



ASX ANNOUNCEMENT

29 January 2016
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 2015.

“Moke” Acquisition

As previously reported, due diligence and structuring of this acquisition remains on track and is expected to be completed in the next month or so once certain benchmarks for production performance are established and the transaction structure has been finalised.

As a reminder, in October 2015 Triple signed a Letter of Intent (“LoI”) to Acquire interests in a number of CBM blocks in Shanxi Province, China.

In summary, the LoI includes 4 x blocks covering around 378 km² total in the Ordos Basin of Shanxi Province in PRC.

- The Tongchuan Block already has eight CBM wells drilled with seven currently on test production.
- The WangFeng Block has four wells drilled to date (with two production tested and a full field development plan being progressed).

The CBM blocks held by Moke are well suited to the growth plans and overall strategy of Triple Energy (and TNP’s major shareholder, Blue Sky Power). Specifically, they have the potential to generate near term production.

The final adjusted purchase price and the transaction structure is still being finalised. As previously reported, this acquisition will be made by the issue of shares in Triple, subject to the finalisation of due diligence in respect of transaction structure, production performance and any necessary regulatory approvals etc.

Triple has commissioned an internationally recognized petroleum consulting firm to provide the Company with a report on the resource potential of these assets in anticipation of completing the transaction.

Further updates will be made as this transaction progresses.



Aolong JV Project in Heilongjiang

As announced in November 2015, the data from the Yixin-1 well was sufficient to justify a fracking and testing operation as soon as weather permits.

Further, the data from Yixin-1 below Seam #11 are similar to those observed in Xian Xian-1 well drilled in 2013 and hence the re-entry of the Xian-Xian - 1 for fracking and testing is also being considered.

Unfortunately this fracking and testing programme cannot be conducted over winter due to the freezing temperatures. This operation will commence as soon as possible after winter, likely in April 2016.

Other New Ventures

Other new ventures in China (and specifically Inner Mongolia) are under analysis and consideration again with the objective of booking reserves/resources and generating near term production. The strategic imperative is to establish TNP as a significant producer of gas as soon as possible. Further updates on these projects will be made in due course as they develop.

Corporate & Financial

As of 31 December 2015 the Group's consolidated cash balance was A\$825k, including funds held by the CJV in China but before creditors. An ASX Appendix 5B for the quarter to 31 December 2015 accompanies this activities report.

In April 2015 Shareholders approved the issue of 595.2 million drilling performance shares (**Performance Shares**) to BSP in consideration for the procurement of drilling services for 2 wells at the Company's Aolong project by 31 December 2015. On satisfaction of the attached vesting conditions the Performance Shares are due to convert into ordinary shares on a 1:1 basis. As at 31 December 2015 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 by 31 December 2015 through no fault of Triple or BSP and are now expected be met during 2016. The Independent Directors of Triple (being, in this instance the Directors not nominated by or associated with BSP) have resolved to take such remedial action as may be necessary to enable the commercial substance and intent of the drilling services arrangements with BSP to be honoured. This may involve or include the seeking of shareholder approval for a reissue of the Performance Shares on amended terms, or for a new issue of ordinary shares at some point in the future. Triple is in dialogue with BSP and ASX to identify the most appropriate route forward and will update shareholders accordingly.



CONTACT DETAILS FOR FURTHER INFORMATION;

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Technical Information contained in this release is based on information reviewed by Mr Billy Bian (a consultant to the Company and Chief Technical Officer of the Aolong Joint Venture). Mr Bian has a Degree from the Petroleum University of China. He became certified as a Petroleum Geologist with the CNPC and SINOPEC in the year of 2001. Mr Bian has in excess of 28 years experiences in petroleum geology and has consented to the inclusion of the information in the form and context in which it appears.

About Triple Energy and its projects

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

NEW PROJECTS

TNP has recently announced that it entered into a non-binding Letter of Intent to purchase two new CBM projects in Shanxi Province, in the People Republic of China. These projects have a number of test wells on production. Due diligence is currently under way and the final acquisition price is under negotiation. If this acquisition is completed, it is expected that TNP will become a producer of gas in China in the very near term. Other new growth projects are also under evaluation.

EXISTING PROJECT

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 has now drilled three wells, one in 2013 and two in 2015.

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")

31 December 2015

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(254)	(741)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(327)	(659)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
Net Operating Cash Flows		(580)	(1,392)
Cash flows related to investing activities			
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)	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(580)	(1,392)

+ 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)	(580)	(1,392)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	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)	-	(201)
	Net financing cash flows	-	1,333
	Net increase (decrease) in cash held	(580)	521
1.20	Cash at beginning of quarter/year to date	1,422	846
1.21	Exchange rate adjustments to item 1.20	(17)	55
1.22	Cash at end of quarter	825	1,422

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	176
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, accrued bonus 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 June 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.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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	150
4.2 Development	-
4.3 Production	-
4.4 Administration	105
Total	255

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	1,410	1,900
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (term deposits)	15	15
Total: cash at end of quarter (item 1.22)	1,425	1,915

+ See chapter 19 for defined terms.

		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				

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	Preference *securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	1,132,940,941	1,132,940,941		

01/05/2013

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>				
	<i>BSP Loan Settlement</i>				
	<i>SPP</i>				
	(b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (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	Options (description and conversion factor)	Class A 15,000,000 Class B 15,000,000 Class C 15,000,000 Class E (director) 15,000,000	- - - -	Exercise price \$0.03 \$0.03 \$0.04 \$0.04	Expiry date 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)
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	Class F (adviser) 20,000,000	-	\$0.006	25/10/2015
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				


DRILLING PERFORMANCE SHARES

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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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  Date: 29/01/16
(Company Secretary)

Print name: ALEXANDER NEULING

+ See chapter 19 for defined terms.

TRIPLE ENERGY LIMITED 31 DECEMBER 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.

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- 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.