

18 November 2014

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MANORA PRODUCTION AND DRILLING UPDATE

- **Three development wells producing**
- **Production rate has increased from 2,200 bopd to 8,754 bopd (gross)**
- **Oil now flowing into the FSO**
- **Development drilling continues**

Tap Oil Limited (ASX:TAP) is pleased to provide an update on Manora production and development drilling at the Manora Oil Development in the Northern Gulf of Thailand (TAP 30% interest). Manora production commenced on 11 November 2014 with two wells, MNA-01 and MNA-02, initially flowing at a combined rate of 2,200 barrels per day (gross). Manora is now producing from three wells, MNA-01, MNA-02 and MNA-03.



Manora Oil Platform with drilling rig, and FPSO in the background
Source of photo – Mubadala Petroleum

MNA-01, MNA-02 and MNA-03 have now all reached stabilised production. As of 17 November 2014, production of 8,754 barrels per day (gross) is flowing to the FPSO. It is anticipated that production will ramp up to a peak of 15,000 barrels per day (Tap share 4,500 barrels per day) during the first quarter of 2015.

Manora is forecast to have an 11-year economic life, which could be further enhanced if discoveries are made within tieback distance. Some of these opportunities may be able to be drilled from the Manora platform.

MNA-05 has been handed over to Production. An additional five surface holes have been batch drilled and cased (MNA-04, MNA-06, MNA-07, MNA-08 and MNA-10). MNA-06 encountered a problem while drilling the 12-1/4" hole section with the bottom hole assembly left in hole. The Operator, Mubadala Petroleum, is planning to suspend operations on this well and will move on to drilling the reservoir section of well MNA-07.



Floating storage and offshore (FSO) vessel
Source of photo – Mubadala Petroleum

The Manora A platform is located within the Gulf of Thailand in 46 metres of water. The development drilling program calls for drilling and completion of up to 15 wells (10 producers and 5 injectors), with the program expected to take until the end of Q1 2015. The Operator, Mubadala Petroleum, estimates that the joint venture will have invested approximately US\$300 million in the development by this time.

Tap has 2P reserves of 6.1 mmbbls (20.2 mmbbls gross) and 2C contingent resources of 3.2 mmbbls (10.9 mmbbls gross) booked for Manora (ASX release 27 October 2011). Tap will review these reserves and contingent resources following development drilling and production performance.

The results of development drilling to the Early/Middle Miocene reservoir quality sandstones are summarised in the table below:

Well Details	Net Pay (all 600 sands)	Result
MNA-01 Type: 650 sands Development Location: 180 m south west of Manora-1 Total Depth: 2,064m Top of Perforation: 1,836 m RT	52.4 meters	On production at 3,359 bopd (gross) Artificial lift by electric submersible pumps (ESP) at 38 Hz Tubing Head Pressure (THP) 717 psi No water production Single zone completion

Well Details	Net Pay (all 600 sands)	Result
MNA-02 Type: 610 sands Development Location: 250 m north east of Manora-1 Total depth: 2,339m Top of Perforation: 2,026 m RT	48.8 meters	On production at 2,835 bopd (gross) Artificial lift by ESP at 36 Hz THP 689 psi No water production Single zone completion
MNA-03 Type: 620 sands Development Location: 49 m south west of Manora-1 Total depth: 1,993m Top of Perforation: 1,736 m RT	59.1 meters	On production at 2,574 Bopd (gross) Artificial lift by ESP at 37 Hz THP 909 psi No water production Smart completion capable of producing either or all of the three 620 sands
MNA-05 Type: 620 sands Development Location: 357 m south west of Manora-1 Total Depth: 1,970m Top of Perforation: 1,751 m RT	21.6 meters	Current operations to start the ESP Smart completion capable of producing either or all of the three 620 sands

Note: depth is measured in total meters drilled below the rig rotary table

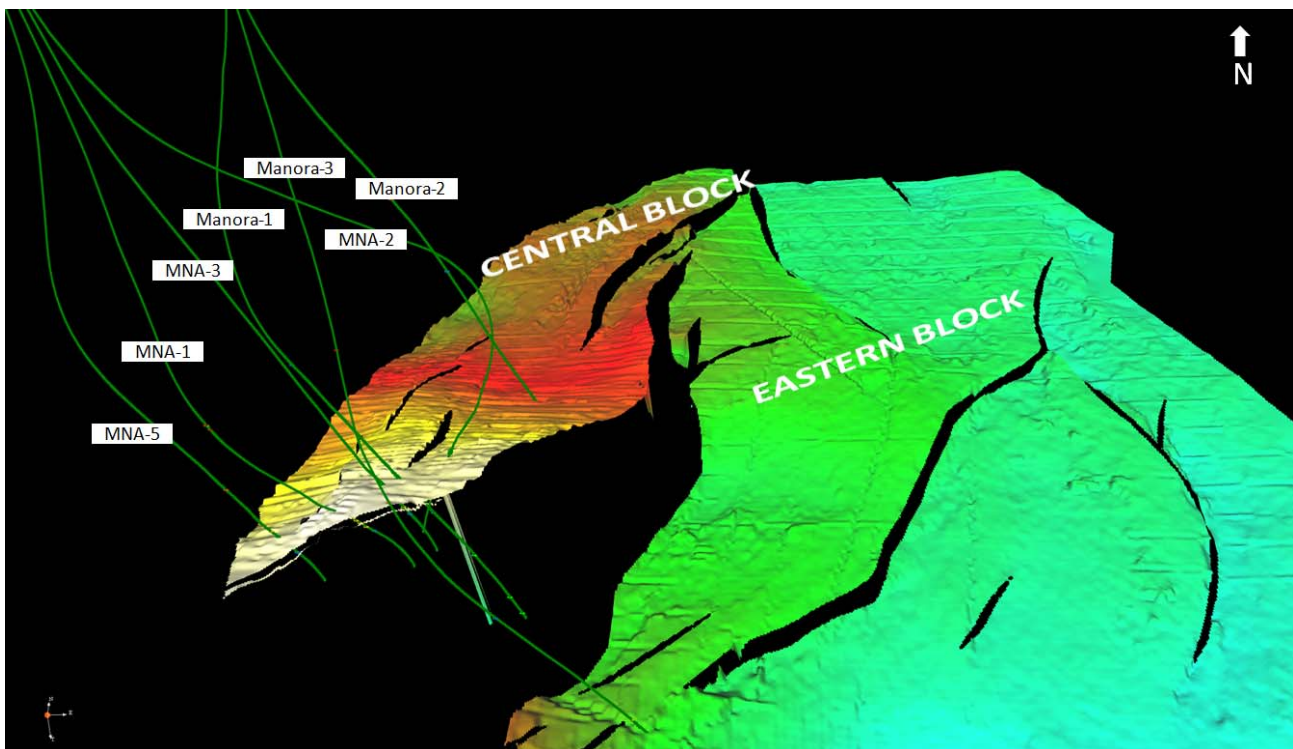


Figure 1: Location of wells in the Manora oil field

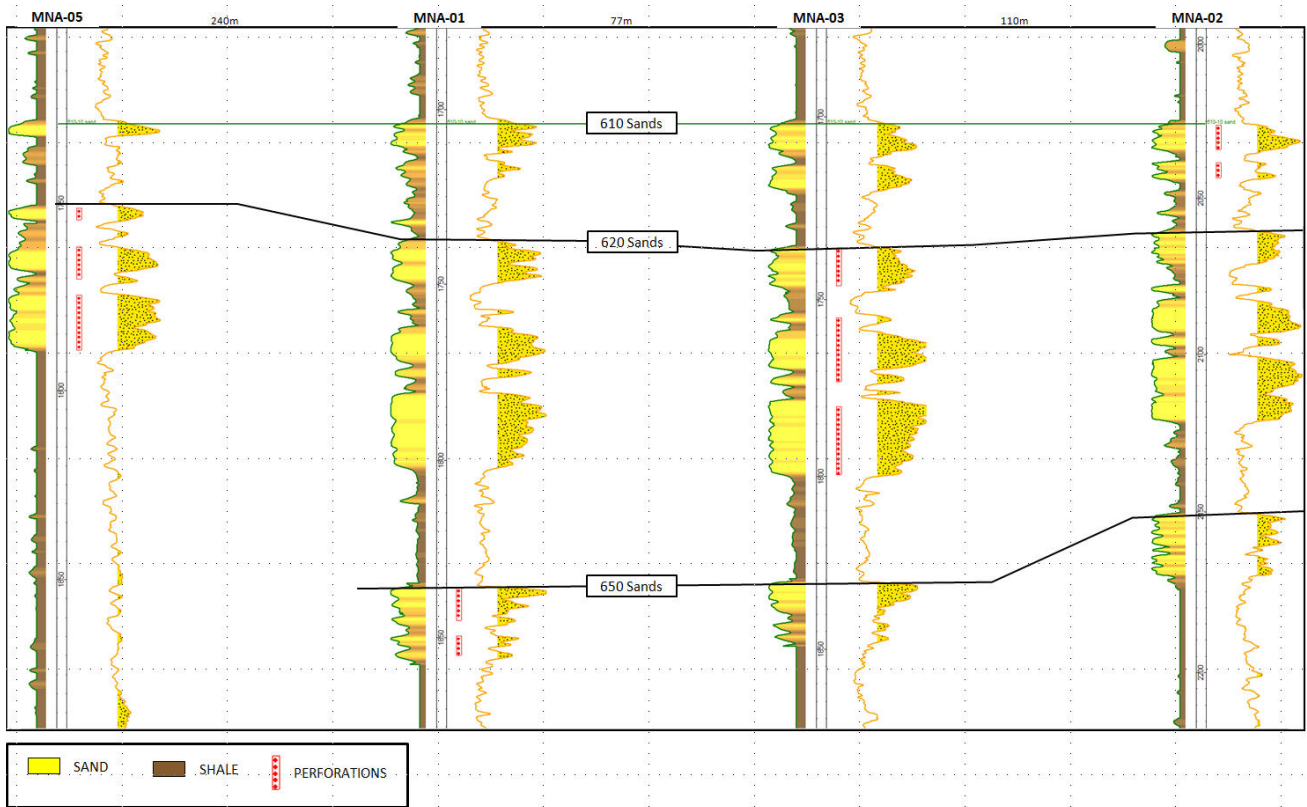


Figure-2: Well correlation at the Manora oil field

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Manora Oil Development Summary		
Concession Parties	Mubadala Petroleum (MP G1 (Thailand) Limited) - <i>Operator</i>	60%
	Northern Gulf Petroleum Pte Ltd	10%
	Tap Energy (Thailand) Pty Ltd	30%
History	November 2009	Manora discovered
	2010	<ul style="list-style-type: none"> Manora 2 and Manora 3 appraisal wells subsequently successfully encountered hydrocarbons Tap acquires 30% interest in Manora (October)
	July 2012	Final Investment Decision (FID)
	November 2014	First Production
Expected Production Rate	<ul style="list-style-type: none"> Ramp up to a peak rate of 15,000 bopd 4,500 bopd Tap share 11 year economic life 	
Key Facilities	<ul style="list-style-type: none"> Single well head platform – four-leg platform jacket substructure with the topside containing production process and well head equipment Pipeline and risers to the Floating Storage Offloading (FSO) Unit FSO Unit – moored, site specific crude oil FSO linked to the platform that will also serve as an accommodation hub Drilling of 15 development wells (10 producers, 5 water injectors) 	
Funding	<ul style="list-style-type: none"> Cash Borrowing Base Facility with BNP Paribas of up to \$90 million (as at 7 November 2014, US\$55.1 million drawn) 	
Reserves / Resources (Tap share)	<ul style="list-style-type: none"> Tap has 2P reserves of 6.1 mmbbls (20.2 mmbbls gross) and 2C contingent resources of 3.2 mmbbls (10.9 mmbbls gross) booked for Manora (ASX release 27 October 2011). Tap will review these reserves and contingent resources following development drilling and production performance. 	

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.

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