

6 May 2015

The Company Announcements Platform
Australian Securities Exchange
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Tap Oil Limited
ABN 89 068 572 341

Level 1, 47 Colin Street
West Perth WA 6005
Australia

T: +61 8 9485 1000
F: +61 8 9485 1060
E: info@tapoil.com.au

www.tapoil.com.au

UPDATE ON S. 203D NOTICE AND NORTHERN GULF DISPUTES

Tap Oil Limited (ASX:TAP) provides the following update on its commercial relations with the Thai entrepreneur, Mr Chatchai Yenbamroong, and his Northern Gulf companies.

Section 203D Notice

Over two months ago now, Tap received a notice from Mr Yenbamroong under section 203D of the *Corporations Act 2001* (Cth) of his intention to move resolutions at a meeting of Tap shareholders convened under section 249F of the *Corporations Act 2001* (Cth) to reconstitute the Board of Tap. Despite providing notice of this intention, Mr Yenbamroong has still not convened any meeting of Tap shareholders to consider his proposed resolutions.

Tap has now been advised directly by Mr Alan Stein, one of Mr Yenbamroong's proposed nominees to act as a director of Tap, that he has withdrawn his consent to be nominated, and to act, as a director of Tap.

Mr Stein's withdrawal raises questions about whether Mr Yenbamroong still intends to proceed with his proposed Board spill, and if so, the likely timing of convening a meeting of Tap shareholders to consider his proposed resolutions and the identity of his proposed nominees as directors of Tap.

Tap has requested confirmation from Mr Yenbamroong regarding whether he still intends to proceed with his proposal but to date, Tap has not received any response to this request. The Tap Board considers Mr Yenbamroong's apparent reluctance to confirm whether he intends to proceed with his proposed Board spill to be disappointing, as it leaves the status of Mr Yenbamroong's Board spill proposal unresolved.

Application to set aside Northern Gulf Statutory Demand

As disclosed in Tap's announcement on 14 April 2015, Tap received a statutory demand from Northern Gulf Petroleum Holdings Limited (**NGPH**) demanding payment of US\$14,614,500 in satisfaction of a payment to NGPH during 2015 based on the Operator's (Mubadala Petroleum) 2P reserves estimates for the Manora oil field as at 31 December 2014, which NGPH alleges is due and payable.

Tap has filed an application to set aside this statutory demand in the Supreme Court of Western Australia and is seeking payment of Tap's legal costs. As previously stated, Tap considers that the amount demanded is not due and payable, and that there is no proper legal basis for NGPH making this demand. Tap also considers that this statutory demand is an abuse of the statutory demand process.

Northern Gulf default on repayment of Tap Carry continues

Northern Gulf Petroleum Pte. Ltd. (**NGP**), a Singaporean company that is a subsidiary of NGPH and controlled by Mr Yenbamroong, holds a 10% interest in the G1/48 Concession and the Manora Oil Development. As previously disclosed, under the terms relating to Tap's acquisition of its 30% interest in the G1/48 Concession and the Manora Oil Development from NGPH, NGP agreed to repay US\$10 million to Tap out of NGP's share of production from that project. This is an ongoing repayment obligation as and when proceeds are received from each oil lifting.

After repaying approximately US\$1.03 million from proceeds of oil liftings to early March, NGP ceased making any further repayments to Tap. On 30 March 2015, Tap gave notice to each of NGP and NGPH of the failure to repay US\$578,862 to Tap by way of this carry. Further amounts become payable each time oil lifting proceeds are received. Tap has now issued default notices in respect of an amount totaling US\$2,250,887. The defaulted amounts remain outstanding and are accruing interest.

Tap considers it has made all payments due to the Northern Gulf entities as and when they are due and payable. However Tap has now reserved all of its rights in relation to this default.

US\$27 million Northern Gulf default on Manora costs remains unpaid

On 20 March 2015 the Operator of the G1/48 Concession and the Manora Oil Development (Mubadala Petroleum) gave notice to NGP that it is in default under the terms of the G1/48 Joint Operating Agreement.

Tap understands that NGP has failed to pay when due its 10% participating interest share of project costs for the Manora Oil Development. The notice specifies a total sum in default of US\$27,079,863.37. Tap also understands that this defaulted amount remains outstanding and that the Operator continues to pursue the available remedies against NGP as prescribed by the Joint Operating Agreement.

Tap will keep the market advised of all material developments in relation to these matters.

Investor Enquiries

Troy Hayden Managing Director/CEO
Anna Sudlow Commercial & Investor Relations Manager
Telephone: +61 8 9485 1000
Email: info@tapoil.com.au
Website: www.tapoil.com.au

Media Enquiries

Rebecca Lawson
Media & Capital Partners
Telephone +61 433 216 269
