



ASX ANNOUNCEMENT

31 July 2015  
by e-lodgement

## **JUNE QUARTER 2015 ACTIVITIES REPORT**

The Directors of Triple Energy Limited (ASX: TNP, Triple or Company) provide the following update on activities during and since the quarter ended 30 June 2015:

### **OPERATIONS – STRATEGIC INVESTMENT PROCESS**

The Niaoshan-1 coal gas well in the Bird Mountain area was spudded on 29 June 2015.

The well is located around 2 kilometers from the previous Xian Xian-1 well drilled by the Joint Venture in 2013 and is targeting several major coal seams for intersection which will be cored for desorption analysis and tested.

This well is planned to be drilled to a depth of approximately 1,300 metres. The first of up to four coal seams is prognosed to be intersected at around 850 meters subject to faults occurring as interpreted. As of the date of this report the well was at 605 metres (measured depth) and was drilling ahead.

This well is planned to intersect up to four coal seams and depending on results, one or more seams will be cored for desorption analysis to establish gas content and reservoir performance, fraced and tested. The well is also planned to be production tested for six months post completion.

This is a comprehensive drilling and evaluation programme and on completion, the data acquired should position the Joint Venture to be able to make an estimate of resources and in the success case, prepare a development plan.

The second well for the 2015 campaign is planned follow with the same rig in the Yishin area once operations at Niaoshan-1 are complete. A similar drilling and evaluation programme is planned for this well.

Triple is also evaluating other project opportunities in China including the Jixi area which is included in the Aolong JV exclusive option areas.

### **CORPORATE & FINANCIAL**

As previously notified, on 24 April 2015 Triple shareholders voted overwhelmingly in favour of the BSP financing transaction. Pursuant to that shareholder approval, the Company issued ~ 292 million new fully paid ordinary shares to BSP, together with ~595 million Performance Shares, which will convert on the successful completion of drilling services for the Company's



2015 Drilling Program. In accordance with the terms of the transaction, Triple welcomed Mr Po Chan to the Company's Board as an executive director on 28 April 2015.

As of 30 June 2015 the Group's consolidated cash balance was A\$1,914k, including funds held by the CJV in China but before creditors.

An ASX Appendix 5B for the quarter to 30 June 2015 accompanies this activities report.

**CONTACT DETAILS FOR FURTHER INFORMATION;**

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### About Triple Energy and the Aolong Joint Venture project

Triple Energy Limited is an Australian registered Oil & Gas exploration company listed on ASX. Triple Energy's ordinary shares trade under the code TNP.

Triple Energy 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.

The CJV was formed such that the coals identified for future underground mining by Longmay can be de-gassed and hence facilitate safer mining operations in the future. The coals in the respective lease areas have a history of explosions and fires whilst mining and core drilling, due to high gas content.



*Approximate Location of CJV areas*

The Xian Xian-1 well drilled in 2013 intersected;

- A total of 63.4 meters of coal seams
- 47.2 meters of coal seams with a thickness of > 2 meters per seam
- 36.8 meters of gassy coal seams at Seam # 11 and below

**TRIPLE ENERGY LIMITED 30 JUNE 2015 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)

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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, 01/05/2013

Name of entity

Triple Energy Limited

ABN

68 116 829 675

Quarter ended ("current quarter")

30 June 2015

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(227)	(227)
(b) development	-	-
(c) production	-	-
(d) administration	(169)	(169)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(393)</b>	<b>(393)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(393)</b>	<b>(393)</b>

+ See chapter 19 for defined terms.

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(393)	(393)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1,534	1,534
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Capital-raising costs)	(83)	(83)
	<b>Net financing cash flows</b>	(83)	(83)
	<b>Net increase (decrease) in cash held</b>	1,058	1,058
1.20	Cash at beginning of quarter/year to date	846	846
1.21	Exchange rate adjustments to item 1.20	11	11
1.22	<b>Cash at end of quarter</b>	1,914	1,914

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	75
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions Directors fees, salaries and superannuation, consulting fees.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Pursuant to shareholders approval granted on 24 April 2015, during the quarter the Company issued ordinary shares in settlement of the A\$500k loan to Aolong from BSP and has also issued Drilling Performance Shares to BSP which will convert into ordinary shares on a 1:1 basis upon satisfactory completion of the 2-well drilling program funded by the issue of the Performance Shares.

**Appendix 5B**

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

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>650</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,899	831
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (term deposits)	15	15
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,218</b>	<b>846</b>

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+ See chapter 19 for defined terms.

## Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

## Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>*Ordinary securities</b>	1,132,940,941	1,132,940,941	



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

7.4	Changes during quarter				
	(a) Increases through issues				
	<i>Tranche 2 BSP Placement</i>	208,333,333	208,333,333	0.6 cents per share	Fully paid
	<i>BSP Loan Settlement</i>	83,333,333	83,333,333	0.6 cents per share	Fully paid
	<i>SPP</i>	47,333,331	47,333,331	0.6 cents per share	Fully paid
	(b) Decreases through returns of capital, buy-backs				
7.5	<b>+Convertible debt securities</b> (description)				
7.6	Changes during quarter				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

## Appendix 5B

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

7.7	<b>Options</b> (description and conversion factor)	<b>Class A</b> 15,000,000  <b>Class B</b> 15,000,000  <b>Class C</b> 15,000,000  <b>Class (director)</b> 15,000,000  <b>Class (adviser)</b> 20,000,000	-  -  -  E -  F -	<b>Exercise price</b> \$0.03  <b>\$0.03</b>  <b>\$0.04</b>  <b>\$0.04</b>  <b>\$0.006</b>	<b>Expiry date</b> 14/2/2016 (vested and exercisable)  14/2/2016 (vested and exercisable)  14/2/2016 (vest if TNP shares trade at a VWAP of 5 cents or more for 10 consecutive days )  14/2/2016 (vested and exercisable)  25/10/2015 (vested and exercisable)
7.8	Issued during quarter	Advisor	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	<b>Class (adviser)</b> 25,000,000	E -	<b>\$0.04</b>	30/6/2015
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## DRILLING PERFORMANCE SHARES


In addition to the above securities and as disclosed previously, during the quarter the Company issued 595,264,168 Drilling Performance Shares to BSP pursuant to Shareholder Approval granted on 24 April 2015. The Performance Shares will convert into Shares on a one (1) for one (1) basis upon the Company determining that the Drilling Services\* have been completed in full. As at the date of this report drilling was underway at the first of the 2 wells comprising the Drilling Services.

\*Drilling Services means turnkey drilling services in respect to all matters related to the supply, mobilisation and demobilisation of all equipment and personnel, planning, well design and engineering, drilling, testing, logging, casing,,cementing, coring, fraccing and 6 months production testing of two test wells for the Aolong JV, as well as well sites restoration at a fixed cost of US\$2,750,000, before 31 December 2015. Such wells are to be drilled to a minimum depth such that they at least intersect Seam #3 and #6 in Bird Mountain and Seam #11 through to Seam #22 in Yixin Area (or another area if necessary in place of Yixin Area as agreed by the Board. Included within the fixed price and scope of the Drilling Services is the acquisition of wireline desorption core (and desorption analysis) over the main seams in the Yixin Well and Bird Mountain Wells, conducting Drill Stem Tests in the two best coal seams of each the Yixin Area well and the Bird Mountain Area, gas analysis, mud and wireline logging, fraccing three seams in Yixin and one seam in Bird Mountain, six months production testing and supervision of both wells and all associated Reports as set out in the Drilling Agreement.

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~/does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  ..... Date: 31/07/15  
(Company Secretary)

Print name: ALEXANDER NEULING

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+ See chapter 19 for defined terms.