



Triple Energy Limited

ABN 68 116 829 675

**Annual Financial Report
31 March 2019**

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DIRECTORS' REPORT

CORPORATE INFORMATION

ABN 68 116 829 675

Directors

Mr Murray d'Almeida	Independent Non-Executive Director (appointed 18 July 2017)
Mr Chris Berkefeld	Independent Non-Executive Director (appointed 18 July 2017)
Mr Tun Yiu (Michael) Kei	Executive Director (appointed 15 May 2019)
Mr HongBing Zhang	Non-Executive Director (appointed 15 May 2019)
Ms Ruo Yun Zhang	Non-Executive Director (appointed 15 May 2019)

Company secretary

Mr Alex Neuling

Registered office and Principal place of business

Unit 24, 589 Stirling Highway, Cottesloe WA 6011
PO Box 899, Cottesloe WA 6011
Telephone: (08) 6153 1861
Facsimile: (08) 6314 1557

Postal address:

PO Box 899
COTTESLOE WA 6911

Share register

Security Transfer Australia Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: (08) 9315 2333

Solicitors

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

Bankers

National Australia Bank
Level 1, 1238 Hay Street
WEST PERTH WA 6005

Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

Website www.tripleenergy.net

DIRECTORS' REPORT

Your directors submit their annual financial report of the Group consisting of Triple Energy Limited ('Triple') and its controlled subsidiaries for the financial year ended 31 March 2019. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Murray d'Almeida	Independent Non-Executive Director
Mr Chris Berkefeld	Independent Non-Executive Director
Mr Tun Yiu (Michael) Kei	Executive Director (appointed 15 May 2019)
Mr HongBing Zhang	Non-Executive Director (appointed 15 May 2019)
Ms Ruo Yun Zhang	Non-Executive Director (appointed 15 May 2019)
Mr Ming Kit (Tommy) Cheng	Non Executive Chairman (resigned 5 May 2019)
Mr Man Kin (Raymond) Tam	Alternate Director for Mr Tommy Cheng (appointed 4 April 2017 resigned 10 October 2018)
Mr Edward Siew 2019)	Alternate Director for Mr Tommy Cheng (appointed 10 October 2018 resigned 15 May 2019)

Names, qualifications, experience and special responsibilities

Mr Murray d'Almeida

Independent Non-executive Director

Mr d'Almeida has over 35 years of diverse national and international business experience. He commenced his career in Perth with a firm of Chartered Accountants before moving into a broad range of commercial and financial reporting positions with two major USA based mining companies. He founded the Australian and international retailer Retail Food Group, and developed their presence in seven overseas countries. He has maintained operating and board positions within a range of financial services, mining, commercial academic, government, sporting businesses and organisations.

Mr d'Almeida is currently chairman chairman of Barrack Street Investments Limited, Deputy Chancellor of Southern Cross University and a director of Global Masters Limited.

During the three years to balance date Mr D'Almeida has also served as a Director of IncentiaPay Limited.

Mr Chris Berkefeld

Independent Non-executive Director

Mr Berkefeld has over 20 years' experience on public and private company boards in New Zealand and Australia. His background is in industrial, waste and mining services in Australia along with engineering and heavy transportation services in Europe and Asia. He was with services company Brambles for 25 years and ran the waste management and industrial services businesses upon their sale to a private equity group in 2006.

Mr Berkefeld is currently a non-executive director of Tellus Group Limited, Hiway Group Limited and IncentiaPay Limited.

Mr HongBing Zhang (Appointed 15 May 2019)

Non-executive Director

Mr Zhang holds a bachelors degree in economics from the Beijing Second Language Institute and an EMBA from the Southwestern University of Finance and Economics. He has broad commerce experience within the Peoples Republic of China (PRC) gained over close to 30 years, including international trading in commodities (including downstream petroleum products) and most recently a marketing and sales role across 10 provinces in Northern China.

During the three years to balance date Mr Zhang has not served as a Director of any other ASX listed company.

Ms RuoYun Zhang (Appointed 15 May 2019)

Non-executive Director

Ms Zhang holds a bachelors degree in accounting from the George Washington University School of Business in the United States and has held finance and Risk Advisory roles since graduation.

During the three years to balance date Ms. Zhang has not served as a Director of any other ASX listed company.

DIRECTORS' REPORT

Mr Tun Yiu (Michael) Kei (Appointed 15 May 2019)

Executive Director

Mr Kei is an executive Director with responsibility for business development and has approximately 29 years of commercial experience, including senior engineering and management experience in the electronics industry in HK, PRC and Philippines. Mr. Kei is a current director of Guangzhou Jinsong Electronic Ltd and Vice-President of the Philippine Xiamen Chamber of Industry and Philippine Xiamen Amity Association.

During the three years to balance date Mr Kei has not served as a Director of any other ASX listed company.

FORMER DIRECTORS

Mr Tommy Cheng (resigned 15 May 2019)

Non-Executive Chairman

Mr Cheng is an executive director and chairman of Beijing Gas Blue Sky Holdings Limited (HKEx Stock Code 6828 **BGBS**). He holds a Bachelor degree in Commerce from the University of Alberta, Canada. From 1995 to 2003, Mr Cheng held various positions which were responsible for corporate finance and property development activities in the PRC. From 2003 to 2008, Mr Cheng was involved in the investment and operations in the gold mining industry in the PRC and had held senior positions in a mining company listed on the Toronto Stock Exchange Venture Board with mining and exploration operations in the PRC. Mr Cheng is currently a non-executive director of New Times Energy Corporation Limited (HKEx stock code: 0166) and was an executive director of Grand T G Gold Holdings Limited (HKEx stock code: 08299) from November 2008 to June 2009, which shares are listed on the Hong Kong Stock Exchange.

During the three years to his resignation, Mr Cheng has served as a Director of New Times Energy Corporation Limited (2009- present) and Beijing Gas Blue Sky Holdings Limited (2014-Present).

Mr Chun Fai (Edward) Siew (appointed 10 October 2018, resigned 15 May 2019)

Alternate Director

Mr. Siew holds a Bachelor degree in accounting from the University of Western Sydney, Australia and a Master of Business Administration degree from the University of South Australia, Australia. Mr. Siew is a member of the Hong Kong Institute of Certified Public Accountants, CPA Australia and the Chartered Accountants Australia and New Zealand. He has more than 20 years of experience in finance and accounting. Prior to joining BGBS Group in August 2014, he had held various senior positions in certain listed and private companies in Hong Kong

During the three years to his resignation Mr Siew has not served as a Director of any other ASX listed company.

Mr Man Kin (Raymond) Tam (resigned 10 October 2018)

Alternate Director

Mr Tam is an executive director, chief financial officer and authorized representative of Beijing Gas Blue Sky Holdings Ltd, the Hong Kong-listed parent company of the Beijing Gas Blue Sky group of companies (**BGBS**) (Hong Kong Stock Code: 6828). BGBS is Triple's largest shareholder.

Mr Tam obtained an Executive Master of Business Administration degree from the University of Western Ontario in Canada in 2005, a Master of Practising Accounting degree from Monash University in Australia in 2001 and a Bachelor of Civil & Resources Engineering (First Class Honours) degree from the University of Auckland in New Zealand in 1998. Mr Tam is a Fellow of CPA Australia, a member of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a CFA and FRM charter-holder. Mr Tam has over 15 years of management experience in banking and finance industry. Prior to joining Beijing Gas Blue Sky Power Holdings Ltd, Mr Tam served as the chief financial officer of China Regenerative Medicine International Limited (stock code: 8158), a company listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited from 2015 to 2016. Mr Tam also served as the Project Director of Mineralogy Pty Ltd. and the chief financial officer of Resourcehouse Ltd., both of which are Australian companies principally engaged in the development of mineral resources. Further, he worked at J.P. Morgan from 2006 to 2010 and held various management positions with The Hongkong and Shanghai Banking Corporation Limited from 1999 to 2006. He also served as the Vice President (Asia Convention) of the World Leadership Alliance — World Economic Council, and has served as the Co-Chairperson of Corporate Sector Committee of CPA Australia — Greater China since 2016.

During the three years to his resignation Mr Tam has not served as a Director of any other ASX listed company.

DIRECTORS' REPORT

Company Secretary - Mr Alex Neuling

Mr Neuling is a Chartered Accountant and Chartered Secretary with extensive corporate and financial experience including as director, chief financial officer and / or company secretary of various ASX-listed companies in the Oil & Gas, mining, mineral exploration and other sectors.

Prior to those roles, Alex worked at Deloitte in London and Perth. Alex also holds an honours degree in Chemistry from the University of Leeds in the United Kingdom and is principal of Erasmus Consulting Pty Ltd which provides company secretarial and financial management consultancy services to a variety of ASX-listed and other companies.

Interests in the shares and options of the Company

The following relevant interests (including indirect interests) in shares and options of the Company or a related body corporate were held by the Directors as at the date of this report or the date each Director ceased to be a Director, as applicable.

Directors	Fully paid ordinary shares	Options
Mr Murray D'Almeida	-	-
Mr Chris Berkefeld	-	-
Mr Hongbing Zhang	-	-
Ms Ruo Yun Zhang	-	-
Mr Tun Yiu Kei	-	-
Mr Tommy Cheng (at time of resignation)	-	750,000
Mr Edward Siew (at time of resignation)	-	-
Mr Raymond Tam (at time of resignation)	-	-

Share Capital

As at the date of this report, the Company had 71,996,054 Ordinary Shares on issue (2018: 43,197,632). No ordinary shares were issued by the Company during or since the end of the financial year as a result of the exercise of an option. There are no unpaid amounts on the shares issued.

At the date of this report unissued ordinary shares of the Company under option are:

Class	Expiry Date	Exercise price	Number of options
H	30 August 2019	\$0.60	2,250,000
TOTAL			2,250,000

Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activity of the Group during the year was exploration for natural resources.

Review of Operations

Xin 214 Project – Songyuan

In September 2018, Triple advised that a non-binding Memorandum of Understanding (**MoU**) had been signed with Guangzhou Bofu Investment Co. Ltd (**GBIC**), which intends to acquire 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

DIRECTORS' REPORT

Songyuan City, Jilin Province in the People's Republic of China (**PRC**). The terms of the MoU provided for an initial period of approximately 6 months (unless extended) and 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.

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.

Both parties have agreement an extension of the MoU to 28 Feb 2020 and are continuing to work co-operatively in accordance with this arrangement. MoUs of the type entered into are commonly used within the PRC as a pre-cursor to more formal documentation however there can be no guarantee that a binding agreement on acceptable terms will be able to be negotiated. Any transaction is expected to be subject to completion of due diligence, Triple shareholder and / or regulatory approval (including consultation with ASX when the expected terms are determined).

Aolong JV Project in Heilongjiang (Triple interest 80%)

Exploration activity during the year was focused on the evaluation of regional technical studies to evaluate the prospectivity of the Hegang project area as well as other areas to which the Aolong Co-operative Joint Venture (**CJV**) holds contractual rights to acquire interests under any potential future extension or variation of the CJV area. As an essential pre-cursor to any further on-ground exploration activities, the joint venture partners continued to discuss 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 project area. Future work is expected to continue to focus on the identification, rank and work-up of potential sites for future drilling (subject to the availability of funds and the successful outcome of joint venture discussions).

Shaanmei Project Areas

As announced by the Company in late 2016, a cooperation agreement (**Agreement**) was reached with Shaanxi Province Coal Bed Methane Exploitation and Utilization Co. Ltd., a subsidiary of Shaanmei Coal Mining Company (**Shaanmei**).

The Agreement was 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 covering approximately 162km² and provided for a profit sharing arrangement whereby Triple, through wholly-owned HK and PRC subsidiaries, was to hold 80% profit interest. Under the Agreement terms Triple was required to provide RMB5,000,000 (~A\$1,000,000) as a performance surety. TNP's largest shareholder, BGBS had arranged and advanced this funding in support of TNP, with the funding initially in the form of a renewable loan facility.

Subsequent technical evaluation indicated that coal quality is soft, mostly pulverised coal, expected to be able to support fracturing only for a short period, such that commercial production is difficult to achieve using conventional vertical and fracturing drainage. An alternative strategy to use newer technologies was considered, however the very substantial capital investment risk associated was not considered to fit the Company's investment criteria under the circumstances of the project. During the year, the Triple Board resolved to endorse termination of the Agreement, which was able to be completed without financial penalty. Triple also agreed with BGBS that the RMB 5,000,000 loan advanced to the project is not repayable by Triple or any of its subsidiaries.

Corporate & Financial

On 30 August Triple announced a fully-underwritten non-renounceable entitlements offer (**Entitlement Offer**) of fully paid ordinary shares (**New Shares**) based upon an entitlement of two (2) New Shares for every three (3) existing shares held at the record date. New Shares under the Entitlement Offer were offered at 2.2 cents per share to raise approximately A\$633,565 before costs. The Entitlement Offer closed during October 2018 and allotment of the shortfall to the underwriter was completed on 13 October 2018.

During January 2019, substantial shareholding notices were lodged by Beijing Gas Blue Sky Holding Limited, (**BGBS**, formerly the Company's largest shareholder) and by new shareholders of Waypost Limited (**Waypost**) a former subsidiary of BGBS). The Company continues to cooperate closely with BGBS and with the new Waypost investors in relation to the Company's strategic direction and objectives.

In May 2019, the Company announced the appointment of Mr Hong Bing Zhang and Ms Ruo Yun Zhang as non-executive directors and Mr Tun Yiu (Michael) Kei as an Executive Director.

Operating Results for the Year

The consolidated net loss after income tax attributable to members of the Group amounted to \$439,557 (2018: \$618,768).

DIRECTORS' REPORT

Review of Financial Conditions

As at 31 March 2019 the Group held \$555,172 in cash and cash equivalents.

Significant Changes in the State of Affairs of the Group

Other than the capital raisings, Board changes and operational updates as noted elsewhere in this Report, there have been no significant changes in the state of affairs of the Group to the date of this Report.

Significant Events After Balance Date

No matter or circumstance has arisen since 31 March 2019 that in the opinion of the Directors has significantly affected, or may significantly affect in future financial years:

- (i) the Group's operations;
- (ii) the results of those operations; or
- (iii) the Group's state of affairs.

Likely Developments and Expected Results

The Group continues to evaluate new projects complimentary with the business model of finding and developing producing oil and gas projects.

Except as disclosed herein, disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

Environmental Legislation

The Group is subject to the usual environmental and monitoring requirements in respect of its natural resources exploration activities in China.

The Directors are not aware of any significant breaches of these requirements during the year.

Indemnification and Insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

DIRECTORS' REPORT

Remuneration Report

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Key Management Personnel of Triple Energy Limited (the "Company") for the financial year ended 31 March 2019. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the parent company.

Key Management Personnel

The Key Management Personnel of the Group during the 2019 and prior financial year comprised the Company's Directors and the Company Secretary.

(i) Directors

Current Directors

Mr Murray d'Almeida (Independent Non-Executive Director, appointed 18 July 2017)

Mr Chris Berkefeld (Independent Non-Executive Director, appointed 18 July 2017)

Mr Hong Bing Zhang (Non-Executive Director, appointed 15 May 2019)

Ms Ruo Yun Zhang (Non-Executive Director, appointed 15 May 2019)

Mr Tun Yiu (Michael) Kei (Executive Director, appointed 15 May 2019)

Former Directors

Mr Tommy Cheng (Non-Executive Chairman, resigned 15 May 2019)

Mr Edward Siew (Alternate Director for Mr Tommy Cheng appointed 10 October 2018, resigned 15 May 2019)

Mr Raymond Tam (Alternate Director for Mr Tommy Cheng, resigned 10 October 2018)

(ii) Executives

Mr Alex Neuling (Company Secretary)

Remuneration philosophy

The performance of the Company depends upon the quality of the Directors and Executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration

Remuneration Committee

The Board, in its capacity as the Remuneration Committee of the Board of Directors of the Company; and in accordance with the Remuneration Committee Charter is responsible for determining and reviewing compensation arrangements for the directors, the CEO and the executive team.

The Board assesses the appropriateness of the nature and amount of remuneration of Directors and Executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

DIRECTORS' REPORT

Remuneration report (continued)

Remuneration structure

In accordance with best practice Corporate Governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-Executive Director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held on 31 August 2010 when shareholders approved an aggregate remuneration of up to \$250,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Directors (other than an Alternate Director) are generally entitled to receive a fee for being a Director of the Company, however the Company's Chairman, Mr Tommy Cheng, waived his entitlement to receive a Directors fee. Remuneration of Non-Independent Directors (appointed as shareholders nominees) remains a matter for consideration by the Board & Remuneration Committee during the current year.

The remuneration of Non-Executive Directors for the year ended 31 March 2019 is detailed in the Remuneration of Directors and named Executives in Table 1 of this report.

Senior Manager and Executive Director remuneration

Remuneration consists of fixed remuneration and Company options (as determined from time to time). In addition to the Company employees and Directors, the Company engages key consultants on a contractual basis. These contracts stipulate the remuneration to be paid to the consultants.

Fixed Remuneration

Fixed remuneration is reviewed annually or as required by the full Board (assuming the role of the Remuneration Committee and in accordance with the Remuneration Committee charter). The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary.

Fixed remuneration is paid in the form of cash payments.

The fixed remuneration component of Key Management Personnel is detailed in Table 1.

Variable Remuneration

Executives (including Executive Directors) are eligible to participate in the Company's Short Term Incentive (bonus) schemes, as well as Long Term Incentives arrangements in the form of the grant of share options or participation in the Company Employee Share Scheme ("ESS").

Key Management Personnel Employment & Service Contracts

The Company has entered into service contracts with entities controlled by its independent non-executive Directors. The service contracts provide for a fee of \$3,333 per month to be paid to the entities for the provision of services by the respective Directors and may be terminated by the Company or counterparty on one month's notice.

AJ Neuling – Company Secretary

The Company has engaged Erasmus Consulting Pty Ltd ("Erasmus") to provide consulting services including services provided by Mr Neuling (an employee and Director of Erasmus). The consulting arrangement between the Company and Erasmus incorporates a monthly minimum retainer of \$1,800 (excluding GST) and additional fees on an hourly rate for work performed by Erasmus personnel in excess of 10 director-level staff hours per month.

DIRECTORS' REPORT

Remuneration report (continued)

	Short-term employee benefits						Post-employment benefits			Equity	Total	Performance Related
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options	Short-term employee benefits	Post-employment benefits	Equity			
Mr Tommy Cheng	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Mr Raymond Tam	-	-	-	-	-	-	-	-	-	-	0%	
Mr Edward Siew	-	-	-	-	-	-	-	-	-	-	0%	
Mr Murray D'Almeida	40,000	-	-	-	-	-	-	-	-	40,000	0%	
Mr Chris Berkefeld	40,000	-	-	-	-	-	-	-	-	40,000	0%	
Mr Alex Neuling*	-	-	-	-	-	-	-	-	-	-	0%	
Total	80,000	-	-	-	-	-	-	-	-	80,000	0%	

*Mr Neuling is not directly remunerated by the Company. Erasmus Consulting Pty Ltd, an entity controlled by Mr Neuling, received consulting fees of \$79,942 during the year in respect of services provided by Mr Neuling. In addition, during the year Erasmus invoiced the Company \$4,500 for office rent at the Company's registered office and \$12,228 for office administration and bookkeeping services provided by Erasmus staff.

Mr Hong Bing Zhang, Ms Ruo Yun Zhang and Mr Tun Yiu Kei were appointed as Directors after the end of the financial year and received no remuneration during the 2019 or 2018 financial years.

Table 1: Directors' and named executives' remuneration for the year ended 31 March 2018

	Short-term employee benefits						Post-employment benefits			Equity	Total	Performance Related
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options	Short-term employee benefits	Post-employment benefits	Equity			
Mr Tommy Cheng	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Mr Murray D'Almeida	24,998	-	-	-	-	-	-	-	-	24,998	0%	
Mr Chris Berkefeld	26,664	-	-	-	-	-	-	-	-	26,664	0%	
Mr Paul Underwood	25,000	-	-	-	-	-	-	-	-	25,000	0%	
Mr Garry Ralston	12,000	-	-	-	-	-	-	-	-	12,000	0%	
Mr Alex Neuling*	-	-	-	-	-	-	-	-	-	-	0%	
Mr Raymond Tam	-	-	-	-	-	-	-	-	-	-	0%	
Total	88,662	-	-	-	-	-	-	-	-	88,662	0%	

*Mr Neuling is not directly remunerated by the Company. Erasmus Consulting Pty Ltd, an entity controlled by Mr Neuling, received consulting fees of \$50,924 during the year in respect of services provided by Mr Neuling.

DIRECTORS' REPORT (continued)

Remuneration report (continued)

Remuneration of directors and named executives

(iii) Share-based payments granted as compensation

No options were granted as remuneration during the year to 31 March 2019 (2018: Nil).

1,925,000 options originally granted as compensation lapsed in the current financial year.

(iv) Option holdings of Key Management Personnel

As at 31 March 2019

	Balance at beginning of period*	Granted as remuneration	Options expired	Net change Other	Balance at end of period
Mr Tommy Cheng	1,500,000	-	750,000	-	750,000
Mr Murray D'Almeida	-	-	-	-	-
Mr Chris Berkefeld	-	-	-	-	-
Mr Raymond Tam *	-	-	-	-	-
Mr Edward Siew	-	-	-	-	-
Mr Alex Neuling	25,000	-	25,000	-	-
Total	1,525,000	-	775,000	-	750,000

* Held at date of resignation

** The options which expired during the current year were granted in 2016 financial year and had a fair value at grant date of \$64,410.

(v) Shareholdings of Key Management Personnel

As at 31 March 2019

	Balance at beginning of period*	Granted as remuneration	On Exercise of Options	Net change Other	Balance at end of period
	Number	Number	Number	Number	Number
Mr Tommy Cheng	-	-	-	-	-
Mr Murray D'Almeida	-	-	-	-	-
Mr Chris Berkefeld	-	-	-	-	-
Mr Edward Siew	-	-	-	-	-
Mr Man Kin (Raymond) Tam*	-	-	-	-	-
Mr Alex Neuling	197,500	-	-	131,667	329,167
Total	197,500	-	-	131,667	329,167

* Held at date of resignation.

END OF REMUNERATION REPORT

DIRECTORS' REPORT (continued)

Directors' Meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

Director	Board Meetings*	
	Attended	Eligible to Attend
Mr Tommy Cheng*	-	3
Mr Raymond Tam*	2	2
Mr Edward Siew*	1	1
Mr Murray d'Almeida	3	3
Mr Chris Berkefeld	3	3

*Excludes matters decided by circulating resolution. Mr Tam and Mr Siew attended as alternates for Mr Cheng.

Separate meetings of the Audit and Remuneration and Nomination Committees did not take place during the year with relevant business being considered by the full Board.

Auditor's Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 14 and forms part of this directors' report for the year ended 31 March 2019.

Non-Audit Services

There were no non-audit services provided by the Company's auditors in the current financial year.

Signed in accordance with a resolution of the Directors.



Mr Murray d'Almeida

Director

Dated this 27th day of June 2019



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Triple Energy Limited for the year ended 31 March 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
27 June 2019

D I Buckley
Partner

hl**b.com.au**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 \$	2018 \$
Continuing operations			
Other income	2	261	2,171
Other expenses	2	(448,666)	(626,730)
Loss before income tax expense		(448,405)	(624,559)
Income tax expense	3	-	-
Loss after tax expense		(448,405)	(624,559)
Net (loss) for the year		(448,405)	(624,559)
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(6,219)	(29,837)
Total comprehensive income/(loss) for the year		(454,624)	(654,396)
Loss attributable to:			
Owners of the group		(443,981)	(618,768)
Non-controlling interests		(4,424)	(5,791)
Loss for the year		(448,405)	(624,559)
Total comprehensive loss attributable to:			
Owners of the group		(453,184)	(642,638)
Non-controlling interests		(1,440)	(11,758)
Comprehensive Loss for the year		(454,624)	(654,396)
Basic and diluted loss per share (cents per share)	4	(0.82)	(1.48)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

		2019	2018
	Notes	\$	\$
Assets			
Current Assets			
Cash and cash equivalents	6	555,172	280,053
Other current assets	7	21,042	19,616
Total Current Assets		<u>576,214</u>	<u>299,669</u>
Total Assets		<u>576,214</u>	<u>299,669</u>
Liabilities			
Current Liabilities			
Trade and other payables	8	(812,246)	(679,991)
Borrowings	9	-	(82,978)
Total Current Liabilities		<u>(812,246)</u>	<u>(762,969)</u>
Non-Current Liabilities			
Borrowings	9	(94,988)	
Total Non-Current Liabilities		<u>(94,988)</u>	<u>-</u>
Total Liabilities		<u>(907,234)</u>	<u>(762,969)</u>
Net Liabilities		<u>(331,020)</u>	<u>(463,300)</u>
Equity			
Issued capital	10	37,232,495	36,645,591
Reserves	11	1,150,887	780,393
Accumulated losses	11	(38,614,204)	(37,790,526)
Parent entity interest		<u>(230,822)</u>	<u>(364,542)</u>
Non-controlling interests	12	(100,198)	(98,758)
Total equity		<u>(331,020)</u>	<u>(463,300)</u>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Issued Capital	Reserves	Accumulated Losses	Total	Non-controlling Interests	Total equity
	\$	\$	\$	\$		\$
As at 1 April 2017	35,852,152	804,263	(37,171,758)	(515,343)	(87,000)	(602,343)
Loss for the period	-	-	(618,768)	(618,768)	(5,791)	(624,559)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	(29,837)	-	(29,837)	-	(29,837)
Changes in net assets attributable to non-controlling interests	-	5,967	-	5,967	(5,967)	-
Total comprehensive loss for the period	-	(23,870)	(618,768)	(642,638)	(11,758)	(654,396)
Shares and options issued	800,000	-	-	800,000	-	800,000
Transaction costs on share issue	(6,561)	-	-	(6,561)	-	(6,561)
As at 31 March 2018	36,645,591	780,393	(37,790,526)	(364,542)	(98,758)	(463,300)
As at 1 April 2018	36,645,591	780,393	(37,790,526)	(364,542)	(98,758)	(463,300)
Loss for the period	-	-	(443,981)	(443,981)	(4,424)	(448,405)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	(6,219)	-	(6,219)	-	(6,219)
Changes in net assets attributable to non-controlling interests	-	(2,984)	-	(2,984)	2,984	-
Total comprehensive loss for the period	-	(9,203)	(443,981)	(453,184)	(1,440)	(454,624)
Reserves transfer	-	379,697	(379,697)	-	-	-
Shares and options issued	633,565	-	-	633,565	-	633,565
Transaction costs on share issue	(46,661)	-	-	(46,661)	-	(46,661)
As at 31 March 2019	37,232,495	1,150,887	(38,614,204)	(230,822)	(100,198)	(331,020)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

Notes	2019 \$	2018 \$
	Inflows/(Outflows)	
Cash flows from operating activities		
Interest received	261	2,171
Payments to suppliers and employees	(455,717)	(975,893)
Proceeds from recovery of expenses	131,658	-
Net cash flows (used in) operating activities	6 (323,798)	(973,722)
Cash flows from investing activities		
Payments for capitalised exploration and evaluation expenditure	-	-
Payments for other fixed assets	-	-
Loans to other entities	-	-
Net cash flows on acquisition of subsidiary	-	-
Net cash flows (used in)/from investing activities	-	-
Cash flows from financing activities		
Proceeds from issue of shares and options	633,565	320,000
Proceeds from borrowings	12,010	82,978
Transaction costs on issue of shares	(46,661)	(6,561)
Net cash flows from financing activities	598,914	396,417
Net increase/(decrease) in cash and cash equivalents	275,116	(577,305)
Foreign Exchange	3	(2)
Cash and cash equivalents at the beginning of the period	6 280,053	857,360
Cash and cash equivalents at the end of the period	555,172	280,053

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Company and its subsidiaries (the Group). For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial statements have also been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements are presented in Australian dollars.

The Company is a listed public company, domiciled in Australia and operating in Australia (with subsidiaries operating internationally). The principal activity of the Group is the exploration for natural resources.

Going Concern

For the year ended 31 March 2019 the Group recorded a net loss of \$448,405 has a working capital deficit of \$236,032 and a net operating cash outflow of \$323,798.

Notwithstanding the above, the financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the ordinary course of business and on the assumption of sufficient funds continuing to be available for the operations of the Company and its subsidiaries.

The Board considers that the Company is a going concern and recognises that additional funding is likely to be required to ensure that the Company can continue to fund the consolidated entity's operations and further develop its projects during the twelve month period from the date of this financial report. The Directors expect that the Company will be able to continue to raise the funds required to meet its obligations as and when they fall due. In addition, should the need arise, the Group expects it can further reduce overheads until such time as additional working capital is secured.

In the event that the Company is unsuccessful in deriving sufficient additional funding for its operations there would exist a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

(b) Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 31 March 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

With respect to *AASB 15 Revenue From Contracts* and *AASB 9 Financial Instruments: Measurement and Recognition* it has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 31 March 2019. With respect to *AASB 16 Leases*, the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

(c) Statement of compliance

The financial statements were authorised for issue on 27 June 2019.

The financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Triple Energy Ltd ('the Company') as at 31 March 2019 and the results of all subsidiaries for the year then ended. Triple Energy Ltd and its subsidiaries are referred to in this financial report as the group or the consolidated entity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(d) Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the statement of comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 9 'Financial Instruments' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(e) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black and Scholes model. The Group measures the cost of share-based payments at fair value at the grant date using the Black and Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 14.

(f) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(g) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Trade and other receivables

Trade receivables are measured on initial recognition at fair value. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is an expected credit loss where the Group may not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant historic delinquency in making contractual payments to the Group. The expected credit loss is calculated as the difference between the cash flows due in accordance with the contract and all the cashflows that the Group expects to receive, discounted at the original effective interest rate.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(i) Property, plant and equipment

Plant and equipment other than plant and equipment held solely for use on an exploration and evaluation project is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Tangible fixed assets held solely for use on an exploration and evaluation project may be capitalised in accordance with this policy, or alternatively expensed immediately as appropriate on an area of interest basis. Land and buildings are measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Leasehold Improvements – lease term

Plant and equipment – over 5 to 15 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income in the cost of sales line item.

(iii) Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(j) Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(k) Foreign currency translation

The functional and presentation currency of Triple Energy Limited is Australian dollars. Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(l) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(l) Income tax (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(m) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(n) Impairment of assets (continued)

with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(o) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(q) Share-based payment transactions

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Triple Energy Limited (market conditions) if applicable.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income or expense for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(r) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Earnings per share

Basic earnings per share is calculated as net profit / loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit / loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(t) Exploration and evaluation

Exploration and evaluation costs are expensed as incurred based upon each area of interest. Acquisition costs will normally be expensed but will be assessed on a case by case basis and if appropriate may be capitalised. These acquisition costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the tenement. Where a decision has been made to proceed with development in respect of a particular area of interest, all future costs are recorded as a development asset.

(u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Triple Energy Limited.

(v) Parent entity financial information

The financial information for the parent entity, Triple Energy Limited, disclosed in Note 22 has been prepared on the same basis as the consolidated financial statements, except as set out below:

a. investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements.

b. Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received; measured by reference to the grant date fair value, is recognised over the vesting period as an increase to the investment in subsidiary undertaking, with a corresponding credit to equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 2: REVENUES AND EXPENSES

	CONSOLIDATED	
	2019	2018
	\$	\$
(a) Other income		
Interest	261	2,171
	<u>261</u>	<u>2,171</u>
(b) Expenses		
Project costs		
Exploration and Evaluation Expenses	22,120	136,953
Project and Business Development		
Wages and Salaries	138,006	255,457
Travel and associated	92,718	38,706
Other business development	658	215,053
Less recovery of expenses	(131,658)	(271,723)
Total project costs	<u>121,844</u>	<u>374,446</u>
Corporate Administration Costs		
Directors Fees	79,992	65,722
Wages and Salaries	-	-
Consulting fees	59,791	61,435
Superannuation	-	-
Legal Fees	-	-
Accounting & Auditing	51,267	45,996
Occupancy Costs	6,927	10,848
Other Administrative	42,393	2,551
Listing and Compliance	86,452	65,732
Total corporate administration costs	<u>326,822</u>	<u>252,284</u>
Total Expenses	<u>448,666</u>	<u>626,730</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 3: INCOME TAX

	CONSOLIDATED	
	2019	2018
	\$	\$
(a) Income tax benefit	-	-
(b) Numerical reconciliation between tax expense and pre-tax net loss		
Loss before income tax benefit	(448,405)	(624,558)
Income tax using the Company's domestic tax rate of 27.5% (2018: 30%)	(123,312)	(187,368)
Non-deductible expenses/(deductible tax adjustments)	23	23
Current year losses for which no deferred tax asset was recognised	123,289	187,345
Income tax benefit/(expense) attributable to entity	-	-

(c) Tax losses

Unused tax losses for which no deferred tax asset has been recognised have not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Company satisfying the requirements imposed by the regulatory authorities. The benefit of deferred tax assets not brought to account will only be brought to account if:

- Future assessable income is derived of a nature and an amount sufficient to enable the benefit to be realised; and
- The conditions for deductibility imposed by tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

As at 31 March 2019 the Company has estimated carry forward tax losses of Triple Energy Limited as the parent entity of \$3,516,526 (31 March 2018: \$3,225,998). As at balance date the quantum of assessable losses in foreign jurisdictions is yet to be determined.

	CONSOLIDATED	
	2019	2018
	\$	\$
(d) Unrecognised temporary differences		
Net deferred tax assets (calculated at 27.5% (2018:30%)) have not been recognised in respect of the following items:		
Accruals and other creditors	10,334	24,546
Other timing differences	-	(5,885)
Unrecognised deferred tax assets/(liabilities) relating to the above temporary differences	10,334	18,661

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 4: LOSS PER SHARE

	CONSOLIDATED	
	2019	2018
	\$	\$
(a) Earnings used in calculating earnings per share		
For basic loss per share:		
Loss from Continuing Operations	(443,981)	(618,768)
(b) Weighted average number of shares		
Weighted average number of ordinary shares for basic earnings per share	54,284,704	41,753,427
There are no potential ordinary shares that are considered dilutive, as a result no dilutive earnings per share has been disclosed.		

NOTE 5: OPERATING SEGMENTS
Identification of reportable segments

Triple Energy Limited is focused on the oil and gas sector.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the nature of its interests and projects. Discrete financial information about each of these projects is reported to the executive management team on at least a monthly basis.

Location of interests and nature of projects

Oil and gas exploration projects

The Group's current project is located in the People's Republic of China. The Company continues to review other potential opportunities within the oil and gas sector internationally.

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in Note 1 to the accounts and in the prior period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 6: CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2019	2018
	\$	\$
Cash at bank and on hand	555,172	280,053
Bank guarantee	-	-
	555,172	280,053

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

	CONSOLIDATED	
Reconciliation of loss for the year to net cash flows from operating activities	2019	2018
	\$	\$
Loss for the year	(448,405)	(624,559)
Adjustments for:		
Change in net assets and liabilities:		
(Increase)/decrease in trade and other receivables	(1,426)	5,107
(Decrease)/increase in trade and other payables	126,033	(354,270)
Net cash used in operating activities	(323,798)	(973,722)

NOTE 7: OTHER CURRENT ASSETS

	CONSOLIDATED	
	2019	2018
	\$	\$
GST receivables	8,270	7,043
Prepayments	-	-
Other receivables	12,772	12,573
	21,042	19,616

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 8: TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2019	2018
	\$	\$
Trade creditors*	604,327	598,169
Other creditors and accruals	207,918	81,822
	812,245	679,991

*Trade creditors are non-interest-bearing and normally settled on 45 day terms.

NOTE 9: BORROWINGS

	CONSOLIDATED	
	2019	2018
	\$	\$
Unsecured borrowings	94,988	82,978
	94,988	82,978

Borrowings relate to funds advanced to Triple and to its subsidiaries by BGBS. The amounts are non interest-bearing and are not repayable before 1 July 2020. As at 31 March 2018 the amounts had no fixed term for repayment and accordingly were classified as a current liability in the prior year.

NOTE 10: ISSUED CAPITAL

	CONSOLIDATED			
	2019	2018	2019	2018
	No.	No.	\$	\$
<i>Ordinary shares (a)</i>				
Issued and fully paid	71,996,054	43,197,632	36,432,495	35,845,591
<i>Performance Shares (b)</i>	-	-	800,000	800,000
			37,232,495	36,645,591

(a) Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll of every holder is entitled to one vote per share held.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE 10: ISSUED CAPITAL (CONTINUED)

Movements in ordinary shares on issue during the year are as follows:

<i>Movements in ordinary shares on issue</i>	2019		2018	
	No.	\$	No.	\$
At 1 April	43,197,632	35,845,591	1,567,900,913	35,052,152
Movements during the period:				
Issued for cash (pre-consolidation) ⁽ⁱ⁾	-	-	80,000,000	480,000
Share Consolidation ⁽ⁱⁱ⁾	-	-	(1,606,703,281)	-
Issued for cash (post consolidation) ⁽ⁱⁱⁱ⁾	28,798,422	633,565	2,000,000	320,000
Transaction costs		(46,661)		(6,561)
At 31 March	71,996,054	36,432,495	43,197,632	35,845,591

- (i) Pursuant to Shareholder approval granted at the 2017 AGM, the Company's share capital was consolidated on a 1:40 basis. Prior to the Share Consolidation, during April 2017 80 million fully paid ordinary shares were placed at 0.6 cents per share on 5 April 2017.

During December 2017 2 million fully paid ordinary shares (on a post-consolidation basis) were placed at 16 cents per share.

- (ii) Pursuant to Shareholder approval granted at the 2017 AGM, the Company's share capital was consolidated on a 1:40 basis.
- (iii) On 30 August 2018 Triple announced a fully-underwritten non-renounceable entitlements offer (**Entitlement Offer**) of fully paid ordinary shares (**New Shares**) based upon an entitlement of two (2) New Shares for every three (3) existing shares held at the record date. New Shares under the Entitlement Offer were offered at 2.2 cents per share to raise approximately A\$633,565 before costs. The Entitlement Offer closed during October 2018 and allotment of the shortfall to the underwriter was completed on 13 October 2018.

(b) Performance Shares

(i) Drilling Performance Shares

During the year to 31 March 2016, the Company issued 595.3 million drilling performance shares for the drilling and technical services for the two wells in the Hegang area of Heilongjiang Province in China. Subsequently, pursuant to separate shareholder approval, the Company and the performance share holder determined a pro-rata vesting of the reissued shares based on the value of drilling services performed up to that date and 318 million new fully paid ordinary shares were issued, while the balance of 277 million of the reissued drilling performance shares were agreed to have lapsed automatically in accordance with their terms. The drilling performance shares were valued based on the market price at the time of their original issue (being 24 April 2015) and subject to an assessment as at balance date of the number of performance shares likely to have vested as at that date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 10: ISSUED CAPITAL (CONTINUED)
(c) Options

Company options carry no voting rights and no right to dividends.

	CONSOLIDATED	
	2019 No.	2018 No.
Options on issue	2,250,000	4,175,000
<i>Movements in share options</i>		
Outstanding at the beginning of the year	4,175,000	167,000,000
Granted during the year	-	-
Expired during the year	(1,925,000)	-
1:40 Consolidation of Capital ⁽ⁱ⁾	-	(162,825,000)
Outstanding at the end of the year	2,250,000	4,175,000

- (i) In accordance with their terms and conditions, the exercise price and numbers of share options on issue was varied automatically in proportion to the share consolidation.

Details of options on issue as at balance date are as follows:

Class	Number	Exercise Price	Expiry date	Status
H	2,250,000	60 cents per share	31 August 2019	Not vested or exercisable
	<u>2,250,000</u>			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 11: RESERVES, ACCUMULATED LOSSES & NON-CONTROLLING INTERESTS

	Issued Capital	Share Based Payment Reserve	Foreign Currency Translation Reserve	Consolidation Reserve	Accumulated Losses	Total	Non-controlling Interests	Total equity
As at 1 April 2017	\$ 35,852,152	859,970	326,973	(382,680)	\$ (37,171,758)	\$ (515,343)	\$ (87,000)	\$ (602,343)
Loss for the period	-	-	-	-	(618,768)	(618,768)	(5,791)	(624,559)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	-	(29,837)	-	-	(29,837)	-	(29,837)
Changes in net assets attributable to non-controlling interests	-	-	-	5,967	-	5,967	(5,967)	-
Total comprehensive loss for the period	-	-	(29,837)	5,967	(618,768)	(642,638)	(11,758)	(654,396)
Shares and options issued	800,000	-	-	-	-	800,000	-	800,000
Transaction costs on share issue	(6,561)	-	-	-	-	(6,561)	-	(6,561)
As at 31 March 2018	36,645,591	859,970	297,136	(376,713)	(37,790,526)	(364,542)	(98,758)	(463,300)
As at 1 April 2018	36,645,591	859,970	297,136	(376,713)	(37,790,526)	(364,542)	(98,758)	(463,300)
Loss for the period	-	-	-	-	(443,981)	(443,981)	(4,424)	(448,405)
Foreign exchange reserve movements on translation of overseas subsidiaries	-	-	(6,219)	-	-	(6,219)	-	(6,219)
Changes in net assets attributable to non-controlling interests	-	-	-	(2,984)	-	(2,984)	2,984	-
Total comprehensive loss for the period	-	-	(6,219)	(2,984)	(443,981)	(453,184)	(1,440)	(454,624)
Reserve Transfer	-	-	-	379,697	(379,697)	-	-	-
Shares and options issued	633,565	-	-	-	-	633,565	-	633,565
Transaction costs on share issue	(46,661)	-	-	-	-	(46,661)	-	(46,661)
As at 31 March 2019	37,232,495	859,970	290,917	-	(38,614,204)	(230,822)	(100,198)	(331,020)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE 11: RESERVES (continued)

Share based payment reserve

For ESS transactions, the share based payment reserve is used to record the difference between the issue price of ESS shares and the fair value of consideration received by the Company where a limited-recourse loan from the Company is used to fund the purchase. Also, where equity instruments have been issued as consideration for the acquisition of assets or services and are required to be separately valued, any difference between fair value of the instrument granted and the actual book value of the assets received.

Foreign Currency Translation Reserve

This reserve is used to record exchange differences arising on translation of the group entities that do not have a functional currency of Australian dollars and have been translated into Australian dollars for presentation purposes.

Consolidation Reserve

This reserve recognises adjustments upon consolidation to record the difference between the non-controlling interest's share of the net assets and the equity committed by the non-controlling interest.

NOTE 12: SUBSIDIARIES

Transactions with subsidiaries

The consolidated financial statements include the financial statements of Triple Energy Limited and the subsidiaries listed in the following table:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			31 March 2019	31 March 2018
Tango Energy, Inc	Holds interests in Oil and Gas exploration	USA	100%	100%
CFT Heilongjiang (HK) Ltd	Oil and Gas investment	Hong Kong	100%	100%
Heilongjiang Aolong Energy Co. Ltd	Coal mine gas exploration	China	80%	80%

Name of subsidiary	Investment	
	31 March 2019 \$	31 March 2018 \$
Tango Energy, Inc	-	-
CFT Heilongjiang (HK) Ltd	800,000	800,000
Heilongjiang Aolong Energy Co. Ltd	3,010,253	2,989,115

Triple Energy Limited is the ultimate Australian parent entity and ultimate parent of the Group.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details of transactions between the Group and other related entities are disclosed below.

Interests in unconsolidated structured entities

The Group has no interests in unconsolidated structured entities at balance date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 12: SUBSIDIARIES (continued)
Subsidiaries with material non-controlling interests

The Group has the following subsidiary with a material non-controlling interest:

	Proportion of ownership interest and voting rights held by the non-controlling interests		(Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	2019	2018	2019	2018	2019	2018
Heilongjiang Aolong Energy Co. Ltd	20%	20%	\$(4,424)	\$(5,791)	\$(100,198)	\$(98,758)

No dividends were paid to the non-controlling interests during the year (2018: nil).

Summarised financial information of subsidiary with a material non-controlling interest

Summarised financial information for Heilongjiang Aolong Energy Co. Ltd, before intragroup eliminations, is set out below:

	2019	2018
	\$	\$
Statement of comprehensive income		
<i>Loss for the year</i>		
Attributable to the owners of the parent	17,696	23,162
Attributable to non-controlling interest	4,424	5,791
	22,120	28,953
 <i>Other comprehensive loss for the year</i>		
Attributable to the owners of the parent	(9,203)	(23,870)
Attributable to non-controlling interest	2,984	(5,967)
	(6,219)	(29,837)
 Statement of financial position		
<i>Assets</i>		
Current assets	112,870	112,774
Non-current assets	-	-
	112,870	112,774
 <i>Liabilities</i>		
Current liabilities	613,860	606,563
Non-current liabilities	-	-
	613,860	606,563
 <i>Net deficiency</i>		
Attributable to the owners of the parent	(400,792)	(395,031)
Attributable to non-controlling interest	(100,198)	(98,758)
	(500,990)	(493,789)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 12: SUBSIDIARIES (continued)

	2019	2018
	\$	\$
Statement of cash flows		
Net cash from operating activities	(22,120)	(28,953)
Net cash from investing activities	-	-
Net cash from/(used in) financing activities	-	-
	(22,120)	(28,953)

NOTE 13: FINANCIAL INSTRUMENTS

	CONSOLIDATED	
	2019	2018
	\$	\$
Financial assets		
Cash and cash equivalents	555,172	280,053
Financial liabilities		
Trade and other payables	812,246	679,991
Borrowings	94,988	82,978
Total	(907,234)	762,969

The fair value of financial assets and liabilities approximates their carrying value at balance date

The following table details the expected maturity/s for the Group's non-derivative financial assets. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

CONSOLIDATED	Weighted average effective interest rate	Less than 1					3 months –	
		month	1 – 3 Months	1 year	1 – 5 years	5+ years	\$	\$
	%	\$	\$	\$	\$	\$	\$	
2019								
Non-interest bearing	-	-	-	-	-	-	-	
Variable interest rate instruments	1.1%	555,172	-	-	-	-	-	
Fixed interest rate instruments	-	-	-	-	-	-	-	
		555,172	-	-	-	-	-	
2018								
Non-interest bearing	-	-	-	-	-	-	-	
Variable interest rate instruments	1.3%	280,053	-	-	-	-	-	
Fixed interest rate instruments	-	-	-	-	-	-	-	
		280,053	-	-	-	-	-	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE 13: FINANCIAL INSTRUMENTS (continued)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. These are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

CONSOLIDATED	Weighted average effective interest rate	Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
	%	\$	\$	\$	\$	\$
2019						
Non-interest bearing	-	-	812,246	-	94,988	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
		-	812,246	-	94,988	-
2018						
Non-interest bearing	-	-	679,991	82,978	-	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
		-	679,991	82,978	-	-

NOTE 14: SHARE BASED PAYMENTS

At 31 March 2019, the Group has no share-based payment arrangements affecting remuneration in the current or prior year.

Share Options granted to Directors and Consultants

No options were granted during the year to 31 March 2019 (2018: Nil).

NOTE 15: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Interest rate risk
- Liquidity risk
- Market risk, including Foreign currency risk

This note presents the information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks as summarised below.

The Group's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the year ended 31 March 2019, it has been the Group's policy not to trade in financial instruments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE 15: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk management

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by seeking to maintain adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group did not have any undrawn facilities at its disposal as at balance date.

(c) Interest rate risk management

The Group is exposed to interest rate risk as the Group deposits the bulk of the Group's cash reserves in Term Deposits. The risk is managed by the Group by maintaining an appropriate mix between short term and medium-term Deposits. The Group's exposures to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(d) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of the holdings of financial instruments. The Group is exposed to movements in market interest rates on short term deposit, and foreign currency movements primarily on cash and creditor balances. Where possible the Group seeks to ensure that cash balances held and forecast to be held are approximately matched against the currency of actual and expected future liabilities upon maturity. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. Other than the interest free, unsecured borrowings advanced to the Company's HK subsidiary by BGBS, the Group does not have short or long term debt, and therefore this risk is minimal. The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have acceptable credit ratings. There is no direct material risk exposure to the Group's financial instruments of either interest rate or foreign currency movements at balance date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

NOTE 16: COMMITMENTS AND CONTINGENCIES

Guarantees

None.

Capital expenditure commitments

As at balance date, the Group had no outstanding future commitments under equipment purchase contracts not otherwise accounted for as liabilities (2018: Nil).

NOTE 17: DIVIDENDS

The directors of the Company have not declared any dividend for the year ended 31 March 2019 (2018: nil).

NOTE 18: EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since 31 March 2019 that in the opinion of the Directors has significantly affected, or may significantly affect in future financial years:

- the Group's operations;
- the results of those operations; or
- the Group's state of affairs.

NOTE 19: AUDITOR'S REMUNERATION

The auditor of Triple Energy Limited is HLB Mann Judd.

	2019 \$	2018 \$
<i>Amounts received or due and receivable by HLB Mann Judd for:</i>		
Audit and review of financial reports	35,500	35,500
	35,500	35,500

NOTE 20: DIRECTORS AND EXECUTIVES DISCLOSURES

Key Management Personnel Compensation

	2019 \$	2018 \$
Short-term benefits	80,000	88,662
Post-employment benefits	-	-
Share-based payments	-	-
	80,000	88,662

Further details on Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

NOTE 21: OTHER RELATED PARTY DISCLOSURES

Erasmus Consulting Pty Ltd (**Erasmus**), an entity controlled by the Company Secretary invoiced consulting fees of \$74,942 in respect of Company Secretarial and outsourced financial management services during the year from the Company (2018: \$61,435). In addition, during the year Erasmus invoiced the Company \$4,500 for office rent at the Company's registered office and \$12,228 for office administration and bookkeeping services provided by Erasmus staff. \$7,060 in relation to the above services was outstanding as at year end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTE 22: PARENT ENTITY DISCLOSURES
Financial position

	As at	As at
	31 March 2019	31 March 2018
	\$	\$
Assets		
Current assets	458,411	168,352
Non-current assets	-	-
Total assets	458,411	168,352
Liabilities		
Current liabilities	46,246	52,564
Non-current liabilities	9,988	-
Total liabilities	56,234	52,564
Equity		
Issued capital	37,232,495	36,645,591
Share based payment reserve	859,970	859,970
Accumulated losses	(37,690,288)	(37,389,773)
	402,177	115,788
Financial performance		
	For the Year ended 31 March 2019	For the Year ended 31 March 2018
Loss for the year	(300,515)	(838,790)
Other comprehensive income	-	-
Total comprehensive loss	(300,515)	(838,790)

The parent has no material commitments or contingencies.

DIRECTORS' DECLARATION

In the opinion of the directors of Triple Energy Limited ('the Company'):

1. The financial statements and notes thereto, are in accordance with the Corporations Act 2001 including:
 - a. giving a true and fair view of the Group's financial position as at 31 March 2019 and of its performance for the year then ended;
 - b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 31 March 2019.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read "Murray d'Almeida".

Mr Murray d'Almeida

Director

Dated this 27th day of June 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Triple Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Triple Energy Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 March 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 March 2019 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. We have determined that there are no key audit matters to communicate in our report, other than the matter described in the Material uncertainty related to going concern section above.

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 31 March 2019.

In our opinion, the Remuneration Report of Triple Energy Limited for the year ended 31 March 2019 complies with section 300A of the *Corporations Act 2001*.


Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
27 June 2019



D I Buckley
Partner