ASX Announcement

30 September 2021

TriangleEnergy

ANNUAL REPORT TO SHAREHOLDERS

The Board of Triangle Energy (Global) Limited (**Triangle / the Company**) (ASX:**TEG**) is pleased to provide the Company's Annual Report for the period ending 30 June 2021.

Approved for Release by: The Board of Directors

ENDS

Further Enquiries

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About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX:TEG) oil producer and explorer based in Perth, Western Australia. The Company has a 78.75% interest in, and is Operator of, the producing Cliff Head Oil Field, which includes the Arrowsmith Stabilisation Plant. Triangle also has a 50% share of the Mt Horner L7 production licence and a 45% share of the Xanadu-1 Joint Venture, both located in the Perth Basin. Triangle also has a substantial equity interest in State Gas Ltd (ASX:GAS), which has a 100% operating interest in the Reids Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

TRIANGLE ENERGY (GLOBAL) LIMITED

ABN 52 110 411 428

ANNUAL REPORT 2021

For the year ended 30 June 2021

CORPORATE DIRECTORY

DIRECTORS

Timothy Monckton (Non-Executive Chairman)
Robert Towner (Executive Director)
Malcolm King (Non-Executive Director)
Wai-Lid Wong (Non-Executive Director)

COMPANY SECRETARY

Lucy Rowe

REGISTERED OFFICE

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BANKERS
Westpac Banking Corporation
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SECURITIES EXCHANGE LISTING
ASX Limited
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ASX Code: TEG

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CHAIRMAN'S LETTER

Dear Shareholder,

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 2021 Annual Report.

2020 was a challenging year for all companies and businesses across Australia, faced with the global Covid-19 pandemic and oil prices falling to less than US$19 a barrel. I am pleased to report however, that whilst 2021 had its own challenges, the Company has continued its excellent stewardship of the flagship Cliff Head operations and assets, progressed with its strategic moves and continued to strengthen its position in the Perth Basin all with a backdrop of a more optimistic oil price. At the time of writing the oil price sits at US$78.05 per barrel.

The CH6 and CH7 wells at the Cliff Head Oil Field were shut in, in June 2020, due to operational issues and their planned workover programmes were brought forward. Pleasingly the CH7 well was brought back online in December and its production stabilised at 237 bopd whilst at the same time the CH6 workover programme was temporarily suspended. On 30 June 2021, the workover on CH6 recommenced and subsequent to the reporting period, was successfully completed with the Company now producing approximately 720 bopd as at the date of this report.

In October 2020, BP announced its intention to convert its Kwinana Refinery, to which the Company sold its oil, into a fuel import terminal and subsequently terminated its Crude Oil Supply Agreement with the Company effective April 2021. In a response to this, the Company was also forced to retract its reserves and resources statements. In March 2021, the Company was able to restate its Prospective and Contingent Resources, and after a great deal of work by Management on behalf of the Company, your Board was pleased to announce on 22 April 2021 that it had entered in a Product Storage Services Agreement with BP Kwinana and agreed terms of a Non -Binding Offtake Term Sheet with BP Singapore at the same time.

Triangle was owed US$1.02 million, held in in relation to the Sale and Purchase Agreement for the Pase PSC with PT Enso Asia and in December 2020, the Company commenced arbitration proceedings against PT Enso Asia by filing a Notice of Arbitration with the Singapore International Arbitration Centre over unpaid consideration from the Company's sale of its Indonesian asset. I am pleased to advise that your company received the US$1.02million in full and therefore withdrew the Notice of Arbitration resolving the matter in its entirety.

The Company's position in the Perth Basin was further strengthened, in November 2020, with a Sale and Purchase Agreement signed with Pilot Energy Limited for a 78.75% interest in the offshore permit WA-481-P, whilst at the same time agreeing the Cliff Head Wind and Solar Joint Venture. A further position was also taken up with the acquisition of an 86.97% holding in onshore EP 437 and the remaining 50% interest in L7(R1) from Key Petroleum Limited. Upon the successful completion of these relevant Sale and Purchase Agreements, Triangle will be the operator of four licences including WA – 31- L at Cliff Head, thus becoming the dominant operator in the region, with approximately 10,000 km² in total, in one of the country's most exciting hydrocarbon basins.

Triangle completed the Cliff Head Renewal Project in early 2020, identifying three key opportunities that can be drilled and developed from the existing Cliff Head Alpha platform, and two new longer-term development prospects. We are actively progressing on these drilling opportunities. During the year, the Company launched a Farmout process to attract suitable partners to assist in progressing these plans.

I would like to acknowledge the Managing Director, Mr Rob Towner and the entire team at Triangle for the quality of the work and results achieved during the 2021 Financial Year. Your Board believes your Company is well positioned for ongoing growth, development and expansion in the Perth Basin. The focus Rob and all the team have placed on the safe and efficient operation of Cliff Head, while progressing potential expansion options, is commendable.

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.

Timothy Monckton
Non-Executive Chairman

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 2021. 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.

Timothy Monckton

Independent Non - Executive Director appointed 17 July 2018 and appointed Non – Executive Chairman 21 March 2019

Length of Service: 3 years and 2 months

Tim has been in the Stockbroking Industry for over 25 years starting his career as an analyst before moving into sales. Tim is currently a Director of Henslow Pty Ltd.

Tim spent eleven years with ABN AMRO/ Royal Bank of Scotland where he was Head of Domestic Sales for six years before being promoted to Managing Director Corporate Broking.

Prior to moving his family to Australia, Tim worked for the Albert Abela Corporation. He was employed as Head of Local Human Resources and sat as Chairman of the Albert Abela Group UK.

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

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

Robert Towner

Executive Director - Appointed 9 July 2014

Length of Service: 7 years and 2 months

Rob has over 22 years' experience in the corporate advisory and finance sectors. He was appointed Managing Director & CEO of Triangle Energy (Global) Limited in July 2014 and managed the Company's transition from operating Indonesian based assets to establishing a portfolio of Australian oil and gas projects, including the producing Cliff Head Oil Field and associated infrastructure in the Perth Basin, Western Australia.

Rob has extensive experience in the oil and gas sector and has been involved in a number of capital raisings for projects throughout Australia, Canada, Asia and the USA since the early 1990's.

Rob represents Triangle's approximately 23.96% interest on the board of State Gas Limited as a Non-Executive Director a Non-Executive Director of the unlisted Telethon Type 1 Diabetes Family Centre. Rob resigned as Non – Executive Director of Botanix Pharmaceuticals Limited in February 2020.

Wai-Lid Wong

Non-Executive Director appointed 11 April 2018

Length of Service: 3 years and 5 months

Wai-Lid has over 18 years' oil and gas experience in process engineering, operations and asset management roles. He was appointed a Non-Executive Director of Triangle Energy (Global) Limited in April 2018.

Currently, Wai-Lid holds the position of Chief Executive Officer for Tamarind Resources Pte Ltd. In this role, he is responsible for the delivery of all aspects of Tamarind's operated business, working closely with Tamarind's Regional leadership.

Prior to this, Wai-Lid held Asset Management roles for two Malaysian PSCs and headed all Asset Development and CAPEX Project activity for Talisman / Repsol in Malaysia. Wai-Lid has also spent a period of time within Schlumberger's strategic advisory arm (Asia and Australia) where he assisted a number of Regional E&P Players drive major strategic transformation and performance improvement programs.

Wai-Lid has a PhD and Masters of Engineering (M.Eng.) in chemical engineering from Imperial College, London.

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

Wai-Lid is the Chair of the Audit and Risk Management Committee and is a member of the Remuneration and Nomination Committee.

DIRECTORS' REPORT (continued)

Malcolm King

Independent Non-Executive Director appointed 1 June 2020

Length of Service: 1 year 4 months

Malcolm has over 30 years of upstream oil, gas & power and LNG experience in technical, commercial and leadership roles, most of this with Shell in Australia and across Asia. He was appointed a Non-Executive Director of Triangle Energy (Global) Ltd in June 2020.

Malcolm is based in Perth providing consulting services to the energy industry, and is also a non-executive director of ASX listed Buru Energy. Recent prior roles include heading up the Commercial and New Ventures areas for Senex Energy Limited in Brisbane.

Malcolm has a Bachelor of Applied Science (Geology) degree from the University of Southern Queensland and a Masters of Science (Petroleum Geology) from the University of Aberdeen, Scotland. He is a member of AICD and a graduate of the AICD Director Program.

Malcolm was a Non – Executive Director of Emperor Energy Limited from April 2019 to March 2020.

Malcolm was appointed a Non – Executive Director of Buru Energy Limited on 23 February 2021.

Malcolm is the Chair of the Remuneration and Nomination Committee and Member of the Audit and Risk Management Committee.

Marvin Chan

Chief Financial Officer - 18 November 2019

Length of Service: 1 year and 10 months

Marvin has over 20 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.

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

Company Secretary

Lucy Rowe – Appointed 20 November 2017

Length of Service: 3 years and 10 months

Lucy was appointed Company Secretary of Triangle Energy (Global) Limited in November 2017.

Lucy is an experienced compliance professional, with 20 years' experience in the financial services, oil and gas, and IT industries. Lucy has held the position of Company Secretary of a number of listed and unlisted public companies over the last 11 years and is currently President of a voluntary Not-For-Profit Organisation. Lucy gained her PS 146 securities adviser accreditation in 2002 and holds a Graduate Diploma in Legal Studies majoring in financial services law.

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 performance rights	Number of fully paid ordinary shares	Quoted Options @$0.035 ex 4 August 2023
Timothy Monckton	-	454,546	227,272
Robert Towner	28,784,935	19,802,987	3,012,725
Wai-Lid Wong	-	-	-
Malcolm King	-	454,546	227,272

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS

Company Overview

Triangle is an experienced and successful oil production and exploration 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 Alpha Platform. Triangle has a 45% joint venture interest in the Xanadu-1 Joint Venture oil discovery (TP/15), a 100%[1] interest in the Mt Horner Production Licence (L7(R1)), 86.94% interest in EP437[1] also onshore in the Perth Basin and a 78.75% interest in the offshore WA-481-P licence[2]. The Company held an approximate 27.67% equity interest in State Gas Limited as at 30 June 2021 (23.96% subsequent to the end of financial year) which has a 100% operating interest in the Reids Dome production licence (PL231) and 100% holder of Authority to Prospect 2062 (Rolleston-West) in Queensland. The Company continues to assess acquisition and joint venture prospects to expand its portfolio of assets.

Triangle has twelve 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 HSE.

Cliff Head, Perth Basin, Western Australia

The Cliff Head Oil Field (**Cliff Head**) is located approximately 270 kilometres north of Perth and 12 kilometres off the coastal town of Dongara in Western Australia at a water depth of 15-20 metres. The Production Licence WA-31-L covers 72km^2 and the oil field covers 6km^2. It was the first commercial oil discovery developed in the offshore Perth Basin and the development cost of the field was A$327m with first oil production commencing in May 2006.

On 17 July 2018, Triangle announced that its operating associate 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.

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 in place to ensure these controls are effectively and consistently applied.

To strengthen the Company's accountability as the Registered Operator, Triangle commissioned a full and independent Operational Readiness Review. This successful review ensures that TEO has the capabilities to not only comply with the approved Safety Cases but also has the full suite of processes, systems and competent people to seamlessly and safely execute production operations upon operatorship handover. Approval of the two Safety Cases by the Regulators was a major milestone and becoming the Registered Operator of Cliff Head provides Triangle with more control to manage infrastructure in a manner consistent with the Company's operational philosophy.

Cliff Head Mark 2

Previously three priority drilling targets were identified from subsurface studies that could be immediately completed for production and potentially provide a substantial production uplift, the West High and SE Nose low risk appraisal/development opportunities, while the Mentelle Updip prospect has the potential to materially impact the life-cycle of the Cliff Head asset. During the financial year 2020/21 the evaluation of these opportunities was finalised and well planning commenced. The former West High opportunity now also includes the West Flank bypassed oil opportunity with a modified well trajectory and is referred to now as the Western Development. The detailed well planning phase commenced during 2021.

South East Nose (SE Nose) Appraisal/Development

SE Nose is a low relief structure updip of the Cliff Head 1 discovery well. The depth conversion studies also addressed the structural uncertainty of SE Nose and confirmed the presence of a structure updip of Cliff Head 1. SE Nose is assessed to have Best Estimate Contingent Resources of 0.81 MMstb with the conversion to Reserves dependent on a formal Cliff Head Joint Venture approval of a development well. The detailed design of a horizontal well that would be drilled and completed from Cliff Head Alpha platform to develop the SE Nose area has commenced.

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[1] Subject to Completion of the Sale and Purchase Agreement dated 29 January 2021
[2] Subject to the Completion of the Sale and Purchase Agreement dated 6 November 2020

REVIEW OF OPERATIONS (continued)

South East Nose (SE Nose) Appraisal/Development

The Western Development well addresses the West High appraisal/development opportunity, a probable extension of Cliff Head field to a western culmination, and the West Flank bypassed oil opportunity. A West High well path could also intersect a bypassed oil opportunity on West Flank for low additional cost, enhancing the recovery and economics of a West High well. It could be drilled by a deviated appraisal well from Cliff Head Alpha platform and then completed as a production well with success. A Best Estimate Contingent Resource of 1.06 MMstb is assessed for West High with additional Contingent Resources within West Flank. The conversion of these Contingent Resources to Reserves dependent on a formal Cliff Head Joint Venture approval of the development well. The detailed design of the Western Development well has commenced.

High Potential Mentelle Updip Prospect

Previously the high potential Mentelle Updip prospect was reviewed with a focus on the reservoir interpretation which had been a key uncertainty in the past. Triangle's work indicates that good quality Irwin River Coal Measures sandstone reservoirs could be expected within the prospect and confirmed the large structure as previously mapped. Best Estimate Prospective Resources have been upgraded to 5.44 MMstb[3]. The chance of discovery for Mentelle Updip is assessed to be 38% and a 34% chance of a commercial discovery.

Acquisition of additional 2D and/or 3D seismic data before drilling is not justified because of the relative cost and time delays. The Mentelle Updip prospect is mature and justified for drilling with sufficient resource potential to materially impact the life-cycle of Cliff Head asset. The detailed planning for an exploration well to test Mentelle Prospect commenced during 2021.

Catt Prospect, Far North, CH11 Updip, CH10 High Cliff, South Cliff Head Prospect

Several additional opportunities are also present within WA-31-L. During the year the company updated the interpretation of these features to determine if a viable opportunity is present.

The Catt exploration prospect lies immediately north of SE Nose and 1.4 kms South South-West of Cliff Head platform. It is a subtle 4-way dip closure in two-way-time that is enhanced with depth conversion and analogous to the SE Nose structure. It can also be developed from Cliff Head Alpha platform in the event of exploration success. Best Estimate Prospective Resources for Catt are assessed to be 0.83 MMstb[3], the chance of discovery to be 45% and the chance of a commercial discovery to be 35%. Catt is a follow-up to the results of a SE Nose development well and detailed well planning for Catt also commenced in 2021.

Far North is a possible structural culmination on the northern limit of the field that is indicated by upside scenarios of the depth conversion work. The Far North Contingent Resources are contingent on further depth conversion and dynamic modelling studies and a viable low-cost development concept.

CH10 High Cliff is a bypassed oil volume in the High Cliff reservoir in the CH10 area. Development of CH10 High Cliff requires a low-cost development concept.

Undeveloped oil is also mapped in the CH11 fault block, with a relatively modest volume, that would require a low cost drilling technology to justify development.

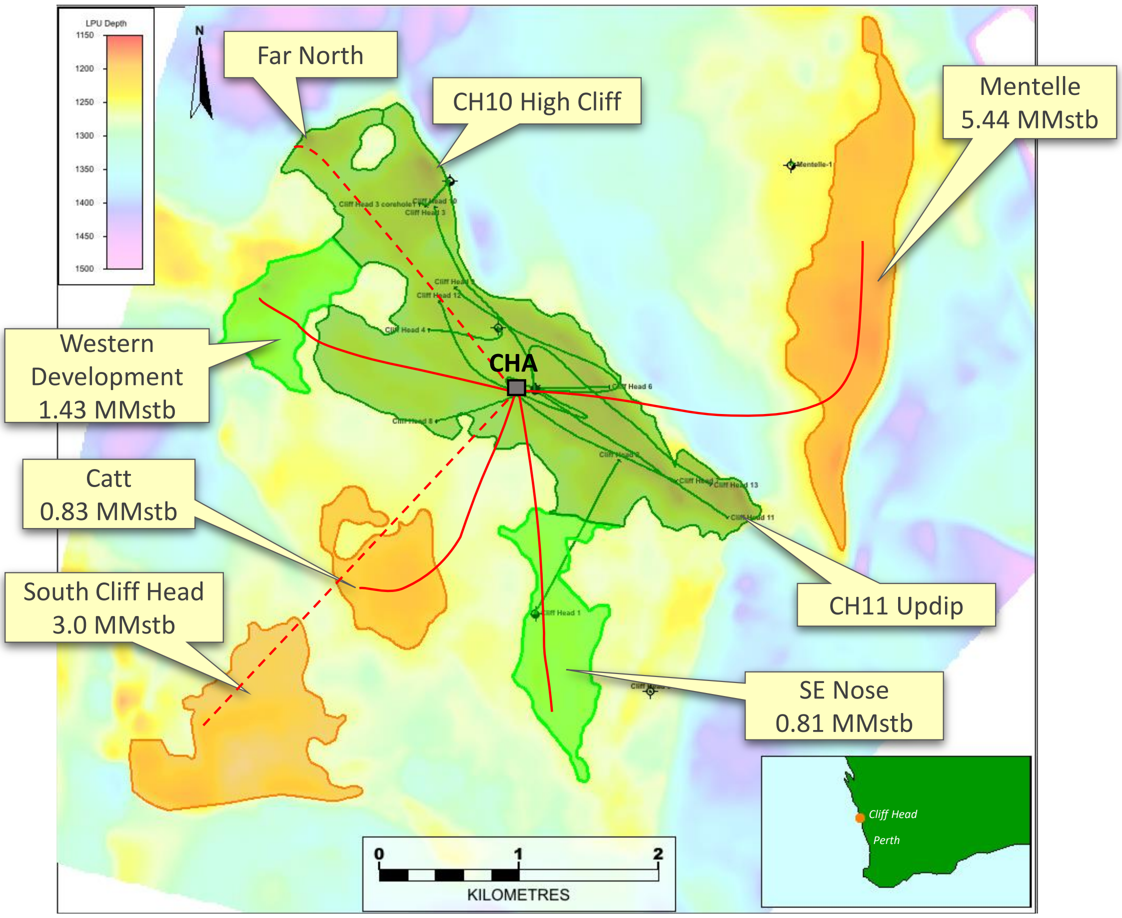
Additional recovery from the existing development that would arise from the field life extension of a West Development and/or SE Nose development is carried, contingent on a successful Western Development well.

The Contingent and Prospective Resources for WA-31-L were reported to the ASX on 15 March 2021.

Workover and Reservoir Management Opportunities

The Company is continuing to evaluate workover and reservoir management opportunities. A workover of CH11 to initiate water injection into the upper perforations of Cliff Head 11 to enhance oil recovery from the northeastern end of the field commenced and was successfully completed after the reporting period.

[3] The estimated quantities of petroleum that may potentially be recovered by the application of a future development project that relate to undiscovered accumulations. These estimates have both an associated 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 moveable hydrocarbons.



Cliff Head Opportunities

BP Kwinana Refinery

In October 2020, BP announced its plans to convert the Kwinana Refinery to an oil import terminal. As a result, the Crude Oil Sales Agreement was terminated, and the Company announced that the termination effective date was to be 16 February 2021.

In order to allow the Company to continue to produce and deliver its crude oil to the BP Refinery, this termination effective date was subsequently extended to 22 April 2021.

On 22 April 2021, Triangle Energy (Operations) Pty Ltd, (**TEO**), as Operator of the Cliff Head Joint Venture and on behalf of the Cliff Head Joint Venture Participants (**CHJV**), entered into a binding agreement with BP Refinery (Kwinana) Pty Ltd (**BP Kwinana**) in relation to the storage of the Company's crude oil produced at the Company's Cliff Head Asset (**CHA**). The Company has also agreed terms with BP Singapore Pte Ltd (**BP Singapore**) in a non-binding term sheet for a related offtake agreement for its product.

Product Storage Services Agreement

Under the Product Storage and Services Agreement (**Storage Agreement**), it has been agreed that BP Kwinana will provide access to and use of the BP Kwinana Facility to TEO to store its crude oil product. BP Kwinana will provide services associated with the storage and lifting of the crude oil product.

The crude and condensate produced and delivered by TEO will be stored at BP Kwinana in 2 tanks, at Kwinana, Perth, Western Australia as a commingled product with crude and condensate from other Producers also using the storage facility.

REVIEW OF OPERATIONS (continued)

The initial term of this Agreement is to be one year from 22 April 2021. BP Kwinana and the Company have also agreed to discuss in good faith a possible extension of the term for 1 year or any other term mutually agreed by all parties. Any extension may be subject to revised commercial terms.

The Company pays a monthly capacity rental charge and a throughput fee per barrel. These charges are linked with the charges applicable to other users of the facility and may be changed if other users cease to use the facility or commence using the facility.

Production

Production during the year was mostly from three out of the five electric submersible pump production wells. CH6 and CH7 wells were shut in in June 2020.

In October 2020, the Company commenced the workover of the two wells and on 28 November 2020, the CH7 well returned to production.

The CH6 well, however, continued to be temporarily suspended after attempts to retrieve the old Electric Submersible Pump (**ESP**) were unsuccessful. On 30 June 2021 activities commenced on the CH6 Workover and CH11WI Slickline Intervention and during the month of July, subsequent to the end of the reporting period, the Company undertook the two campaigns with the aim to increase production at Cliff Head. The Company re-entered the well with a swathe of new equipment and enhanced capabilities.

In conjunction with the CH6 Workover, the Company undertook a Slickline Intervention on CH11WI. The Company has completed studies that indicate reconfiguration of the injection zone of CH11WI can contribute to increased oil recovery and further enhance daily oil production. On 29 July 2021, subsequent to the end of the reporting period, the Company advised that the CH-11WI slickline intervention campaign had been completed.

On 24 August 2021, the Workover Programme (**Workover**) of the CH-6 well completed the program of ESP replacement which included the installation of a new ESP in a more technically and cost-effective configuration than previously adopted. All of the technical and well integrity expectations of the program were met and the well was handed over from well services to production on the 22 August 2021.

The Company was pleased to announce that production associated with the CH-6 well was expected to stabilise at approximately 120 bopd, bringing the total field production, at that time, to approximately 850 bopd.

The joint CH-6 and CH-11WI workover campaign provided the Company with the rare opportunity to evaluate the condition of the downhole completion and wellbore equipment with regards to long term well integrity and corrosion management.

On 29 September 2021, subsequent to the end of the reporting period, the CHJV announced that on the afternoon of Tuesday, 28 September 2021 it was confirmed that a downhole electrical fault had caused a shut in on CH-10. This well has produced reliably for nearly 12 years with the same ESP and this performance significantly exceeds the field average of 4 years.

The CHJV has experts optimising ESP performance and production from the Cliff Head field and anticipates production to stabilise at approximately 720 bopd.

The CHJV is currently assessing possible scenarios in relation to this low production rate well, which ranges from replacing the ESP to a possible updip sidetrack well which may involve recovering the well slot for future development drilling as part of an Asset Life Extension campaign for the Cliff Head Alpha platform.

Produced crude oil from Cliff Head Oil Field is trucked and stored at BP in Kwinana, 42kms south of Perth.

To 30 June 2021, the Cliff Head Oil Field has produced and sold 16.58 mmbbls and continues to produce at above originally forecasted rates.

Cliff Head Joint Venture (**CHJV**) production 12 months to 30 June 2021 was 238,875 bbls at an average production rate of 654 barrels of oil per day.

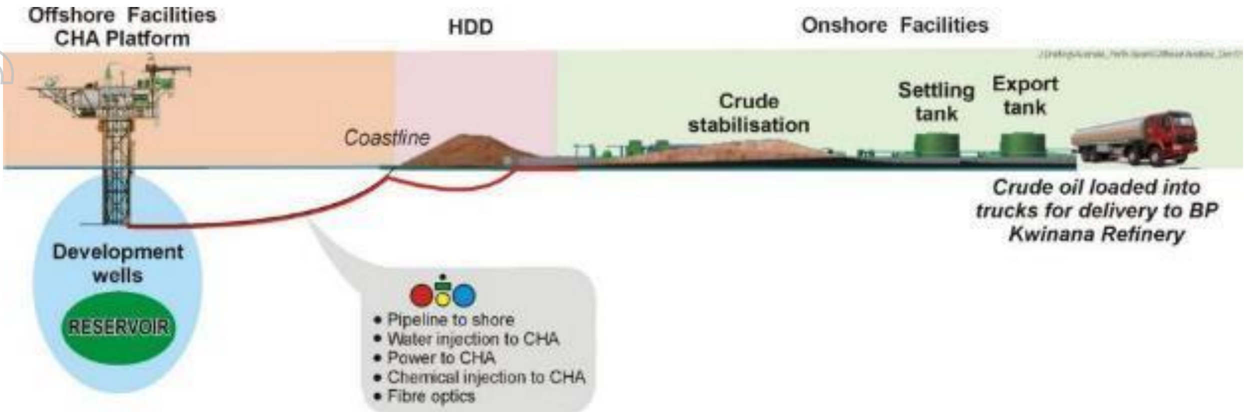
CHJV oil sales revenue 1 July 2020 - 30 June 2021 was $11.57 million

Facilities and Infrastructure

The Cliff Head facilities are the only offshore and operational onshore infrastructure in the highly prospective and under-explored Perth Basin and are therefore important for any exploration success or development in the surrounding area. An unmanned platform in 15m to 20m of water with a 14km pipeline, carries the crude oil to a dedicated stabilisation processing plant at Arrowsmith with a production capacity of 15,000bopd. The crude oil is trucked 350km to BP in Kwinana. The Arrowsmith stabilisation processing plant has the capacity to process third party crude.

REVIEW OF OPERATIONS (continued)

The remotely operated unmanned offshore platform has 5 production wells and 2 water injection wells. The two 14km, 250mm diameter pipelines connect the offshore platform to the onshore crude stabilisation plant. The facility operates on a closed loop water re-injection system.



The Asset Life Extension Program announced on 6 March 2018 provided investment into the ongoing upgrade of the onshore and offshore infrastructure to support future expected increases in oil production.

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 operation 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.

All environmental requirements (EIAs, EMPs, Oil Pollution Emergency Plans, carbon emissions reporting) are being met.

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

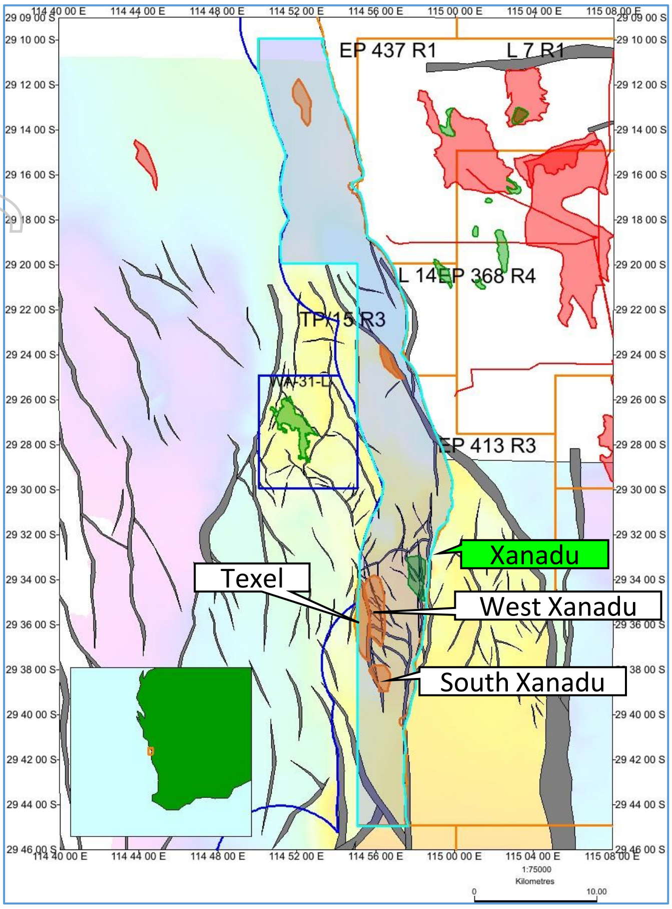
TP/15 Xanadu Joint Venture

Triangle has a 45% interest in the TP/15 Xanadu Joint Venture which is located in the Perth Basin about 300 kms north of Perth. The permit occupies the three nautical mile wide state territorial waters of Western Australia, adjacent to Port Denison, and covering an area of 645km^2. Norwest Energy NL (**Norwest**; ASX:**NWE**) is the Operator of the Joint Venture.

The permit contains the Xanadu oil discovery. Xanadu-1 was spudded on 4 September 2017, and the well reached a total depth of 2035 MDRT, when it was confirmed that the Xanadu-1 well intersected hydrocarbon bearing reservoirs demonstrated by elevated gas readings, oil shows, fluorescence and cut-fluorescence whilst drilling. On 25 September 2017, Triangle announced that an oil discovery at Xanadu-1 was confirmed. This was an outstanding achievement and the first oil discovery in the offshore Perth Basin since Cliff Head more than 15 years ago. Analysis of the oil recovered from Xanadu-1 samples show a yield of 34.7^o API crude oil with no H2S and extremely low levels of CO2 (0.02%), similar to that produced at Cliff Head Oil Field.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)



A 40km^2 Xanadu 3D Transition Zone seismic survey was completed in July 2019 over the Xanadu structure, and was designed to fully delineate the 2017 Xanadu-1 oil discovery, focusing on the northern updip region, and the southern downdip region extending out to the western flank of the structure. Xanadu was drilled based on very limited 2D seismic coverage, insufficient to provide the high-resolution subsurface model required to guide future appraisal drilling.

The Xanadu 3D seismic survey was acquired during June and July 2019 to evaluate the extent and resource potential of the Xanadu structure and evaluate appraisal well locations. The results of the Xanadu 3D seismic data, along with the well data, suggests that commercial potential of the Xanadu discovery may be limited.

The recovery of moveable oil in the Xanadu-1 well is very encouraging for TP/15. It indicates that an oil charge is present south of the Cliff Head. Significant exploration potential remains in TP/15 with the West Xanadu and in the Texel leads, located some 10km to the southwest of Xanadu- 1, where reservoir quality is expected to improve. Texel is a Permian oil play, targeting the High Cliff Sandstone which hosts the prolific gas discoveries onshore, on the other side of the Beagle Ridge. Additional oil potential exists in the Dongara Sandstone and Irwin River Coal Measures, the latter being the reservoir at the Cliff Head oil field.

Additional seismic coverage is required to progress Texel and West Xanadu to drillable status. The company is actively reviewing the opportunity to cost effectively combine seismic acquisition in TP/15 along with planned data acquisition in the adjacent WA-481-P to mature these leads for drilling.

Final Joint Venture interests

JV Participant	ASX Code	Percentage Interest
Norwest (via subsidiary) (Operator)	ASX:NWE	25%
Triangle (Global) Energy Ltd (via subsidiary)	ASX:TEG	45%
3C Group IC Limited (via subsidiaries)		30%

Acquisition of 78.75% of WA-481-P and Formation of Joint Venture

On 9 November 2020, the Company was pleased to advise it had entered into an agreement with Pilot Energy Limited (**Pilot**) to acquire a 78.75% interest in offshore Perth Basin exploration permit WA-481-P covering 8,605km2. WA-481-P is located immediately adjacent to, and contiguous with, the Triangle owned and operated offshore Cliff Head Oil Field.

Triangle has entered into a binding agreement with Pilot to acquire a 78.75% interest in, and operatorship of, WA-481-P, with Pilot retaining a 21.25% non-operated working interest in the permit.

On 11 May 2021, Triangle and Pilot announced that they had entered into the WA-481-P joint venture agreement, the Cliff Head Wind and Solar joint venture agreement, Cliff Head access deed and Cliff Head Wind and Solar access deed, with the remaining conditions to be satisfied before the transaction completes relating to the regulatory approval, including in relation to the transfer of Key Petroleum's interest in WA-481-P to Pilot, and Murphy Oil's consent to the transfer (holder of a Net Profit Interest over WA-481-P).

REVIEW OF OPERATIONS (continued)

As consideration for the acquisition, Triangle will:

(i) Pay Pilot $300,000 at completion; and

(ii) Carry Pilot's 21.25% share of costs for the first 3 years of the WA-481-P minimum work program (up to a maximum of $1.22 million based on the current minimum work program).

The Company is the majority owner (78.75%) of Cliff Head Oil Field (located in the Offshore Production Licence WA-31-L) and the onshore Arrowsmith Separation and Processing Facilities. During the reporting period, Pilot acquired Royal Energy Pty Ltd, which holds an effective 21.25% interest in the Cliff Head Oil Field through its ownership of 50% interest in Triangle Energy Operations Pty Ltd (TEO), the operator and owner of 42.5% joint venture interest in the Cliff Head Oil Field.

Upon completion of the sale of the majority 78.75% interest in and transfer of operatorship of WA-481-P, Pilot and Triangle will have created substantial alignment through the newly created WA-481-P Joint Venture and the existing Cliff Head Oil Field Joint Venture (in which Pilot acquired an effective 21.25% interest upon the completion of the Royal Energy Acquisition on 1 June 2021).

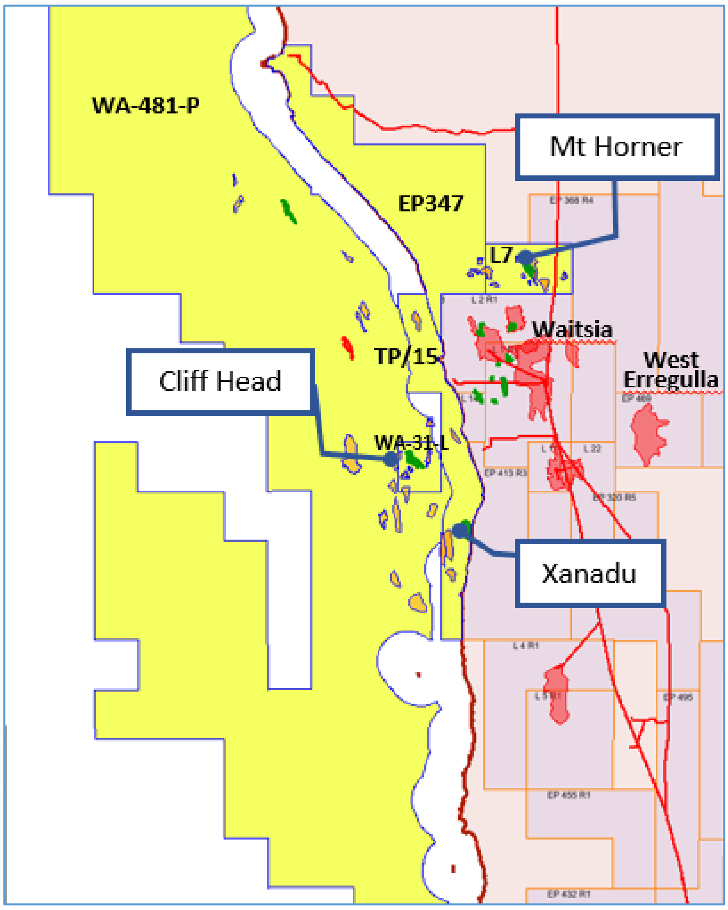
Offshore Exploration Permit WA-481-P Minimum Work Program (100%)				
Year	**Permit Year Starts**	**Permit Year Ends**	**Minimum Work Requirements**	**Indicative Expenditure $A**
1-3	13/08/2020	12/08/2023	2000 km 2D PSDM reprocessing	200,000
			Geological and geophysical studies	150,000
			350 km2 new 3D seismic acquisition and PSDM processing	5,000,000
			200 km new 3D seismic acquisition and PSDM processing	400,000
4	13/08/2023	12/08/2024	Geological and geophysical studies	150,000
			Well planning	300,000
5	13/08/2024	12/08/2025	Drill one exploration well	15,000,000

Triangle has agreed that Pilot's share in any oil and gas discoveries in WA-481-P will be developed and produced through the Cliff Head Oil Field facilities and that Pilot will have access to these facilities on the same basis as Triangle (subject to market standard terms).

The WA-481-P permit contains numerous leads and prospects located within close proximity to the Cliff Head Alpha Production Platform. As part of the definitive agreement to acquire the majority interest in WA-481-P, Triangle has also agreed that the work program to be conducted in the permit will be directed in the defined area around Cliff Head covering these numerous previously identified leads and prospects.

This area is considered highly prospective for oil as evidenced by the Cliff Head oil field and the Xanadu oil discovery. Several leads are mapped in this area which require further definition with seismic acquisition. Any discovery that could arise from these leads could potentially be developed through the Cliff Head infrastructure.

The wider WA-481-P area is also highly prospective for oil and gas. Triangle will evaluate and develop the greenfield exploration potential of this very large permit which lies on the eastern margin of the Abrolhos Sub-basin, a proven source kitchen. Development of the Dunsborough oil and gas discovery will also be further investigated. Triangle and Pilot will enter into a conventional offshore oil and gas joint operating agreement covering the establishment of the joint venture managing the permit and the operatorship of the permit with Triangle as the operator. Under these arrangements, Pilot will be designated the operator's representative in connection with all matters relating to the interface with any potential offshore wind development affecting the WA-481-P permit area.



Triangle Perth Basin Permits

Sale and Purchase Agreement with Key Petroleum Limited - Production Licence L7(R1) and Exploration Permit 437

On 31 October 2018, Triangle announced that it had entered into a Farmout Agreement with Key Petroleum Limited (**Key**) (**ASX:KEY**) to acquire a 50% participating interest in Production Licence L7(R1). Key is the operator of the joint venture. A wholly owned subsidiary of Triangle holds the relevant interest earned under the Farmout Agreement.

On 29 January 2021, the Board of Directors was pleased to announce that the Company had entered into a Sale and Purchase Agreement (**Agreement**) and Royalty Deed (**Royalty Deed**) with subsidiaries of Key Petroleum Limited (ASX:**KEY**) to acquire Key Petroleum (Australia) Pty Ltd's (**Key Petroleum**) 50% participating interest in Production Licence L7(R1) (**L7**) and Key Petroleum and Key Midwest Pty Ltd's (**Key Midwest**) combined 86.94% interest in Exploration Permit EP 437 (EP 437) (together, **the Acquisition**). A wholly owned subsidiary of Triangle will hold the relevant interests acquired under the Agreement and Pilot Energy Limited (**Pilot**) holds the remaining 13.06% interest in EP 437.

The Company reviewed the Prospects and Leads portfolio within L7 during the second quarter of 2021 and reported its assessment of the Prospective Resources in L7 on 20 August 2021. Historical well results in the area were reviewed in detail, an up-to-date petrophysical analysis of the wells was undertaken, and the mapping performed by KEY, as Operator of the L7 Joint Venture also reviewed.

REVIEW OF OPERATIONS (continued)

Summary of the key terms of the Agreement and Royalty Deed

Completion of the Agreement is conditional on usual regulatory approvals and execution of a deed of covenant in respect of the EP 437 JOA. Under the terms of the Agreement:

- Triangle will pay to Key a cash consideration of A$600,000 ($A200,000 was payable as a non-refundable deposit), any outstanding cash calls in respect of L7 based on an agreed work program and budget plus a 5% gross overriding royalty payable on production from L7 and EP 437;
- Subject to Completion occurring, the existing Farmout Agreement between Triangle and Key in relation to the L7 licence at Mt Horner, the execution of which was announced on 31 October 2018, will terminate and the parties will release each other from all claims and liabilities in respect of L7 and the Farmout Agreement, except in relation to certain rehabilitation work undertaken by Key Petroleum prior to execution of the Agreement, including any disputes in respect of the Farmout Agreement (refer announcement by TEG on 4 August 2020); and
- TEG is guaranteeing the performance by the Triangle subsidiary acquiring the interest under the Agreement and the Royalty Deed.

Subsequent to the end of the financial year, Key and Triangle agreed to extend the proposed Cut Off date for the Agreement to 30 September 2021 and Triangle agreed to make another non-refundable payment of $200,000 which is part of the cash consideration of $600,000.

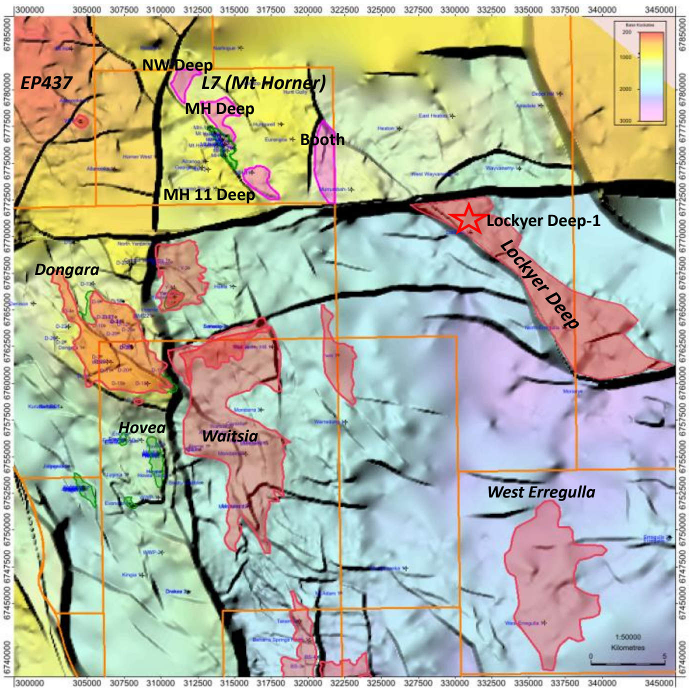
Triangle has agreed to assume all of Key's ongoing work program commitments within EP 437, which now requires the acquisition of 20 square kilometres of 3D seismic and the drilling of one well prior to the end of Year 3 of the permit term on 27 May 2022 with a second discretionary well due by the end of the permit term on 22 May 2023. The terms of the original Farmout Agreement for L7 are removed, allowing Triangle to acquire a much larger 3D survey across the area, which will also tie into the existing Irwin 3D survey to the south and extend into EP 437 to the west. The primary aim of the larger 3D is to provide a near complete coverage of the Bookara Shelf hydrocarbon fairway. The terms of the Sale and Purchase Agreement require Triangle to assume all ongoing liabilities associated with L7 and EP 437 upon completion of the sale.

The Company reviewed the Prospects and Leads portfolio within L7 during the second quarter of 2021 and reported its assessment of the Prospective Resources in L7 on 20 August 2021, subsequent to the end of the reporting period. Historical well results in the area were reviewed in detail, an up-to-date petrophysical analysis of the wells was undertaken, and the mapping performed by Key, as Operator of the L7 Joint Venture also reviewed.

A substantial portfolio of some 18 oil opportunities and 4 gas leads were confirmed from the review and are provided in Table 2 below. These prospects and leads will be evaluated for drilling with the Bookara 3D seismic survey that is planned to be acquired in December 2021/January 2022.

The oil targets in L7 range from low-risk Mt Horner field attic/infill wells, Lower Jurassic exploration (Eneabba and Lesueur Formations), moderate risk Dongara Formation exploration, and higher risk Permian (Irwin River Coal Measures, Kingia and High Cliff sandstones) exploration. The Dongara Formation targets, are coeval to the highly productive reservoirs in the Hovea, Jingemia and Eremia oil fields to the south.Gas exploration targets in the Permian, at the same geological level as the Waitsia, West Erregulla and Beharra Deep fields and the recent nearby Lockyer Deep discovery in the adjacent exploration permit, initially identified by Key Petroleum are also confirmed. The Booth and MH11 Deep structures lie adjacent to the Locker Deep discovery and the gas fairway to the south and are well positioned for gas migration from the south.

Detailed planning for the Bookara 3D seismic survey is progressing. The survey design was finalised and the Joint Venture is working through the land access and approval processes with acquisition planned to follow the harvest season in Dec 2021/Jan 2022. The Company has commenced a farmout campaign and has opened an online data room with several companies evaluating the opportunity.



Regional Permian structure showing Permian gas Leads

Investments

State Gas Limited (ASX: GAS)

Triangle is the major shareholder of State Gas Limited (**State Gas**) (**ASX:GAS**) with an approximately 27.67% holding as at 30 June 2021 (23.96% subsequent to the end of financial year) .

State Gas now holds 100% majority 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 Central Queensland. The permit hosts both conventional and unconventional gas and is less than 50 km from the high-pressure gas pipeline network in Queensland. It is also the holder of Authority to Prospect 2062 ("Rolleston-West"), a 1,414 square kilometre permit that is contiguous with Reid's Dome Gas Project.

The following developments occurred during the financial year ending 30 June 2021:

Reid's Dome Gas Project

- State Gas announced on 11 September 2020 that gas flow rates at its Nyanda-4 and Serocold-1 wells continued to build, with the Nyanda-4 well flowing gas at 128 mscf per day. Gas production at the Serocold-1 well also experienced an increase. Water production at both wells remained low.
- On 1 October 2020, State Gas announced it was well-positioned to commence Phase 2 drilling. The Phase 2 campaign is to obtain additional data to secure a significant certified reserves booking and enable field development planning and infrastructure design for early commercialisation of the Nyanda area. Phase 2 of the program will involve drilling and production testing of at least four step out wells from Nyanda-4, with the possibility of two optional additional wells to further delineate gas resources across PL 231.
- On 15 December 2020, the first well (Nyanda-7) in the Phase 2 exploration and appraisal program for the Reid's Dome Gas Project (PL 231) was spudded. Approximately 2.6 km north of the Nyanda-4 well, the Nyanda-7 well was drilled as a step out well to Nyanda-4. The drilling reached the Target Depth of 1212m on 19 December 2020.
- On 24 December 2020 State Gas announced that further evaluation of the Nyanda 7 coal seam gas well logs indicated 38.2m net coal using parameters determined from Nyanda 4 core and desorption data. The net coal and seam thicknesses and good quality gas are similar to those encountered in Nyanda 4. Borehole image data indicated numerous open natural fractures intersecting the coal seams in Nyanda 7.
- Before the end of 2020, Nyanda-8 was spudded and drilling reached the targeted Total Depth of 1200 metres. Wireline logs indicated the well has intersected 19.7m net coal with open fractures apparent on the image log, exhibiting good potential for CSG production. All three wells (Nyanda-7, Nyanda-4 and Nyanda-8) have intersected good quality coals, with seams of similar thicknesses and depths, confirming the widespread presence of gas-bearing coal seams and significant net coal within the Nyanda Focus Area.
- With the encouraging results in the Nyanda area, State Gas embarked on production testing of the wells, commencing with the Nyanda-4 on 19 January 2021. Nyanda-7 was placed on production test on 25 January 2021. It commenced producing gas on 1 February 2021 with a performance analogous with the successful Nyanda-4 well. Dewatering at Nyanda-8 also commenced on 30 January 2021.
- On 18 February 2021, State Gas announced that gas production at Nyanda-4 continued strongly with growth in the production rate showing consistency with prior testing of the well. At that time, current rates were around 100,000 cubic feet a day which is ahead of the previous comparable production tests. On 16 March 2021, Nyanda-4 produced exceptional results producing 620,000 cubic feet in the previous 24 hours. Nyanda-7 was experiencing strong water recharge, indicating good permeability, although slowing the progress in reducing downhole pressures aimed at accelerating gas production. Nyanda-8 gas flows continued to build, producing 31,000 cubic feet per day in the last 24 hours.
- On 16 April 2021, State Gas announced the completion of the Serocold-1 well workover. The workover cleaned out the section below the previous pump depth and installed a liner which enabled the down-hole pump to be set 330m lower than the previous level. Early indications suggested that the deeper coals were providing increased waterflow which is generally associated with better permeability.
- Nyanda-4 well has produced exceptional results, with gas production reaching over 700,000 cft/day as natural fractures were intersected in the well, after which production resumed at the economic rate of around 100,000 cft/day. Production has gradually increased and it was expected that the consistent build up will confirm the rate at which gas will be produced from the natural matrix of the coal. Nyanda-7 and Nyanda-8 were also slowly increasing with Nyanda-8 expected to pass the economic threshold in due time.
- On 24 June 2021, State Gas announced that Production Log Testing (PLT) at Nyanda-4 has confirmed that in addition to gas production from coal seems between 400m and 1000m, gas is being successfully produced at depths below 1150m.

REVIEW OF OPERATIONS (continued)

Rolleston-West

- State Gas has undertaken a planning for an initial gas well to be drilled within new acreage awarded to the Company in the recent Queensland Petroleum Land Release - proposed Rolleston-West. The proposed well, to be named Rougemont-1, is to investigate the highly-prospective and well-understood Bandanna coals in the eastern region of the acreage. The Rougemount-1 well will facilitate down-hole logging to determine coal thickness and depth of seams, along with permeability testing of seams. Rougemount-1 will be strategically located within Rolleston-West to be close to State Gas' proposed northern route option for the export pipeline from PL 231 (Reid's Dome).
- On 17 May 2021, State Gas commenced drilling the first well in its Rolleston-West Gas Project (ATP-2062) -Rougemont-1. Rougemont-1 is the first of two wells to be drilled to evaluate the highly prospective Bandanna coals. The Bandanna Formation is well established as a host of commercially viable coal seam gas, producing at the Arcadia Valley (Santos/GLNG) and under development at Mahalo (Comet Ridge/Santos APLNG) at similar distances to the south-east and north-east of ATP 2062, respectively.
- On 24 May 2021, State Gas announced that well logs at Rougemont-1 confirmed the intersection of 8 metres of net coal, hosted in a number of seams, with the thickest seam measuring approximately 2.2 metres. The top coal was intersected at 495 metres depth which correlates with the coals in the Arcadia Valley and Mahalo. In the same month, State Gas announced the spud of Rougemont-2, the second well in the Rolleston-West Gas Project (ATP-2062). Rougemont-2 is targeting the highly prospective gas-bearing Bandanna Formation coal measures on the eastern flank of the south-plunging Consuelo Anticline. The coals in this location are shallower than at Rougemont-2 and will provide valuable information about the coal seam gas potential at a range of depths with the project area.
- On 7 June 2021, State Gas announced that Rougemont-2 intersected gas-bearing Bandanna coal measures very similar to those in Rougemont-1 well. The strong correlation of the results validates the hypothesis that the extensive Bandanna Formation hosts significant volume of gas. Both Rougemont wells intersected approximately 8 metres of net coal. Gas was observed bubbling from the coal samples taken from both wells, and field values for the gas content of the coals from both are similar. These similarities between the results from the wells suggest good consistency across the Bandanna coal measures at a range of depths.
- On 9 June 2021, Rougemont-2 test results confirmed a new Bandanna coal seam gas (CSG) play. Analysis of drill-stem test data confirmed excellent permeability. Initial Rougemont gas analysis indicated near-pipeline quality gas. Field values of gas content of the coals indicate the laboratory-determined numbers should exceed the threshold for commercial volumes.

Contingent Resources

The Company's 2C Contingent Resources at 30 June 2021 are assessed to be 2.97 MMstb. The Company's Contingent Resources all lie within the Cliff Head production licence WA-31-L, which is held at 78.75% equity. The Contingent Resources were reported to the ASX on 15 March 2021.

Net TEG (78.75%) Contingent Resources			
(MMstb Oil)	1C (Low)	2C (Best)	3C (High)
SE Nose	0.39	0.64	0.98
West High		0.83	1.53
West Flank		0.62	
Far North		0.32	
Cliff Head Field Life Extension		0.55	
Total TEG Share		**2.97**	

- ***Triangle Contingent Resources at June 30 2021***

Prospective Resources

The company has developed an extensive portfolio of prospects and Leads within its permits and licences. The Prospective Resources* for WA-31-L were previously reported to the ASX on 15 March 2021 and for L7 on 20 August 2021 subsequent to June 30 2021 and are provided in Table 2 below.

REVIEW OF OPERATIONS (continued)

WA-31-L (Cliff Head) Best Estimate Prospective Resources		Gross (100%)	Net TEG (78.25%)	Risk	Status
Oil Prospect/Lead	**Objective**	**MMstb**	**MMstb**		
Mentelle Updip	Irwin River Coal Measures	5.4	4.3	Moderate	Prospect
Catt	Irwin River Coal Measures	0.8	0.6	Moderate	Prospect
South Cliff Head	Irwin River Coal Measures	3.0	2.3	Moderate	Lead
Total		**9.3**	**7.3**		

L7 (Mt Horner) Oil: Best Estimate Prospective Resources* (MMstb)		Gross (100%)	Net TEG (50%)	Risk	Status
Oil Prospect/Lead	**Objective**	**MMstb**	**MMstb**		
Mount Horner 9_10 Updip	Jurassic	0.2	0.1	Low	Prospect
Mount Horner 12_14 Updip	Jurassic	0.2	0.1	Low	Prospect
Mount Horner Hanging Wall	Dongara	3.1	1.6	Moderate	Prospect
Mount Horner South (MH6 Updip)	Jurassic and Dongara	0.8	0.4	Low	Prospect
Mount Horner 11 Updip	Jurassic	1.5	0.7	Moderate	Prospect
Mt Horner 11 Deep	Dongara	0.7	0.4	Moderate	Prospect
Arranoo Updip	Dongara	1.4	0.7	Moderate	Prospect
Becos L7	Kingia/High Cliff	1.4	0.7	Moderate	Lead
WhatNot	Kingia/High Cliff	2.2	1.1	Moderate	Lead
Delilah Hanging Wall	Jurassic	0.2	0.1	Moderate	Lead
Delilah Footwall	Dongara	1.6	0.8	High	Lead
Longhorn	Dongara	4.2	2.1	Moderate	Lead
Booth	Jurassic and Dongara	4.5	2.2	Moderate	Lead
Hinkley A	Dongara	2.1	1.0	High	Lead
Hinkley South	Dongara	0.4	0.2	Moderate	Lead
Arranoo Sandstone	Arranoo				Concept
Hunstwell Trend	Kingia/High Cliff				Concept
Mount Horner Footwall	Kingia/High Cliff				Concept
Total		**24.5**	**12.2**		

L7 Gas Targets: Best Estimate Prospective Resources*		Gross (100%)	Net TEG (50%)	Risk	Status
Gas Prospect/Lead	**Objective**	**bcf**	**bcf**		
Mt Horner Deep Gas	Kingia/High Cliff	28	14	High	Lead
MH11 Deep gas	Kingia/High Cliff	25	12	High	Lead
Booth Deep Gas	Kingia/High Cliff	89	44	High	Lead
NW Deep Gas	High Cliff	24	12	High	Lead
Total		**165**	**83**		

Table 2 - Best Estimate Prospective Resources of Triangle's WA-31-L and L7 exploration portfolio

*The estimated quantities of petroleum that may potentially be recovered by the application of a future development project that relate to undiscovered accumulations. These estimates have both an associated 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 moveable hydrocarbons

REVIEW OF OPERATIONS (continued)

Notes Regarding Contingent and Prospective Resources

1. The Company prepares its Contingent Resources and 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 of Petroleum Contingent Resources are reported as at 30 June 2021.
3. Contingent Resources reported in the above table are net to Triangle's (78.75%) equity in the Cliff Head Production Licence WA-31-L. The Company is Operator of WA-31-L.
4. Contingent Resources have been prepared using deterministic and probabilistic methods. The SE Nose Contingent Resources were determined probabilistically and incorporates a range of reservoir uncertainties. Contingent Resources for the remaining opportunities were evaluated deterministically.
5. The estimates of Prospective Resources in WA-31-L are reported as at 30 June 2021 and the Prospective Resources in L7 are reported as at 18 August 2021, subsequent to 30 June 2021.
6. The Prospective Resources lie within the Cliff Head Production Licence WA-31-L and Mount Horner Production Licence L7 (R1).
7. Triangle holds a 50% interest in L7 (R1), and subject to completion of the agreement with KEY, will increase its equity to 100% of L7 (R1). Gross Prospective Resources are attributed to 100% joint venture interest in L7 (R1)1. Net Prospective Resources are attributed to Triangle's existing 50.00% net interest in L7 (R1).
8. Triangle holds a 78.75% interest in the Cliff Head production licence WA-31-L. Gross Prospective Resources are attributed to 100% joint venture interest in WA-31-L. Net Prospective Resources are attributed to Triangle's existing 78.25% net interest in WA-31-L.
9. The Prospective Resources in L7 were estimated using the deterministic method. In WA-31-L, the Prospective Resources for Mentelle and Catt prospects were evaluated using the probabilistic method and for South Cliff Head using the deterministic method.

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in this report regarding the Triangle Energy Reserves and Contingent Resources is based on, and fairly represents, information and supporting documentation reviewed by Mr Matt Fittall who is a full-time employee of Triangle Energy (Global) Ltd holding the position of Subsurface Manager, holds a Bachelor of Science (Hons), is a member of the Petroleum Exploration Society of Australia, is qualified 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.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Corporate

Capital Raisings

Placement of Shares to Sophisticated and Professional Investors

On 27 August 2020, the Company announced a funding initiative to raise gross proceeds of up to approximately $3.2 million by way of a share placement to professional and sophisticated investors and share purchase plan (**SPP**). Funds raised under the share placement and SPP were applied towards workover planning and long lead equipment purchases for production wells CH6, CH7 and CH10, planning and initial tabletop activities for South East Nose, West High and Mentelle drilling campaigns and general working capital.

The Company was pleased to advise that it had successfully received AU$2.2 million (before costs) from professional and sophisticated investors who subscribed for approximately 73 million new ordinary shares at AU$0.03 per new share (**Placement**). The 73,346,667 new shares representing approximately 17% of the share capital of the Company, which had 434,100,349 ordinary shares on issue. 21,037,383 of the Placement shares were issued under the Company's 10% placement capacity under ASX Listing Rule 7.1A, and the remaining 52,309,284 Placement shares were issued under the Company's remaining 15% placement capacity under ASX Listing Rule 7.1.

The issue price of AU$0.03 per share was an 18% discount to the 5-trading day VWAP, 9.5% discount to the 15-trading day VWAP prior to the date of the announcement and a 23% discount to the closing price of the Company's shares on 21 August 2020. The Company issued the shares under the Placement on 4 September 2020. The Placement was company-led and supported by Fresh Equities Pty Ltd who provided a cornerstone bid for the offer. There were no underwriting arrangements entered into for the Placement. A fee of 6% of all funds raised were paid to advisors who assisted in the Placement.

Share Purchase Plan

On 4 September 2020, the Company launched the Share Purchase Plan (SPP) to raise up to approximately AU$1 million (before costs) via the issue of Shares at an issue price of AU$0.03 per Share.

The SPP enabled existing eligible shareholders, irrespective of the size of their holding, to participate in the capital raising at the same issue price as the Placement, and not incur any brokerage or transaction costs.

Eligible shareholders, being those holders of Shares with an address in Australia or New Zealand as at 5.00pm (WST) on 26 August 2020, had the opportunity to apply for up to AU$30,000 worth of new Shares in the Company. The Shares issued under the SPP ranked equally with existing Shares of the Company.

Initially, the maximum gross amount raised under the SPP was capped at a total of AU$1,000,000, however the Company reserved the right to change this cap at its discretion by announcement to ASX. Each applicant was to be treated equally and scaled back on a pro rata basis.

On 15 September 2020, the Board extended the closing date of the SPP to 2 October 2020 and on 7 October 2020, subsequent to the end of the quarter, the Board was very pleased to announce the successful completion of the SPP.

The Company received SPP applications totalling $4,934,000 and the Board exercised its absolute discretion in accepting all valid oversubscriptions to the maximum threshold permitted under ASX Listing Rule 7.2 Exception 5 (being up to 30% of the Company's issued capital) and pursuant to the terms and conditions of the Company's SPP. Therefore, the total amount raised under the SPP was $3,906,903, representing 130,230,084 Shares.

All applications received over and above this threshold were scaled back on a pro rata basis and the monies refunded to shareholders.

Net proceeds raised from the SPP were used towards the workover program for CH6 and CH7, the continued development of the Company's drilling prospects and for general working capital.

Further Placements of Shares to Sophisticated and Professional Investors

On 29 January 2021, the Company announced that it had received binding commitments under a Placement to raise A$1.19 million (before costs) from professional and sophisticated investors who subscribed for 56,433,043 new ordinary shares at an issue price of A$0.021 per new share.

The funds raised pursuant to the Placement was to be applied towards the cash consideration payable to Key pursuant to the Acquisition, also announced on 29 January 2021, the work program for Mt Horner and EP 437, and general working capital.

The issue price of A$0.021 represented a 21.36% discount to the 15-trading day VWAP.

The Placement shares were issued under the Company's 10% placement capacity under ASX Listing Rule 7.1A.

On 17 June 2021, the Board was pleased to announce that it had received firm commitments for $10 million in a placement to new and existing sophisticated, institutional and professional investors. There was tremendous interest shown in this placement along with the recognition of the Company's Perth basin expansion strategy and its significant investment in ASX listed gas exploration and development company State Gas Limited.

The Company appointed CPS Capital Group Pty Ltd (**CPS**) to act as lead manager and broker to this successful capital raising.

Under the terms of the placement, the Company agreed to issue up to 454,545,455 fully paid ordinary shares in the capital of the Company (Shares) to sophisticated and professional investor clients of CPS at an issue price of $0.022 per Share together with one (1) free attaching option exercisable at $0.035 per option with a two-year term from the date of listing (**Options**) for every two (2) Shares subscribed for and issued, to raise up to $10 million before costs (Placement).

The Placement was conducted in two tranches with 80,649,566 Shares issued under Tranche 1 utilising the Company's available capacity under ASX Listing Rule 7.1.

Upon completion of Tranche 1 of the Placement, the 80,649,566 new Shares represented approximately 11.5% of the Share capital of the Company, which then had 701,413,047 ordinary shares on issue.

The Placement shares were issued 29 June 2021.

The issue of the balance of the Shares and all of the free-attaching Options (in respect of both Tranche 1 and Tranche 2) occurred in Tranche 2. The issue of the Shares the subject of Tranche 2 and the issue of all of the Options was subject to the Company obtaining shareholder approval for their issue pursuant to ASX Listing Rule 7.1.

Directors of the Company (or their nominees) participated in Tranche 2 of the Placement for approximately $120,000 upon receipt of necessary shareholder approvals.

All shareholder approvals were obtained at a General Meeting of the Company held on 28 July 2021, subsequent to the end of the reporting period.

CPS was paid a management fee of 2% and a placing fee of 4% of the funds raised under the Placement. CPS was also issued 135,000,000 options as partial consideration for services in association with the Placement and assistance in relation to the issue of the Entitlement Options. CPS will also be paid a monthly corporate advisory fee of $6,000 for a period of at least 12 months following execution of the lead manager mandate.

The capital raising was successfully completed on 4 August 2021.

Non – Renounceable Entitlement Offer

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 will have an exercise price of $0.035 each and an expiry date of 4 August 2023.

Pursuant to the Entitlement Offer, the Company was to issue to 310,381,741 New Options to raise up to approximately $310,000 (before costs).

The Entitlement Offer was available to all shareholders (Shareholders) registered on the record date on 28 June 2021 (Record Date) whose registered address is in Australia or New Zealand (Eligible Shareholders).

REVIEW OF OPERATIONS (continued)

Purpose of the Entitlement Offer

Funds raised from the issue of the New Options are being used for the costs of the Entitlement Offer and for general working capital. Funds raised from the exercise of the New Options (if any) will be used towards continued development of the Company's existing projects and for general working capital.

CPS Capital Group Pty Ltd (**CPS / Underwriter**) agreed to fully underwrite the Entitlement Offer.

Pursuant to the Underwriting Agreement, the Company agreed to pay the Underwriter (or its nominee/s) an underwriting fee of 6% (exclusive of GST) of the total amount raised under the Offer.

Subsequent to the end of the reporting period the Entitlement Offer closed on 28 July 2021 and the Company was pleased to announce that it had received valid applications for 150,276,755 Options pursuant to eligible shareholders' entitlements, raising a total of $150,278 and leaving a shortfall of 160,104,833 Options.

On 11 August 2021, 160,104,833 options Shortfall Options were issued on the same terms as the Quoted Options offered under the Entitlement Offer (including the issue price).

Pase PSC

Enso Asia Inc.

Triangle was owed US$1.02 million, held in escrow, in relation to the Sale and Purchase Agreement of the Pase Production Sharing Contract (PSC) by Enso Asia Inc. which completed in February 2016. The US$1.02 million held under contract, was to be released to Triangle after the Indonesian Ministry of Energy and Resources (ESDM) or Special Unit for Upstream Oil and Gas Operations (SKKMIGAS) provided written approval of the Change of Control of the Pase PSC.

On 3 August 2020, Triangle initiated a formal communication to Enso Asia with regard to the withdrawal of the US$1.02 million. In the notice sent to Enso, the Company reiterated its position that based on Article 8 of Regulation 48/2017 by the Minister of Energy and Resources, the only requirement for an indirect change of control is a notification in writing to the Minister.

On 2 December 2020, the Company advised it had commenced arbitration proceedings against PT Enso Asia by filing a Notice of Arbitration with the Singapore International Arbitration Centre over unpaid consideration from the Company's sale of its Indonesian asset (Pase PSC) in 2016.

Subsequently, PT Enso Asia agreed to release the Escrowed Funds to the Company. On 21 January 2021, the Company received the funds in full and without any deduction. On the same day, the Company instructed its lawyers to withdraw the arbitration proceedings against PT Enso Asia.

Request for Arbitration from Perusahaan Daerah Pembangunan Aceh

On 6 March 2019, the Company advised shareholders that it had received a request for arbitration from former joint venture partner Perusahaan Daerah Pembangunan Aceh (**PDPA**), an Acehnese government - owned company, with PDPA filing an application for arbitration with the BANI Arbitration Centre located in Jakarta.

The claim related to the Production Share Contract for the Pase Concession (in which the Company sold its interest in February 2016, as stated above), with PDPA alleging the Company did not comply with various obligations to make its corporate social responsibility contributions to a community development fund (as to approximately $1.1M) and to build a road (with PDPA claiming, on the basis of a quote, approximately $4.8M).

On 24 July 2020, the Company was pleased to announce the results of the award hearing in respect of the arbitration proceedings held in the BANI Arbitration Centre in Jakarta. The Tribunal found in favour of the Company, rejecting the claim of PDPA, in its entirety. The Tribunal also ordered PDPA to pay for the Company's arbitration costs of IDR490,303,550 (approximately AU$47,380).

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Capital and Management Expenditure

As at 30 June 2021, Triangle had a cash balance of AU$597,504. May 2021 lifting revenue of AU$1.3M was received on 1 July 2021.

The Company also holds a 50% equity interest in Triangle Energy (Operations) Pty Ltd. This investment is equity accounted for in the Company's financial statements.

The Company continues to implement initiatives to reduce operating expenditure and has achieved significant cost reductions across all aspects of the Cliff Head joint venture without sacrificing safety.

Subsequent to the end of the financial year, the Cliff Head JV was successful in returning CH6 to production and successfully completed the CH11WI slickline intervention which is anticipated to increase production.

COVID – 19

The Covid-19 Pandemic has had very minimal effect on the business during the year. Personnel and contractors are mostly residing locally and are not affected by travel restrictions. Most supplies and equipment are sourced within Western Australia and were unimpeded during the lockdowns.

Changes in Capital

Shares and Options

- On 4 September 2020 the Company issued 73,346,667 fully paid ordinary shares at an issue price of $0.03 in a placement to sophisticated and professional investors.
- On 13 October 2020 the Company issued 130,230,084 fully paid ordinary shares at an issue price of $0.03 per share under a Share Purchase Plan.
- On 8 February 2021, the Company issued 56,433,043 fully paid ordinary shares at an issue price of $0.021 in a placement to sophisticated and professional investors.
- On 8 February 2021, the Company issued 4,000,000 unlisted options at $0.03 expiring on 8 February 2022 to the Lead Manager of the placement.
- On 29 June 2021, the Company issued 80,649,566 fully paid ordinary shares at an issue price of $0.022 in a placement to sophisticated and professional investors.

Loan and borrowings

The Company considers loans to be part of its capital management. The Company has two loan agreements with Triangle Energy (Operations) Pty Ltd with a net receivable balance of AU$923,633.

Shareholder Analysis

As at 30 June 2021 the Company had 1820 shareholders and 701,413,047 shares on issue. The Top 20 shareholders held 38.35% of the total issued capital.

Information in relation to ASX Listing Rule 5.4.3

At 30 June 2021, the Company held:

Licence	Percentage Interest
WA-31-L	78.75%
TP15	45%
L7(R1)	100%*
EP437	86.96%*
WA-481-P	78.75%*

The Group has not acquired or disposed of any other tenements during the financial year.

*Subject to Completion of the relevant Sale and Purchase Agreements signed during the course of the 2021 Financial year.

REVIEW OF OPERATIONS (continued)

Principal Activities

During the year, the principal continuing activities of the Group was the sale of oil from its 78.75% share of the Cliff Head producing oil field.

Operating results

The net loss of the Consolidated Entity after income tax for the year was $3.932million (2020 net loss: $3.787million). The key reasons for the result for the year ended 30 June 2021 are set out below:

- The Company's revenue substantially reduced due to a significant decrease in selling price for the first part of the financial year and the closing of the Kwinana refinery from March 2021. This resulted in the gross profit falling by $3.49million compared to the previous year;
- The Company has adjusted its deferred tax asset for PRRT downward and recognised an income tax expense of $0.405million as a consequence of the reduction in the restoration provision;
- The Company had $1.07million of non-cash amortisation and interest (relating to the unwind of the discount factor on the rehabilitation provision);
- The Company undertook a review of its impairment indicators and recognised an impairment loss of $3.16million for the period; and
- The impairment was offset by a $3.56million other income item for the reversal of part of the provision for restoration.

Financial position

The Company has a 50% interest in the 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 both shareholders.

The Company holds an investment in State Gas Limited of approximately 27.67% as at 30 June 2021 (23.96% subsequent to the end of financial year). The investment is considered to be an associate given the Company's significant shareholding and one director on the board.

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 $1.81million to $0.58M (2020: $2.41million);
- Increase in trade receivables by $0.64million to $1.27M (2020: $0.63million);
- Decrease in trade and other payables by $0.25million to $3.41M (2020: $3.66million);
- Increase in other receivables by $1.17million to $2.12M (2020: $0.96million);
- Non-current assets decreased to $20.77million (2020: $24.38million); and
- Non-current liabilities decreased to $15.67million (2020: $22.39million).

At 30 June 2021 the Consolidated entity had a working capital surplus of $2.19million (2020: deficiency of $0.30million).

Dividends

During the financial year the Company did not pay a dividend (2020: nil).

Treasury Policy

The Board is responsible for the treasury function and managing the Group's finance facilities.

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 and activities are aligned with the risks and opportunities identified by the Board.

In July 2020, the Board conferred on the Audit Committee the responsibility and oversight of the Company's Risk Management, adopted a Risk Management Policy and amended the Audit Committee Charter to reflect these changes. The Audit Committee is therefore now referred to as the Audit and Risk Management Committee.

REVIEW OF OPERATIONS (continued)

Environmental Regulations

Occupational Health and Safety

The Consolidated Entity has an excellent safety record and focuses on safety awareness and safe work processes especially in the field. Occupational health and safety performance is continually monitored. Triangle Energy (Operations) Pty is the operator of the Cliff Head asset and works closely with the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) guidelines to monitor and approve safety practices.

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

Greenhouse gas and energy data reporting requirements

The National Greenhouse and Energy Reporting Act 2007 requires the group to report its annual greenhouse gas emissions use. The group has implemented systems and processes for the collection and calculation of the data required and will be submitting its 2020/2021 report to the Greenhouse and Energy Data Officer on 31 October 2021.

Human Capital Management

The Company values the contribution of its personnel in the attainment of business strategy. 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.

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. The Company also participated in the acquisition of a 3D seismic program with the TP/15 Xanadu Joint Venture.

Triangle continued to hold an investment in State Gas Limited which operates the Reid's Dome exploration asset in Queensland and holds an 100% interest in this permit.

Qualified Petroleum Reserves and Resources Evaluator Statement

Information in this report that relates to prospective resources has been reviewed and signed off by Mr Matt Fittall, the Company's Subsurface Manager. Information that relates to the prospective resources is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Fittall. He has provided his written consent to the form and context in which the information that relates to the reserves presented. Matt Fittall is a geologist and senior industry executive of over 30 years standing. He has a foundation of 25 years' experience in a range of technical, operational and management roles with major Operators, primarily BHP Billiton, and also Delhi Petroleum (now a subsidiary of Beach Energy). Mr Fittall is a Geologist BSc(hons)Geology with more than 30 years' experience, practising in Petroleum Geology. Mr Fittall is a member of the Petroleum Exploration Society of Australian (PESA). He consents to that information in the form and context in which it appears.

REMUNERATION REPORT (Audited)

This report outlines the remuneration arrangements in place for the key management personnel of **Triangle Energy (Global) Limited** (**Triangle**, **The Company**, **Consolidated Entity** or **The Group**) for the financial year ended 30 June 2021. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for key management personnel (**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 Company did not use a remuneration consultant during the year.

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

	30 June 2021	30 June 2020
Revenue from continuing operations	$6.66million	$12.3million
Net loss	($3.932million)	($3.787million)
Share price (cents)	$0.021	$0.033

Key Management Personnel

(i) Directors

Timothy Monckton	Non-Executive Chairman	(appointed Non – Executive Director 17 July 2018, appointed Non – Executive Chairman 21 March 2019)
Robert Towner	Managing Director	(appointed 9 July 2014)
Wai-Lid Wong	Non-Executive Director	(appointed 11 April 2018)
Malcolm King	Non-Executive Director	(appointed 1 June 2020)

(ii) Executives

Robert Towner	Managing Director	(appointed 9 July 2014)
Marvin Chan	Chief Financial Officer	(appointed 18 November 2019)
Lucy Rowe	Company Secretary and Chief Corporate Officer	(appointed Company Secretary 20 November 2017 / Chief Corporate Officer 1 November 2020)
Troy Brice	Chief Operating Officer	(appointed 23 February 2020 / resigned 14 August 2020)

Remuneration Philosophy

The Consolidated Entity'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 $72,000 per year and non-executive directors appointed after financial year 2018 are to receive $49,000 per year. On 1 May 2020 a 30% reduction in Non – Executive Directors' Fees was imposed by the Company in order to assist the Company navigate through the dual impacts of Covid-19 and the sharp drop in the oil price. The deferred fees were paid during the year and the 30% deferment is no longer in place as at the date of this report. 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.

(ii) Key management personnel

The objective of the Company's 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 ensures 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 not used to determine remuneration.

Base pay and benefits

Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the Board's discretion. Base pay is reviewed annually to ensure the executives' pay is competitive with the market. There are no guaranteed base pay increases included in any executives' contracts.

Incentive compensation

Incentive compensation can be provided using a combination of the Triangle Energy Employee Rights Plan and short-term cash payments.

The TEG Employee Incentive Scheme under the TEG Rights Plan (**the Plan**) are designed to provide incentives for executives to deliver shareholder returns. Under the plan, participants are granted Performance Rights which vest if certain performance hurdles are met and the employees are still employed by the group at the end of the vesting period unless the board determines otherwise. Participation is at the Board's discretion and no individual has a contractual right to receive any guaranteed benefits.

Where rights have been issued under the Plans, the Board may vest some or all of the Rights of a participant even if a performance condition or other vesting condition has not been satisfied.

The relative proportions of executive and applicable non-executive remuneration that are linked to performance is nil. The amount of fixed and at risk remuneration is set out below:

	Fixed Remuneration		**At risk - LTI**	
	2021	**2020**	**2021**	**2020**
Directors and Key Management Personnel of Triangle Energy (Global) Limited				
Robert Towner	89%	77%	11%	23%
Marvin Chan	91%	88%	9%	12%
Lucy Rowe	92%	-	8%	-
Troy Brice (resigned 14 August 2020)	100%	100%	-	-

There were no short-term incentives cash payments made to the employees during the period.

Service agreements

There are no retirement allowances or other benefits paid to non-executive directors.

Remuneration and terms of employment for other key management personnel are formalised in consultancy and employment agreements. The major provisions relating to remuneration to existing directors are set out below.

REMUNERATION REPORT (continued)

Robert Towner, Executive Director

- Term of agreement – indefinite;
- Base fee of $350,000;
- Superannuation of 9.5% is payable under the agreement;
- 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 with six months' notice, or by the executive with two months' notice.

Marvin Chan, Chief Financial Officer

- Term of agreement – indefinite;
- Base fee of $200,000;
- Superannuation of 9.5% is payable under the agreement;
- 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 with three months' notice, or by the executive with three months' notice.

Lucy Rowe, Company Secretary and Chief Corporate Officer

- Term of agreement – indefinite;
- Base fee of $180,000;
- Superannuation of 9.5% is payable under the agreement;
- 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 with three months' notice, or by the executive with three months' notice

Troy Brice, Chief Operations Officer (appointed 23 February 2020 / resigned 14 August 2020)

- Term of agreement – indefinite;
- Base fee of $325,000;
- Superannuation of 9.5% is payable under the agreement; and
  Performance based benefits may be payable under the agreement and may be linked to individual performance outcomes only.

Termination benefits

Post-employment benefits include accrued long service leave to Mr Towner, which is due and payable after three consecutive years of service. No other termination benefits are payable.

Employee Incentive Plan

The Company has the TEG Employee Incentive Scheme as part of the TEG Rights Plan approved by shareholders in November 2019 under which the Board of Directors are able to offer rights in respect of ordinary shares in the Company to eligible persons.

2020/21 KMP	Cash Salary & fees $	Cash benefits $	Non-cash benefits	Super-annuation $	Long Service Leave[3] $	Security-based payments[4] $	Total $	% of Remuneration linked to performance
R Towner	[1]350,000	-	-	33,250	19,240	[2]47,815	450,305	-
W Wong	[1]36,000	-	-	-	-	-	36,000	-
Malcolm King	[1]87,250	-	-	-	-	-	87,250	-
Marvin Chan	[1]200,000	-	-	19,000	-	[2]20,389	239,389	-
T Monckton	[1]72,000	-	-	-	-	-	72,000	-
Lucy Rowe[5]	[1]120,000	-	-	11,400	-	[2]9,552	140,952	-
Troy Brice[6]	37,917	105,243	-	13,261			156,220	
	903,167	105,243	-	76,911	19,240	77,756	1,182,317	-

[1] Amounts paid and payable.
[2] Performance rights issued on 19 November and 17 February and issued on 8 February 2021, refer to the share tables on the next page.
[3] Long service leave amounts calculated in accordance with AASB 119 with reference to the contracts.
[4] The annual value of performance rights in accordance with AASB 2 Share-based Payment.
[5] Mrs Rowe was appointed on 1 November 2020.
[6] Mr Brice resigned on 14 August 2020 and was paid a notice period.

2019/20 KMP	Cash Salary & fees $	Cash benefits[5] $	Non-cash benefits $	Super-annuation $	Long Service Leave[3] $	Security-based payments[4] $	Total $	% of Remuneration linked to performance
E Farrell[10]	[1]36,000	-	-	-	-	[2](37,950)	(1,950)	-
R Towner	[1]349,999	-	-	33,250	8,551	[2]114,382	506,181	-
D Bromley[5]	[1]209,580	175,000	-	29,371	84,000	-	497,951	-
W Wong	[1]36,000	-	-	-	-	-	36,000	-
J Peacock[6]	[1]27,866	-	-	-	-	-	27,866	-
Malcolm King[7]	[1]4,083	-	-	-	-	-	4,083	-
Marvin Chan[8]	[1]118,333	-	-	-	-	[2]17,559	147,134	-
Troy Brice[9]	[1]115,104	-	6,195	10,935	-	-	132,234	-
T Monckton	[1]72,000	-	-	-	-	-	72,000	-
	968,965	175,000	6,195	84,797	92,551	93,990	1,421,499	-

[1] Amounts paid and payable – directors and executives listed above agreed to a 30% deferment of fees for May and June.
[2] Performance rights issued on 19 November and 17 February and rights forfeited on 30 June 2020, refer to the share tables on the next page.
[3] Long service leave amounts calculated in accordance with AASB 119 with reference to the contracts.
[4] The annual value of performance rights in accordance with AASB 2 Share-based Payment.
[5] Mr Bromley resigned on 18 November 2019 and was paid all outstanding leave balances and six months' salary in lieu.
[6] Mr Peacock resigned on 11 March 2020.
[7] Mr King was appointed on 1 June 2020.
[8] Mr Chan was appointed on 18 November 2019.
[9] Mr Brice was appointed on 23 February 2020. Included in the package was the provision of a car which is noted as a non-cash benefit.
[10] Mr Farrell resigned on 30 June 2020 and the rights lapsed on this day.

Share-based compensation

The following rights have been issued during this period.

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 $
Directors of Triangle Energy (Global) Limited						
Robert Towner (ATSR)	2,246,349	43,284	-	-	-	-
Robert Towner (RRR)	2,246,349	12,917	-	-	-	-
Executive						
Marvin Chan (ATSR)	1,283,628	37,257	-	-	-	-
Marvin Chan (RRR)	1,283,628	10,590	-	-	-	-
Lucy Rowe (ATSR)	770,177	22,354	-	-	-	-
Lucy Rowe (RRR)	770,177	6,354	-	-	-	-
	8,600,308	132,756	-	-	-	-

The following rights have been issued during the prior period.

2020	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 $
Directors of Triangle Energy (Global) Limited						
Robert Towner (ATSR)	12,146,119	198,849	-	-	-	-
Robert Towner (RRR)	12,146,118	327,945	-	-	-	-
Executive						
Marvin Chan (ATSR)	2,397,260	30,525	-	-	-	-
Marvin Chan (RRR)	2,397,260	50,343	-	-	-	-
	29,086,757	607,661	-	-	-	-

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

Further information on the rights is set out in note 3.2 and 3.6 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, and the amount is included in the remuneration tables above.

REMUNERATION REPORT (continued)

Fair values of Rights have been determined based on the market price of the shares at grant date taking into account the market conditions hurdle for the ATSR hurdle within the rights. For the Rights above, the fair value was determined as follows:

1. Absolute Total Shareholder Return – 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.

Period:	3 years from 1 July 2020
Grant Date	27 November 2020 and 8 February 2021
Fair value:	$0.019 and $0.029 (refer section 3.6)
Number of rights	ATSR 4,300,154 (max)
Hurdles	
- Absolute Total Shareholder Return (ATSR)	• 100% of the rights vest if the compound annual growth rate (CGAR) of the ATSR increases by 25% or more; • 50%-100% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 15%-24.99%; • 50% of the rights vest if the CAGR of the ATSR increases by 15%; • 0%-50% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 10%-14.99%.

2. Reserves replacement ratio (RRR) – the fair value of Rights was determined using the closing share price at grant date.

Period:	3 years from 1 July 2020
Grant Date	27 November 2020 and 8 February 2021
Fair value:	$0.023 and $0.017 (refer section 3.6)
Number of rights	RRR: 4,300,154 (max)
Hurdles	
- Reserves replacement ratio (RRR)	• 100% of the rights vest if the RRR increases by 100% or more; • 50%-100% of the rights vest (on a pro-rata basis) if the RRR increases by 50%-100%; • 50% of the rights vest if the RRR increases by 50%; • 0%-50% of the rights vest (on a pro-rata basis) if the RRR increases by 10%-49.99%.
Probability	50%

3. Absolute Total Shareholder Return – 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.

Period:	3 years from 1 July 2019
Grant Date	19 November 2019 and 17 February 2020
Fair value:	$0.017 and $0.013
Number of rights	ATSR 14,543,379 (max)
Hurdles	
- Absolute Total Shareholder Return (ATSR)	100% of the rights vest if the compound annual growth rate (CGAR) of the ATSR increases by 25% or more; 50%-100% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 15%-24.99%; 50% of the rights vest if the CAGR of the ATSR increases by 15%; 0%-50% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 10%-14.99%;

4. Reserves replacement ratio (RRR) – the fair value of Rights was determined using the closing share price at grant date.

Period:	3 years from 1 July 2019
Grant Date	19 November 2019 and 17 February 2020
Fair value:	\$0.054 and \$0.042
Number of rights	RRR: 14,543,378 (max)
Hurdles	
- Reserves replacement ratio (RRR)	100% of the rights vest if the RRR increases by 25% or more; 50%-100% of the rights vest (on a pro-rata basis) if the RRR increases by 15%-24.99% 50% of the rights vest if the RRR increases by 15% 0%-50% of the rights vest (on a pro-rata basis) if the RRR increases by 10%-14.99%
Probability	44% prior period now 5%

Fair values of Rights with performance criteria are determined at grant date that takes into account the vesting conditions, the term of the right and the share price at grant date.

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 %**
Robert Towner[1]	2019/2020	0%	0%	2022	100
Marvin Chan[2]	2019/2020	0%	0%	2022	100
Robert Towner[1]	2020/2021	0%	0%	2023	100
Marvin Chan[2]	2020/2021	0%	0%	2023	100
Lucy Rowe[3]	2020/2021	0%	0%	2023	100

[1] Mr Towner was issued 24,292,237 Rights during the prior period which are subject to performance hurdles and 4,492,698 Rights during this period which are subject to performance hurdles;
[2] Mr Chan was issued with 4,794,520 Rights during the prior period which are subject to performance hurdles and 2,567,256 Rights during this period which are subject to performance hurdles;
[3] Mrs Rowe was issued with 1,540,354 Rights during this period which are subject to performance hurdles;

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.

REMUNERATION REPORT (continued)

Shareholding

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

Ordinary Shares 2021	Balance at beginning of year or appointment date	Rights vested to shares	Issued on exercise of options	Purchased or acquired	Other changes	Balance at end of year or date of resignation
KMP						
T Monckton	-	-	-	-	-	-
R Towner	14,436,931	-	-	820,606	-	15,257,537
M King	-	-	-	-	-	-
W Wong	-	-	-	-	-	-
L Rowe	22,727	-	-	-	-	22,727
Total	14,459,658	-	-	820,606	-	15,280,264

Option holding

The Company had the following options on issue as at the date of this report:

- 1,803,768 unlisted options exercisable at $0.10 which expire on 6 November 2021;
- 4,000,000 unlisted options exercisable at $0.03 which expire on 8 February 2022; and
- 672,654,298 listed options exercisable at $0.035 which expire on 4 August 2023.

Mr Towner had 2,642,890 listed options at the beginning of the year all have expired during the year.

Share rights

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

Share rights 2021	Balance at beginning of year or appointment date	Granted as compensation	Rights vested to shares	Net change Other	Balance at end of year or date of resignation
KMP					
R Towner	24,292,237	4,492,698	-	-	28,784,935
M Chan	4,794,520	2,567,256	-	-	7,361,776
L Rowe	-	1,540,354	-	-	1,540,354
Total	29,086,757	8,600,308	-	-	37,687,065

[1] Mr Towner was granted Rights during the period.
[2] Mr Chan was granted Rights during the period.
[3] Mrs Rowe was granted Rights during the period.

Voting of shareholders at last year's annual general meeting

The Company received 99.59% of 'yes' votes on its remuneration report for the 2020 financial year. The Company did not receive any specific feedback at the AGM.

This includes the remuneration report which has been audited.

REMUNERATION REPORT (continued)

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
T Monckton	10	10	5	5	6	4
R Towner	10	10	-	-	-	-
W Wong	10	10	5	5	6	6
M King	10	9	5	5	6	5

*Board business during the year has also been effected 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

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 Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years, other than the following:

- On 1 July 2021, the Company received the payment for the May 2021 lifting from BP amounting to US$976,873.
- On 28 July 2021, at a General Meeting of the Company, the Shareholders of the Company approved the issuance of the Tranche 2 Placement Shares and free attaching options and all other resolutions were passed.
- On 29 September 2021, the Cliff Head Joint Venture announced that on the afternoon of Tuesday, 28 September 2021 it was confirmed that a downhole electrical fault had caused a shut in on the CH-10 well at the Cliff Head field. The CHJV noted at that time that experts were optimising ESP performance and production from the Cliff Head field and anticipates production to stabilise at approximately 720 bopd.

Likely Developments

The Company's focus for the next year will include:

(a) the continued operation of the Cliff Head oil field;
(b) commencing exploration activity within the Cliff Head production licence;
(c) working with its joint venture partners to progress the Xanadu discovery; and
(d) progress the Mt Horner joint venture farmout activities.

The Company may also look for additional opportunities within the oil and gas sector.

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 35 and forms part of this directors' report for the year ended 30 June 2021.

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.

Timothy Monckton
Chairman
Date: 30 September 2021

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 2021, 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
30 September 2021

D I Buckley
Partner

hlb.com.au

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TRIANGLE ENERGY (GLOBAL) LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(INCOME STATEMENT)
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 $	2020 $
Revenue	1.1	6,655,614	12,255,139
Cost of sales		(5,702,499)	(7,814,496)
Gross profit		953,115	4,440,643
Other income	1.1	4,513,282	366,496
Employment expenses	1.2	(2,911,102)	(2,594,220)
General and administration expenses	1.2	(1,807,088)	(1,089,152)
Impairment expense	2.1	(3,155,217)	(2,647,209)
Interest cost		(19,368)	(1,592)
Amortisation and depreciation		(756,346)	(1,010,639)
Share of associate's loss	2.3	(30,000)	(493,027)
Interest – unwind of discounts for provision for restoration	4.6	(313,707)	(310,023)
(Loss) before income tax expense		(3,526,431)	(3,338,722)
Income tax (expense)	1.3	(405,286)	(447,842)
(Loss) after tax from continuing operations		(3,931,717)	(3,786,564)
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax			
Owners of Triangle Energy (Global) Limited		(3,931,717)	(3,786,564)
Continuing operations (cents)			
Basic earnings per share	1.4	(0.73)	(1.08)
Diluted earnings per share	1.4	(0.73)	(1.08)

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 2021

	Notes	30 JUNE 2021 $	30 JUNE 2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3.1	597,504	2,405,103
Trade receivables	4.1	1,271,036	631,092
Oil inventory	4.7	1,895,810	-
Other receivables and assets	4.2	2,122,673	955,188
Total current assets		5,887,023	3,991,383
NON-CURRENT ASSETS			
Plant and equipment	4.4	86,648	184,024
Other receivables	4.2	127,500	-
Exploration and evaluation expenditure	2.2	13,479,294	12,450,472
Fair value through other comprehensive income	4.3	110,000	110,000
Investment in associates	2.3	-	-
Oil and gas properties	2.1	-	4,264,580
Deferred tax assets	1.3	6,964,823	7,370,109
Total non-current assets		20,768,265	24,379,185
TOTAL ASSETS		26,655,288	28,370,568
LIABLITIES			
CURRENT LIABILITIES			
Trade and other payables	4.5	3,411,300	3,663,462
Borrowings	3.3	250,000	-
Lease liability	3.4	35,280	31,530
Total current liabilities		3,696,580	3,694,992
NON-CURRENT LIABILITIES			
Provisions	4.6	15,575,638	21,436,622
Borrowings	3.3	96,367	870,967
Lease liability	3.4	-	84,598
Deferred tax liabilities	1.3	-	-
Total non-current liabilities		15,672,005	22,392,187
TOTAL LIABILITIES		19,368,585	26,087,179
NET ASSETS		7,286,703	2,283,389
EQUITY			
Issued capital	3.2	45,424,440	36,715,029
Reserves	3.6	996,554	770,934
(Accumulated losses)	3.7	(39,134,291)	(35,202,574)
TOTAL EQUITY		7,286,703	2,283,389

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 2021

	Notes	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		7,519,426	13,910,491
Payments to suppliers and employees		(13,251,241)	(12,983,715)
Interest paid		(7,137)	(1,592)
Income tax (paid)/received and PRRT paid		279,920	(279,920)
Interest received		101	6,013
Net cash (outflows) / inflows from operating activities	3.1	(5,458,931)	651,277
Cash flows from investing activities			
Payments to acquire associates		(30,000)	-
Loans to associates		(1,020,000)	-
Payments for exploration and evaluation expenditure		(1,028,822)	(1,666,208)
Payments for development expenditure		(2,386,804)	(2,528,874)
Net cash (outflows) from investing activities		(4,465,626)	(4,195,082)
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)		8,781,395	3,357,091
Proceeds from the issue of options		-	72,151
Proceeds from borrowings	3.3	250,000	-
Payment of borrowing costs		(50,000)	-
Repayment of lease liability		(33,369)	(3,037)
Repayment of borrowings	3.3	(774,600)	-
Net cash inflows from financing activities		8,173,426	3,426,205
Cash and cash equivalents at the beginning of the year		2,405,103	2,490,036
Net (decrease) in cash and cash equivalents		(1,751,131)	(117,600)
Effect of exchange rate fluctuations on cash held		(56,468)	32,667
Cash and cash equivalents at end of year	3.1	597,504	2,405,103

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

TRIANGLE ENERGY (GLOBAL) LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Issued capital $	Accumulated losses $	Share based payment reserve $	Convertible note reserve $	Option reserve $	Total equity $
Balance at 1 July 2020	36,715,029	(35,202,574)	691,780	7,003	72,151	2,283,389
Transactions with shareholders in their capacity as shareholders						
Issue of shares (net of costs)	8,709,411	-	-	-	-	8,709,411
Issue of options – consultants	-	-	57,584	-	-	57,584
Cost of performance rights	-	-	168,036	-	-	168,036
Comprehensive Income						
Loss for the year	-	(3,931,717)	-	-	-	(3,931,717)
Total comprehensive loss for the year	-	(3,931,717)	-	-	-	(3,931,717)
Balance at 30 June 2021	**45,424,440**	**(39,134,291)**	**917,400**	**7,003**	**72,151**	**7,286,703**

	Issued capital $	Accumulated losses $	Share based payment reserve $	Convertible note reserve $	Option reserve $	Total equity $
Balance at 1 July 2019	33,357,938	(31,416,010)	570,287	7,003	-	2,519,218
Transaction with shareholders in their capacity as shareholders						
Issue of shares (net of costs)	3,357,091	-	-	-	-	3,357,091
Issue of options – consultants	-	-	27,503	-	-	27,503
Issue of options to shareholders	-	-	-	-	72,151	72,151
Cost of performance rights	-	-	93,990	-	-	93,990
Comprehensive Income						
Loss for the year	-	(3,786,564)	-	-	-	(3,786,564)
Total comprehensive loss for the year	-	(3,786,564)	-	-	-	(3,786,564)
Balance at 30 June 2020	36,715,029	(35,202,574)	691,780	7,003	72,151	2,283,389

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

Table of Notes

NOTE A: BASIS OF PREPRATION AND COMPLIANCE STATEMENT

The annual report of Triangle Energy (Global) Limited (the **Company, Group or Triangle Energy**) for the year ended 30 June 2021 was authorised for issue on 30 September 2021 in accordance with a resolution of directors on 24 September 2021.

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.

(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.

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 2021, 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) 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;

(c) A 45% interest in TP/15 Xanadu Joint Venture; and

(d) A 50% interest in the L7(R1) Joint Venture with Key Petroleum Limited.

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 derivative financial instruments, 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 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.

1 Profit and loss items

	Year ended 30 June 2021 $	Year ended 30 June 2020 $
1.1 Revenue		
Sales of hydrocarbons	6,655,614	12,255,139
	6,655,614	12,255,139

Total number of barrels produced and sold by the Company was 104,636 (57.5%) at an average sales price of AU$63.61.

Other income

Interest income	58,071	6,013
Reversal of restoration provision	3,562,449	-
Other income	892,762	360,483
	4,513,282	366,496

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. The total revenue for the year from this contract is $6,655,614.

During the year, revenue was derived from a single customer. The revenue for the period to 28 February 2021 is recognised on delivery of the hydrocarbons to the customers location. Revenue from this period onward is recognised when the hydrocarbons are delivered to a ship.

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 its cash within 30 days of month end. There is no history of default with the Groups customers.

1.2 Expenses

(a) Employment expenses

Salaries and wages	2,312,884	2,143,180
Other personnel costs	97,929	108,490
Superannuation	196,100	201,675
Increase in leave liabilities	136,153	46,885
	2,743,066	2,500,230
Share-based payments	168,036	93,990
	2,911,102	2,594,220

(b) General and administration costs

Accounting expenses	54,065	48,327
ASX fees	70,688	77,509
Audit fees	55,299	45,300
Consulting expenses	199,786	506,225
Legal expenses	319,042	277,547
Arbitration expenses	14,785	107,133
Foreign exchange (gains) losses	270,866	(189,471)
Storage costs	427,578	-
Other administration expenses	394,979	216,581
	1,807,088	1,089,151

1 Profit and loss items

1.2 Expenses (continued)

	Year ended 30 June 2021 $	Year ended 30 June 2020 $
(c) Cost of sales		
Significant one-off costs		
Repairs and maintenance	-	274,201

1.3 Taxation

	Year ended 30 June 2021 $	Year ended 30 June 2020 $
Income tax recognised in profit or loss		
The components of tax expense comprise:		
Statement of profit or loss and comprehensive income		
Deferred tax		
Decrease / (increase) in deferred tax assets	-	654,717
(Decrease) / increase in deferred tax liabilities	-	-
Income tax expense (benefit) reported in statement of comprehensive income	-	654,717
Petroleum resource rent tax		
Current income		
Current income tax		-
Deferred tax		
Decrease / (increase) in deferred tax assets	405,286,	(206,875)
(Decrease) / increase in deferred tax liabilities	-	-
PRRT Income tax expense (benefit) reported in statement of profit or loss	405,286	(206,875)
Total Income tax expense for the year	405,286	447,842
Numerical reconciliation between tax expense and pre-tax net loss		
Loss before income tax expense	(3,526,431)	(3,338,723)
Income tax (benefit) calculated at 26.0%. (2020: 27.5%)	(916,872)	(918,149)
Effect of non-deductible item		
Total non-deductible items	103,311	895,386
Movements in unrecognised temporary differences	813,561	22,763
Research and development tax incentive	-	-
Movement in deferred income tax	-	654,717
Movement in deferred PRRT tax	405,286	(206,875)
Income tax expense reported in profit or loss and other comprehensive income	405,286	447,842
At effective income tax rate	-	19.61%

1 Profit and loss items

1.3 Taxation (continued)

	Year ended 30 June 2021 $	Year ended 30 June 2020 $
Deferred tax assets DTA/(DTL) have not been recognised in respect of the following items:		
Trade and other payables	154,211	135,904
Capital losses	1,841,227	1,947,452
Tax Losses	8,227,852	7,464,105
Leases	8,509	(75)
Provision for restoration	4,049,666	5,895,071
Project pools	9,734,414	10,020,190
Black hole expenditure	38,777	69,290
Net deferred tax not recognised	24,054,656	25,531,937

The balance comprises temporary difference attributable to:

PRRT (net credit on decommissioning) (DTA)	5,994,178	6,677,210
Project Pool costs (DTA) (a)	3,653,517	3,653,517
Assessable receipts PRRT (DTL) (a)	(1,558,486)	(1,836,233)
Tax losses (DTA) (a)	1,766,128	1,676,958
Exploration assets (DTL) (a)	(2,890,514)	(2,801,343)
Total deferred taxes	6,964,823	7,370,109

Set-off deferred tax liabilities pursuant to off-set provisions

Deferred tax asset on project pool costs (oil and gas properties)	2,682,871	2,960,618
Assessable receipts PRRT	(1,558,486)	(1,836,233)
Deferred tax asset on carry forward tax losses	1,766,128	1,676,958
Deferred tax liability on exploration asset	(2,890,513)	(2,801,343)
	-	-

(a) The Company has incurred additional costs in exploring the Xanadu prospect which has resulted in an increase in the deferred tax liability. A corresponding increase in recognised tax losses has been recorded to off-set this increase in the deferred tax liability.

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 2021 $	30 June 2020 $	30 June 2021 $	30 June 2020 $	30 June 2021 $	30 June 2020 $
CONSOLIDATED						
PRRT	5,994,178	6,677,210	-	-	5,994,178	6,677,210
Project Pool Costs	3,653,517	3,653,517	-	-	3,653,517	3,653,517
Assessable receipts PRRT	-	-	(1,558,486)	(1,836,233)	(1,558,486)	(1,836,233)
Tax losses	1,766,128	1,676,958	-	-	1,766,128	1,676,958
Exploration Expenditure	-	-	(2,890,514)	(2,801,343)	(2,890,514)	(2,801,343)
Tax (assets) / liabilities	11,413,823	12,007,685	(4,449,000)	(4,637,576)	6,964,823	7,370,109
Set off of tax			4,449,000	4,637,576		-
Net tax assets / (liabilities)	11,413,823	12,007,685	-	-	6,964,823	7,370,109

Movement in temporary differences during the year

	Balance 1 July 2020 $	Recognised in Income $	Recognised on Acquisitions $	Balance 30 June 2021 $
Project Pool Costs	3,653,517	-	-	3,653,517
PRRT	6,677,210	(683,032)	-	5,994,178
Assessable receipts PRRT	(1,836,233)	277,746	-	(1,558,486)
Tax losses	1,676,957	89,171	-	1,766,128
Exploration Expenditure	(2,801,343)	(89,171)	-	(2,890,514)
	7,370,109	(405,286)	-	6,964,823

The potential deferred tax asset other than the items specified above has not been brought to account at 30 June 2021 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.

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 Profit and loss items

1.4 Earnings per share

	2021 ($) / Cents	2020 ($) / Cents
Continued Operations		
(a) Basic Earnings Per Share		
Loss from continuing operations attributable to the ordinary equity holders of the Company	(3,931,717)	(3,786,564)
Cents per share	(0.73)	(1.08)
(b) Diluted Earnings Per Share		
Cents per share	(0.73)	(1.08)

(c) Weighted Average Number of Shares Used as the Denominator	**2021 Number**	**2020 Number**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	536,713,347	351,179,912
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	536,713,347	351,179,912
Calculation of weighted average number of shares		
Number of shares at the beginning of the period	360,753,682	312,753,682
Shares issued but adjusted (pro-rata) for the period of issue	175,959,665	38,426,230
Number of shares used to calculate the loss per shares for the year	536,713,347	351,179,912
Add		
Dilutive instruments issued (options / rights) and adjusted for the period on issue	-	-
Number of instruments used to calculate the dilutive profit per share for the year	536,713,347	351,179,912

(d) Information Concerning the Classification of Securities

Options

The Company issued 1,803,768 options at an exercise price if $0.10 per option which are outstanding at the date of this report. During the year, the Company issues 4,000,000 options at an exercise price of $0.03 per option expiring on 8 February 2022 which are also outstanding at the date of this report.

Rights

Unvested 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.

2 Significant assets

2.1 Oil and gas properties

	30 June 2021 $	30 June 2020 $
Oil and gas properties carried forward – Cliff Head (i)	-	4,264,580
Reconciliation – Cliff Head		
Carrying amount at the beginning of the year	4,264,580	4,950,760
Additions to the oil and gas properties	2,206,608	2,960,180
Less: Amortisation	(703,729)	(999,151)
Less: Impairment	(3,155,217)	(2,647,209)
Less: Abandonment adjustment (ii)	(2,612,242)	-
Carrying amount at end of the year	-	4,264,580

(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 3 years as the Group reinvests in more plant and equipment.

(ii) During the year the Company updated its abandonment study. The update resulted in a reduction in the provision for restoration of $6.175million. In line with the accounting interpretation, the reduction in the liability must offset the carrying value of the asset before any surplus is recognised as income. The first $2.6million has been applied to the Oil and Gas properties asset to reduce the balance to nil. The remaining amount has been recognised as other income.

Impairment assessment

During the period 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 anticipated increases in operating costs relating to the announcement from the Company's customer on the closure of the Kwinana refinery. The Company is in commercial negotiations with external parties to finalise an offtake agreement and associated logistics and sales costs and has estimated these costs based on the current negotiation process. As a consequence of the review, the Company has recognised an impairment of $3,155,217 for the year ended 30 June 2021. The discount rate used for the model was 10% and the additional key inputs used for the impairment assessment include:

Forecast	30/06/2022	30/06/2023	30/06/2024	30/06/2025
Pricing (US$ / bbl)	60.0	73.8	75.0	75.0
Foreign currency exchange rates	0.75	0.76	0.76	0.76

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 third party 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.

Estimates and judgements
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.

2 Significant assets

2.1 Oil and gas properties (continued)

Estimates and judgements

The estimation of reserves requires significant management judgement and interpretation of complex geological and geophysical models in order to make as 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 2021 $	30 June 2020 $
Exploration, evaluation and development costs carried	13,479,294	12,450,472
Reconciliation – Mentelle & West High prospects (i)		
Carrying amount at the beginning of the year	4,368,914	3,776,364
Additions to the exploration and evaluation asset	380,063	592,550
Carrying amount at end of the year	4,748,977	4,368,914
Reconciliation –TP/15 Xanadu Joint Venture (ii)		
Carrying amount at the beginning of the year	7,947,891	7,007,900
Additions to the exploration and evaluation asset	13,324	939,991
Carrying amount at end of the year	7,961,215	7,947,891
Reconciliation –Mount Horner Joint Venture (iii)		
Carrying amount at the beginning of the year	133,667	-
Additions to the exploration and evaluation asset	635,435	133,667
Carrying amount at end of the year	769,102	133,667

(i) Cliff Head Joint Venture

The Company holds a direct interest of 57.5% as at 30 June 2021. 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) Xanadu Joint Venture

The Company holds an interest of 45% as at 30 June 2021. 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.

(iii) Mount Horner

The Company has a 50% interest in the Mount Horner licence. During the year, it entered into an agreement with Key Petroleum to acquire the remaining 50% interest in the permit. The agreement has not completed as of the date of this report.

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, taking into account 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.

2.3 Investment in Associates and Joint Arrangement

	30 June 2021 $	30 June 2020 $
Triangle Energy (Operations) Pty Ltd (i)	-	-
State Gas Ltd (ii)	-	-
	-	-

(i) Triangle Energy (Operations) Pty Ltd

The entity name is Triangle Energy (Operations) Pty Ltd which the Company has a 50% shareholding as at 30 June 2021 and one of two directors. The place of incorporation is Australia, the investment is an associate which the Company measures using the equity method. The carrying value is listed above.

(ii) State Gas Ltd

The Company holds an interest of approximately 27.67% as at 30 June 2021. The place of incorporation is Australia, the investment is an associate which the Company measures using the equity method as a consequence of its holding and one common director. The carrying value is listed above.

(iii) Reconciliation of movements of the investments in associates

Reconciliation - Triangle Energy (Operations) Pty Ltd (i)		
Carrying amount at beginning of the year	-	493,026
Loss for the year (i)	-	(493,026)
Carrying amount at end of the year	-	-
Reconciliation - State Gas Ltd (ii)		
Carrying amount at beginning of the year	-	-
Payment to acquire shares in associate	30,000	-
Loss for the year (iv)	(30,000)	-
Carrying amount at end of the year	-	-

(iv) Loss

The loss recognised for the period is only to the extent of the investment recorded.

2 Significant assets

2.3 Investment in Associates and Joint Arrangement (continued)

(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.

	30 June 2021 $	30 June 2020 $
Triangle Energy (Operations) Pty Ltd		
Statement of Financial Position		
CURRENT ASSETS		
Cash and cash equivalents	57,857	189,303
Other receivables	4,375,005	4,149,906
Inventory	1,762,677	58,356
TOTAL CURRENT ASSETS	6,195,539	4,397,565
NON CURRENT ASSETS		
Oil and gas properties	-	3,800,566
Exploration assets	712,356	448,015
Other receivables	-	1,741,934
Deferred tax assets	5,575,627	5,893,950
TOTAL NON CURRENT ASSETS	6,287,983	11,884,465
TOTAL ASSETS	12,483,522	16,282,030
CURRENT LIABILITIES		
Trade and other payables	4,872,003	4,334,722
Borrowings	892,500	-
TOTAL CURRENT LIABILITIES	5,764,503	4,334,722
NON-CURRENT LIABILITIES		
Provisions	11,512,428	15,844,460
Borrowings	127,500	-
TOTAL NON-CURRENT LIABILITIES	11,639,928	15,844,460
TOTAL LIABILITIES	17,404,431	20,179,182
NET ASSET DEFICIENCY	(4,920,909)	(3,897,152)

(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 2021:

	220,901	850,924

(vii) Statement of comprehensive income

The total loss for the year for Triangle Energy (Operations) Pty Ltd was $1,023,758. As the Company does not control the Associate and the value of the investment is now nil, the Company has not recognised its portion of the loss in the profit and loss for this period.

2 Significant assets

2.3 Investment in Associates and Joint Arrangement (continued)

(viii) 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.

State Gas Ltd **Statement of Financial Position**	30 June 2021 $	30 June 2020 $
CURRENT ASSETS		
Cash and cash equivalents	3,610,029	875,048
Trade and other receivables	255,818	115,340
TOTAL CURRENT ASSETS	3,965,847	990,388
NON-CURRENT ASSETS		
Exploration and evaluation assets	24,829,466	11,827,879
Other assets	378,029	35,000
Plant and equipment	919,425	617
TOTAL NON-CURRENT ASSETS	26,126,920	11,863,496
CURRENT LIABILITIES		
Trade and other payables	2,583,542	258,354
TOTAL CURRENT LIABILITIES	2,583,542	258,354
NON-CURRENT LIABILITIES		
Provisions	1,777,911	915,389
TOTAL NON-CURRENT LIABILITIES	1,777,911	915,389
NET ASSETS	25,681,314	11,680,141

(ix) Statement of comprehensive income

The total loss for the year for State Gas Limited was $2,947,133. As the Company does not control the Associate and the value of the investment is now nil, the Company has not recognised its portion of the loss in the profit and loss for this period.

(x) Commitment and contingencies

The Associate has notice of the existence of a potential royalty payable in respect of petroleum produced from PL 231, being an overriding royalty interest in seven percent (7%) of the gross production of oil, gas and associated hydrocarbons produced and saved pursuant to the terms of the authority to prospectus (ATP 333-P, as it was at the time), calculated on the arm's length sale price of petroleum less: (i) all costs and expenses incurred in or attributable to the treating, processing dehydrating, compressing and transporting such petroleum; (ii) levies and other taxes on production; and (iii) all fuel oil and gas used in conducting exploration, drilling, completion, equipping, producing, and other operations pursuant to the authority (Override). The royalty interest appears to have been established as part of a transfer of ATP 333-P in 1983. It requires each subsequent assignor of the authority to make the conveyance subject to the assignee covenanting to pay the Override and the assignor remains obliged to pay the Override until such agreement has been consented to by the Override holder. Given the time that has passed since the Override was created, and the fact that State Gas Limited does not have records evidencing each transfer of the authority, State Gas Limited is unable to determine if the Override remains on-foot.

The Associate has disclosed that its Later Development Plan (LDP) commitment is calculated at $6,570,000 to be spent over the period 1 January 2020 through to the expiry of the on the LDP on 31 December 2022. The Associate has spent $8,946,332 to 30 June 2021 and therefore has met its commitment.

2 Significant assets

2.3 Investment in Associates and Joint Arrangement (continued)

State Gas Ltd

As at balance date, the Company held 47,884,693 fully ordinary shares representing approximately 27.67% of the issued capital of State Gas Limited (ASX:GAS) at that date. The fair value of the Company's holding as at 30 June 2021 was $23,942,347 (at $0.50 per share). The Company's holding is not subject to an escrow.

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.

Commitments and contingencies

There is capital commitments of $519,767 relating to workovers as at 30 June 2021 but no contingencies as at that date.

(xi) 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.

Cliff Head Joint Venture	30 June 2021 $	30 June 2020 $
Statement of comprehensive income		
Operating expenses	(13,864,762)	(14,864,770)
Repairs and maintenance	-	(476,871)
Capital expenditure	(3,888,931)	(5,147,892)
Exploration expenditure	(660,981)	-
Interest and other income	15,201	-
Result from the Joint Venture	(18,399,473)	(20,489,533)
Statement of Financial Position		
CURRENT ASSETS		
Cash and cash equivalents	135,926	82,128
Other receivables	1,052,700	406,230
TOTAL CURRENT ASSETS	1,188,626	488,358
CURRENT LIABILITIES		
Trade and other payables	5,298,787	5,959,309
Provisions	-	-
TOTAL CURRENT LIABILITIES	5,298,787	5,959,309

(xii) Total share of loss for the year

Loss from joint operation (TEG portion)	(7,963,497)	(8,821,443)

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.

3 Financing – Capital, debt and risk management

3.1 Cash

	30 June 2021 $	30 June 2020 $
(a) Reconciliation to cash at the end of the year		
Cash at bank and in hand	519,349	870,634
Joint Venture cash	78,155	47,222
Restricted cash (i)	-	1,487,247
Balances per statement of cash flows	597,504	2,405,103

(i) As part of the disposal of the Pase PSC assets the Company agreed to place in an escrow (trust) account an amount of US$1.02 million which will be released after the governmental administration processes. During the year, the funds were released from escrow.

	30 June 2021	30 June 2020
(b) Reconciliation of (loss) after income tax to net cash flows provided by operating activities		
(Loss) for the year	(3,931,717)	(3,786,564)
Non-cash flows in operating loss:		
Depreciation and loss on sale	52,617	11,488
Amortisation	703,729	999,151
Other income – reversal of provision	(3,562,449)	-
Unwind of discount	313,707	310,023
Amortisation of borrowing costs	8,333	-
Share based payments expense	168,036	121,494
Impairment	3,155,217	2,647,209
Loss from associate	30,000	493,026
Foreign currency	56,468	(32,667)
Changes in operating assets and liabilities		
(Increase)/decrease in trade debtors	(728,087)	505,874
(Increase)/decrease in inventory	(1,895,810)	-
(Increase)/decrease in other receivables	(219,114)	(639,033)
Increase/(decrease) in trade and other payables	(295,067)	(146,646)
Increase in tax balances	685,206	167,922
Net cash (outflows) / inflows from operating activities	(5,458,931)	651,277

	30 June 2021 $	30 June 2020 $
(c) Credit risk		
A-1+ 1	597,504	917,856
B 1	-	1,487,247

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.

3 Financing – Capital, debt and risk management

3.1 Cash (continued)

(d) Non-cash items

During the period the Company entered into one non-cash transactions which were:

On 8 February 2021 the Company issued 4,000,000 unlisted options exercisable at $0.03 which expire on 8 February 2022 to external consultants.

Prior period non-cash transactions

On 6 November 2019 the Company issued 1,803,768 unlisted options exercisable at $0.10 which expire on 6 November 2021 to external consultants.

(e) Reconciliation of financing activities

The Company had movements in borrowings as disclosed in the cash flow statement. The Company repaid $774,600 to Triangle Energy (Operations) Pty Ltd and received $250,000 from a private lender. The remaining balance of the repayment relating to the repayment of lease liability.

3 Financing – Capital, debt and risk management

3.2 Equity

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

701,413,047 fully paid ordinary shares (30 June 2020: 360,753,682)

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

	30 June 2021 Number	30 June 2020 Number	30 June 2021 $	30 June 2020 $
Balance at the beginning of the year	360,753,682	312,753,682	36,715,029	33,357,938
Issue of shares (placement) 1	-	48,000,000	-	3,600,000
Issue of shares (placement) 2	73,346,667	-	2,200,400	-
Issue of Share Rights issue 3	130,230,089	-	3,906,903	-
Issue of shares (placement) 4	56,433,043	-	1,185,094	-
Issue of shares (placement) 5	80,649,566	-	1,774,290	-
Share issue costs 6	-	-	(357,276)	(242,909)
Balance as at 30 June	701,413,047	360,753,682	45,424,440	36,715,029

1. On 11 September 2019 the Company issued 48,000,000 at an issue price of $0.075 per share to sophisticated investors.

2. On 4 September 2020 the company issued 73,346,667 shares at an issue price of $0.03 per share to sophisticated investors.

3. On 13 October 2020, the Company completed a share rights placement to existing shareholders and issued 130,230,089 shares at an issue price of $0.03 per share.

4. On 8 February 2021 the Company issued 56,433,043 at an issue price of $0.021 per share to sophisticated investors.

5. On 29 June 2021 the Company issued 80,649,566 at an issue price of $0.022 per share to sophisticated investors.

6. The Company incurred costs in issuing the shares during the year.

3 Financing – Capital, debt and risk management

3.2 Equity (continued)

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

(b) Options – share based payments

	30 June 2021 Number	30 June 2020 Number	30 June 2021 $	30 June 2020 $
Balance at the beginning of the year	1,803,768	11,155,908	559,840	532,337
Issue of options to consultants [1]	-	1,803,768	-	27,503
Expiry of options [2]	-	(11,155,908)	-	-
Issue of options to consultants [3]	4,000,000	-	57,584	-
Balance as at 30 June	5,803,768	1,803,768	617,424	559,840

1. On 6 November 2019 the Company issued 1,803,768 options with an exercise price of $0.10 per option to external consultants.
2. On 19 January 2020, options issued in prior periods lapsed without being exercised.
3. On 8 February 2021 the Company issued 4,000,000 options with an exercise price of $0.03 per option expiring on 8 February 2022 to external consultants.

(c) Performance Rights

	30 June 2021 Number	30 June 2020 Number	30 June 2021 $	30 June 2020 $
Balance at the beginning of the year	29,486,757	400,000	131,940	37,950
Rights forfeited [1]	(400,000)	-	-	(37,950)
Rights granted during in prior year [2,3]	-	24,292,237	29,115	114,382
Rights granted during the year [2]	-	4,794,520	4,470	-
Rights granted during the year [4]	4,492,698	-	18,699	17,558
Rights granted during the year [4]	15,467,718	-	115,751	-
Balance as at 30 June	49,047,173	29,486,757	299,975	131,940

1. On 30 June 2020, Mr Farrell resigned as a director of the Company. The Rights require continued service to be maintained and therefore the Rights have been forfeited at this date. In July 2020, the Rights have been redeemed.
2. 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.
3. Rights issued to both executives (MD, CFO & CCO) and staff are based on the following performance hurdles:

Period:	3 years from 1 July 2019
Grant Date	19 November 2019 and 17 February 2020
Fair value:	$0.016 and $0.013 (refer section 3.6)
Number of rights	ATSR 14,543,379 (max)
Hurdles	
- Absolute Total Shareholder Return (ATSR)	100% of the rights vest if the compound annual growth rate (CGAR) of the ATSR increases by 25% or more; 50%-100% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 15%-24.99%; 50% of the rights vest if the CAGR of the ATSR increases by 15%; 0%-50% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 10%-14.99%;

3 Financing – Capital, debt and risk management

3.2 Equity (continued)

3. Rights to both executives (MD, CFO & CCO) and staff are issued based on the following performance hurdles:

Period:	3 years from 1 July 2019
Grant Date	19 November 2019 and 17 February 2020
Fair value:	$0.054 and $0.042 (refer section 3.6)
Number of rights	RRR: 14,543,378 (max)
Hurdles	
- Reserves replacement ratio (RRR)	100% of the rights vest if the RRR increases by 25% or more; 50%-100% of the rights vest (on a pro-rata basis) if the RRR increases by 15%-24.99% 50% of the rights vest if the RRR increases by 15% 0%-50% of the rights vest (on a pro-rata basis) if the RRR increases by 10%-14.99%
Probability	5%

4. 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:	3 years from 1 July 2020
Grant Date	27 November 2020 and 8 February 2021
Fair value:	$0.019 and $0.029 (refer section 3.6)
Number of rights	ATSR 9,980,208 (max)
Hurdles	
- Absolute Total Shareholder Return (ATSR)	• 100% of the rights vest if the compound annual growth rate (CGAR) of the ATSR increases by 25% or more; • 50%-100% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 15%-24.99%; • 50% of the rights vest if the CAGR of the ATSR increases by 15%; • 0%-50% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 10%-14.99%.

Period:	3 years from 1 July 2020
Grant Date	27 November 2020 and 8 February 2021
Fair value:	$0.023 and $0.017 (refer section 3.6)
Number of rights	RRR: 9,980,208 (max)
Hurdles	
- Reserves replacement ratio (RRR)	• 100% of the rights vest if the RRR increases by 100% or more; • 50%-100% of the rights vest (on a pro-rata basis) if the RRR increases by 50%-100%; • 50% of the rights vest if the RRR increases by 50%; • 0%-50% of the rights vest (on a pro-rata basis) if the RRR increases by 10%-49.99%.
Probability	50%

3 Financing – Capital, debt and risk management

3.2 Equity (continued)

(d) Option Reserve

	30 June 2021 Number	30 June 2020 Number	30 June 2021 $	30 June 2020 $
Balance at the beginning of the year	72,150,580	-	72,151	-
Rights granted during the year 1	-	72,150,580	-	72,151
Lapse of options	(72,150,580)	-	-	-
Balance as at 30 June	-	72,150,580	72,151	72,151

1. The Company issued 72,150,580 listed options at $0.001 per option exercisable at $0.12 which expired on 30 September 2020 for cash to existing shareholders under a Rights issue in October 2019.

3.3 Borrowings

	30 June 2021 $	30 June 2020 $
Borrowings – current 2	250,000	-
Borrowings – non-current 1	96,367	870,967
Reconciliation of movements in the balances – current		
Opening balance	-	870,967
Amount borrowed 2	250,000	-
Transferred to non-current	-	(870,967)
Closing balance at end of period	250,000	-
Reconciliation of movements in the balances – non-current		
Opening balance	870,967	-
Amount borrowed	-	-
Amount repaid	(774,600)	-
Transferred from current	-	870,967
Closing balance at end of period	96,367	870,967

1. Related party loan

The Company has received a loan from its Joint Venture, Triangle Energy (Operations) Pty Ltd of $870,967. During the period 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.

The total value of the loan at 30 June 2021 is $96,367 and there is no further unused draw down amount available.

2. Third party loan

During the 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

3 Financing – Capital, debt and risk management

3.4 Leases

	30 June 2021 $	30 June 2020 $
Lease – current 1	35,280	31,530
Lease – non-current 1	-	84,598
Reconciliation of movements in the balances – current		
Opening balance	116,128	-
Additions	-	119,165
Derecognition of lease liability	(47,479)	-
Less: Amount repaid	(33,369)	(3,037)
Closing balance at end of year	35,280	116,128

(1) Leases

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

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

3.5 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 2021 $	30 June 2020 $
Categories of financial instruments		
Financial assets		
Cash and cash equivalents	597,504	2,405,103
Trade and other receivables	1,812,982	791,610
Other receivables	1,020,000	-
Investments	110,000	110,000
	3,540,486	3,306,713
Financial liabilities		
Trade and other payables	1,518,080	2,443,658
Lease liability	35,280	116,128
Borrowings	346,367	987,095
	1,899,727	3,546,881

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. 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 taking into account 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.

3 Financing – Capital, debt and risk management

3.5 Risk management (continued)

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.

Contractual maturities of financial liabilities	Less than 1 year	6 – 12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual cash flows	Carrying amount liabilities
At 30 June 2021	**$**	**$**	**$**	**$**	**$**	**$**
Trade payables	3,411,300	-	-	-	3,411,300	3,411,300
Borrowings 1	250,000	-	-	96,367 2	356,849	346,367
Total	3,661,300	-	-	96,367	3,768,149	3,757,667
At 30 June 2020						
Trade payables	2,436,521	-	-	-	2,436,521	2,436,521
Borrowings 2	-	-	-	870,967	892,960	870,967
Total	2,436,521	-	-	870,967	3,329,481	3,307,488

1. This loan is subject to a fixed rate of 8%, unsecured and payable within 12 months.
2. This loan is subject to a fixed rate based on the RBA rate in March 2020, unsecured and payable after 5 years.

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 is, its cash at bank and debtors. The assessment of the credit risk based on a rating agencies 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 not 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:

3 Financing – Capital, debt and risk management

3.5 Risk management (continued)

Table A

	Liabilities		Assets	
	2021 $	2020 $	2021 $	2020 $
US dollars				
Cash at bank	-	-	4,421	2,234,176
Other receivables	-	-	-	-
Trade receivables	-	-	1,271,036	631,092
Other payables	-	-	-	-
	-	-	1,275,457	2,865,268

Foreign currency sensitivity analysis
As at 30 June 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	
	2021 $	2020 $	2021 $	2020 $
Profit or loss				
US dollar assets and liabilities (net) increase 10%[1]	127,546	286,528	127,546	286,528
US dollar assets and liabilities (net) decrease 10%[1]	(127,546)	(286,528)	(127,546)	(286,528)

[1] 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 2021 is 0.0% (2020: 0.0%). The sensitivity analysis is not material due to the low returns currently available in the market.

Commodity and foreign currency price risk

During the current 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 59.40% (high to low) and the movement in the average exchange rates for the same period was 10.50%. The impact of a 59.40% 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 10.50 % foreign currency movement from the actual sales recorded would have resulted in a currency risk value below:

Table C

	Commodity price risk US$ movement		Foreign currency risk A$ movement	
	59.4 % increase	59.4 % decrease	10.50 % increase	10.50 % decrease
Sales of oil	3,566,085	(4,053,628)	429,480	(917,023)
	3,566,085	(4,053,628)	429,480	(917,023)

3 Financing – Capital, debt and risk management

3.5 Risk management (continued)

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 2, observable prices at an arm's length price.

3 Financing – Capital, debt and risk management

3.6 Reserves

	30 June 2021 $	30 June 2020 $
Convertible Note reserve	7,003	7,003
Share based payments reserves	917,400	691,780
Option reserve (vi)	72,151	72,151
	996,554	770,934

Convertible Note reserve

Reconciliation of movements in the balance

	30 June 2021 $	30 June 2020 $
Opening balance	7,003	7,003
Convertible note equity portion (i)	-	-
Closing balance at end of year	7,003	7,003

Reconciliation of movements in the balance

	30 June 2021 $	30 June 2020 $
Opening balance	691,780	570,287
Prior period rights (iii)	-	(37,950)
Additional options (ii)	-	27,503
Prior period rights (iv)	33,586	131,940
Current period rights (iv)	134,450	-
Options (v)	57,584	-
Closing balance at end of year	917,400	691,780

The summary of the Company's share-based payment transactions during the period are as follows:

Type of instrument	Number	Issue date	Value at Grant Date	Expense recorded ($)
Performance Rights	12,146,119	19/11/19	$0.016	66,283
Performance Rights	12,146,119	19/11/19	$0.054	(37,167)
Performance Rights	2,397,260	17/02/20	$0.013	10,175
Performance Rights	2,397,260	17/02/20	$0.042	(5,705)
Consultants options	1,803,768	6/11/19	$0.015	-
Performance Rights	2,246,349	27/11/20	$0.019	14,401
Performance Rights	7,733,859	8/2/21	$0.029	94,522
Performance Rights	2,246,349	27/11/20	$0.023	4,298
Performance Rights	7,733,859	8/2/21	$0.017	21,229
Consultants options	4,000,000	8/2/21	$0.014	57,584

(i) The Company calculated the fair value of the convertible note as $1,014,488 with the residual value being $7,003.

(ii) On 6 November 2019 the Company issued 1,803,768 unlisted options exercisable at $0.10 which expire on 6 November 2021 to external consultants Issue of 1,803,768 options were issued to consultants with a fair value of $0.0152. The input using the Black Scholes Pricing Model were:
(a) Grant Date – 6 November 2019
(b) Exercise date – 6 November 2021
(c) Market price of securities - $0.051
(d) Exercise price of securities - $0.10
(e) Risk free rate – 0.90%
(f) Volatility – 88.33%

(iii) During a prior period the Company issues performance rights to its then Chairman, Mr E Farrell. The rights were issued after the Company received approval at its Annual General Meeting of shareholders on 29 November 2017. The share price at the grant date was $0.14 per share valuing the rights at $56,000. The rights are subject to a hurdle being the share price must be above a VWAP of $0.15 for 30 consecutive days. On 30 June 2020 Mr Farrell resigned as a director. The Rights require continued service to be maintained and therefore the Rights have been forfeited at this date. Subsequent to year end the Rights have been redeemed.

3 Financing – Capital, debt and risk management

3.6 Reserves (continued)

(iv) Rights

During the period the Company issued the following Rights:

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

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

During the prior period the Company issued the following Rights:

2020	Date Issued	Number of rights granted during the year	Value of rights at grant date $
Directors of Triangle Energy (Global) Limited			
Robert Towner (ATSR)	19/11/19	12,146,119	198,849
Robert Towner (RRR)	19/11/19	12,146,118	327,945
Executive			
Marvin Chan (ATSR)	17/02/20	2,397,260	30,525
Marvin Chan (RRR)	17/02/20	2,397,260	50,342
		29,086,757	607,661

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 $0.016 and $0.013.

Reserves replacement ratio (RRR) – the fair value of Rights was determined using the closing share price at grant date, which was $0.054 and $0.042 respectively per share

3 Financing – Capital, debt and risk management

3.6 Reserves (continued)

(v) Options

On 8 February 2021 the Company issued 4,000,000 unlisted options exercisable at $0.03 which expire on 8 February 2022 to external consultants with a fair value of $0.0144. The input using the Black Scholes Pricing Model were:

(a) Grant Date – 8 February 2021
(b) Exercise date – 8 February 2022
(c) Market price of securities - $0.035
(d) Exercise price of securities - $0.03
(e) Risk free rate – 0.09%
(f) Volatility – 93.88%

(vi) Option reserve

The Company announced a non-renounceable rights issue to Shareholders on 8 November 2019 which was a 1 new option for every 5 shares held to issue up to 72,150,736 at an issue price of $0.001 to raise $72,150 before costs.

Nature and purpose of reserves
The share based payment reserve is used to record the value of share based payments provided to employees, including key management Personnel, as part of their remuneration and securities (other than shares) issued to consultants. The convertible note reserve recorded the fair value of the equity portion of the compound financial instrument on recognition.

3.7 Accumulated losses

	30 June 2021 $	30 June 2020 $
Accumulated losses at the beginning of the year	35,202,574	31,416,010
Loss for the year	3,931,717	3,786,564
Accumulated losses at the end of the year	39,134,291	35,202,574

3.8 Commitments

The Company have commitments of $298,866 as at the reporting date.

4 Other assets and liabilities

4.1 Trade and other receivables

	30 June 2021 $	30 June 2020 $
Trade receivables	1,271,036	631,092
	1,271,036	631,092
Credit risk		
A- (i)	1,271,036	631,092

(i) 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.

4 Other assets and liabilities (continued)

4.1 Trade and other receivables (continued)

(i) The From 1 July 2019, 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 2021, no trade receivables were past due. No impairment loss was recognised by the Group for the financial year (2020: $nil).

Estimates and judgement
Recoverability of the assets

The accrued revenue has been received in cash post year end. 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

4.2 Other receivable and assets

	30 June 2021 $	30 June 2020 $
GST receivable	44,974	16,468
Prepayments	74,448	2,898
JV GST receivable	63,344	73,065
JV other receivables	541,946	160,518
Income tax incentive receivable	-	279,920
Deposits and guarantees	193,262	198,262
Other assets	312,199	224,057
Other receivable – loan (i)	892,500	-
	2,122,673	955,188
Non-current asset		
Other receivable – loan (i)	127,500	-

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

(i) During the period the Company agreed to provide a loan facility to its jointly controlled entity, Triangle Energy (Operations) Pty Ltd. The terms of the loan are as follows:

Term: 2 years
Facility limit: A$2million
Interest rate: 10% payable quarterly in arrears
Security: Over all assets of the entity

4 Other assets and liabilities

4.3 Fair Value through Other Comprehensive income

	30 June 2021 $	30 June 2020 $
Non-current assets		
Equity Securities		
Investments	110,000	110,000
	110,000	110,000
Investments		
Reconciliation of movements in the balance		
Opening balance	110,000	110,000
Additional purchases	-	-
Disposals	-	-
Closing balance at end of year	110,000	110,000

The profit on sale of investment can be found in the statement of profit or loss for the prior year.

Information relating to the fair value methodology and the risk exposure can be found in note 3.5.

4.4 Plant and equipment

	30 June 2021 $	30 June 2020 S
Administration office – Plant and Equipment		
Right of use asset	53,550	119,165
Accumulated depreciation	(20,825)	(3,310)
	32,725	115,855
Office equipment	10,345	7,625
Accumulated depreciation	(6,224)	(5,007)
	4,121	2,618
Furniture and fittings	78,747	78,747
Accumulated depreciation	(28,945)	(13,196)
	49,802	65,551
Total administration assets	86,648	184,024

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.

4 Other assets and liabilities

4.4 Plant and equipment (continued)

	Right of use assets $	Furniture & Fittings $	Office Equipment $	Total $
Opening net book value at 1 July 2020	115,855	65,551	2,618	184,024
Additions during the year	-	-	2,720	2,720
Disposals during the year	(47,479)	-	-	(47,479)
Depreciation expenses	(35,651)	(15,749)	(1,217)	(52,617)
Closing net book value at 30 June 2021	32,725	49,802	4,121	86,648

4.5 Trade and other payables (debts)

	30 June 2021 $	30 June 2020 $
Current liabilities (debts payable within 12 months)		
Trade payables	312,680	348,025
JV trade payables	1,205,400	2,095,633
Accrued expenses	781,902	406,532
JV accruals	684,427	630,232
Payroll liabilities	51,559	27,850
Dividend payable in trust	7,044	7,044
Share buy-back funds in trust	6,796	6,796
GST liabilities	137,672	53,685
Employee entitlements	223,820	87,666
	3,411,300	3,663,463

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.

4 Other assets and liabilities

4.6 Provisions

	30 June 2021 $	30 June 2020 $
Restoration provision (Cliff Head) – non-current	15,575,638	21,436,622
	15,575,638	21,436,622

<u>Restoration provisions – non-current liabilities (debts payable after 12 months)</u>

Reconciliation		
Balance brought forward	21,436,622	21,126,599
Additions for the year		
Unwind of discount (Cliff Head)	313,707	310,023
Adjustment to the restoration provision (i)	(6,174,691)	-
Balance carried forward	15,575,638	21,436,622

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

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

(i) During the period the Joint Venture Partners commissioned an independent study to review the previous rehabilitation estimate prepared in 2015 and updated in 2018. The review highlighted a number of steps that could be taken to reduce the cost of the rehabilitation for the site. The Company has re-adjusted the provision in line with the new study which has resulted in a reduction to the liability of $5.86million (57.5% share) for the year ended 30 June 2021.

<u>Estimates and judgement</u>
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 2021 $	30 June 2020 $
Oil Inventory	1,895,810	-
	1,895,810	-

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 Consolidated Group, the results of those operations, or the state of affairs of the Consolidated Group in subsequent financial years, other than the following:

- On 1 July 2021. The Company received the payment for the May 2021 lifting from BP amounting to US$976,873.
- On 28 July 2021, the Shareholders of the Company approved the issuance of Tranche 2 Placement Shares to sophisticated and professional investors. Tranche 2 placement raised AU$8.2 million (before cost).

5.2 Contingent liabilities

Royalty
As part of the acquisition of the Cliff's Head production licence the Company agreed to pay a royalty of US$5 per barrel to the seller of the asset when the oil price reaches US$70 per barrel. At the date of the acquisition, the short to medium term forecast oil price has not reached US$70/bbl and the Company has not recognised a potential liability for this contingency.

Contingent payable
During the period the Group completed the acquisition of a 15% interest in TP/15 from Whitebark Energy Limited (subject to regulatory procedural approvals). The sale and purchase agreement include clauses for the payment of two amounts which are contingent on the milestones below:

- $1 million payable on a successful appraisal outcome which is to be settled either 100% in cash or 50% in cash and shares in the Company (at the election of the seller); and
- $1 million on the delivery of first oil from the prospect.

Acquisition amounts

The Company has announced the proposed acquisition of additional exploration licences and permits in the mid-West. These acquisitions have yet to complete as regulatory approvals are required to complete the transactions. If the Company receives the approvals, it will be liable to pay the following amounts $200,000 to Key Petroleum Limited and $300,000 to Pilot Energy.

Royalty

In addition to the payments above, the Company will be responsible for the 5% Royalty on gross receipts for the sale of hydrocarbons from the Mount Horner prospect.

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 2021 and 30 June 2020.

	WA Oil Production $	Australian Corporate $	Consolidated $
Year ended 30 June 2021			
Segment Revenue	6,655,614	-	6,655,614
Expenses			
Significant income and expenses			
Interest income	8,867	49,204	58,071
Other income	3,562,449	892,762	4,455,211
Interest expenses	(4,757)	(14,611)	(19,368)
Depreciation and amortisation	(703,729)	(52,617)	(756,346)
Share of associates loss	-	(30,000)	(30,000)
Impairment loss	(3,155,217)	-	(3,155,217)
Income tax, deferred taxes and PRRT	(405,286)	-	(405,286)
Segment net operating loss after tax	(1,414,401)	(2,517,316)	(3,931,717)
Year ended 30 June 2020			
Segment Revenue	12,255,139	-	12,255,139
Expenses			
Significant income and expenses			
Interest income	3,777	2,236	6,013
Interest expenses	(1,014)	(578)	(1,592)
Depreciation and amortisation	(999,151)	(11,488)	(1,010,639)
Share of associates loss	(493,027)	-	(493,027)
Impairment loss	(2,647,209)	-	(2,647,209)
Income tax, deferred taxes and PRRT	(447,842)	-	(447,842)
Segment net operating loss after tax	(1,726,389)	(2,060,175)	(3,786,564)
Segment assets			
At 30 June 2021	12,477,133	14,178,155	26,655,288
At 30 June 2020	21,025,006	7,345,562	28,370,568
Segment liabilities			
At 30 June 2021	(18,150,512)	(1,218,073)	(19,368,585)
At 30 June 2020	(25,283,985)	(803,194)	(26,087,179)

5 Additional disclosures

5.3 Segment reporting (continued)

Movements in non-current assets – WA Oil production segment	**30 June 2021 $**	**30 June 2020 $**
Oil and Gas additions (before impairment & provision movement)	2,206,608	2,960,180
Exploration and evaluation additions	1,015,498	726,217
	3,222,106	3,686,397
Movements in non-current assets - corporate segment		
Plant and equipment	2,720	119,165
Investment in associate	30,000	-
Exploration and evaluation additions	13,324	939,991
	46,044	1,059,156

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.

	Country of	**% Equity Interest**		**$ Investment**	
Name	**Incorporation**	**2021**	**2020**	**2021**	**2020**
Triangle Energy (QLD) Pty Ltd	Australia	100	100	2	2
Triangle (Perth Basin) Pty Ltd	Australia	100	100	100	100
A.C.N. 008 988 930 Pty Ltd	Australia	100	100	1,136,624	1,136,624
A.C.N. 008 939 080 Pty Ltd	Australia	100	100	1,136,624	1,136,624
Triangle Energy (Ventures) Pty Ltd	Australia	100	100	100	100
Triangle Energy (EP437) Pty Ltd	Australia	100	-	100	-
Associates					
Triangle Energy (Operations) Pty Ltd	Australia	50	50	-	-
State Gas Pty Ltd	Australia	27.67[4]	32.68	-	-

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

No related party transactions that were entered into with related parties for the relevant financial year.

Additional transactions with related parties of the Group
There were no additional transactions outside the Consolidated Entity during the year not already disclosed above.

[4] 23.96% subsequent to the end of financial year.

5 Additional disclosures

5.4 Related party transactions (continued)

Key management personnel compensation

	30 June 2021 $	30 June 2020 $
Short-term employee benefits	903,167	1,150,160
Post-employment benefits	76,911	84,797
Long-term benefits	19,240	92,551
Termination benefits	105,243	-
Share-based payments	77,756	93,990
	1,182,317	1,421,498

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

Transactions with related parties

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 2021. (2020: Nil)

5.6 Parent Entity Disclosure

	30 June 2021 $	30 June 2020 $
Financial position		
Assets		
Current assets	2,086,531	508,815
Non-current assets	6,418,246	2,567,473
Total assets	8,504,777	3,076,288
Liabilities		
Current liabilities	1,218,074	708,300
Non-current liabilities	-	84,598
Total liabilities	1,218,074	792,898
Equity		
Issued capital	45,482,024	36,715,029
Accumulated losses	(39,191,875)	(35,202,574)
Reserves	996,554	770,935
Total equity	7,286,703	2,283,390

5 Additional disclosures

5.6 Parent Entity Disclosure (continued)

Financial performance	Year ended 30 June 2021	Year ended 30 June 2020
(Loss) for the year	(3,989,301)	(3,415,454)
Other comprehensive income	-	-
Total comprehensive loss	(3,989,301)	(3,415,454)

5.7 Auditor's Remuneration

	30 June 2021 $	30 June 2020 $
Assurance Services		
Amounts received or due and receivable by HLB Mann Judd (WA) Partnership for:		
An audit or review of the financial report of the entity and any other entity in the Group	55,299	45,300
	55,299	45,300

6.1 Accounting Policies

(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 2021

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 30 June 2021 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 Consolidated 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.

6.1 Accounting Policies (continued)

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.

(c) 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 during the prior period. 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.

6.1 Accounting Policies (continued)

(d) 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.

(e) 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 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.

(f) Revenue recognition (AASB 15)

From beginning of the financial year to 28 February 2021, the Company had one contract for the delivery of hydrocarbons to a local refinery. 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 this refinery. The customer takes delivery of this product at the refinery gate and at this point the Company's obligations end. Revenue from 1 March 2021 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.

6.1 Accounting Policies (continued)

(g) 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:

- 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.

6.1 Accounting Policies (continued)

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.

(h) 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.

(i) 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.

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.

6.1 Accounting Policies (continued)

(j) 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.

(k) 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.

(l) 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.

(m) 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.

6.1 Accounting Policies (continued)

(n) 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 of 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.

(c) Fair value through profit and 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.

Impairment of financial assets

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

(i) Financial assets carried at amortised cost

From 1 July 2018 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 stag 3 assessments.

6.1 Accounting Policies (continued)

(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.

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

6.1 Accounting Policies (continued)

(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).

(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.

6.1 Accounting Policies (continued)

(t) Share-based payment transactions

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

The fair value of options granted under the TEG Employee Rights Plan 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.

(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.

6.1 Accounting Policies (continued)

(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 2020 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
AASB 17 Insurance Contracts	This standard will change insurance accounting in Australia, the level of impact will vary depending on the type of insurance entity and the current systems in place. AASB 17 treats insurance products with similar risks in the same manner, regardless of whether they are labelled as 'general', 'life' or 'health' insurance. Some products offered by life insurance entities may now qualify for a simpler way of determining their insurance liabilities. AASB 17 requires an insurer to recognise profits as it delivers insurance services (rather than when it receives premiums) and to provide information about insurance contract profits the company expects to recognise in the future. Insurer will reflect the time value of money in expected payments to settle incurred claims and will measure their insurance contracts based only on obligations created by these contracts.	1 January 2021	The entity does not recognise all of its deferred taxes on borrowings and does not expect this amendment to have a material impact on the tax balance.

6.1 Accounting Policies (continued)

AASB reference	Nature of Change	Effective date for entity	Impact on Initial Application
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 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial corrections	The amendments to AASB 10 Consolidated Financial Statements and AASB 128 Investment in Associates and Joint Venture deal with situations where there is a sale or contributions of assets between and investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors interests in that associate of joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss on to the extent of the unrelated investors' interests in the new associate or joint venture.	1 January 2022 (Editorial corrections in AASB 2017-5 applied from 1 January 2018)	The Directors do not anticipate that the amendments will have a material impact on the Group

(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.

6.1 Accounting Policies (continued)

(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.

(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 36 to 86 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 2021 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 2021.

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.

Tim Monckton

Chairman

Dated at Perth, Western Australia this 30th day of September 2021.

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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 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the 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 2021 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
Exploration and evaluation expenditure Refer to Note 2.2	
The Group has capitalised exploration and evaluation expenditure of $13,479,294. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, 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. 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. We considered this to be a key audit matter due to its size and importance to the users' understanding of the financial statements.	Our audit procedures included but were not limited to: • Obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest; • Substantiated a sample of exploration and evaluation expenditure; • Obtained evidence that the Group has current rights to tenure of its areas of interest; • Considered the Directors' assessment of potential indicators of impairment under AASB 6 *Exploration for and Evaluation of Mineral Resources*; • Examined the exploration budget for the year ending 30 June 2021 and discussed with management the nature of planned ongoing activities; and • Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.
Oil and gas properties Refer to Note 2.1	
The carrying value of the oil and gas development asset at balance date is $nil due a combination of the reduction in the rehabilitation and restoration provision, amortisation and impairment during the year. 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.	Our audit procedures included but were not limited to: • Substantiated a sample of oil and gas development expenditure capitalised; • Obtained evidence that the Group has current rights to tenure of its development area; • Validated the amortisation rate applied is relative to production; • Critically evaluated management's assessment of impairment indicators under AASB 136 *Impairment of Assets* and the potential reversal of impairment; • Analysed management's impairment calculation including the assessment of reasonableness of major inputs and assumptions, including performing sensitivity analysis;

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	• Checked the mathematical accuracy of the model; and • Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.
Provision for restoration Refer to Note 4.6	
The Group has a site restoration provision of $15,575,638 as at 30 June 2021 a reduction of $5,860,984 from the prior year balance. The Group has obligations to restore the area on which it has conducted drilling activities. The provision is for the expected future costs associated with the rehabilitation activities. The site restoration provision was a key audit matter due to the significant judgement involved in estimating costs which are planned to be incurred in future years and the related timing of incurring those costs.	Our audit procedures included but were not limited to: • Reviewed management's independent experts report; • Assessed the capability and independence of management's expert; • Ensured the scope of report included acknowledgement that it was performed in accordance with the requirements of current Australian regulatory and environmental practices; • Validated the adjustment raised to rehabilitation provision and oil and gas properties; and • Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.

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 2021, 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 within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Triangle Energy (Global) Limited for the year ended 30 June 2021 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

HLB Mann Judd
Chartered Accountants

D I Buckley
Partner

Perth, Western Australia
30 September 2021

ADDITIONAL INFORMATION

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

Substantial Shareholder Information as at 15 September 2021

Shareholder Name	Securities	%
Altor Captial Management Pty Ltd <Altor Alpha Fund A/C>	64,125,824	5.96%
Michael Norman Arnett[5]	61,299,447	5.73%

Holder of 20% or more Options expiry 6 November 2021. As at 15 September 2021

Options Holder Name	Securities	%
Purple Communication Australia Pty Ltd	1,803,768	100.00

Holder of 20% or more Options expiry 8 February, 2022. As at 15 September 2021

Option Holder Name	Securities	%
MGL Corp Pty Ltd	2,000,000	50%
Altor Capital Management Pty Ltd	2,000,000	50%

Distribution of Shareholders as at 15 September 2021

Spread of Holdings	Holders	Securities	%
NIL holding	-	-	
1 - 1,000	66	7,944	0.00%
1,001 - 5,000	50	149,778	0.01%
5,001 - 10,000	68	542,016	0.05%
10,001 - 100,000	967	44,539,123	4.14%
100,001 - 9,999,999	993	1,030,070,075	95.79%
	2,144	**1,075,308,936**	**100.00%**

Distribution of Options holders as at 15 September 2021

Spread of Holdings	Holders	Securities
NIL holding	-	-
1 - 1,000	13	5,065
1,001 - 5,000	8	28,585
5,001 - 10,000	36	286,039
10,001 - 100,000	160	7,821,4365
100,001 - 9,999,999	473	664,513,173
Total	**690**	**672,654,298**

Top Twenty Shareholders as at 15 September 2021

Rank	Holder Name	Securities	%
1	Altor Capital Management Pty Ltd <Altor Aplpha Fund A/C>	64,125,824	5.96%
2	Tamarind Resources Pte Ltd	50,195,579	4.67%
3	Citicorp Nominees Pty Limited	28,949,749	2.69%
4	BNP Paribas Nom Pty Ltd <DRP>	22,453,900	2.09%
5	Mr Darren John Hall	17,009,362	1.58%
6	Sunset Capital Management Pty Ltd <Sunset Superfund A/C>	14,636,373	1.36%
7	BNP Paribas Nom Pty Ltd Six Sis Ltd <DRP A/C>	14,286,666	1.33%
8	Clariden Capital Pty Ltd	12,000,000	1.12%
9	UCAN Nominees Pty Ltd <Coen Family A/C>	11,185,399	1.04%
10	Sochrastem Sas	11,076,924	1.03%
11	Mr Darren Michael Bromley	10,990,234	1.02%
12	Mr Mazoor Jan Nazi	10,837,070	1.01%

Top Twenty Option Holders as at 15 September 2021

Rank	Holder Name	Securities	%
1	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	80,052,417	11.90%
2	BOBARINO PTY LTD	52,500,000	7.80%
3	CELTIC CAPITAL PTY LTD <INCOME A/C>	52,500,000	5.09%
4	CELTIC CAPITAL PTY LTD <CELTIC CAPITAL NO 2 A/C>	33,000,000	4.91%
5	ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	32,062,911	4.77%
6	CPS CAPITAL GROUP PTY LTD	22,050,000	3.28%
7	MISHTALEM PTY LTD	11,500,000	1.71%
8	CITICORP NOMINEES PTY LIMITED	9,424,326	1.40%
9	HUNTER CAPITAL ADVISORS P/L	8,000,000	1.19%
10	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	7,318,187	1.09%
11	MR DARREN JOHN HALL	7,283,903	1.08%
12	BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	6,740,255	1.00%

[5] Mr Arnett is considered a substantial shareholder by virtue of sections 608(3) (a) and / or s608 (3)(b) of the Corporations Act 2001 (Cth) being a relevant interest held in Tamarind Resources Pte Ltd of which the voting power of Mr Arnett is greater than 20%.

Top Twenty Shareholders as at 15 September 2021 (continuation)

Rank	Holder Name	Securities	%
13	One Managed Investment Funds Limited <TI Growth A/C>	10,500,000	0.98%
14	BNP Paribas Nominees Pty Ltd <IB Au Noms Retailclient Drp>	10,115,679	0.94%
15	KINGSLANE PTY LTD <CRANSTON SUPER PENSION A/C>	9,090,910	0.85%
16	MR DARREN JOHN HALL	8,376,752	0.78%
17	BLOCK CAPITAL GROUP LIMITED	8,000,000	0.74%
18	JARRAD STREET CORPORATE PTY LTD	7,820,606	0.73%
19	MR MICHAEL ARNETT	7,600,000	0.71%
20	MR YUN LOU	6,700,000	0.62%
	Total	**335,951,027**	**31.24%**

Top Twenty Option Holders as at 15 September 2021 (continuation)

Rank	Holder Name	Securities	%
13	MR NICK KATOUNAS	6,500,000	0.97%
14	BNP PARIBAS NOMS PTY LTD <DRP>	6,300,000	0.94%
15	MR BJORN JOHNSSON	6,260,000	0.93%
16	CLARIDEN CAPITAL PTY LTD	6,000,000	0.89%
17	JBM TRADING PTY LTD	5,290,000	0.79%
18	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	5,250,000	0.78%
19	JAMBER INVESTMENTS PTY LTD <THE AMBER SCHWARZ FAM A/C>	5,181,818	0.77%
20	TANGO88 PTY LTD <TANGO88 A/C>	5,000,000	0.74%
	Total	**349,966,090**	**52.03%**

Top Twenty 2020 Rights Holders as at 15 September 2021

Rank	Holder Name	Securities	%
1	Mr Robert Towner	24,292,237	83.52%
2	Mr Marvin Acosta Chan	4,794,520	16.48%
	Total	**29,086,757**	**100.00%**

Top Twenty 2020 Rights Holders as at 15 September 2021

Rank	Holder Name	Securities	%
1	ROBERT EDGAR THOMAS TOWNER	4,492,698	22.51%
2	ALLAN MATTHEW FITTAL	3,080,708	15.43%
3	MARVIN ACOSTA CHAN	2,567,256	12.86%
3	SIMON PRICE	2,567,256	12.86%
4	JOHN BRYCE DONALDSON	2,310,530	11.58%
5	ANTHONY SEE	2,117,986	10.61%
6	LUCY NICOLSON ROWE	1,540,354	7.72%
7	KATHY DECESARE	1,283,628	6.43%
	Total	**19,960,416**	**100.00%**

Distribution of TEG 2020 rights holders as at 15 September 2021

Spread of Holdings	Holders	Securities
NIL holding	-	-
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	-	-
Above 100,000	2	29,086,757
Total	**2**	**29,086,757**

Distribution of TEG 2021 rights holders as at 15 September 2021

Spread of Holdings	Holders	Securities
NIL holding	-	-
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	-	-
Above 100,000	8	19,960,416
Total	**8**	**19,960,416**