Triple Energy Limited

ABN 68 116 829 675

Annual Financial Report
31 March 2018

Contents

DIRECTORS' REPORT

CORPORATE INFORMATION

ABN 68 116 829 675

Directors

Mr Ming Kit (Tommy) Cheng	(Non-Executive Chairman)
Mr Man Kin (Raymond) Tam	(Alternate Director for Mr Tommy Cheng)
Mr Murray d'Almeida	Independent Non-Executive Director (appointed 18 July 2017)
Mr Chris Berkefeld	Independent Non-Executive Director (appointed 18 July 2017)

Company secretary
Mr Alex Neuling

Registered office and Principal place of business
Unit 24, 589 Stirling Highway, Cottesloe WA 6011
PO Box 899, Cottesloe WA 6011
Telephone: (08) 6153 1861
Facsimile: (08) 6314 1557

Postal address:
PO Box 899
COTTESLOE WA 6911

Share register
Security Transfer Australia Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: (08) 9315 2333

Solicitors
Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

Bankers
National Australia Bank
Level 1, 1238 Hay Street
WEST PERTH WA 6005

Auditors
HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

Website www.tripleenergy.net

DIRECTORS' REPORT

Your directors submit their annual financial report of the Group consisting of Triple Energy Limited ('Triple') and its controlled subsidiaries for the financial year ended 31 March 2018. In order to comply with the provisions of the Corporations Act 2001, the directors report 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.

Mr Ming Kit (Tommy) Cheng	Non Executive Chairman
Mr Man Kin (Raymond) Tam	Alternate Director for Mr Tommy Cheng (appointed 4 April 2017)
Mr Murray d'Almeida	Independent Non-Executive Director (appointed 18 July 2017)
Mr Chris Berkefeld	Independent Non-Executive Director (appointed 18 July 2017)
Mr Paul Underwood	Former Director (resigned 18 July 2017)
Mr Garry Ralston	Former Director (resigned 18 July 2017)

Names, qualifications, experience and special responsibilities

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Mr Tommy Cheng
Non-Executive Chairman
Qualifications: B.Comm

Mr Cheng is an executive director and chairman of Beijing Gas Blue Sky Holdings Limited (HKEx Stock Code 6828 **BGBS**). He holds a Bachelor degree in Commerce from the University of Alberta, Canada. From 1995 to 2003, Mr Cheng held various positions which were responsible for corporate finance and property development activities in the People's Republic of China (**PRC**). From 2003 to 2008, Mr Cheng was involved in the investment and operations in the gold mining industry in the PRC and had held senior positions in a mining company listed on the Toronto Stock Exchange Venture Board with mining and exploration operations in the PRC. Mr Cheng is currently a non-executive director of New Times Energy Corporation Limited (HKEx stock code: 0166) and was an executive director of Grand T G Gold Holdings Limited (HKEx stock code: 08299) from November 2008 to June 2009, which shares are listed on the Hong Kong Stock Exchange.

During the three years to balance date, Mr Cheng has served as a Director of New Times Energy Corporation Limited (2009- present) and Beijing Gas Blue Sky Holdings Limited (2014-Present).

During the three years to balance date Mr Cheng has not served as a Director of any other ASX listed company.

Mr Man Kin (Raymond) Tam
Alternate Director

Mr Tam is an executive director, chief financial officer and authorized representative of Beijing Gas Blue Sky Holdings Ltd, the Hong Kong-listed parent company of the Beijing Gas Blue Sky group of companies (**BGBS**) (Hong Kong Stock Code: 6828). BGBS is Triple's largest shareholder.

Mr Tam obtained an Executive Master of Business Administration degree from the University of Western Ontario in Canada in 2005, a Master of Practising Accounting degree from Monash University in Australia in 2001 and a Bachelor of Civil & Resources Engineering (First Class Honours) degree from the University of Auckland in New Zealand in 1998. Mr Tam is a Fellow of CPA Australia, a member of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a CFA and FRM charter-holder. Mr Tam has over 15 years of management experience in banking and finance industry. Prior to joining Beijing Gas Blue Sky Power Holdings Ltd, Mr Tam served as the chief financial officer of China Regenerative Medicine International Limited (stock code: 8158), a company listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited from 2015 to 2016. Mr Tam also served as the Project Director of Mineralogy Pty Ltd. and the chief financial officer of Resourcehouse Ltd., both of which are Australian companies principally engaged in the development of mineral resources. Further, he worked at J.P. Morgan from 2006 to 2010 and held various management positions with The Hongkong and Shanghai Banking Corporation Limited from 1999 to 2006. He also served as the Vice President (Asia Convention) of the World Leadership Alliance — World Economic Council, and has served as the Co-Chairperson of Corporate Sector Committee of CPA Australia — Greater China since 2016.

During the three years to balance date Mr Tam has not served as a Director of any other ASX listed company.

DIRECTORS' REPORT

Mr Murray d'Almeida

Independent Non-executive Director

Mr d'Almeida has over 35 years of diverse national and international business experience. He commenced his career in Perth with a firm of Chartered Accountants before moving into a broad range of commercial and financial reporting positions with two major USA based mining companies. He founded the Australian and international retailer Retail Food Group, and developed their presence in seven overseas countries. He has maintained operating and board positions within a range of financial services, mining, commercial academic, government, sporting businesses and organisations.

Mr d'Almeida is currently chairman of Incentia Pay Limited (formerly BPS Technology Limited), chairman of Barrack Street Investments Limited and a director of Global Masters Limited.

Mr Chris Berkefeld

Independent Non-executive Director

Mr Berkefeld has over 20 years' experience on public and private company boards in New Zealand and Australia. His background is in industrial, waste and mining services in Australia along with engineering and heavy transportation services in Europe and Asia. He was with services company Brambles for 25 years and ran the waste management and industrial services businesses upon their sale to a private equity group in 2006.

Mr Berkefeld is currently a non-executive director of Tellus Group Limited and Hiway Group Limited and Incentia Pay Limited.

FORMER DIRECTORS

Mr Paul Underwood (resigned 18 July 2017)
Non-Executive Director
Qualifications: B.Bus, Grad Diploma in Applied Finance, Chartered Accountant

Mr Underwood has over 33 years experience in the upstream oil and gas sector and corporate advisory. He was the founding Managing Director and Chief Executive Officer of Tap Oil Limited (ASX: TAP), a position he held for 11 years. Mr Underwood presided over Tap Oil during its progression from an unlisted junior start-up company into a significant participant in the oil and gas sector with a market capitalisation of several hundred million dollars.

Mr Underwood has also served as a Non-Executive Director of Western Power, a Western Australian state owned electricity utility, and is the President of Alliance Francaise de Perth.

During the three years to the date of his resignation Mr Underwood did not serve as a director of any other listed company.

Mr Garry Ralston (resigned 18 July 2017)
Independent Non-Executive Director, Chairman Audit & Risk, Nomination and Remuneration Committees
Qualifications: Licensed Finance Broker (CFB)

Mr Ralston serves as a Non-Executive Director of the Company and is based in Perth, Western Australia. Mr Ralston has been directly involved in the banking and finance industry for over 44 years. Mr Ralston was a co-founder of Finance and Systems Technology (FAST), which is one of Australia's premier mortgage aggregators. Mr Ralston is also a director and co-founder of Select Mortgage Services.

During the three years to the date of his resignation Mr Ralston did not serve as a director of any other listed company.

Company Secretary - Mr Alex Neuling

Mr Neuling is a Chartered Accountant and Chartered Secretary with extensive corporate and financial experience including as director, chief financial officer and / or company secretary of various ASX-listed companies in the Oil & Gas, mining, mineral exploration and other sectors.

Prior to those roles, Alex worked at Deloitte in London and Perth. Alex also holds an honours degree in Chemistry from the University of Leeds in the United Kingdom and is principal of Erasmus Consulting Pty Ltd which provides company secretarial and financial management consultancy services to a variety of ASX-listed and other companies.

DIRECTORS' REPORT

Interests in the shares and options of the Company

The following relevant interests (including indirect interests) in shares and options of the Company or a related body corporate were held by the Directors as at the date of this report or the date each Director ceased to be a Director, as applicable.

Directors	Fully paid ordinary shares	Options
Mr Tommy Cheng*	-	1,500,000**
Mr Raymond Tam	-	-
Mr Murray D'Almeida	-	-
Mr Chris Berkefeld	-	-
Mr Paul Underwood (at time of resignation)	704,000**	1,000,000**
Mr Garry Ralston	300,000**	25,000**
Mr Man Kin (Raymond) Tam	-	-

*Mr Cheng is a nominee of the BGBS Group, a substantial shareholder of the Company which currently holds 19,202,602 shares (44.5%).

**As restated for the 1:40 Share consolidation approved by Shareholders at the 2017 Annual General Meeting.

Share Capital

As at the date of this report, the Company had 43,197,632 Ordinary Shares on issue (2017: 1,132,940,941, prior to 1:40 share consolidation). No ordinary shares were issued by the Company during or since the end of the financial year as a result of the exercise of an option. There are no unpaid amounts on the shares issued.

At the date of this report unissued ordinary shares of the Company under option are:

Class	*Expiry Date*	*Exercise price*	*Number of options*
G	31 August 2018	$0.60	1,925,000
H	31 August 2019	$0.60	2,250,000
TOTAL			4,175,000

Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activity of the Group during the year was the exploration for natural resources.

Review of Operations

Aolong JV Project in Heilongjiang (Triple Project Interest – 80%)

Exploration activity during the year was focused on regional technical studies to evaluate the prospectivity of the Hegang project area as well as other areas to which the Aolong Co-operative Joint Venture (CJV) holds contractual rights to acquire interests under any potential future extension or variation of the CJV area. The joint venture partners continue to discuss necessary measures for closer cooperation, to minimize any future development conflicts as well as identifying other project areas suitable for gas production, having regard to the geological complexities apparent in the project area. Work in the forthcoming quarter is expected to be focused on the identification and working-up of potential sites for future drilling during 2018 (subject to funding and the successful outcome of joint venture discussions).

DIRECTORS' REPORT

Shaanmei Project Areas (Triple Project Interest – rights to hold 80%)

As previously announced, a cooperation agreement (**Agreement**) is in place with Shaanxi Province Coal Bed Methane Exploitation and Utilization Co. Ltd., a subsidiary of Shaanmei Coal Mining Company (**Shaanmei**).

The Agreement covers production sharing for Coal Bed Methane Drainage of three linked areas in Wangfeng and Shangshuping Mining Areas in Hancheng, Shaanxi Province and covers in excess of 160km^2. The Agreement provides for a profit-sharing arrangement and Triple has the right to wholly-own the HK and PRC entities which have an 80% profit interest.

Under the Agreement terms Triple was required to provide RMB5,000,000 (~A$1,000,000) as a performance surety. TNP's largest shareholder, BGBS has arranged and advanced this funding in support of TNP, with the funding initially in the form of a renewable loan facility between BGBS and the project entity. BGBS continues to support TNP in this respect.

Work performed during the first quarter of 2018 has again concentrated on ongoing technical studies with the objective of identifying appropriate potential well sites and drilling techniques both within the contracted project areas and other areas of potential future co-operation with Shaanmei.

Corporate & Financial

On 18 July 2017 Triple announced the appointments of Mr Murray d'Almeida and Mr Chris Berkefeld to the Board as independent non-executive directors. Concurrently with the appointments, Mr Paul Underwood and Mr Garry Ralston resigned from the Board.

In August 2017 at the Company's Annual General Meeting, Shareholders voted to approve the consolidation of the Company's shares on the basis of one new share for every 40 shares previously on issue and this consolidation took effect during early September 2017.

On 30 November 2017, the Company announced that it had agreed to place 2 million new fully paid ordinary shares to a high net worth sophisticated investor in the Peoples Republic of China (**PRC**) at an issue price of 16 cents per Share to raise approximately A$320,000 before associated costs (**Placement**). The Placement Shares were subsequently issued on 13 December 2017.

Triple staff in Australia, HK and PRC, including and supported by BGBS employees, continue to work actively on the evaluation of other potential new projects consistent with the Company's strategy.

As of 31 March 2018 the Group's consolidated cash balance was A$280,053, including funds held by the Aolong CJV in China but excluding funds held by the Shaanmei project entity (and associated RMB 5m debt facilities with BGBS) pending transfer of the relevant subsidiaries. As previously disclosed, Triple continues to have the benefit of financial, strategic and operational support from BGBS and its management in continuing its operations and meet its business objectives and additional working capital of HKD500k was made available to BGBS Triple's HK subsidiary during the quarter by way of an interest-free unsecured loan. Triple's board anticipates that BGBS will continue to assist with and facilitate future capital-raising initiatives consistent with pursuing the Company's objectives.

Operating Results for the Year

The consolidated net loss after income tax attributable to members of the Group amounted to $624,559 (2017: $1,873,892 – as restated following the adoption of a voluntary change in accounting policy for deferred exploration and evaluation assets).

Review of Financial Conditions

As at 31 March 2018 the Group held $280,053 in cash and cash equivalents.

Significant Changes in the State of Affairs of the Group

Other than the capital raisings, share consolidation and operational updates as noted elsewhere in this Report, there have been no significant changes in the state of affairs of the Group to the date of this Report.

Significant Events After Balance Date

No matter or circumstance has arisen since 31 March 2018 that in the opinion of the Directors has significantly affected, or may significantly affect in future financial years:

(i) the Group's operations;
(ii) the results of those operations; or
(iii) the Group's state of affairs.

DIRECTORS' REPORT

Likely Developments and Expected Results

The Group continues to evaluate new projects complimentary with the business model of finding and developing producing gas projects in China.

Except as disclosed herein, disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

Environmental Legislation

The Group is subject to the usual environmental and monitoring requirements in respect of its natural resources exploration activities in China.

The Directors are not aware of any significant breaches of these requirements during the year.

Indemnification and Insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

DIRECTORS' REPORT

Remuneration Report

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Key Management Personnel of Triple Energy Limited (the "Company") for the financial year ended 31 March 2018. 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.

Key Management Personnel

(i) Directors

Mr Tommy Cheng (Non-Executive Chairman)

Mr Raymond Tam (Alternate Director for Mr Tommy Cheng, appointed 4 April 2017)

Mr Murray d'Almeida (Independent Non-Executive Director, appointed 18 July 2017)

Mr Chris Berkefeld (Independent Non-Executive Director, appointed 18 July 2017)

Mr Garry Ralston (Former Independent Non-Executive Director, resigned 18 July 2017)

Mr Paul Underwood (Former Non-Executive Director, resigned 18 July 2017)

(ii) Executives

Mr Alex Neuling (Company Secretary)

Remuneration philosophy

The performance of the Company depends upon the quality of the Directors and Executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration

Remuneration Committee

The Board, in its capacity as the Remuneration Committee of the Board of Directors of the Company; and in accordance with the Remuneration Committee Charter is responsible for determining and reviewing compensation arrangements for the directors, the CEO and the executive team.

The Board assesses the appropriateness of the nature and amount of remuneration of Directors and Executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration structure

In accordance with best practice Corporate Governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-Executive Director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held on 31 August 2010 when shareholders approved an aggregate remuneration of up to $250,000 per year.

DIRECTORS' REPORT

Remuneration report (continued)

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Director (other than an Alternate Director) is entitled to receive a fee for being a Director of the Company, however the Company's Chairman, Mr Tommy Cheng, has waived his entitlement to receive a Directors fee.

The remuneration of Non-Executive Directors for the year ended 31 March 2018 is detailed in the Remuneration of Directors and named Executives in Table 1 of this report.

Senior Manager and Executive Director remuneration

Remuneration consists of fixed remuneration and Company options (as determined from time to time). In addition to the Company employees and Directors, the Company engages key consultants on a contractual basis. These contracts stipulate the remuneration to be paid to the consultants.

Fixed Remuneration

Fixed remuneration is reviewed annually or as required by the full Board (assuming the role of the Remuneration Committee and in accordance with the Remuneration Committee charter). The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary.

Fixed remuneration is paid in the form of cash payments.

The fixed remuneration component of Key Management Personnel is detailed in Table 1.

Variable Remuneration

Executives (including Executive Directors) are eligible to participate in the Company's Short Term Incentive (bonus) schemes, as well as Long Term Incentives arrangements in the form of the grant of share options or participation in the Company Employee Share Scheme ("ESS"). During the year ended 31 March 2017, 2,250,000* options exercisable at 60* cents per share on or before 31 August 2019 were granted to Directors and Executives pursuant to Shareholder approval granted at the Company's AGM on 30 August 2016. 1,750,000 of which were issued to key management personnel. The fair value of options granted was $0.20* per option. The options were subject to vesting criteria (refer Note 15 of the financial report). As of the date of this report the vesting criteria are no longer capable of being met, and, as such, no expense has been recognised.

**Option numbers, exercise price and fair values above are all presented as restated for the Company's 1:40 Share Consolidation approved by Shareholders at the 2017 Annual General Meeting.*

Key Management Personnel Employment & Service Contracts

The Company has entered into service contracts with entities controlled by its independent non-executive Directors. The service contracts provide for a fee of $3,333 per month to be paid to the entities for the provision of services by the respective Directors and may be terminated by the Company or counterparty on one month's notice.

AJ Neuling – Company Secretary
The Company has engaged Erasmus Consulting Pty Ltd ("Erasmus") to provide consulting services including services provided by Mr Neuling (an employee and Director of Erasmus). The consulting contract between the Company and Erasmus incorporates a monthly minimum retainer of $1,800 (excluding GST) and additional fees on an hourly rate for work performed by Erasmus personnel in excess of 10 director-level staff hours per month.

DIRECTORS' REPORT

Table 1: Directors' and named executives' remuneration for the year ended 31 March 2018

	Short-term employee benefits			Post-employment benefits		Equity	Total	%
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options		Performance Related
	$	$	$	$	$	$	$	
Mr Tommy Cheng	-	-	-	-	-	-	-	0%
Mr Murray D'Almeida	24,998	-	-	-	-	-	24,998	0%
Mr Chris Berkefeld	26,664	-	-	-	-	-	26,664	0%
Mr Paul Underwood	25,000	-	-	-	-	-	25,000	0%
Mr Garry Ralston	12,000	-	-	-	-	-	12,000	0%
Mr Alex Neuling*	-	-	-	-	-	-	-	0%
Mr Raymond Tam	-	-	-	-	-	-	-	0%
Total	**88,662**	**-**	**-**	**-**	**-**	**-**	**88,662**	0%

**Mr Neuling is not directly remunerated by the Company. Erasmus Consulting Pty Ltd, an entity controlled by Mr Neuling, received consulting fees of $50,924 during the year.*

Table 2: Directors' and named executives' remuneration for the year ended 31 March 2017

	Short-term employee benefits			Post-employment benefits		Equity	Total	%
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options		Performance Related
	$	$	$	$	$	$	$	
Mr Tommy Cheng	-	-	-	-	-	-		0%
Mr Paul Underwood	125,291	-	-	12,587	-	-	137,878	0%
Mr Po Chan	105,222	-	-	-	-	-	105,222	0%
Mr Garry Ralston	36,000	-	-	-	-	-	36,000	0%
Mr Alex Neuling*	-	-	-	-	-	-	-	0%
Mr Man Kin (Raymond) Tam	-	-	-	-	-	-	-	0%
Total	**266,513**	**-**	**-**	**12,587**	**-**	**-**	**279,100**	0%

**Mr Neuling is not directly remunerated by the Company. Erasmus Consulting Pty Ltd, an entity controlled by Mr Neuling, received consulting fees of $61,952 during the year.*

DIRECTORS' REPORT (continued)

Remuneration report (continued)

Remuneration of directors and named executives

(iii) Share-based payments granted as compensation

No options were granted as remuneration during the year to 31 March 2018. For details of options granted during the 2017 financial year refer to Note 15 of the financial report and the variable remuneration section of this remuneration report.

No options granted as compensation were exercised or lapsed in the current financial year.

(iv) Option holdings of Key Management Personnel

As at 31 March 2018

	Balance at beginning of period*	Granted as remuneration	Options expired	Net change Other	Balance at end of period
Mr Tommy Cheng	1,500,000	-	-	-	1,500,000
Mr Murray D'Almeida	-	-	-	-	-
Mr Chris Berkefeld	-	-	-	-	-
Mr Raymond Tam	-	-	-	-	-
Mr Paul Underwood**	1,000,000	-	-	-	1,000,000
Mr Garry Ralston**	25,000	-	-	-	25,000
Mr Alex Neuling	25,000	-	-	-	25,000
Total	2,550,000	-	-	-	2,550,000

** As restated for the 1:40 Share Consolidation approved by Shareholders at the Company's 2017 AGM.*
*** Held at date of resignation*

(v) Shareholdings of Key Management Personnel

As at 31 March 2018

	Balance at beginning of period*	Granted as remuneration	On Exercise of Options	Net change Other	Balance at end of period
	Number	Number	Number	Number	Number
Mr Tommy Cheng**	-	-	-	-	-
Mr Murray D'Almeida	-	-	-	-	-
Mr Chris Berkefeld	-	-	-	-	-
Mr Man Kin (Raymond) Tam	-	-	-	-	-
Mr Paul Underwood***	704,000	-	-	-	704,000
Mr Garry Ralston***	300,000	-	-	-	300,000
Mr Alex Neuling	197,500	-	-	-	197,500
Total	1,201,500	-	-	-	1,201,500

** As restated for the 1:40 Share Consolidation approved by Shareholders at the Company's 2017 AGM.*

***Mr Cheng is a nominee of BGBS, a substantial shareholder of the Company which holds 19,202,602 ordinary shares as at the date of this report (44.5%).*

**** Held at date of resignation.*

END OF REMUNERATION REPORT

DIRECTORS' REPORT (continued)

Directors' Meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Board Meetings*	
Director	**Attended**	**Eligible to Attend**
Mr Tommy Cheng*	-	4
Mr Raymond Tam*	4	4
Mr Murray d'Almeida	1	1
Mr Chris Berkefeld	1	1
Mr Garry Ralston	3	3
Mr Paul Underwood	2	2

*Excludes matters decided by circulating resolution. Mr Tam attended as alternate for Mr Cheng.

Separate meetings of the Audit and Remuneration Committees did not take place during the year with relevant business being considered by the full Board.

Auditor's Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, 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 14 and forms part of this directors' report for the year ended 31 March 2018.

Non-Audit Services

There were no non-audit services provided by the Company's auditors in the current financial year.

Signed in accordance with a resolution of the Directors.

Director Raymond Tam
Dated this 29th day of June 2018

HLB Mann Judd
Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Triple Energy Limited for the year ended 31 March 2018, 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
29 June 2018

D I Buckley
Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4 130 Stirling Street Perth WA 6000 | PO Box 8124 Perth BC WA 6849 | Telephone +61 (08) 9227 7500 | Fax +61 (08) 9227 7533
Email: mailbox@hlbwa.com.au | Website: www.hlb.com.au

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 $	2017 $ (Restated)
Continuing operations			
Other income	2	2,171	5,375
Other expenses	2	(626,730)	(1,879,267)
Loss before income tax expense		(624,559)	(1,873,892)
Income tax expense	3	-	-
Loss after tax expense		(624,559)	(1,873,892)
Net (loss) for the year		(624,559)	(1,873,892)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(29,837)	136,774
Total comprehensive income/(loss) for the year		(654,396)	(1,737,118)
Loss attributable to:			
Owners of the group		(618,768)	(1,850,021)
Non-controlling interests		(5,791)	(23,871)
Loss for the year		(624,559)	(1,873,892)
Total comprehensive loss attributable to:			
Owners of the group		(642,638)	(1,740,602)
Non-controlling interests		(11,758)	3,484
Loss for the year		(654,396)	(1,737,118)
Basic and diluted loss per share (cents per share) (as adjusted and restated for the effects of the 1:40 Share Consolidation)	4	(1.48)	(4.98)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Notes	2018 $	2017 (Restated) $
Assets			
Current Assets			
Cash and cash equivalents	6	280,053	857,360
Other current assets	7	19,616	24,723
Total Current Assets		299,669	882,083
Total Assets		299,669	882,083
Liabilities			
Current Liabilities			
Trade and other payables	8	(679,991)	(1,004,426)
Shares to be issued	10	-	(480,000)
Borrowings	9	(82,978)	-
Total Current Liabilities		(762,969)	(1,484,426)
Non-Current Liabilities		-	-
Total Liabilities		(762,969)	(1,484,426)
Net Liabilities		(463,300)	(602,343)
Equity			
Issued capital	11	36,645,591	35,852,152
Reserves	12	780,393	804,263
Accumulated losses	12	(37,790,526)	(37,171,758)
Parent entity interest		(364,542)	(515,343)
Non-controlling interests	12	(98,758)	(87,000)
Total equity		(463,300)	(602,343)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Issued Capital	Reserves	Accumulated Losses	Total	Non-controlling interests	Total equity
	$	$	$	$		$
As at 1 April 2016 (restated)	34,295,921	694,844	(35,321,737)	(330,972)	(90,484)	(421,456)
Loss for the period	-	-	(1,850,021)	(1,850,021)	(23,871)	(1,873,892)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	136,774	-	136,774	-	136,774
Changes in net assets attributable to non-controlling interests	-	(27,355)	-	(27,355)	27,355	-
Total comprehensive loss for the period	-	109,419	(1,850,021)	(1,740,602)	3,484	(1,737,118)
Ordinary Shares Issued	1,747,826	-	-	1,747,826	-	1,747,826
Performance Share Adjustment	(89,458)	-	-	(89,458)	-	(89,458)
Transaction costs on share issue	(102,137)	-	-	(102,137)	-	(102,137)
As at 31 March 2017	35,852,152	804,263	(37,171,758)	(515,343)	(87,000)	(602,343)
As at 1 April 2017	35,852,152	804,263	(37,171,758)	(515,343)	(87,000)	(602,343)
Loss for the period	-	-	(618,768)	(618,768)	(5,791)	(624,559)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	(29,837)	-	(29,837)	-	(29,837)
Changes in net assets attributable to non-controlling interests	-	5,967	-	5,967	(5,967)	-
Total comprehensive loss for the period	-	(23,870)	(618,768)	(642,638)	(11,758)	(654,396)
Shares and options issued	800,000	-	-	800,000	-	800,000
Transaction costs on share issue	(6,561)	-	-	(6,561)	-	(6,561)
As at 31 March 2018	**36,645,591**	**780,393**	**(37,790,526)**	**(364,542)**	**(98,758)**	**(463,300)**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 $	2017 $ (restated)
		Inflows/(Outflows)	
Cash flows from operating activities			
Interest received		2,171	5,375
Payments to suppliers and employees		(975,893)	(1,600,024)
Net cash flows (used in) operating activities	6	(973,722)	(1,594,649)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		-	-
Payments for other fixed assets		-	-
Loans to other entities		-	-
Net cash flows on acquisition of subsidiary		-	-
Net cash flows (used in)/from investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares and options		320,000	2,227,826
Proceeds from borrowings		82,978	-
Transaction costs on issue of shares		(6,561)	(196,994)
Net cash flows from financing activities		396,417	2,030,832
Net increase/(decrease) in cash and cash equivalents		(577,305)	436,183
Foreign Exchange		(2)	18,057
Cash and cash equivalents at the beginning of the period	6	857,360	403,120
Cash and cash equivalents at the end of the period		280,053	857,360

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Company and its subsidiaries (the Group). For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial statements have also been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements are presented in Australian dollars.

The Company is a listed public company, domiciled in Australia and operating in Australia (with subsidiaries operating internationally). The principal activity of the Group is the exploration for natural resources.

Going Concern

For the year ended 31 March 2018 the Group recorded a net loss of $624,559, has a working capital deficit of $463,300 and a net operating cash outflow of $973,722.

Notwithstanding the above, the financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the ordinary course of business and on the assumption of sufficient funds continuing to be available for the operations of the Company and its subsidiaries.

The Board considers that the Company is a going concern and recognises that additional funding is required to ensure that the Company can continue to fund the consolidated entity's operations and further develop its projects during the twelve month period from the date of this financial report. The Directors expect that the Company will be able to continue to raise the funds required to meets its obligations as and when they fall due, noting the ongoing support of its largest shareholder, the BGBS group in assisting the Company in accessing new investors and also in directly providing bridging finance.

In the event that the Company is unsuccessful in deriving sufficient additional funding for its operations there would exist a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

(b) Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 31 March 2018, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 31 March 2018. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

(c) Statement of compliance

The financial statements were authorised for issue on 29 June 2018.

The financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Triple Energy Ltd ('the Company') as at 31 March 2018 and the results of all subsidiaries for the year then ended. Triple Energy Ltd and its subsidiaries are referred to in this financial report as the group or the consolidated entity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(d) Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

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 comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(e) Critical accounting judgements and key sources of estimation uncertainty

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.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black and Scholes model. The Group measures the cost of share-based payments at fair value at the grant date using the Black and Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 15.

Valuation of Performance Shares:

During the 2016 year the Group issued 595.3 million drilling performance shares to the BSP group in consideration for the procurement of drilling services. The accounting value of the Performance Shares was determined using the market value of the Company's shares as at the date of issue of the performance shares and with an assessment carried out at balance date as to the value of the drilling services performed and thereby the number of performance shares deemed likely to have vested at that date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(f) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

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

(g) Cash and cash equivalents

Cash comprises cash at bank and in 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.

(h) Trade and other receivables

Trade receivables are measured on initial recognition at fair value. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 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 objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(i) Property, plant and equipment

Plant and equipment other than plant and equipment held solely for use on an exploration and evaluation project 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.

Tangible fixed assets held solely for use on an exploration and evaluation project may be capitalised in accordance with this policy, or alternatively expensed immediately as appropriate on an area of interest basis. Land and buildings are measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Leasehold Improvements – lease term

Plant and equipment – over 5 to 15 years

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 balance 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 approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units 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 comprehensive income in the cost of sales line item.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(iii) 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 loss 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.

(j) Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:
  - (a) has transferred substantially all the risks and rewards of the asset, or
  - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(k) Foreign currency translation

The functional and presentation currency of Triple Energy Limited 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 balance date.

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.

(l) Income tax

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 balance date.

Deferred income tax is provided on all temporary differences at the balance 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(l) Income tax (continued)

- 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 balance 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 balance 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 balance 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.

(m) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST 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 statement of financial position.

Cash flows are included in the 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.

(n) 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

(o) Trade and other payables

Trade payables and other payables are carried at amortised costs 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.

(p) 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.

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 comprehensive income net of any reimbursement.

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 borrowing cost.

(q) Share-based payment transactions

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Triple Energy Limited (market conditions) if applicable.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income or expense for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(r) Issued capital

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

(s) Earnings per share

Basic earnings per share is calculated as net profit / loss 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 / loss 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.

(t) Exploration and evaluation

Exploration and evaluation costs are expensed as incurred based upon each area of interest. Acquisition costs will normally be expensed but will be assessed on a case by case basis and if appropriate may be capitalised. These acquisition costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the tenement. Where a decision has been made to proceed with development in respect of a particular area of interest, all future costs are recorded as a development asset.

(u) 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 Triple Energy Limited.

(v) Parent entity financial information

The financial information for the parent entity, Triple Energy Limited, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements, except as set out below:

a. *investments in subsidiaries, associates and joint venture entities*

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements.

b. *Share-based payments*

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received; measured by reference to the grant date fair value, is recognised over the vesting period as an increase to the investment in subsidiary undertaking, with a corresponding credit to equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 2: REVENUES AND EXPENSES

	CONSOLIDATED	
	2018 $	2017 (restated) $
(a) Other income		
Interest	2,171	5,375
	2,171	5,375
(b) Expenses		
Project costs		
Exploration and Evaluation Expenses	136,953	165,965
Project and Business Development		
Wages and Salaries	255,457	336,907
Travel and associated	38,706	255,600
Other business development	215,053	402,431
Less recharge of expenses	(271,723)	-
Total project costs	374,446	1,160,903
Corporate Administration Costs		
Directors Fees	65,722	51,630
Wages and Salaries	-	276,460
Consulting fees	61,435	56,425
Superannuation	-	16,783
Legal Fees	-	66,899
Accounting & Auditing	45,996	46,307
Occupancy Costs	10,848	23,007
Other Administrative	2,551	82,520
Listing and Compliance	65,732	98,333
Total corporate administration costs	252,484	718,364
Total Expenses	**626,730**	**1,879,267**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 3: INCOME TAX

	CONSOLIDATED	
	2018 **$**	**2017** **$**
(a) Income tax benefit	-	-
(b) Numerical reconciliation between tax expense and pre-tax net loss		
Loss before income tax benefit	(624,559)	(1,873,892)
Income tax using the Company's domestic tax rate of 30% (2017: 30%)	(187,368)	(562,168)
Non-deductible expenses/(deductible tax adjustments)	23	30
Current year losses for which no deferred tax asset was recognised	187,345	562,138
Income tax benefit/(expense) attributable to entity	-	-

(c) Tax losses

Unused tax losses for which no deferred tax asset has been recognised have not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Company satisfying the requirements imposed by the regulatory authorities. The benefit of deferred tax assets not brought to account will only be brought to account if:

- Future assessable income is derived of a nature and an amount sufficient to enable the benefit to be realised; and
- The conditions for deductibility imposed by tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

As at 31 March 2018 the Company has estimated carry forward tax losses of Triple Energy Limited as the parent entity of $3,225,998 (31 March 2017: $2,601,439). As at balance date the quantum of assessable losses in foreign jurisdictions is yet to be determined.

	CONSOLIDATED	
	2018 **$**	**2017** **$**
(d) Unrecognised temporary differences		
Net deferred tax assets (calculated at 30% (2017:30%) have not been recognised in respect of the following items:		
Accruals and other creditors	24,546	131,309
Other timing differences	(5,885)	(7,417)
Unrecognised deferred tax assets/(liabilities) relating to the above temporary differences	18,661	123,892

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4: LOSS PER SHARE

	CONSOLIDATED	
	2018 $	2017 (restated) $
(a) Earnings used in calculating earnings per share		
For basic loss per share:		
Loss from Continuing Operations	(618,768)	(1,850,021)
(b) Weighted average number of shares		
Weighted average number of ordinary shares for basic earnings per share	41,753,427	37,114,833*

**as adjusted for the 1:40 Share consolidation approved by Shareholders at the 2017 AGM*

There are no potential ordinary shares that are considered dilutive, as a result no dilutive earnings per share has been disclosed.

NOTE 5: OPERATING SEGMENTS

Identification of reportable segments

Triple Energy Limited is focused on the oil and gas sector.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the nature of its interests and projects. Discrete financial information about each of these projects is reported to the executive management team on at least a monthly basis.

Location of interests and nature of projects

Oil and gas exploration projects

The Group's current project is located in the People's Republic of China. The Company continues to review other potential opportunities within the oil and gas sector internationally.

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in Note 1 to the accounts and in the prior period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 5: OPERATING SEGMENTS (continued)

	CONSOLIDATED		
	Oil and Gas Projects $	Unallocated Items $	Total $
Year ended 31 March 2018			
Total segment revenue	-	2,171	2,171
Segment net operating loss after tax	(374,446)	(250,113)	(624,559)
Interest revenue	-	2,171	2,171
Other non-cash expenses	-	-	-
Segment assets	131,317	168,352	299,669
Segment liabilities	710,403	52,566	762,969
Cash flow information			
Net cash flow from operating activities	(550,450)	(423,272)	(973,722)
Net cash flow from investing activities	-	-	-
Net cash flow from financing activities	82,978	313,439	396,417

	CONSOLIDATED		
	Oil and Gas Projects $	Unallocated Items $	Total $
Year ended 31 March 2017			
Total segment revenue	-	5,375	5,375
Segment net operating loss after tax	(1,160,903)	(718,364)	(1,879,267)
Interest revenue	-	5,375	5,375
Other non-cash expenses	-		-
Segment assets	121,960	760,123	882,083
Segment liabilities	(554,773)	(929,653)	(1,484,426)
Cash flow information			
Net cash flow from operating activities	(652,211)	(942,438)	(1,594,649)
Net cash flow from investing activities	-	-	-
Net cash flow from financing activities	-	2,030,832	2,030,832

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 6: CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2018	2017
	$	$
Cash at bank and on hand	280,053	842,052
Bank guarantee	-	15,308
	280,053	857,360

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Reconciliation of loss for the year to net cash flows from operating activities	CONSOLIDATED	
	2018	2017
	$	$
Loss for the year	(624,559)	(1,873,892)
Adjustments for:		
Change in net assets and liabilities:		
(Increase)/decrease in trade and other receivables	5,107	4,297
(Decrease)/increase in trade and other payables	(354,270)	274,946
Net cash used in operating activities	(973,722)	(1,594,649)

NOTE 7: OTHER CURRENT ASSETS

	CONSOLIDATED	
	2017	2017
	$	$
GST receivables	7,043	(1,386)
Prepayments	-	356
Other receivables	12,573	25,753
	19,616	24,723

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 8: TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2018 $	2017 $
Trade creditors*	598,169	567,112
Other creditors and accruals	81,822	437,314
	679,991	1,004,426

*Trade creditors are non-interest-bearing and normally settled on 45 day terms.

NOTE 9: BORROWINGS

	CONSOLIDATED	
	2018 $	2017 $
Unsecured borrowings	82,978	-
	82,978	-

As disclosed elsewhere, during the year BGBS made available an unsecured interest free loan of HKD 500,000 to the Company's wholly-owned HK subsidiary.

NOTE 10: SHARES TO BE ISSUED

	CONSOLIDATED	
	2018 $	2017 $
Shares to be issued	-	480,000
	-	480,000

Relates to the placement of 80,000,000 fully paid ordinary shares at 0.6 cents per share on 5 April 2017 (prior to the 1:40 Share Consolidation).

NOTE 11: ISSUED CAPITAL

	CONSOLIDATED			
	2018 No.	2017 No.	2018 $	2017 $
Ordinary shares (a)				
Issued and fully paid	43,197,632	1,567,900,913*	35,845,591	35,052,152
Performance Shares (b)	-	-	800,000	800,000
			36,645,591	35,852,152

*pre-consolidated

(a) Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll of every holder is entitled to one vote per share held.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 11: ISSUED CAPITAL (CONTINUED)

Movements in ordinary shares on issue during the year are as follows:

	2018		2017	
Movements in ordinary shares on issue	**No.**	**$**	**No.**	**$**
At 1 April	1,567,900,913	35,052,152	1,132,940,941	31,495,833
Movements during the period:				
Issued for cash (pre-consolidation) (i)	80,000,000	480,000	116,521,733	1,747,826
Conversion of performance shares	-	-	318,438,239	1,910,630
Share Consolidation (ii)	(1,606,703,281)	-	-	-
Issued for cash (post consolidation)	2,000,000	320,000	-	-
Transaction costs		(6,561)		(102,137)
At 31 March	43,197,632	35,845,591	1,567,900,913	35,052,152

(i) During April 2016 117 million new fully paid ordinary shares were placed at 1.5 cents per share to raise approximately A$1.75 million before associated costs.

During 5 April 2017 80 million fully paid ordinary shares were placed at 0.6 cents per share on 5 April 2017 (prior to the 1:40 Share Consolidation).

During December 2017 2 million fully paid ordinary shares (on a post-consolidation basis) were placed at 16 cents per share.

(ii) As disclosed elsewhere, pursuant to Shareholder approval granted at the 2017 AGM, the Company's share capital was consolidated on a 1:40 basis.

(b) Performance Shares

(i) Drilling Performance Shares

During the year to 31 March 2016, the Company issued 595.3 million drilling performance shares to BSP as part of the Shareholder-approved BSP Transaction. Under the terms of the BSP Transaction, the Aolong Joint Venture (80% profit interest to TNP), entered into a drilling contract with Beijing Jiuzun Energy Technology Co Ltd (**Jiuzun Energy**) for the drilling and technical services for the two wells in the Hegang area of Heilongjiang Province in China.

Full responsibility for payment for the Jiuzun Energy drilling services was assumed by BSP in consideration for the drilling performance shares issued to them by Triple. The terms of these performance shares allow for their conversion to ordinary shares on a 1:1 basis upon satisfactory completion of the specified drilling services by an agreed milestone date.

As at 31 December 2015 (the originally scheduled milestone completion date) the 2 wells had been drilled and cored as announced by the Company to ASX previously, however certain other specified components of the drilling services were not able to be met through no fault of Triple or BSP. The independent Directors of Triple (being, in this instance the Directors not nominated by or associated with BSP) resolved to take such remedial action as may be necessary to enable the commercial substance and practical intent of the drilling services arrangements with BSP to be honoured. A

general meeting of the Company was convened and held on 28 June 2016 to enable the drilling performance shares to be reissued on revised terms. Shareholders voted overwhelmingly in favour of reissuing the shares, which was completed immediately following the meeting. Subsequently, the Company and BSP determined a pro-rata vesting of the reissued shares based on the value of drilling services performed up to that date and 318 million new fully paid ordinary shares were issued to BSP, while the balance of 277 million of the reissued drilling performance shares were agreed to have lapsed automatically in accordance with their terms.

The drilling performance shares were valued based on the market price at the time of their original issue (being 24 April 2015) and subject to an assessment as at balance date of the number of performance shares likely to have vested as at that date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 11: ISSUED CAPITAL (CONTINUED)

Movements in the number of Performance Shares on issue during the current and prior year are as follows:

	2018 No.	2017 No.
At 1 April	-	595,264,168
Converted during period	-	(318,438,239)
Lapsed during period	-	(276,825,929)
	-	-

(c) Options

Company options carry no voting rights and no right to dividends.

	CONSOLIDATED	
	2018 No.	2017 No.
Options on issue	4,175,000	167,000,000
Movements in share options		
Outstanding at the beginning of the year	167,000,000	77,000,000
Granted during the year	-	90,000,000
Expired during the year	-	-
1:40 Consolidation of Capital (i)	(162,825,000)	-
Outstanding at the end of the year	4,175,000	167,000,000

(i) In accordance with their terms and conditions, the exercise price and numbers of share options on issue was varied automatically in proportion to the share consolidation.

Details of options on issue as at balance date are as follows:

Class	Number	Exercise Price	Expiry date	Status
G	1,925,000	60 cents per share	31 August 2018	Not vested and exercisable
H	2,250,000	60 cents per share	31 August 2019	Not vested and exercisable
	4,175,000			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 12: RESERVES, ACCUMULATED LOSSES & NON-CONTROLLING INTERESTS

	Issued Capital	Share Based Payment Reserve	Foreign Currency Translation Reserve	Consolidation Reserve	Accumulated Losses	Total	Non-controlling interests	Total equity
	$				$	$	$	$
As at 1 April 2016 (restated)	34,295,921	859,970	190,199	(355,325)	(35,639,022)	(330,972)	(90,484)	(421,456)
Loss for the period	-	-			(1,850,021)	(1,850,021)	(23,871)	(1,873,892)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	-	136,774		-	136,774		136,774
Changes in net assets attributable to non-controlling interests				(27,355)	-	(27,355)	27,355	-
Total comprehensive loss for the period	-	-	136,774	(27,355)	(1,850,021)	(1,740,602)	3,484	(1,737,118)
Ordinary Shares Issued	1,747,826	-	-		-	1,747,826	-	1,747,826
Performance Share Adjustment	(89,458)	-	-		-	(89,458)	-	(89,458)
Transaction costs on share issue	(102,137)	-	-		-	(102,137)	-	(102,137)
As at 31 March 2017	35,852,152	859,970	326,973	(382,680)	(37,171,758)	(515,343)	(87,000)	(602,343)
As at 1 April 2017	35,852,152	859,970	326,973	(382,680)	(37,171,758)	(515,343)	(87,000)	(602,343)
Loss for the period	-	-	-		(618,768)	(618,768)	(5,791)	(624,559)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	-	(29,837)		-	(29,837)	-	(29,837)
Changes in net assets attributable to non-controlling interests				5,967		5,967	(5,967)	-
Total comprehensive loss for the period	-	-	(29,837)	5,967	(618,768)	(642,638)	(11,758)	(654,396)
Shares and options issued	800,000	-	-		-	800,000	-	800,000
Transaction costs on share issue	(6,561)	-	-		-	(6,561)	-	(6,561)
As at 31 March 2018	**36,645,591**	**859,970**	**297,136**	**(376,713)**	**(37,790,526)**	**(364,542)**	**(98,758)**	**(463,300)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 12: RESERVES (continued)

Share based payment reserve

For ESS transactions, the share based payment reserve is used to record the difference between the issue price of ESS shares and the fair value of consideration received by the Company where a limited-recourse loan from the Company is used to fund the purchase. Also, where equity instruments have been issued as consideration for the acquisition of assets or services and are required to be separately valued, any difference between fair value of the instrument granted and the actual book value of the assets received.

Foreign Currency Translation Reserve

This reserve is used to record exchange differences arising on translation of the group entities that do not have a functional currency of Australian dollars and have been translated into Australian dollars for presentation purposes.

Consolidation Reserve

This reserve recognises adjustments upon consolidation to record the difference between the non-controlling interest's share of the net assets and the equity committed by the non-controlling interest.

NOTE 13: SUBSIDIARIES

Transactions with subsidiaries

The consolidated financial statements include the financial statements of Triple Energy Limited and the subsidiaries listed in the following table:

Name of subsidiary	**Principal activity**	**Place of incorporation and operation**	**Proportion of ownership interest and voting power held by the Group**	
			31 March 2018	31 March 2017
Tango Energy, Inc	Holds interests in Oil and Gas exploration	USA	100%	100%
CFT Heilongjiang (HK) Ltd	Oil and Gas investment	Hong Kong	100%	100%
Heilongjiang Aolong Energy Co. Ltd	Coal mine gas exploration	China	80%	80%

Name of subsidiary	**Investment**	
	31 March 2018 $	31 March 2017 $
Tango Energy, Inc	-	-
CFT Heilongjiang (HK) Ltd	800,000	800,000
Heilongjiang Aolong Energy Co. Ltd	2,989,115	2,989,115

Triple Energy Limited is the ultimate Australian parent entity and ultimate parent of the Group.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details of transactions between the Group and other related entities are disclosed below.

Interests in unconsolidated structured entities

The Group has no interests in unconsolidated structured entities at balance date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 13: SUBSIDIARIES (continued)

Subsidiaries with material non-controlling interests
The Group has the following subsidiary with a material non-controlling interest:

	Proportion of ownership interest and voting rights held by the non-controlling interests		(Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	2018	2017	2018	2017	2018	2017
Heilongjiang Aolong Energy Co. Ltd	20%	20%	$(5,791)	$(23,871)	$(98,758)	$(87,000)

No dividends were paid to the non-controlling interests during the year (2017: nil).

Summarised financial information of subsidiary with a material non-controlling interest
Summarised financial information for Heilongjiang Aolong Energy Co. Ltd, before intragroup eliminations, is set out below:

	2018 $	2017 $
Statement of comprehensive income		
Loss for the year		
Attributable to the owners of the parent	23,162	95,484
Attributable to non-controlling interest	5,791	23,871
	28,953	119,355
Other comprehensive loss for the year		
Attributable to the owners of the parent	237,238	261,109
Attributable to non-controlling interest	59,310	65,277
	(679,991)	(1,004,426)
Statement of financial position		
Assets		
Current assets	112,774	119,775
Non-current assets	-	-
	112,774	119,775
Liabilities		
Current liabilities	606,563	554,773
Non-current liabilities	-	-
	606,563	554,773
Net deficiency		
Attributable to the owners of the parent	(395,031)	(347,998)
Attributable to non-controlling interest	(98,758)	(87,000)
	(493,789)	(439,998)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 13: SUBSIDIARIES (continued)

	2018 $	2017 $
Statement of cash flows		
Net cash from operating activities	(28,953)	(48,013)
Net cash from investing activities	-	-
Net cash from/(used in) financing activities	-	-
	(28,953)	(48,013)

NOTE 14: FINANCIAL INSTRUMENTS

	CONSOLIDATED	
	2018 $	2017 $
Financial assets		
Cash and cash equivalents	280,053	857,360
Financial liabilities		
Trade and other payables	679,991	1,004,426
Borrowings	82,978	-
Total	762,969	1,004,426

The fair value of financial assets and liabilities approximates their carrying value at balance date

The following table details the expected maturity/s for the Group's non-derivative financial assets. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

CONSOLIDATED	Weighted average effective interest rate %	Less than 1 month $	1 – 3 Months $	3 months – 1 year $	1 – 5 years $	5+ years $
2018						
Non-interest bearing	-	-	-	-	-	-
Variable interest rate instruments	1.3%	280,053	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
		280,053	-	-	-	-
2017						
Non-interest bearing	-	-	-	-	-	-
Variable interest rate instruments	1.5%	857,360	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
		857,360	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 14: FINANCIAL INSTRUMENTS (continued)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. These are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

CONSOLIDATED	Weighted average effective interest rate	Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
	%	$	$	$	$	$
2018						
Non-interest bearing	-	-	679,991	82,978	-	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
		-	679,991	82,978	-	-
2017						
Non-interest bearing	-	-	1,004,426	-	-	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
		-	1,004,426	-	-	-

NOTE 15: SHARE BASED PAYMENTS

At 31 March 2018, the Group has the following share-based payment arrangements affecting remuneration in the current or prior year.

Share Options granted to Directors and Consultants

No options were granted during the year to 31 March 2018. During the year ended 31 March 2017, 90,000,000 options (as stated on a pre-consolidation basis) exercisable at 1.5 cent per share on or before 31 August 2019 were granted to Directors and Executives pursuant to Shareholder approval granted at the Company's AGM on 30 August 2016. 70,000,000 of which were issued to key management personnel. The fair value of options granted was $0.005 per option.

Option will vest upon satisfaction of both of the following conditions (**Vesting Conditions**):

(i) The Company, with the assistance of the holder, having executed binding documentation for the acquisition of a material new energy project consistent with the Company's strategy and on terms acceptable to the Board on or before 31 August 2017; and

(ii) The Company, with the assistance of the holder, having raised not less than A$3,000,000 in new equity at a share price of not less than 1.5 cents per share, on or before 31 August 2017.

As of the date of this report it was considered unlikely that the vesting criteria would be met, and, as such, no value has been recognised for these options in expense.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 15: SHARE BASED PAYMENTS (continued)

The fair value of the equity-settled share options granted under both the option and the loan plans is estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted.

	90,000,000 options
Dividend yield (%)	0.00%
Expected volatility (%)	75%
Risk-free interest rate (%)	1.416%
Expected life of option (years)	3 years
Exercise price (cents)	$0.015 (pre-consolidation)
Grant date share price	$0.012

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

Triple Energy Ltd Employee Share Plan

The Triple Energy Ltd Employee Share Plan was approved by shareholders at the General Meeting of 19 December 2012. Participation of the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

No securities were granted under the Employee Share Plan in either the current or prior year.

NOTE 16: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Interest rate risk
- Liquidity risk
- Market risk, including Foreign currency risk

This note presents the information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks as summarised below.

The Group's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the year ended 31 March 2018, it has been the Group's policy not to trade in financial instruments.

(a) Credit risk management

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 16: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by seeking to maintain adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group did not have any undrawn facilities at its disposal as at balance date.

(c) Interest rate risk management

The Group is exposed to interest rate risk as the Group deposits the bulk of the Group's cash reserves in Term Deposits. The risk is managed by the Group by maintaining an appropriate mix between short term and medium-term Deposits. The Group's exposures to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(d) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of the holdings of financial instruments. The Group is exposed to movements in market interest rates on short term deposit, and foreign currency movements primarily on cash and creditor balances. Where possible the Group seeks to ensure that cash balances held and forecast to be held are approximately matched against the currency of actual and expected future liabilities upon maturity. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. Other than the interest free, unsecured borrowings advanced to the Company's HK subsidiary by BGBS, the Group does not have short or long term debt, and therefore this risk is minimal. The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have acceptable credit ratings.

NOTE 17: VOLUNTARY CHANGE IN ACCOUNTING POLICY

(a) Exploration and Evaluation Accounting Policy

The financial report has been prepared on the basis of a retrospectively applied voluntary change in accounting policy related to exploration and evaluation expenditure in respect of each area of interest.

The new accounting policy in respect of each area of interest is to expense exploration and evaluation expenditure to the profit or loss as incurred. The previous accounting policy in respect of each area of interest was to capitalise exploration and evaluation expenditure incurred and carry forward as an asset when costs were expected to be recouped through the successful development of the area of interest (or alternatively by its sale), or where activities in the area had not yet reached a stage which permitted a reasonable assessment of the existence or otherwise of economically recoverable reserves and active operations were continuing.

The directors believe that this change in policy will result in more relevant and reliable information in the financial report.

(b) Impact on Financial Statements

As a result of the change in the accounting policy for exploration and evaluation expenditure in relation to each area of interest, prior year financial statements had to be restated. The amounts disclosed in statement of loss for the year ended 31 March 2017 reporting period and in the statement of financial position as at 31 March 2017 and 31 March 2016 respectively are after the change in accounting policy for exploration and evaluation expenditure.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Previously Stated year ended March 2017 $	Loss (increase) / decrease	Restated year ended March 2017 $
Continuing operations			
Other income	5,375	-	5,375
Share based payments expense	-	-	-
Other expenses	(1,733,582)	(145,685)	(1,879,267)
Loss before income tax expense	(1,728,207)	(145,685)	(1,873,892)
Income tax expense	-		-
Loss after tax expense	(1,728,207)	(145,685)	(1,873,892)
Net (loss) for the year	(1,728,207)	(145,685)	(1,873,892)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	(145,241)	282,015	136,774
Total comprehensive income/(loss) for the year	(1,873,448)	136,330	(1,737,118)
Loss attributable to:			
Owners of the group	(1,728,207)	(121,814)	(1,850,021)
Non-controlling interests	-	(23,871)	(23,871)
Loss for the year	(1,728,207)	(145,685)	(1,873,892)
Total comprehensive loss attributable to:			
Owners of the group	(1,844,400)	103,798	(1,740,602)
Non-controlling interests	(29,048)	32,532	3,484
Loss for the year	(1,873,448)	136,330	(1,737,118)
Basic and diluted loss per share (cents per share) *(as restated for Share Consolidation)*	(4.80)	(0.18)	(4.98)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Previously Stated as at 31 March 2017 $	Increase / Decrease	Restated as at 31 March 2017 $
Assets			
Current Assets			
Cash and cash equivalents	857,360	-	857,360
Other current assets	24,723	-	24,723
Total Current Assets	882,083	-	882,083
Non-Current Assets			
Property plant and equipment	134,062	(134,062)	-
Deferred exploration and evaluation expenditure	8,175,056	(8,175,056)	-
Total Non-Current Assets	8,309,118	(8,309,118)	-
Total Assets	9,191,201	(8,309,118)	882,083
Liabilities			
Current Liabilities			
Trade and other payables	1,004,426	-	1,004,426
Shares to be issued	480,000	-	480,000
Total Current Liabilities	1,484,426	-	1,484,426
Non-Current Liabilities	-		-
Borrowings	-		-
Total Liabilities	1,484,426	-	1,484,426
Net Assets	7,706,775	(8,309,118)	(602,343)
Equity			
Issued capital	35,852,152	-	35,852,152
Reserves	718,486	85,777	804,263
Accumulated losses	(29,663,262)	(7,508,496)	(37,171,758)
Parent entity interest	6,907,376	(7,422,719)	(515,343)
Non-controlling interests	799,399	(886,399)	(87,000)
Total equity	7,706,775	(8,309,118)	(602,343)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Notes	Previously Stated as at 31 March 2016	Increase / Decrease	Restated as at 31 March 2016
		$		$
Assets				
Current Assets				
Cash and cash equivalents		403,120	-	403,120
Other current assets		29,020	-	29,020
Total Current Assets		432,140	-	432,140
Non-Current Assets				
Property plant and equipment		165,772	(165,772)	-
Deferred exploration and evaluation expenditure		8,279,676	(8,279,676)	-
Total Non-Current Assets		8,445,448	(8,445,448)	-
Total Assets		8,877,588	(8,445,448)	432,140
Liabilities				
Current Liabilities				
Trade and other payables		853,596	-	853,596
Total Current Liabilities		853,596	-	853,596
Non-Current Liabilities		-	-	-
Borrowings		-	-	-
Total Liabilities		853,596	-	853,596
Net Assets		8,023,992	(8,445,448)	(421,456)
Equity				
Issued capital		34,295,921	-	34,295,921
Reserves		834,679	(139,835)	694,844
Accumulated losses		(27,935,055)	(7,386,682)	(35,321,737)
Parent entity interest		7,195,545	(7,526,517)	(330,972)
Non-controlling interests		828,447	(918,931)	(90,484)
Total equity		8,023,992	(8,445,448)	(421,456)

Statement of Cash Flows

Exploration and evaluation expenditure that is expensed is included as part of cash flows from operating activities whereas exploration and evaluation expenditure that is capitalised is included as part of cash flows from investing activities. This has resulted in additional cash outflows from operating activities of $265,488 for the year ended March 31, 2017. This has also resulted in a corresponding reduction of $265,488 being reflected in the net cash outflows from investing activities for the same reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 18: COMMITMENTS AND CONTINGENCIES

Guarantees

In 2017 Triple Energy Limited had in place a deposit-banked bank guarantee for an amount of $15,308, which arrangement was cancelled during the year.

Capital expenditure commitments

As at balance date, the Group had no outstanding future commitments under equipment purchase contacts not otherwise accounted for as liabilities (2017: Nil).

NOTE 19: DIVIDENDS

The directors of the Company have not declared any dividend for the year ended 31 March 2018 (2017: nil).

NOTE 20: EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since 31 March 2018 that in the opinion of the Directors has significantly affected, or may significantly affect in future financial years:

- the Group's operations;
- the results of those operations; or
- the Group's state of affairs.

NOTE 21: AUDITOR'S REMUNERATION

The auditor of Triple Energy Limited is HLB Mann Judd.

	2018 $	2017 $
Amounts received or due and receivable by HLB Mann Judd for:		
Audit and review of financial reports	35,500	35,500
	35,500	35,500

NOTE 22: DIRECTORS AND EXECUTIVES DISCLOSURES

Key Management Personnel Compensation

	2018 $	2017 $
Short-term benefits	88,662	266,513
Post-employment benefits	-	12,587
Share based payments	-	-
	88,662	279,100

Further details on Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

NOTE 23: OTHER RELATED PARTY DISCLOSURES

Erasmus Consulting Pty Ltd, an entity controlled by the Company Secretary received consulting fees of $61,435 during the year from the Company (2017: $61,952).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 24: PARENT ENTITY DISCLOSURES

Financial position

	As at 31 March 2018	As at 31 March 2017 (Restated)
	$	$
Assets		
Current assets	168,352	760,124
Non-current assets	-	-
Total assets	168,352	760,124
Liabilities		
Current liabilities	52,564	598,985
Non-current liabilities	-	-
Total liabilities	52,564	598,985
Equity		
Issued capital	36,645,591	35,852,152
Share based payment reserve	859,970	859,970
Accumulated losses	(37,389,773)	(36,550,983)
	115,788	161,139

Financial performance	**For the Year ended 31 March 2018**	**For the Year ended 31 March 2017 (Restated)**
Loss for the year	(838,790)	(1,260,200)
Other comprehensive income	-	-
Total comprehensive loss	(838,790)	(1,260,200)

DIRECTORS' DECLARATION

In the opinion of the directors of Triple Energy Limited ('the Company'):

1. The financial statements and notes thereto, are in accordance with the Corporations Act 2001 including:

   a. giving a true and fair view of the Group's financial position as at 31 March 2018 and of its performance for the year then ended;

   b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. 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 31 March 2018.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Director Raymond Tan

Dated this 29th day of June 2018

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Triple Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Triple Energy Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 March 2018, the consolidated statement of 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 31 March 2018 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.

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial report, which indicates the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

HLB Mann Judd

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. In addition to the matter described in the Material Uncertainty Related to Going Concern, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Change in accounting policy (Refer to Note 17)	
During the current year, the Group changed its accounting policy in relation to deferred exploration and evaluation expenditure. In previous reporting periods, exploration and evaluation expenditure was capitalised under AASB 6 *Exploration for and Evaluation of Mineral Resources*. The accounting policy of the Group in this respect has been changed to expense exploration expenditure as incurred on the basis described in Note 1(t). Management has assessed this change against accounting standards requirements with respect to voluntary changes in accounting policies and the change in accounting policy is on the basis that it will result in more relevant and reliable information in the financial report. The change in accounting policy resulted in the restatement of affected 31 March 2017 balances and the disclosure of the impact of the change for each financial statement line item affected. The change in accounting policy was considered a key audit matter as it was determined to be important to the users understanding of the financial statements as a whole, was material in size and nature and involved the most communication with those charged with governance.	Our procedures included but were not limited to: - We considered the appropriateness of the change in accounting policy ensuring that the disclosure requirements set out in accounting standards were complied with, including that the change provided more relevant financial information to the users of the financial report; and - We reconciled the restated balances to the prior year audited balances ensuring that the change was correctly calculated and disclosed.

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 31 March 2018, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are

responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 31 March 2018.

In our opinion, the remuneration report of Triple Energy Limited for the year ended 31 March 2018 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
29 June 2018