



ASX ANNOUNCEMENT

31 January 2017
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 2016.

Shaanmei Project Areas and Other New Ventures

Triple advised on 14 December 2016 that a cooperation agreement (**Agreement**) had been reached with Shaanxi Province Coal Bed Methane Exploitation and Utilization Co. Ltd., a subsidiary of Shaanmei Coal Mining Company (**Shaanmei**).

The Agreement is in the form of production sharing for Coal Bed Methane Drainage of three linked areas in Wangfeng and Sangshuping Mining Areas in Hancheng, Shaanxi Province and covers approximately 162km².

Triple understands there is a technical report covering this area prepared by CCTEG Xi'an Research Institute dated 2012 however, as this is not yet audited and prepared in accordance with ASX guidelines, a report compliant with ASX requirements will need to be prepared in due course and details will be made available at that time.

The acreage is well located in China's Ordos basin where 90% of China's current coal bed methane production comes from. Specifically, the Wangfeng and Sangshuping mining areas in Hancheng are located in the east margin of the Ordos Basin, which is rich in coal bed methane resources.

The Agreement provides for a profit sharing arrangement and requires Triple to provide RMB5,000,000 (~\$1,000,000) as a performance surety. TNP's parent, Beijing Gas Blue Sky Power (**BGBSP**), through its TNP Board nominees, has confirmed that it is arranging this funding in support of TNP. As at the date of this report, details of the proposed structure and mechanism of this financing have not yet been made available to or considered by the non BGBSP directors, with the current expectation being that this will not now occur until after the local public holiday period. Further details on the project and financing arrangements will be announced as they become available.

Aolong JV Project in Heilongjiang

No substantial exploration activity was able to be carried out during the quarter, as the joint venture partners are continuing to investigate measures to ensure closer cooperation in the Hegang area to minimize any future development conflicts as well as identifying other project areas suitable for gas production. Triple looks forward to further progress in this regard and working together with its joint venture partner in leveraging the data acquired from the three wells now drilled.



Corporate & Financial

As of 31 December 2016 the Group's consolidated cash balance was A\$538k, including funds held by the CJV in China but before creditors. An ASX Appendix 5B for the quarter accompanies this activities report.

CONTACT DETAILS FOR FURTHER INFORMATION;

Paul Underwood

T: + 61 (0) 408 557 821

E: underwoodpw@tripleenergy.net



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

Triple advised on 14 December 2016 that a cooperation agreement (Agreement) had been reached with Shaanxi Province Coal Bed Methane Exploitation and Utilization Co. Ltd., a subsidiary of Shaanmei Coal Mining Company (**Shaanmei**).

The Agreement is in the form of production sharing for Coal Bed Methane Drainage of three linked areas in Wangfeng and Sangshuping Mining Areas in Hancheng, Shaanxi Province and covers approximately 162km².

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, 01/05/13, 01/09/16

Name of entity

Triple Energy Limited

ABN

68 116 829 675

Quarter ended ("current quarter")

31 December 2016

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	(54)	(265)
(b) development	-	-
(c) production	-	-
(d) staff costs	(136)	(353)
(e) administration and corporate costs	(82)	(519)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	4
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	(271)	(1,133)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	-	1,748
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	-	-
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)	-	(197)
3.10	Net cash from / (used in) financing activities	-	1,551

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	805	403
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(271)	(1,404)
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)	-	1,551
4.5	Effect of movement in exchange rates on cash held	4	(12)
4.6	Cash and cash equivalents at end of period	538	538

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	523	790
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	15	15
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	538	805

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
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
55
-

Directors salaries and superannuation

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

Current quarter \$A'000
-
-

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	-	-
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.		

--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation*	-
9.2 Development	-
9.3 Production	-
9.4 Staff costs	125
9.5 Administration and corporate costs	60
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	185

**Subject to completion of funding arrangements (as referred to in the quarterly activities report), a work program and budget for the Shaanmei project is expected to be prepared and approved during the quarter whereupon it is likely that actual exploration activity and spend will be significantly higher.*

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 2017

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.