



ASX ANNOUNCEMENT

30 April 2020
by e-lodgement

The Directors of Triple Energy Limited (ASX: **TNP**, **Triple** or **Company**) are pleased to provide the following update on activities during and since the quarter to 31 March 2020.

Xin 214 Project - Songyuan

As previously advised, the Company has in place a Memorandum of Understanding (MoU) with Guangzhou Bofu Investment Co. Ltd (GBIC), in relation to that entity's proposed acquisition of 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 Songyuan City, Jilin Province in the PRC.

The MoU 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. MoUs of this type are commonly used in the PRC as a pre-cursor to more formal documentation.

As previously advised, 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.

Triple staff in HK and PRC are continuing to progress negotiations and due diligence on the project, notwithstanding that COVID-related restrictions on travel and business activities are obviously complicating such initiatives at present.

Aolong JV Project in Heilongjiang

No significant exploration activity was carried out during the quarter on the Hegang project area or other areas to which the Aolong Co-operative Joint Venture (**CJV**) holds contractual rights to acquire interests. Further work to continue the identification, rank and work-up of potential sites for future drilling remains subject to funding and the successful outcome of joint venture discussions. The joint venture partners continue to work towards agreeing 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 existing project area.

Corporate & Financial

Triple staff in Australia, HK and PRC, continue to work to identify and evaluate other potential new projects consistent with the Company's strategy.

As of 31 March 2020 the Group's consolidated cash balance was A\$240k, including funds held by the Aolong CJV in China. As previously notified, the Company is in ongoing discussion with representatives of its major PRC shareholders in relation to near-medium term financing options and (subject to finalization of terms) it is now expected that additional funding will be made available during the June 2020 quarter. An ASX Appendix 5B for the quarter to 31 March 2020 accompanies this activities report.

TRIPLE ENERGY LIMITED 30 SEPTEMBER 2019 QUARTERLY ACTIVITIES REPORT
APPENDIX CONTAINING ASX Listing Rule 5.4.3 INFORMATION

1) Petroleum tenements held at the end of each quarter and their location.

N/A – Triple does not directly hold any petroleum tenements. Triple holds an 80% interest in a Cooperative Joint Venture (**CJV**, known as Aolong Energy) with LongMay Coal Mining Company (**Longmay**), one of China's largest State-owned coal mining companies. The CJV has the objective of degassing the coal mining leases held by Longmay and has a life of 45 years.

The equity in the CJV with Longmay is as follows;

Triple Energy Ltd* - 80% (Operator)

LongMay Coal Mining Company – 20%

**via its wholly-owned Hong Kong registered subsidiary CFT Heilongjiang (HK) Limited*

The CJV operates pursuant to the coal mining leases held by Longmay with the Joint Venture Agreement registered with the relevant Chinese Government authorities. The CJV is staged with exclusive access that can ultimately extend the CJV area to cover up to a total of 42 mine areas.

2) Petroleum tenements acquired and disposed of during the quarter and their location.

None.

3) Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter.

As disclosed above, Triple holds an 80% interest in a Cooperative Joint Venture (**CJV**, known as Aolong Energy) with LongMay Coal Mining Company (**Longmay**), one of China's largest State-owned coal mining companies. The CJV has the objective of degassing the coal mining leases held by Longmay and has a life of 45 years.

4) The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter.

None.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Triple Energy Limited

ABN

38 116 829 675

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(2)	(52)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(35)	(148)
	(e) administration and corporate costs	(27)	(202)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(64)	(402)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	83
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	83

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	304	555
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(64)	(402)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	83
4.5	Effect of movement in exchange rates on cash held	-	4
4.6	Cash and cash equivalents at end of period	240	240

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	240	304
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	240	304

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

22

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

6.1 – payment of Directors fees.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term “facility’ includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000
7.1	Loan facilities	178	178
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	178	178
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Loan facilities relate to amounts advanced to the Company’s subsidiary, CFT Heilongjiang HK Ltd by Beijing Gas Blue Sky group companies. The amounts are interest-free and unsecured.			

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(64)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(64)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	240
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	-
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.75

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2020

Authorised by: Alexander Neuling, Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.