



ASX ANNOUNCEMENT

31 January 2020
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 2019.

Xin 214 Project - Songyuan

As previously advised, the Company has in place a Memorandum of Understanding (MoU) with Guangzhou Bofu Investment Co. Ltd (GBIC), in relation to that entity's proposed acquisition of 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.

Triple staff in HK and PRC are continuing to progress negotiations and due diligence on the project. The MoU 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.

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 to continue the identification, rank and work-up of potential sites for future drilling remains subject to funding and the successful outcome of joint venture discussions.

Corporate & Financial

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

As of 31 December 2019 the Group's consolidated cash balance was A\$304k, including funds held by the Aolong CJV in China. The Company has been in discussion with representatives of its major PRC shareholders in relation to near-medium term financing options and (subject to agreement of terms) it is expected that additional funding will be made available during the March 2020 quarter. An ASX Appendix 5B for the quarter to 31 December 2019 accompanies this activities report.

TRIPLE ENERGY LIMITED 30 SEPTEMBER 2019 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")

30 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(10)	(50)
(b) development	-	-
(c) production	-	-
(d) staff costs	(36)	(113)
(e) administration and corporate costs	(33)	(175)
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)	-	-
1.9 Net cash from / (used in) operating activities	(79)	(338)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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	-	-
3.5	Proceeds from borrowings	26	83
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	26	83

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	357	555
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(79)	(338)
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)	26	83

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	4
4.6	Cash and cash equivalents at end of period	304	304

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	304	357
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	304	357

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000
22
-

- 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

- 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

Current quarter \$A'000
-
-

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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	178	178
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.		
Loan facilities relate to amounts advanced to the Company's subsidiary, CFT Heilongjiang HK Ltd by Beijing Gas Blue Sky group companies. The amounts are interest-free and unsecured.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	45
9.2 Development	-
9.3 Production	-
9.4 Staff costs	45
9.5 Administration and corporate costs	55
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	145

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
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 2020

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.