



## **ASX ANNOUNCEMENT**

31 January 2019  
by e-lodgement

The Directors of Triple Energy Limited (ASX: **TNP**, **Triple** or **Company**) are pleased to provide the following update on activities during and since the quarter to 31 December 2018.

### **Xin 214 Project - Songyuan**

During the prior quarter, the Company announced it had entered into a Memorandum of Understanding (MoU) with Guangzhou Bofu Investment Co. Ltd (GBIC), which intends to acquire an 80% interest in Songyuan Petroleum Development Co. Ltd (SPDC), which in turn has the right to derive income from the development of 4 oil blocks in Songyuan City, Jilin Province in the PRC.

The terms of the MoU provide for an initial period of approximately 6 months (unless extended) and contemplates that the parties will negotiate a transaction whereby Triple indirectly or directly acquires GBIC, thereby obtaining the right to derive income from the above-mentioned oil blocks. MoUs of this type are commonly used in the PRC as a precursor to more formal documentation. Triple is continuing to progress negotiations and due diligence on the project.

As previously advised, there are understood to be hydrocarbon quantities associated with the exploration areas based on existing wells and, subject to being able to agree terms, the Company intends to engage a suitably qualified reserves evaluator to undertake a review of the relevant technical information to produce an SPE-PRMS compliant report.

### **Aolong JV Project in Heilongjiang**

No significant exploration activity was carried out during the quarter on the Hegang project area or other areas to which the Aolong Co-operative Joint Venture (**CJV**) holds contractual rights to acquire interests. The joint venture partners continue to work towards agreeing 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 existing project area. Further work is planned to continue the identification, rank and work-up of potential sites for future drilling (subject to funding and the successful outcome of joint venture discussions).

## Corporate & Financial

The Company's underwritten rights issue closed during October 2018 and allotment of the shortfall to the underwriter was completed on 13 October 2018.

On 4 January 2019, substantial shareholding notices were lodged by Beijing Gas Blue Sky Holding Limited, (**BGBS**, formerly the Company's largest shareholder) and by new shareholders of Waypost Limited (a former subsidiary of BGBS). The Company continues to cooperate closely with BGBS and remains open also to engagement with the new Waypost investors in relation to the Company's strategic direction and objectives.

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 December 2018 the Group's consolidated cash balance was A\$668k, including funds held by the Aolong CJV in China. An ASX Appendix 5B for the quarter accompanies this activities report.

**TRIPLE ENERGY LIMITED 31 DECEMBER 2018 QUARTERLY ACTIVITIES REPORT**  
**APPENDIX CONTAINING ASX Listing Rule 5.4.3 INFORMATION**

1) Petroleum tenements held at the end of each quarter and their location.

N/A – Triple does not directly hold any petroleum tenements. Triple holds an 80% interest in a Cooperative Joint Venture (**CJV**, known as Aolong Energy) with LongMay Coal Mining Company (**Longmay**), one of China's largest State-owned coal mining companies. The CJV has the objective of degassing the coal mining leases held by Longmay and has a life of 45 years.

The equity in the CJV with Longmay is as follows;

Triple Energy Ltd\* - 80% (Operator)

LongMay Coal Mining Company – 20%

*\*via its wholly-owned Hong Kong registered subsidiary CFT Heilongjiang (HK) Limited*

The CJV operates pursuant to the coal mining leases held by Longmay with the Joint Venture Agreement registered with the relevant Chinese Government authorities. The CJV is staged with exclusive access that can ultimately extend the CJV area to cover up to a total of 42 mine areas.

2) Petroleum tenements acquired and disposed of during the quarter and their location.

None.

3) Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter.

As disclosed above, Triple holds an 80% interest in a Cooperative Joint Venture (**CJV**, known as Aolong Energy) with LongMay Coal Mining Company (**Longmay**), one of China's largest State-owned coal mining companies. The CJV has the objective of degassing the coal mining leases held by Longmay and has a life of 45 years.

4) The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter.

None.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Triple Energy Limited

### ABN

68 116 829 675

### Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(9)	(14)
(b) development	-	-
(c) production	-	-
(d) staff costs	(61)	(118)
(e) administration and corporate costs	(59)	(231)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(129)</b>	<b>(363)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	634	634
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(48)	(48)
3.5	Proceeds from borrowings	82	60
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>668</b>	<b>728</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	107	285
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(129)	(363)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	668	728

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	(4)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>646</b>	<b>646</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	646	107
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposit)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>646</b>	<b>107</b>

**6. Payments to directors of the entity and their associates**

	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	26
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors fees.

**7. Payments to related entities of the entity and their associates**

	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

## Mining exploration entity and oil and gas exploration entity quarterly report

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	236*	236*
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
Relates to a HKD 1,250k unsecured, interest-free loan advanced to a subsidiary of the Company by BGBS and a A\$10,000 loan advanced to the Company by BGBS.			

9.	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Exploration and evaluation*	56
9.2	Development	-
9.3	Production	-
9.4	Staff costs	45
9.5	Administration and corporate costs	75
9.6	Other (provide details if material)	-
9.7	<b>Total estimated cash outflows</b>	<b>176</b>

10.	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: .....  
(Company secretary)

Date: 31 January 2019

Print name: Alex Neuling

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.