



Highlights

- Debt free and continuing to strengthen balance sheet
- Average realisations for the quarter of \$59/bbl, an increase of \$2/bbl compared to the prior quarter
- Two exploration opportunities at the Manora Field have been high graded for drilling in 2Q 2018
- Completed additional commodity hedging program to hedge 45,000 bbls (22,500 bbl per month) of crude oil production for September and November 2018 using Dubai benchmark as the reference price at a fixed price of \$58.40/bbl.

Summary

Tap generated strong cash flow during the quarter, with higher revenue for the March quarter on the back of improved realisations. The average realised oil price for the quarter was \$59/bbl, an increase of \$2/bbl compared to the previous quarter.

Production at the Manora Field averaged 2,126 bopd (Tap share) for the quarter, a decrease of 6% compared to the previous quarter, due to natural well decline.

During the quarter the operator continued its assessment of exploration prospects and development opportunities in the concession, which showed the feasibility of new wells into the reservoir confirmed by the MNA-18 well. As a result, two exploration opportunities have been high graded for drilling in 2Q 2018, the Manora footwall (Manora-8 well) and a sidetrack well (Manora-8ST1) to test the 300, 400 and 500 series sands in the hanging wall.

The Company entered into additional commodity hedging with BP Singapore Pte Limited to hedge 45,000 bbls (22,500 bbl per month) of crude oil production for September and November 2018 using Dubai benchmark as the reference price at a fixed price of \$58.40/bbl.

On 31 January 2018 Mr James Menzies, Mr Peter Mansell and Ms Andrea Hall tendered their resignations. As a consequence, the general meeting called by Mr Tom Soulsby, Risco Energy Investments (SEA) Limited (Risco) existing nominee director, was withdrawn and Mr Tom Soulsby requested Tap to cancel the general meeting. The Board therefore resolved to cancel the general meeting and appoint Mr Chris Newton and Mr Govert van Ek as directors.

On 1 February 2018, Mr Blaine Ulmer was appointed as a director and subsequently on 6 February 2018 Mr Kamarudin Baba was appointed as a director.

On 23 February 2018, Mr Chris Newton was appointed Chairman of the Company, effective immediately.

Subsequent to the end of the quarter, Mr Blaine Ulmer tendered his resignation as a Director, effective immediately.

Revenue & Production

Revenue for the March quarter was \$13.4 million. Revenue was slightly higher compared to the prior quarter due to a higher realised oil price. The average realised oil price was \$59/bbl, an increase of \$2/bbl compared to the previous quarter.

SALES REVENUE (Tap Share)	Dec Qtr \$'000	Mar Qtr \$'000	Qtly % Change	Comment
Manora Crude – net	13,241	13,391	1.1%	Increase due to higher realised oil price offset by hedging losses and slightly lower volumes lifted compared to previous quarter.
Total Oil Revenue (\$000)	13,241	13,391		
Average realised oil price US\$/bbl	57	59	3.5%	Average price for the quarter.

PRODUCTION VOLUMES (Tap Share)	Dec Qtr	Mar Qtr	Qtly % Change	Comment
Manora Crude (bbls)	208,163	191,339	-6.1%	Production natural decline.
Manora Daily Average (bopd)	2,263	2,126	-6.1%	
Manora inventory - bbls	71,461	36,336	-49.2%	As at quarter end.

Manora Oil Field

Tap 30%

The G1/48 concession comprises the Manora oil field under Production License and the Reservation Area within the concession.

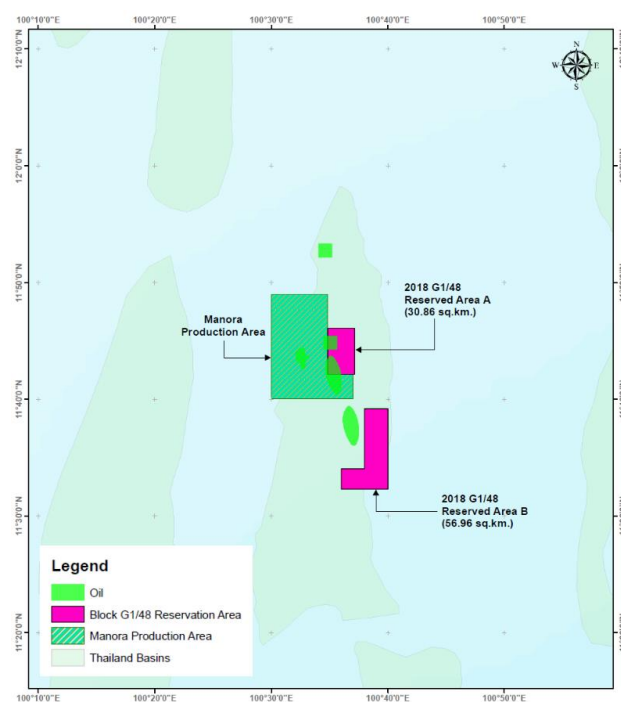
Tap holds a 30% direct interest in the G1/48 concession in the northern Gulf of Thailand. This concession is operated by Mubadala Petroleum (Thailand) Limited (Mubadala).

Gross production for the quarter was 638 MSTB (Tap share 191 MSTB). The average quarterly gross production rate was 7,087 bopd (Tap share 2,126 bopd). Cumulative field production to 31 March 2018 was 12.7 MMSTB gross (Tap share 3.8 MMSTB). Production for the quarter decreased due to natural well decline.

During the quarter the operator undertook studies that showed the feasibility of development and appraisal wells into the reservoir confirmed by the MNA-18 well.

The Operator is planning to drill two wells in 2Q 2018, the Manora footwall (Manora-8 well) and a sidetrack well (Manora-8ST1) to test the 300, 400 and 500 series sands in the hanging wall.

There were three cargo liftings during the quarter.

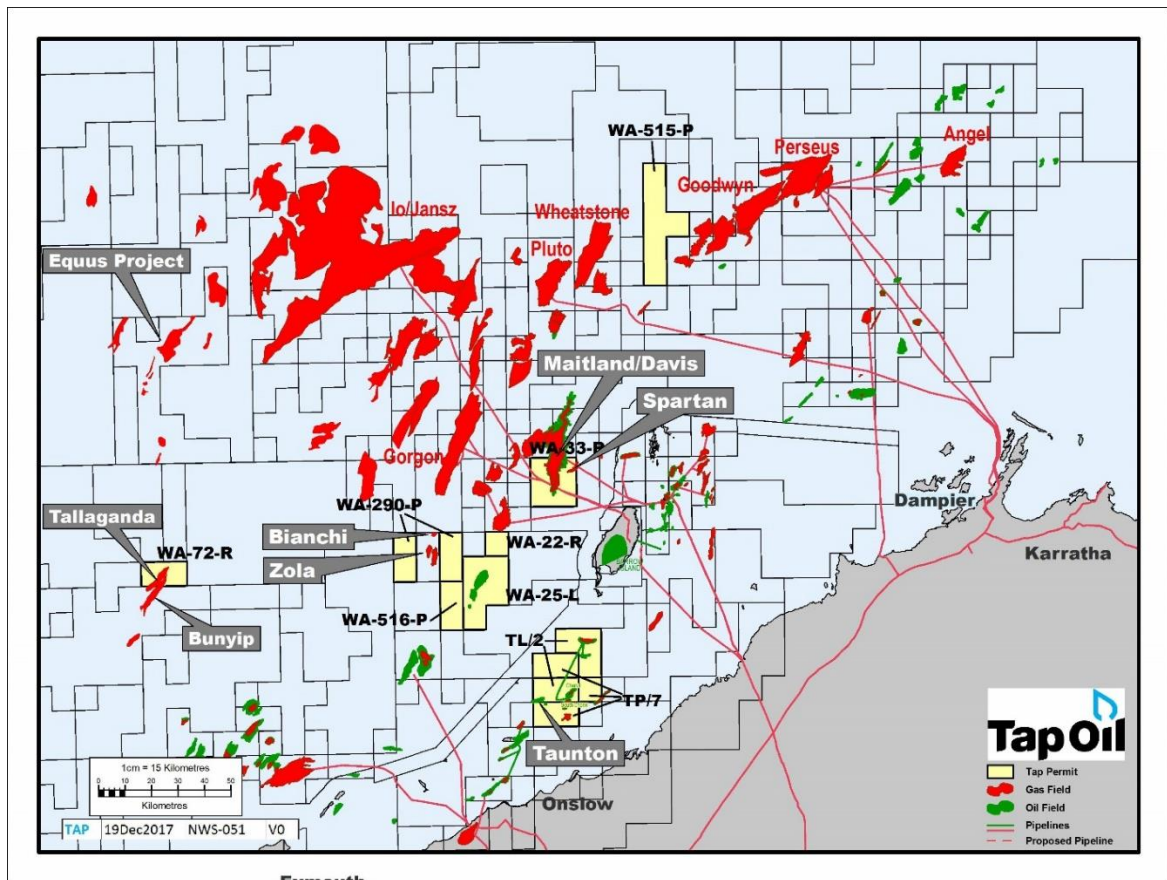


Location map of Manora Oil Field

The G1/48 Joint Venture has a reservation area of 87.82 km² under a five year Reservation Area Agreement with the Thailand Department of Minerals and Fuels.

During the quarter the operator continued its assessment of the exploration prospects within the concession. Two exploration opportunities have been high graded for drilling in 2Q 2018, Manora-8 and Manora-8 sidetrack.

Australia, Carnarvon Basin



WA-290-P & WA-49-R Zola, Bianchi and Antiope Gas Fields

Tap 10%, Quadrant Energy Operator

WA-290-P is an exploration permit in the offshore Carnarvon Basin, Western Australia. In early 2011, the Joint Venture drilled the Zola discovery and in August 2012, a Retention Lease, WA-49-R, was granted over the Zola and Antiope discoveries for a period of five years.

In July 2013, the Joint Venture confirmed a gas discovery at Bianchi-1 with 112 metres of natural gas net pay in the Mungaroo Formation reservoir sandstones.

The National Offshore Petroleum Titles Administrator (NOPATA) have approved a six month suspension of the Permit Year 3 work program commitment and a corresponding six month extension of the permit term. Accordingly, Permit Year 3 will end on 21 August 2018.

The Bianchi 3D Seismic survey acquired in 2016 is being processed by DownUnder GeoSolutions (DUG), the processing is approximately 70% complete with the two new processing steps greatly improving data quality. Expected completion of the processing is still mid-May 2018 with delivery to JV partners late May.



WA-72-R Tallaganda Gas Field

Tap 20%, BHP Billiton Operator

WA-72-R is a Retention Lease in the offshore Carnarvon Basin, Western Australia. The Retention Lease contains the Tallaganda gas discovery drilled during the second quarter of 2012. The Tallaganda-1 well was a new field gas discovery in the Triassic Mungaroo Formation. The Tallaganda-Bunyip structure straddles both WA-72-R and WA-73-R to the south. The structure is well defined by modern 3D seismic data.

Tap has booked 45 BCF (49 PJ) as a 2C contingent resource for the WA-72-R portion of the Tallaganda-Bunyip structure (ASX Release 29 January 2013).

No activities were undertaken during the quarter.

TL/2 & TP/7

Tap 10% (TL/2) and 12.474% (TP/7), Quadrant Energy Operator

The TL/2 Production License and TP/7 Exploration Permit are located in shallow water in the offshore Carnarvon Basin approximately 40 kilometres north-northeast of Onslow, Western Australia. The Taunton oil field was discovered in 1991 and straddles the TL/2 and TP/7 permit boundaries.

No activities were undertaken during the quarter.

WA-515-P & WA-516-P

Tap 100%, Operator

WA-515-P and WA-516-P are located in the northern Carnarvon Basin in shallow water.

On 16 of February 2018 NOPTA approved a Suspension and Extension Application lodged by Tap, such that the Year 3 permit Term will now end on 5 September 2018.

The Seisnetics preprocessing of the Searcher Seismic Ultracube MC 3D seismic survey was delivered to Tap in early December. This work was completed on both the full and Ultrafar datasets and have proved very useful in providing high quality horizon interpretations for inputs to the Constrained Simultaneous Absolute Inversion workflow being conducted at Downunder.

The rock physics and quantitative interpretation studies on both permits continued during the Quarter. The Rock Physics Study was completed late in February 2018 and that interpretation has been utilised in the Statistical rock physics models for the Constrained Simultaneous Absolute Inversion. The delivery of the lithology and fluid prediction volumes will now be in mid-April.

WA-8-L

Tap 20%, Santos Operator

As previously advised, during 2017 Tap entered into a sale and purchase agreement for the sale of its 20% interest in permit WA-8-L. The sale was completed during the quarter.

WA-33-R

Tap 22.474%, Quadrant Operator

WA-33-R is operated by Quadrant Energy Ltd and contains the Maitland gas discovery, which is approximately 12 kilometres from John Brookes platform and approximately 17 kilometres from the East Spar gas line.

No activities were undertaken during the quarter.

Australia, Bonaparte Basin

WA-34-R Prometheus /Rubicon Gas Fields

Tap 12%, Eni Operator

WA-34-R is a Retention Lease in the offshore Bonaparte Basin, Western Australia. The Retention Lease contains the Prometheus/Rubicon Gas fields and covers 418 km². Tap estimates a 2C contingent resource net to Tap of 40.2 BCF (45 PJ) (ASX Release 22 April 2016).

The Operator plans during 2018 to undertake engineering studies focused on assessing low cost tie-in options to the Ichthys pipeline, which crosses through WA-34-R.



Myanmar

Block M-7 Moattama Basin, Offshore Myanmar

Tap 95% Operator

Block M-7 is located in the Moattama basin, offshore Myanmar.

Tap has continued to explore options to withdraw from the Production Sharing Contract (PSC) and its remaining obligations under the terms of the Production Sharing Contract for Block M-7. The Myanmar Government has requested Tap provide a performance bank guarantee of \$200,000 as required under the terms of the PSC.

During the quarter Tap submitted a draft performance guarantee to Myanma Oil & Gas Enterprise (MOGE) for approval.

Exploration, Development, Operating & Other Expenditures

	Tap Share		
	Dec Qtr \$'000	Mar Qtr \$'000	Comment
Exploration & Appraisal	1,750	596	Predominantly spend on activities related the Manora exploration well scheduled to be drilled in first half of the year and rock physics and quantitative interpretation studies in WA-515-P and WA-516-P
Development, Plant & Equipment	2,416	151	
Total Capital Expenditure	4,166	747	
Manora Production Costs *	6,362	6,453	
Total Production Expenditure	6,362	6,453	

* Includes operating costs, royalties, marketing costs, insurance and inventory movements. Excludes depreciation and amortisation charges.

Financial & Corporate

Cash Position

Tap's cash position at 31 March 2018 was \$13.1 million. Cash includes Tap's share of cash held in joint ventures, which at the end of the quarter was \$3.8 million.

Cash Position (US\$)	Mar'17 \$'000	Jun'17 \$'000	Sep'17 \$'000	Dec'17 \$'000	Mar'18 \$'000
Cash on hand *	6,017	7,325	7,959	7,753	13,087
Debt	(6,092)	(3,425)	-	-	-
Net Cash/(Debt)	(75)	3,900	7,959	7,753	13,087

* Cash on hand includes Tap's share of cash held in joint ventures.

Hedging

During the quarter, the Company entered into additional commodity hedging with BP Singapore Pte Limited to hedge 45,000 bbls (22,500 bbl per month) of crude oil production for September and November 2018 using Dubai benchmark as the reference price at a fixed price of \$58.40/bbl. The hedging was undertaken to reduce expected price volatility for cargoes for September and November 2018.



Share Rights

At 31 March 2018, Tap had on issue a total of 11,940,079 share rights to acquire fully paid shares with vesting dates varying from 1 January 2019 through to 1 January 2021.

The following performance/retention rights were on issue at 31 March 2018:

Number	Class	Vesting Date
327,685	Performance Rights	1 January 2019
1,024,544	Retention Rights	25 May 2019
4,522,068	Performance Rights	1 January 2020
6,065,782	Performance Rights	1 January 2021

Other

A general meeting of shareholders was scheduled to be held on 2 February 2018. The general meeting was called by Mr Tom Soulsby, Risco Energy Investments (SEA) Limited (Risco) existing nominee director, seeking the removal of Messrs James Menzies, Peter Mansell and Tom Soulsby as directors of Tap and the appointment of Mr Chris Newton and Mr Govert van Ek as directors.

On 31 January 2018 Mr James Menzies, Mr Peter Mansell and Ms Andrea Hall tendered their resignations, effective immediately. As a consequence, the general meeting called by Mr Tom Soulsby was withdrawn and Mr Tom Soulsby requested Tap to cancel the general meeting. The Board therefore resolved to cancel the general meeting and appoint Mr Chris Newton and Mr Govert van Ek as directors.

On 1 February 2018, Mr Blaine Ulmer was appointed as a director and subsequently on 6 February 2018 Mr Kamarudin Baba was appointed as a director.

On 23 February 2018, Mr Chris Newton was appointed Chairman of the Company, effective immediately.

Subsequent to the end of the quarter, Mr Blaine Ulmer tendered his resignation as a Director, effective immediately.

FURTHER INFORMATION

Investor Enquiries:

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Persons compiling information about hydrocarbons

The reserve and contingent resource information in this report is based on information compiled by Mr Denis Bouclin B.A.Sc (Hons), M.A.Sc (Engineering), P.Eng., who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Bouclin is a part-time employee of the Company, 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.

Abbreviations and Definitions	Investor Relations	Disclaimer
Please refer to Tap Oil Limited's Annual Report Glossary or Glossary and Definitions on Tap's website for explanations of any abbreviations used in this report. Unless otherwise noted, this Quarterly Report is presented in US dollars.	Information contained on Tap's website is regularly updated and includes recent ASX announcements and investor presentation. Tap encourages all interested stakeholders to visit www.tapoil.com.au .	This report contains some references to forward looking assumptions, estimates and outcomes. These are uncertain by the nature of the business and no assurance can be given by Tap that its expectations, estimates and forecast outcomes will be achieved.