

ASX ANNOUNCEMENT

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(ASX:TAP)

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Sale of interest in TL/2 and TP/7

Tap Oil Limited (**Tap** or the **Company**) provides an update on the sale of its interest in production license TL/2 and exploration permit TP/7.

The TL/2 production licence (Tap interest 10%) and TP/7 exploration permit (Tap interest 12.47%) are located in shallow water in the offshore Carnarvon Basin approximately 40 kilometres north-northeast of Onslow, Western Australia. Tap has previously recognised a net 2C Contingent Resource of 0.9 MMstb for the Taunton field which is primarily in the Birdrong Sandstone reservoir (2014 Tap Annual Report).

As part of Tap's strategy to rationalise and monetise its Australian portfolio, Tap has completed the sale of its interest in TP/7 and TL/2 and associated pipeline licenses effective 18 June 2018.

Effective from the settlement date, the purchaser assumes all environmental and remediation liabilities associated with these permits regardless of when the operations that gave rise to such liabilities may have occurred.

Tap will recognise a gain on sale of these interests of approximately \$350,000, representing a combination of cash consideration and reversal of future abandonment liabilities. Tap will no longer recognise the net 2C Contingent Resource of 0.9 MMstb for the Taunton field.

INVESTOR ENQUIRIES

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