



11 July 2018

Investor Presentation



ASX Code TAP

This presentation contains some references to forward looking assumptions, representations, estimates, budgets, and outcomes. These are uncertain by the nature of the business and no assurance can be given by Tap Oil Limited that its expectations, estimates, budgets and forecast outcomes will be achieved. Actual results may vary materially from those expressed herein.

IMPORTANT INFORMATION



Disclaimer

Certain statements contained in this presentation, including information as to the future financial or operating performance of Tap Oil Limited and its projects, are forward-looking statements. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule", "potential", "opportunity" and similar expressions identify forward-looking statements.

Such forward-looking statements:

- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Tap Oil Limited, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and may include, among other things, statements regarding targets, estimates and assumptions in respect of production and prices, operating costs and results, capital expenditures, reserves and resources and anticipated flow rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

The Independent Technical Specialist's forecast production profile in relation to the Manora Oil Field is a forward looking statement. It is based on a number of assumptions and qualifications which are disclosed in detail in the Independent Technical Specialist's report attached as Appendix 4 to the Independent Expert's Report that is included in the Tap Oil Limited Supplementary Target Statement released to ASX on 11 July 2018 and should be read having regard to those assumptions and qualifications.

All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. Tap Oil Limited disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

No representation or warranty is or will be made by any person (including Tap Oil Limited and its officers, directors, employees, advisers and agents) in relation to the accuracy or completeness of all or part of this document, or any constituent or associated presentation, information or material (collectively, the Information), or the accuracy, likelihood of achievement or reasonableness of any projections, prospects or returns contained in, or implied by, the Information or any part of it. The Information includes information derived from third party sources that has not necessarily been independently verified. Subject to any obligations under applicable laws, regulations or securities exchange listing rules, Tap Oil Limited disclaims any obligation or undertaking to release any updates or revisions to the Information to reflect any change in expectations or assumptions.

Nothing contained in the Information constitutes investment, legal, tax or other advice. The Information does not take into account the investment objectives, financial situation or particular needs of any recipient. Before making an investment decision, each recipient of the Information should make its own assessment and take independent professional advice in relation to the Information and any action taken on the basis of the Information.

Person compiling information about hydrocarbons

The reserve and contingent resource information in this report is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Denis Bouclin B.A.Sc (Hons), M.A.Sc (Engineering), P.Eng., who has consented to the inclusion of such information in this presentation in the form and context in which it appears. Mr Bouclin is a part-time employee of Tap Oil Limited, with more than 25 years relevant experience in the petroleum industry and is a member of The Association of Professional Engineers and Geoscientists of Alberta (APEGA) and The Society of Petroleum Engineers (SPE).

Reserves and contingent Resources have been estimated using both probabilistic and deterministic methods. Tap is not aware of any new information or data that materially affects the assumptions and technical parameters underpinning the estimates of reserves and contingent resources and the relevant market announcements referenced continue to apply and have not materially changed.

All dollar figures are in US\$ unless otherwise stated.

Capitalised terms used in this Investor Presentation have the same meaning as defined in Section 9 of the Target's Statement released on 15 May 2018 and Supplementary Target's Statement released on 11 July 2018 unless otherwise defined.

HIGHLIGHTS



For personal use only

Tap Oil is now debt free and building a strong cash position from free cash flows at Manora, and the rationalisation of the Australian portfolio.

✓	Debt free and strong cash position	<ul style="list-style-type: none"> ✓ Debt free with a cash position of US\$12.5m as at 31 May 2018¹ ✓ Equivalent to A\$16.6m or ~45% cash-backing of Tap's current market capitalisation²
✓	Recent drilling success	<ul style="list-style-type: none"> ✓ Recent exploration and appraisal success in a four well drilling campaign ✓ Total net oil pay of 636 feet penetrated from both known and new sands ✓ MNA-20 & MNA-21 immediately tied back and now producing at combined rates of ~2,500 bopd gross
✓	Executing Tap's strategy to rationalise the Australian portfolio	<ul style="list-style-type: none"> ✓ Divestment of Tap's interest in production license TL/2 and exploration permit TP/7
✓	Continued focus on keeping corporate costs low	<ul style="list-style-type: none"> ✓ 65% reduction in corporate costs over the last 3 years ✓ Continued focus on keeping corporate costs low

Notes:

1. Cash includes Tap Oil's share of cash held in joint venture.
2. Cash balance as at 31 May 2018 of US\$12.5m converted to AUD at AUD/USD = 0.75, market capitalisation of A\$36.6m as at 10 July 2018.

CORPORATE OVERVIEW



Corporate Snapshot

Share price as at 10 July 2018	A\$	0.086
Shares on issue ¹	m	426.0
Market Capitalisation	A\$m	36.6
Cash as at 31 May 2018 ²	A\$m	(16.6)
Debt as at 31 May 2018	A\$m	-
Enterprise Value	A\$m	20.0
Franking Account Balance	A\$m	69.7

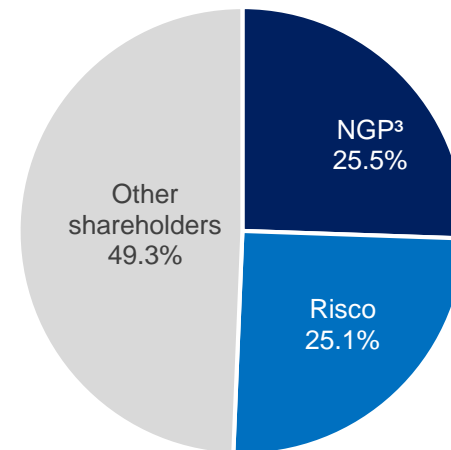
Share Price Performance (12 months)



Board and Management

- **Damon Neaves**, Chairman
- **Govert van Ek**, Non-Executive Director
- **Kamarudin Baba**, Non-Executive Director
- **Chris Bath**, CFO and General Manager

Shareholder Breakdown



Notes:

1. Excludes 11.5m rights on issue to acquire fully paid shares with vesting dates varying between 1 January 2019 and 1 January 2021.
2. Cash includes Tap Oil's share of cash held in joint venture. Cash balance as at 31 May 2018 of US\$12.5m converted to AUD at AUD/USD = 0.75.
3. Northern Gulf Petroleum Holdings Limited and its controlling shareholder Mr Chatchai Yenbamroong (NGP).

Overview

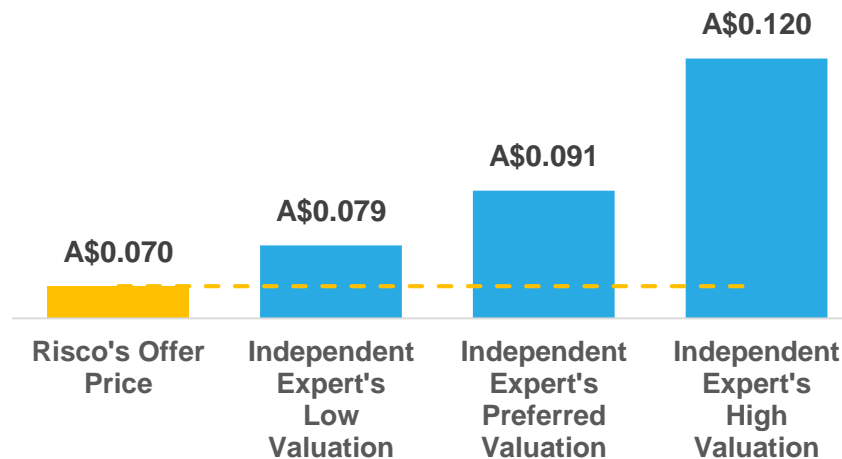
- On 2 May 2018, Tap Oil announced it had received an unsolicited on-market cash takeover offer from Risco Energy Investments (SEA) Limited (**Risco**) for all ordinary shares in Tap Oil of A\$0.070 per share (**Offer**)
- On 15 May 2018, Tap Oil released the Target's Statement, which stated the Independent Directors' recommendation that Shareholders **REJECT** the Offer
- The Independent Directors continue to recommend Shareholders **REJECT** the Offer for the following reasons:
 1. The Independent Expert has concluded the Offer is **NEITHER FAIR NOR REASONABLE**
 2. The Independent Expert has determined that the valuation range for a Tap Oil share is A\$0.079 to A\$0.120 per share on a controlling interest basis, with a preferred value of A\$0.091 per share
 3. Risco already holds 25.1% interest in Tap Oil, and is seeking to gain control by paying a low control premium
 4. The Offer does not attribute any value to the significant franking account balance
 5. Tap Oil's largest shareholder, NGP, does not intend to accept the Offer

Timetable

Key Dates

Announcement date of the Offer	2 May 2018
Bidder's Statement released	2 May 2018
Target's Statement released	15 May 2018
Supplementary Bidder's Statement released	16 May 2018
Supplementary Target's Statement released	11 July 2018
Scheduled close of Offer	19 July 2018¹

Independent Expert's Valuation Range



Notes:

1. Offer extended by Risco on 22 June 2018.

MANORA OIL FIELD (TAP 30%)



Manora Oil Field

- The Manora Oil Field (**Manora**) in the northern Gulf of Thailand is situated within the G1/48 concession
- Located ~80km offshore of Prachuap Khiri Khan Province
- Tap Oil holds a 30% interest, remaining interests are held by the Operator, MP G1 (Thailand) Ltd (**Mubadala**) (60%), and Northern Gulf Petroleum (10%)
- The field area includes two hanging wall fault blocks with high quality sandstone reservoirs
- Multiple stacked pay & large oil columns in excess of 800 feet
- Medium gravity 28 degree API oil, sells at ~\$2/bbl premium to Dubai

Field Development

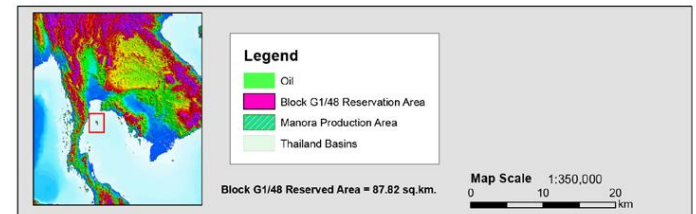
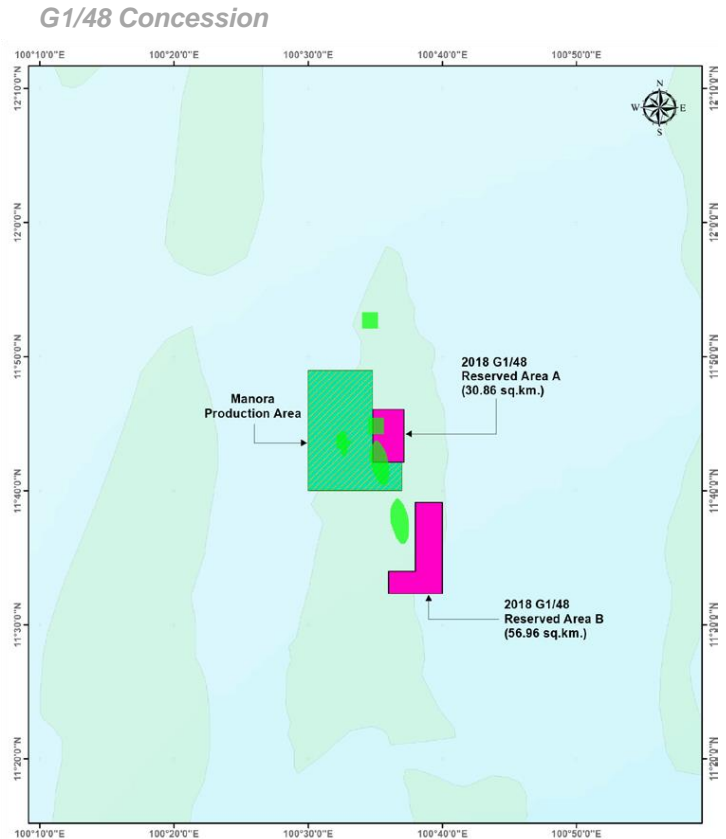
- Well-head platform with processing, plus Floating Storage and Offloading (**FSO**) vessel
- Field developed using water injection for pressure support
- 14 producing wells, 4 injectors

Estimated Remaining Reserves & Resources (Tap share)¹

	Reserves	Resources
<i>MMbbl</i>	2P	2C
Manora	2.1	1.1

Notes:

1. Refer to ASX announcement released on 11 July 2018 for further information. Tap Oil confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all the material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.



MANORA DRILLING CAMPAIGN



The four well drilling campaign resulted in a total net pay of 636 feet penetrated from both known and new sands.

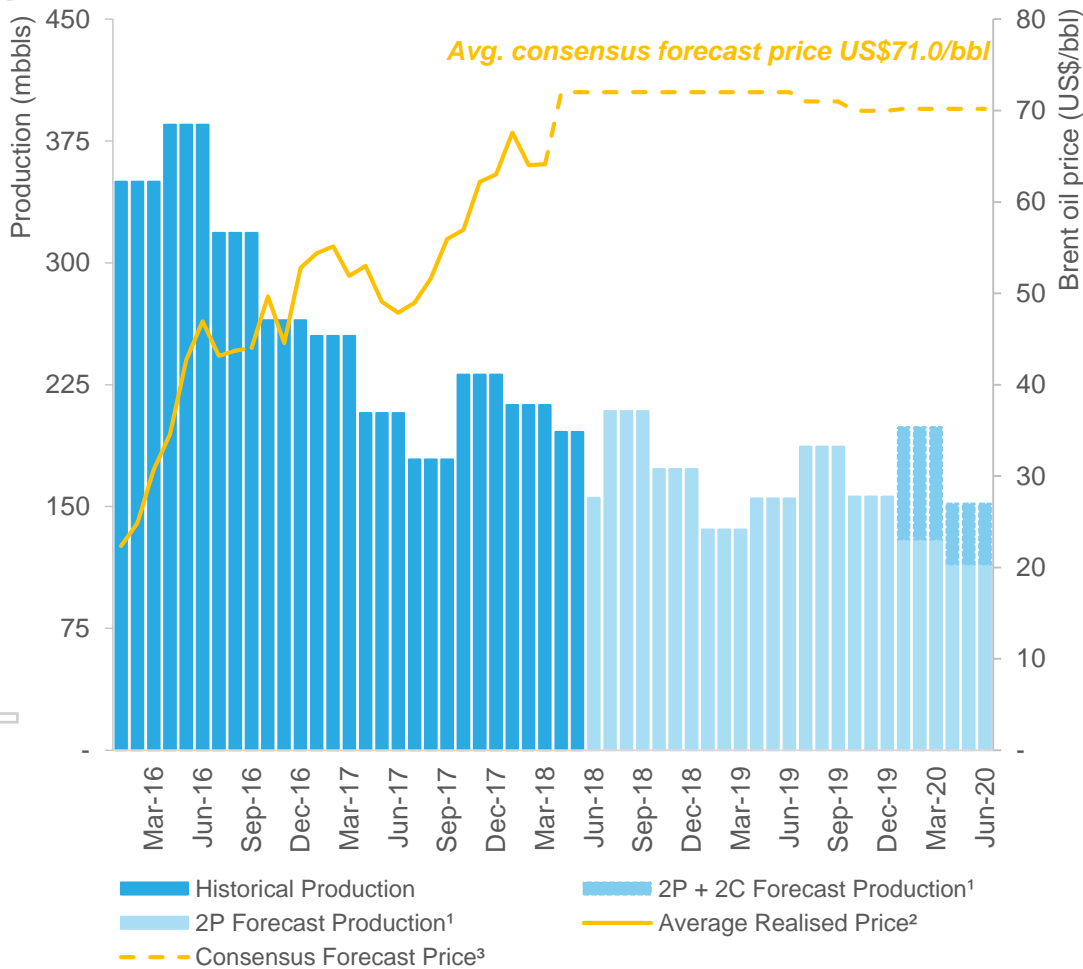
For personal use only

Manora-8ST1 Appraisal Well	<ul style="list-style-type: none">▪ Primary objective of Manora-8ST1 was to appraise multiple reservoirs zones in the eastern fault block▪ Multiple oil bearing zones encountered with total net pay of 307 feet▪ New oil discoveries made in the 300 and 500 series sands, which encountered 106 feet pay and 108 feet pay respectively▪ Successful appraisal of primary objective in the 490-60 sands with 86 feet pay and other 400 sands encountered 7 feet pay
MNA-20 Development Well	<ul style="list-style-type: none">▪ Total net pay of 268 feet▪ The main objective 490-60 sand is well developed with 79 feet pay▪ Four sands at the 500 level encountered 169 feet net pay▪ One sand at the 300 level encountered 20 feet pay
MNA-21 Development Well	<ul style="list-style-type: none">▪ Total net oil pay of 56 feet▪ The main objective 490-60 sand is developed in the up-dip location with 44 feet net pay▪ One additional sand at the 500 level encountered 12 feet net pay
Manora-8 Exploration Well	<ul style="list-style-type: none">▪ Primary objective Manora-8 was to explore for hydrocarbons in the 600 series sands▪ Formation wireline testing recovered oil samples from the sand▪ Further analysis is needed to understand the relevance of this finding

MANORA PRODUCTION



Manora Production Profile



- Manora has benefited from the continued strengthening of oil prices
- Consensus forecasts suggest Brent oil prices will remain close to or above US\$70/bbl
- Recent drilling success has added additional production opportunities
- The Independent Expert and Independent Technical Specialist have estimated the Manora field life per the 2P + 2C Forecast will continue until at least Dec-24¹
- Gross production rates of ~8,300 bopd post drilling of MNA-20 and MNA-21, which are now producing at initial combined rates of ~2,500 bopd gross
- Q1 2018 operational performance:
 - 95% facilities uptime
 - Average net production of 2,126 bopd
 - US\$66.5/bbl average realised price (before hedging)
 - Oil revenue of US\$13.4m (Tap share)

Notes:

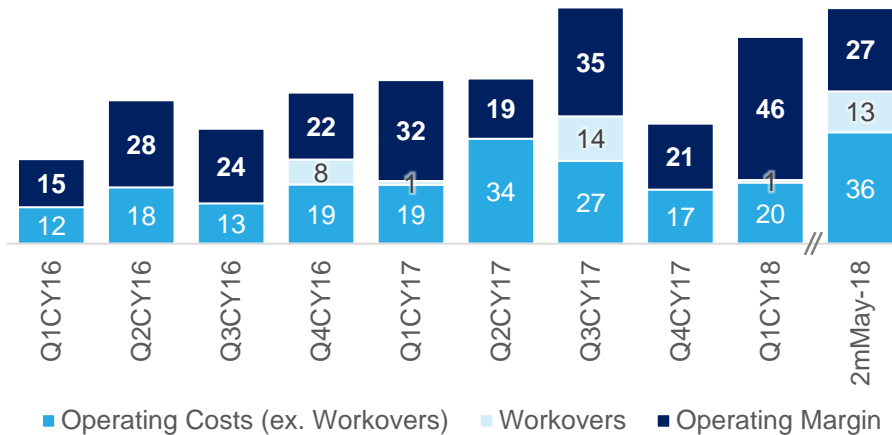
1. Independent Technical Specialist's forecast production profile as at June 2018 – see Appendix 4 to the Independent Expert's Report released to ASX on 11 July 2018.
2. Average realised price based on oil liftings rather than production.
3. Independent Expert's consensus Brent oil price forecasts as at May 2018.

For personal use only

STRONG CASH FLOW GENERATION

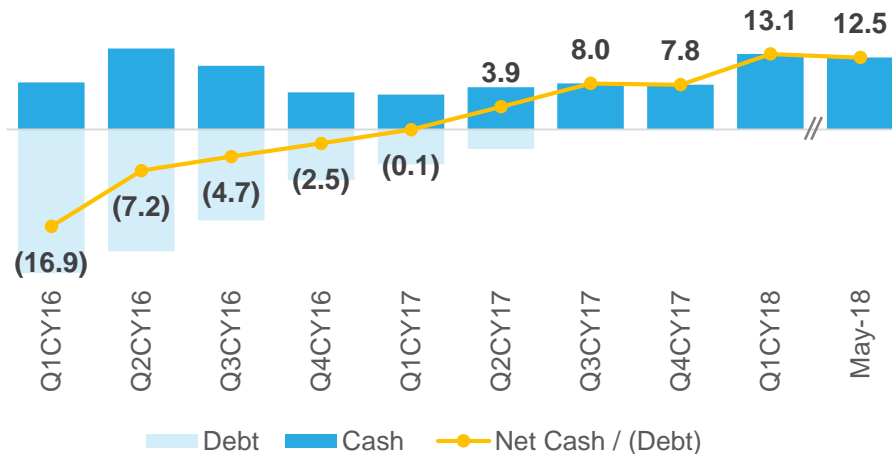


Manora Historical Operating Margin (US\$/bbl)¹



- Debt free and continuing to build cash
- Strong historical operating margin and cost efficiencies have resulted in strong cash flow generation
- Continued focus on keeping costs low including board, corporate and operating costs
 - 65% reduction over the last 3 years
 - Board fees reduced by over 30%
- Cash position as at 31 May 2018 of US\$12.5m²
 - Equivalent to A\$16.6m or ~45% cash-backing of Tap's current market capitalisation³
 - Cash build expected to continue based on strong cash flow generation
- Debt facility with BNP Paribas & Siam Commercial Bank fully repaid in September 2017

Tap Oil Net Debt / Cash Position (US\$m)²



Notes:

1. Revenue excludes hedging gains and losses.
2. Cash includes Tap Oil's share of cash held in joint venture.
3. Cash balance as at 31 May 2018 of US\$12.5m converted to AUD at AUD/USD = 0.75, market capitalisation of A\$36.6m as at 10 July 2018.



www.tapoil.com.au

Damon Neaves, Chairman
Chris Bath, CFO & General Manager
Tel +61 8 9485 1000
info@tapoil.com.au



ASX Code TAP

This presentation contains some references to forward looking assumptions, representations, estimates, budgets, and outcomes. These are uncertain by the nature of the business and no assurance can be given by Tap Oil Limited that its expectations, estimates, budgets and forecast outcomes will be achieved. Actual results may vary materially from those expressed herein.

For personal use only