

Triple Energy Ltd

ABN 68 116 829 675



Strategic Overview

February 2016

www.tripleenergy.net

- **2012** - TNP was “shell” - taken over and renamed Triple Energy Ltd
 - New strategy developed – domestic gas in China
 - Acquired 80% profit int in Coal Bed Methane (CBM) project in Heilongjiang, China
 - Raised ~\$4m in new capital
- **2013** - one CBM well drilled – good gas indications in thick coals
- **2014** - Blue Sky Power (HKSE) agreed to invest \$6m and drill 2 x wells
 - BSP will ultimately be TNP’s parent @ ~60% ownership
 - BSP appointed Tommy Cheng and Po Chan to TNP Board
- **2015** - two wells drilled in Hegang, Heilongjiang, China
 - First well was unsuccessful as gas had leaked to surface
 - Second well was encouraging
 - fracking and testing to be completed after winter ~April 2016
 - MoU signed in November 2015 to acquire Moke project in Ordos basin, China

Tommy Cheng

Non-Executive Chairman

- Chairman Blue Sky Power (“6828” HK)
- Ex CEO of New Times Energy (“166” HK)

Paul Underwood

Managing Director/CEO

- Chartered Accountant, founder of Tap Oil, 33 years experience in oil and gas exploration and production

Po Chan

Executive Director

- Chartered Accountant, Director of Afanti asset Management Hong Kong, ex Price Waterhouse, Sydney

Garry Ralston

Non-Executive Director

- Co founder of Finance & Systems Technology (FAST) and Select Mortgage Services

Corporate Overview



Triple Energy Ltd is incorporated in Australia and listed on the Australian Stock Exchange.

Its major investor company is Blue Sky Power, of Hong Kong (Code “6828”)

The Company is focused on domestic gas projects in China

The company now has the potential to emerge as a significant gas producer in China

Australian Stock Exchange code	“TNP”
Shares on issue - now	1,133,000,000
Shares on issue – post drilling 2 wells	1,728,000,000
Unlisted options	65,000,000
Current Market capitalisation (post wells, before options)	~\$16m

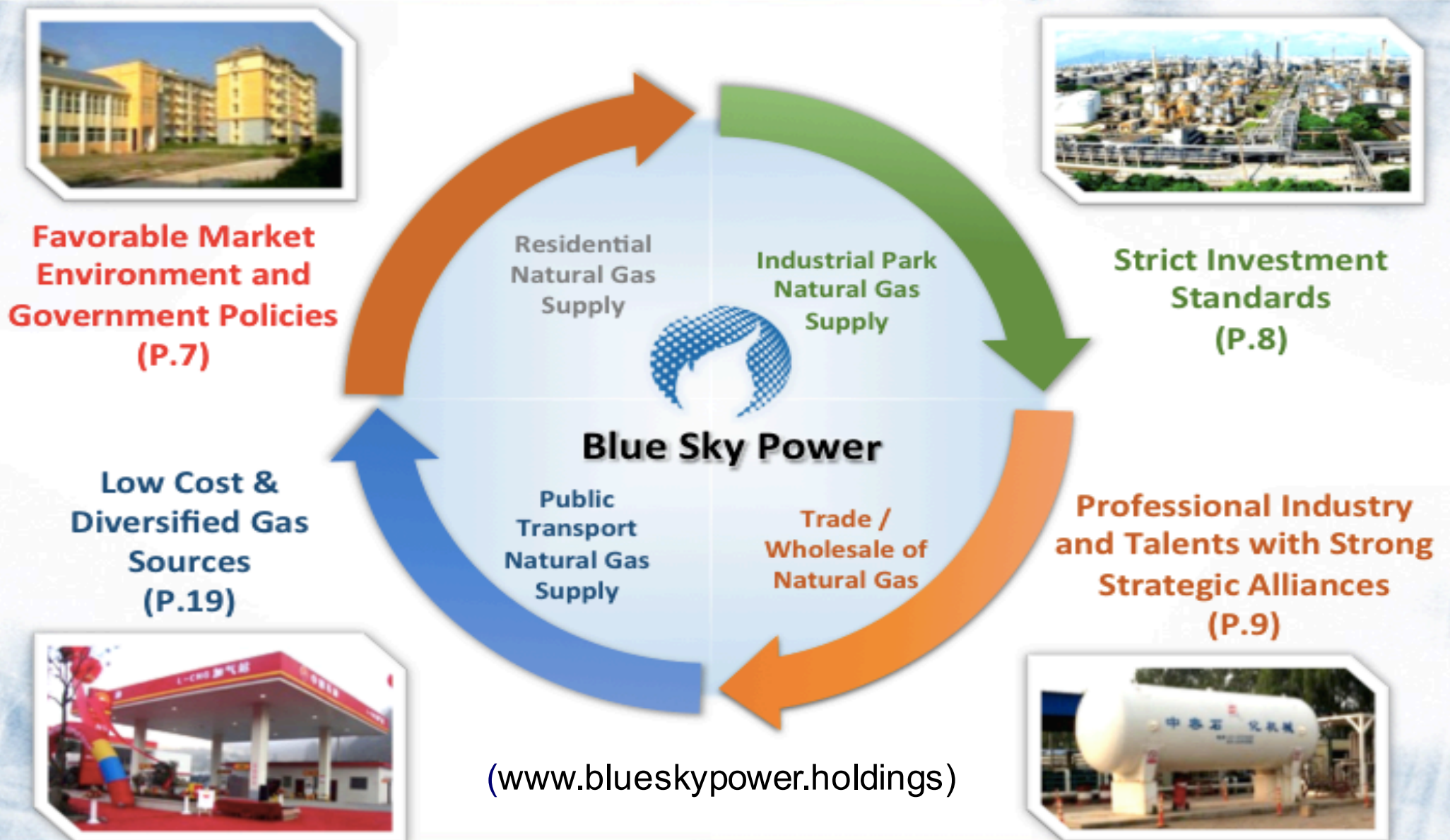
Parent Company is BSP



- Blue Sky Power Holdings (“BSP”) will emerge this year as TNP’s parent
 - Capitalised at ~ A\$700m on HKSE (code “6828”)
 - www.blueskypower.holdings
- BSP and TNP are vertically integrated
 - gas distribution (BSP) and production (TNP) in China
 - TNP is BSP’s exclusive upstream vehicle
- BSP owns numerous gas distribution assets in China
- BSP has many contacts and relationships in China
 - More acquisitions of gas assets for TNP under review
- Potential dual listing of TNP in Hong Kong once production established



Blue Sky Power Gas Strategy - China



Has developed and is striving to develop diversified gas sources (Other than piped gas):

Shale Gas

- Gas is directly supplied from CNPC' to the gas field in Yibin City of Sichuan Province. Purchase price of this unconventional gas sources is much lower than the price of piped gas. The cost of shale gas for power generation cost is only RMB0.6.

Boil-off gas

- Huanggang, Hubei project is located close to LNG processing plant of Kunlun Energy; Recycling boil-off gas for gas sources and it only costs RMB 2.0/m3

Conventional Gas Field

- Gas is directly purchased from Liaohe oil field for Benxi, Liaoning project to secure stable gas sources and save the pipeline transportation costs

Import Gas

- Import LNG from foreign cities for coastal projects (Liaoning/ Shangdong/ Jiangsu/ Hainan) by sea, in order to provide low-cost LNG to the projects in coastal areas

Coal Bed Methane

- The Company is proactive to participate in coal bed methane project through Triple Energy (its subsidiary)

Coke Oven Gas

- Cooperating with coking plant to develop methanation of coke oven gas, so as to further increase gas sources

(www.blueskypower.holdings)

BSP yesterday, TNP tomorrow?



- BSP was previously a stationary company
- It was taken over by the BSP group in 2013 - renamed Blue Sky Power (i.e. strategy to provide clean (blue) skies in China, via clean energy using gas)
- BSP stock price has since increased from ~HK\$0.10 in 2013 to ~HK\$0.50 as it acquired gas projects in China (current market = A\$573m)
- The Triple team in China is the same staff as BSP



- BSP objective is to be a major supplier/distributor of gas in China
- TNP provides upstream project expansion support
- TNP to operate and manage exploration, development and production

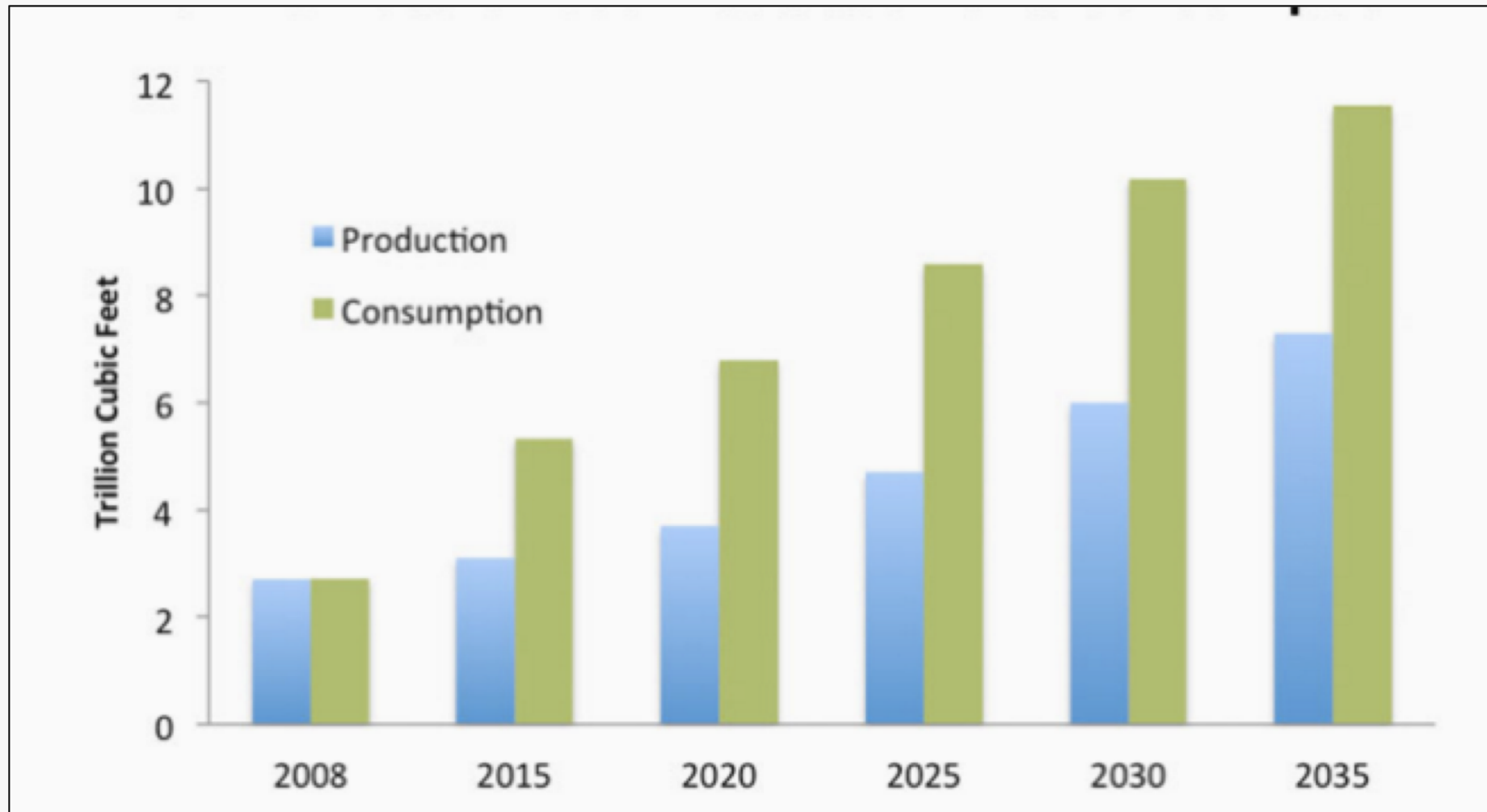
TNP - projects summary

Category	Name	Mining rights partner	Mode of cooperation	Amount of blocks	Resource cooperation process
Drilling operation	Heilongjiang CBM project	Heilongjiang Longmay Mining Holding Group	JV company	4	Three CBM wells drilled in Hegang – awaiting tests
Acquisition and cooperation	Moke - Shaanxi CBM cooperation project – “Moke”	Shaanxi Coalbed Methane Development Co., Ltd	PSC or JV	2	8 wells drilled - all produce gas. Currently, resources assessment and production enhancement project underway to commercialize
Planning for cooperation	Moke - Shaanxi CBM cooperation project	Shaanxi Coalbed Methane Development Co., Ltd	PSC or JV	1	Under negotiation
Planning for cooperation	Inner Mongolia shallow gas project	Confidential	PSC or JV	2	Under discussion

- CBM is now proven technology for meaningful gas production
- Quality acreage available in China via BSP connections
 - Chinese Gov't focussed on changing fuel mix to mitigate pollution
 - SOE coal companies need mining areas de-gassed before mining
 - Extensive data bases available = coal seams are “known”
 - Still good gas prices (US\$7.00 - 10.00 /mscf)
 - Choice also to generate electricity using gas
 - Profit split in JV's with coal mining companies is attractive
 - Gas pipelines and / or electricity grids are proximate
 - Extensive deal flow via BSP contacts and knowledge of China

- China is a preferred global location for CBM business
- Gas prices vary but China compares well globally
 - China – med/high price (Gov't is in strong support, lots of acreage opportunity)
 - USA – low price (over supply of gas)
 - Australia – good price (but land access is increasingly problematic)
 - Europe – good price but regs are extremely difficult, lack of suppliers
- License to Operate
 - In China, the business is encouraged to mitigate pollution, reduce coal mine fatalities, provide another source of income for SOE's
 - USA is experiencing some public push-back to operating companies
 - In Australia, farming lobby is blocking CBM "social" license to operate
 - In Europe energy mix policy is not clear, significant regulation of CBM

China Gas Production and Consumption



Source - Energy Administration Agency

Main Coal Basins in China

TNP has interests in

- Daqing Basin
- Ordos Basin

TNP project areas



Moke Acquisition – Tongchuan Project (already producing)



CBM is a proven and safe technology for clean energy

China has huge CBM resources - BSP has the contacts

China needs cleaner power gen – gas is cleaner than coal

Strong parent in BSP – emerging as significant gas distributor

China gas prices are (still) attractive

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