton Super Fund A/C>	15,000,000	1.09%
2	BNP Paribas Nominees Pty Ltd (including associated entities)	71,545,420	5.20%	12	Equity Trustees Limited<Lowell Resources Fund A/C>	15,000,000	1.09%
3	Mr Darren John Hall	63,505,346	4.62%	13*	Sunset Capital Management Pty Ltd <Sunset Superfund A/C>	13,000,000	0.94%
4	BT Portfolio Services Limited <Warrell Holdings S/F A/C>	60,000,000	4.36%	13*	Mr Kenneth Joseph Hall <Hall Park A/C>	13,000,000	0.94%
5	Citicorp Nominees Pty Limited	31,003,663	2.25%	14	Mr Conrad Dante Todd	11,662,820	0.85%
6	Berenes Nominees Pty Ltd	21,290,166	1.55%	15	Sochrastem SAS	11,076,924	0.81%
7	JP Morgan Nominees Australia Pty Limited	19,287,515	1.40%	16	Est Mr Peter Piotr Mackow	9,935,000	0.72%
8	Mr Stephen Thomas Pirrie	19,000,086	1.38%	17	Kingslane Pty Ltd <Cranston Super Pension A/C>	9,090,910	0.66%
9	HSBC Custody Nominees (Australia) Limited	17,650,309	1.28%	18	Mr David Allen Rogers	9,000,158	0.65%
10	Mr Joshua David Vitasovic	15,203,602	1.10%	19	MGL Corp Pty Ltd	9,000,000	0.65%
11*	Mr Phillip Hutt & Mrs Svetlana Hutt <Hutt Family Super Fund A/C>	15,100,000	1.10%	20	Beira Pty Limited	8,553,705	0.62%
<b>Total</b>						<b>551,309,791</b>	<b>40.07%</b>

\* indicates Shareholders are ranked equally in terms of the number of shares held.

#### Top Twenty TEG 2022 Rights Holders as at 8 September 2023

Rank	Holder Name	Securities	%
1	Mr Conrad Dante Todd	33,771,930	37.02%
2	Mr Douglas Gillies & Mrs Karen Gillies	17,982,456	19.71%
3	Mr Marvin Acosta Chan	15,438,596	16.92%
4	Mr Michael Francis Collins	9,000,000	9.87%
5	Mr Simon Price	5,385,964	5.90%
6*	Mr John Byrce Donaldson	3,508,772	3.85%
6*	Ms Kathy Decesare	3,508,772	3.85%
7	Mr Anthony See	2,631,578	2.88%

#### Distribution of TEG 2022 Rights Holders as at 8 September 2023

Spread of Holdings	Holders	Securities	%
NIL holding	-	-	
1 - 1,000	-	-	0.00%
1,001 - 5,000	-	-	0.00%
5,001 - 10,000	-	-	0.00%
10,001 - 100,000	-	-	0.00%
100,001 - 9,999,999	-	-	0.00%
	8	91,228,068	100.00%
<b>Total</b>	<b>8</b>	<b>91,228,068</b>	<b>100.00%</b>

\* indicates Rights Holders are ranked equally in terms of the number of performance rights held.

#### Number of holders in each class of equity securities and voting rights

There are 2,096 holders of ordinary shares. Each shareholder is entitled to one vote per share held. Every shareholder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

There are 572 holders of TEGO Listed options and 100 holders of Unlisted options at \$0.025 each, expiring on 30 June 2025. Holders of TEGO listed options and unlisted options are not entitled to vote at a General Meeting of Members in person, by proxy or upon a poll, in respect of their option holding.

**Unmarketable Parcel**

There are 388 shareholders with less than a marketable parcel at a share price of 2.2 cents per share.

**Restricted Securities**

There are no restricted securities on escrow at the date of this report.

**Unlisted Options**

The following are holders of unlisted options:

- 100 optionholders holding a total of 159,615,385 unlisted options exercisable at 2.5 cents each and expiring on 30 June 2025;
- 1 optionholder holding a total of 10,000,000 unlisted options exercisable at 2.5 cents each and expiring on 24 November 2025;
- 1 optionholder holding a total of 10,000,000 unlisted options exercisable at 3 cents each and expiring on 24 November 2025; and
- 1 optionholder holding a total of 10,000,000 unlisted options exercisable at 3.5 cents each and expiring on 24 November 2025.

**On-market Buy Back**

At the date of this report, the Company is not involved in an on-market buy back.

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