

ASX ANNOUNCEMENT

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UPDATE TO THE FOUR WELL BACK-TO-BACK EXPLORATION, APPRAISAL AND DEVELOPMENT DRILLING CAMPAIGN COMMENCING 16 MAY 2018

Highlights:

- Operator has confirmed that 2 development wells will be drilled on this campaign, AFEs approved by the Tap Board on 6 May 2018
- The Ensco 115 is expected to commence drilling operations at Manora on or about 16 May 2018
- The campaign now includes 4 back-to-back wells including multiple exploration, appraisal and development objectives
- The Manora-8 exploration well is a low cost high risk/high reward opportunity targeting the Footwall prospect that has the potential to add new production to the Manora project
- The Manora-8ST1 well appraise multiple reservoir zones up-dip from MNA-18 in the eastern fault block
- The MNA-20 and MNA-21 development wells are expected initially to add 2,450 bopd to total production at Manora (currently around 6,800 bopd) and are required to mitigate production decline
- Total estimated cost of the Manora 2018 Drilling Campaign is US\$11.8 million (US\$3.6 million net to Tap)

Tap Oil Limited (Tap) is pleased to provide updated information in relation to the Manora 2018 drilling campaign now scheduled to commence on or about 16 May 2018 using the Ensco 115 jack-up drilling rig. The Operator has informed Tap that two development wells will also be drilled in this campaign after the exploration well Manora-8ST1. The drilling campaign will now target multiple exploration objectives as well as low risk appraisal and development opportunities.

The Manora 2018 exploration drilling campaign has the potential to add significant reserves via the conversion of prospective resources to reserves in a success case and near term production, which could generate material value for Tap. These drilling operations represent cost-effective opportunities for Tap to add high margin barrels at Manora with a total estimated cost of US\$3.6 million (net to Tap) for the entire four well program based on the Operator's AFE estimates.

The four well program comprises of: (*in sequence*):

Manora-8 Exploration Well – to test the Manora Footwall prospect, a large aerial closure in the upthrown (footwall) side west of the Manora Central block. Manora-8 will also test two secondary exploration targets. See Figures 1 & 2.

Manora-8ST1 Appraisal Well – to appraise the 300-reservoir, the 400 series sands, the 490-60 reservoir and the 500 series up-dip from MNA-18 in the eastern fault block.

MNA-20 Development Well – drilled from the Manora platform to produce proven undeveloped attic and bypassed oil in the 490-60 reservoir in the eastern fault block to the south of MNA-18. The well proposal, contingent on Manora-8ST1 success, has two deeper objectives dependent on the results of the Manora-8 and Manora-8ST1 wells. It is proposed the well will be brought onto production using an existing slot on the Manora Platform. The development well is also required to mitigate production decline during 2018.

MNA-21 Development Well – drilled from the Manora platform to produce potential bypassed and attic oil from the 490-60 reservoir in the eastern fault block to the north of MNA-18. If Manora-8 is successful, the well will be deepened to test an additional objective in the footwall fault block to appraise and potentially produce from the footwall reservoir (VMIT-22). It is proposed the well will be brought onto production using an existing slot on the Manora Platform. The development well is also required to mitigate production decline during 2018.

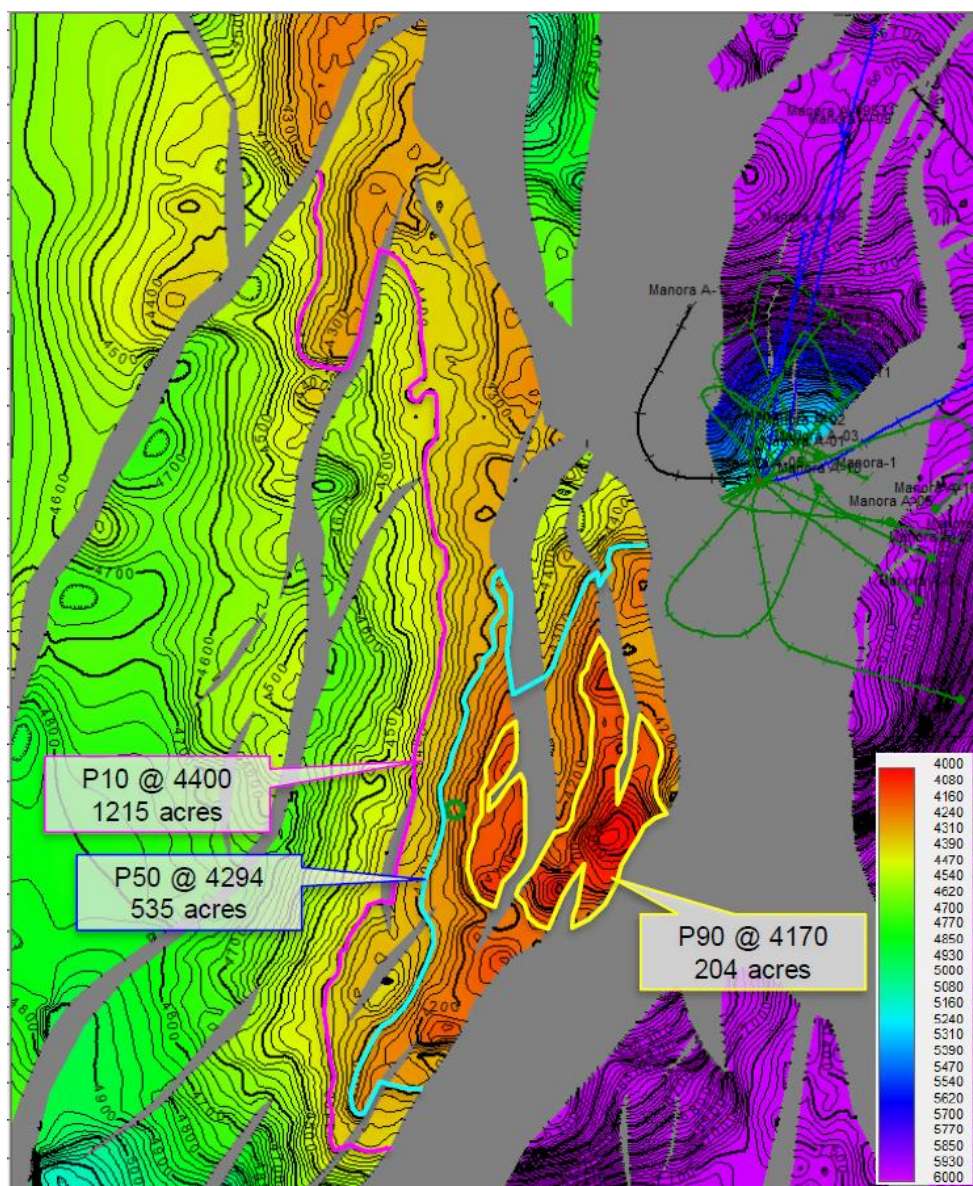
A more detailed overview of each of the wells comprising the Manora 2018 Drilling Campaign is set out below.

Manora-8 Exploration Well

The Manora-8 exploration well will test the Footwall prospect, a large area of closure of up to 1,215 acres on the upthrown side of the Manora field bounding fault (see Figure 1).

Manora-8 exploration well offers a low-cost high-risk/high reward opportunity which has the potential to rejuvenate the Manora project in the success case. The key risks are reservoir and charge.

Figure 1: P10-P50-P90 interpreted closures for the Footwall Prospect at the VIMT 53/600 series interval



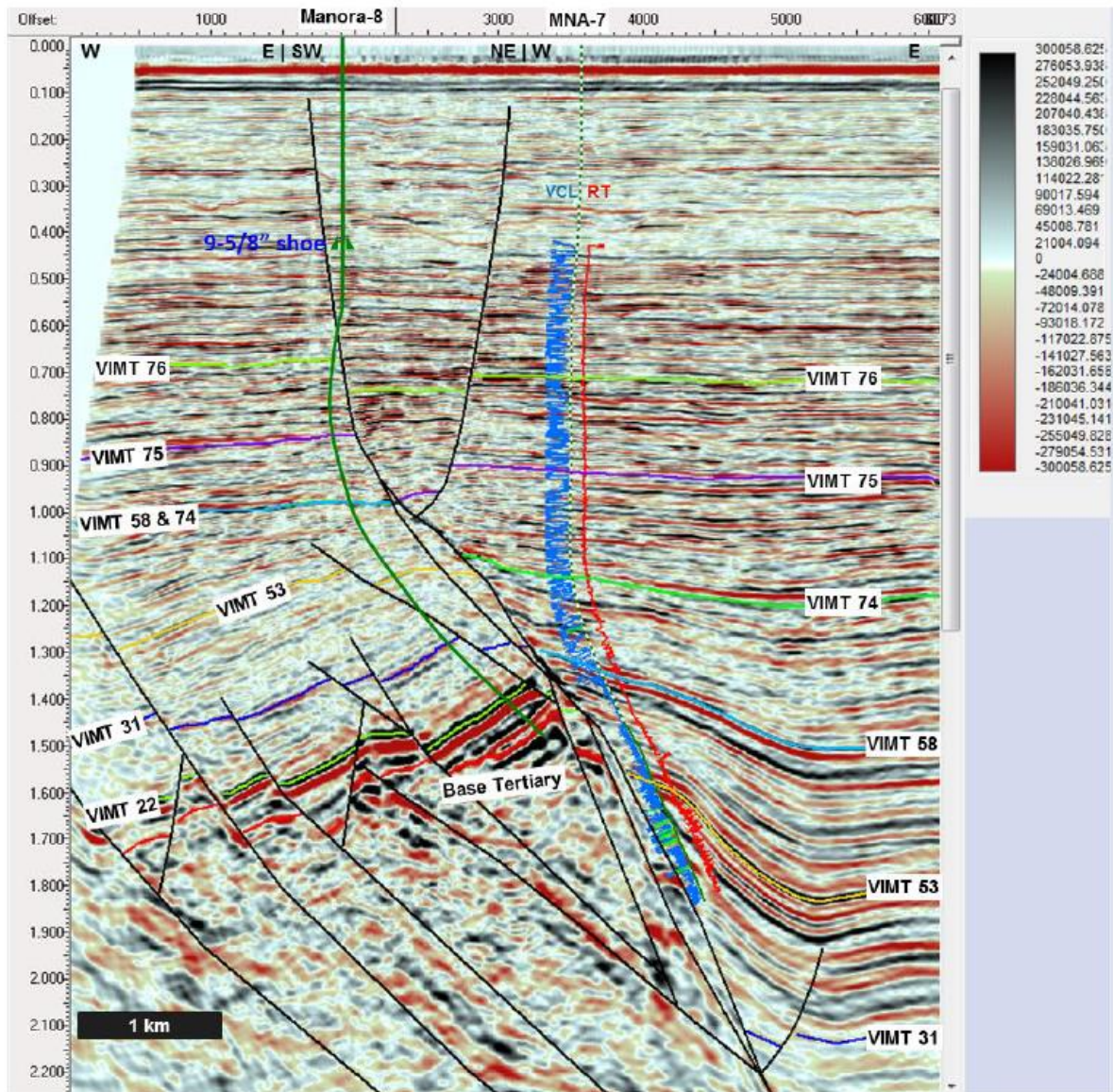
The primary objective of the Manora-8 well is to explore for hydrocarbons in the 600 series sands (labelled 'VIMT 53' in Figure 2) that are the primary producing sands in Manora. The well targets a 3-way dip closure of the Manora Footwall A prospect in the upthrown (footwall) side west of the Manora Central block. Secondary objectives include shallower reservoirs also productive in Manora and a deeper objective where oil shows were encountered in the MNA-17 well (labelled 'VIMT 22' in Figure 2). The well will be drilled as a deviated hole to test multiple horizons.

In the event of success, MDT with Saturn Probe is planned for sampling in order to obtain fluids and reservoir characteristics, a flow test will not be conducted.

The planned TD of the well is 6,420ft TVDSS. The well will be plugged and abandoned with a future development well to be planned in the success case.

The cost of the well is estimated to be US\$3.1 million gross (US\$936,000 net to Tap), inclusive of additional logging in the success case.

Figure 2: seismic section showing Manora-8 well path (green line)



Manora-8ST1 Appraisal Well

Manora-8ST will be sidetracked from Manora-8 primarily to appraise the 300 to 500 series reservoirs in the eastern fault block at the crest of the structure approximately 500-800m south of MNA-18 (See Figure 3). The side-track will also provide a pilot for ongoing development of the MNA-18, 490-60 oil pool.

The 300 reservoir is equivalent to the oil discovered interval and the 500 reservoir target is equivalent to the producing interval in the Manora platform. The well was planned using the latest 3D seismic PDSM reflectivity datasets which were processed in 2017.

The planned TD of the well is 5,950ft TVDSS.

The cost of the well is estimated to be US\$943,000 gross (US\$283,000 net to Tap).

MNA-20 Development Well

Following Manora-8ST1, the rig will move adjacent to the Manora platform for the development drilling program. The primary objective of the MNA-20 development well is to produce attic

and bypassed oil in the 490-60 reservoir in the Eastern fault block approximately 460m south of MNA-18 (see Figure 3).

In the event that either Manora-8 or Manora-8ST1 is successful, MNA-20 will be deepened to appraise the 500 sands in the Eastern Fault block (option 1) or the footwall reservoir (option 2).

The planned TD of the well is 5,500ft TVDSS (option 1) or 6,900ft TVDSS (option 2).

MNA-20 will be completed as a cased and perforated multiple zone producer in the 490-60 reservoirs and brought onto immediate production. The Operator has estimated the initial production rate is expected to be 1,450 bopd using an ESP for artificial lift (Operator's estimate).

The cost of the well is estimated to be US\$4.0 million gross (US\$1.2 million net to Tap).

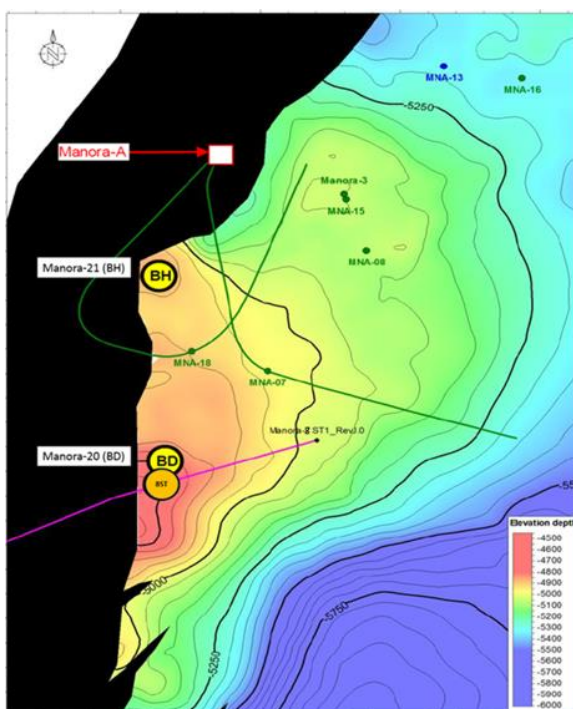


Figure 3: Depth map of 490-60 reservoir showing locations of MNA-21 (marked 'BH') and MNA-20 (marked 'BD') up-dip from existing production wells (green lines). The Manora-8ST1 well path is also shown (pink line)

MNA-21 Development Well

The primary objective of the MNA-21 development well is to produce bypassed and attic oil from the 490-60 reservoir in the Eastern fault block approximately 340m north of MNA-18.

In the event that Manora-8 is successful, MNA-21 will be deepened to appraise the footwall reservoir.

The planned TD of the well is 7,000ft TVDSS.

MNA-21 will be completed as a cased and perforated multiple zone producer in the 490-60 reservoirs and brought onto immediate production. The initial production rate is expected to be 1,000 bopd using an ESP for artificial lift (Operator's estimate).

The cost of the well (excluding deepening) is estimated to be US\$3.8 million gross (US\$1.1 million net to Tap).

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