

4 January 2016

Dear Shareholder,

OFFER TO PARTICIPATE IN TAP'S SHARE PURCHASE PLAN

On behalf of the Board, I am pleased to invite you to participate in Tap Oil Limited's (**Tap Oil** or **Company**) Share Purchase Plan (**SPP** or **Offer**) which was announced on 16 December 2015. The Offer follows the placement to existing investors, raising approximately \$2.75 million (**Placement**).

As an eligible shareholder, you can acquire up to A\$15,000 worth of new shares under the Offer without paying any brokerage or other charges. The new shares under the Offer (**New Shares**) will be priced at the lower of:

- the same price paid by investors under the Placement of 19.25 cents per New Share; and
- a price determined at the issue date of the New Shares based on a 15% discount to the volume weighted average price of Tap Oil shares over the 5 trading day period on the ASX immediately prior to the issue date of the New Shares.

The funds raised from the Placement and SPP will be used to provide additional liquidity so Tap is in a position to maintain the existing debt facility with BNP Paribas and Siam Commercial Bank. The Company will also continue to review the potential sale of assets in the portfolio to improve cash flow in this low oil price environment.

The Company is targeting raising A\$4 million under the SPP but may, at its discretion, decrease or close the SPP at such lesser or higher amount that it determines. If this occurs, applicable excess funds will be returned to applicants without interest.

The Offer will open on 4 January 2016 and will remain open until 5.00 pm (AWST) on 12 February 2016.

Participation in the Offer is optional and is open to eligible shareholders, being holders of fully paid ordinary shares in Tap Oil at 5.00pm (AWST) on 15 December 2015 and whose registered address is in Australia (and its external territories), New Zealand, the United Kingdom, Thailand, Singapore or Norway.

The SPP is not currently underwritten. The Directors reserve the right to obtain an underwriter at any stage in accordance with the Corporations Act (Cth) 2001 and the ASX Listing Rules. Subject to any underwriting, the Company reserves the right to place any shortfall under the SPP in accordance with its share issue capacity under the ASX Listing Rules.

Tap Oil Limited
ABN 89 068 572 341

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Australia

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Full details of the Offer and how to participate are contained in the enclosed Terms and Conditions which I encourage you to read and consider carefully.

If, after reading the attached Offer, you wish to participate in the Plan you must complete the attached personalised Application Form and return it together with payment for the exact application monies in Australian dollars to the Company's Share Registry **on or before 5.00pm (AWST) on 12 February 2016**. Alternatively, you may make a payment directly via BPAY® in accordance with the instructions set out in the Application Form.

If you have any questions, please contact Tap Oil's share registry (lines open 11 January 2016), Computershare Investor Services, by telephone on 1300 749 354 (within Australia) or +61 3 9938 4333 (outside Australia), or consult your financial or other professional adviser.

Thank you for your continued support of Tap Oil.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Douglas Bailey', with a long, sweeping horizontal stroke extending to the right.

Douglas Bailey
Chairman

as



Tap Oil Limited
ABN 89 068 572 341

Share Purchase Plan Offer

The Offer closes at 5.00pm (AWST) on 12 February 2016

This is an important document and should be read in its entirety.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision whether or not to accept the Offer, you should consult your financial or other professional adviser.

This document is not a prospectus or other disclosure document under the Corporations Act.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR FOR THE BENEFIT OF
US PERSONS**

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Key Offer Information

Introduction

The Company is pleased to provide each Eligible Shareholder the opportunity to subscribe for up to \$15,000 of New Shares in Tap Oil under a share purchase plan on the Terms and Conditions set out in this document. Participation in the Offer will not incur brokerage costs.

Defined terms and abbreviations used in this document are set out in **clause 21** of the Terms and Conditions.

Key dates

Event	Date*
Record Date	5.00pm (AWST) on 15 December 2015
Announcement Date	16 December 2015
Documents mailed to Eligible Shareholders	4 January 2016
Offer opens	4 January 2016
Offer closes	5.00pm (AWST) on 12 February 2016
Allotment Date	19 February 2016
Dispatch of holding statements/confirmation advices	22 February 2016

*The timetable is indicative only and Tap Oil may, subject to its obligations under the Listing Rules, at its discretion, vary any of the above dates by making an announcement to ASX. The commencement of trading of New Shares on ASX is subject to confirmation from ASX.

Important notices

The Offer contained in this document is not a recommendation to purchase Shares in Tap Oil. If you are in any doubt about the Offer, you should consult your financial or other professional adviser.

If you apply to participate in the Offer by making a BPAY^{®1} payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of Shares may change between the date of the Offer and the Allotment Date. This means it is possible that, up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Offer Price.

Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person.

Tap Oil recommends that you monitor its announcements and the Share price, which can be found on its website at www.tapoil.com.au and on the ASX website at www.asx.com.au (ASX code: TAP). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

¹ [®]Registered to BPAY Pty Limited ABN 69 079 137 518. New Zealand, the United Kingdom, Norway, Thailand and Singapore based shareholders cannot apply using BPAY[®] unless they have an Australian bank account.

WARNING: The contents of this document have not been reviewed by any regulatory authority in New Zealand, the United Kingdom, Norway, Thailand or Singapore. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

International offer restrictions

This document does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except:

- to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation);
- to fewer than 150 natural or legal persons (other than "professional clients"); or
- in any other circumstances provided that no such offer of New Shares shall result in a requirement for the registration, or the publication by the Company or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Thailand

This document is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This document has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this document and any other document relating to the offer, sale or invitation for subscription or purchase, of the New Shares may not be circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public in Thailand.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Notice to nominees

Nominees and custodians may not distribute any part of this document, and may not permit any beneficial shareholder to participate in the Offer, in any country outside Australia except: (i) to beneficial shareholders of the Company resident in the Singapore or Thailand; and (ii) with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offer.

Further information

If you have any questions in relation to the Offer or how to complete the Application Form, please call the Company's share registry, Computershare Investor Services (lines open 11 January 2016), by telephone on 1300 749 354 (callers within Australia) or +61 3 9938 4333 (callers outside Australia), or consult your financial or other professional adviser.

Frequently asked questions

This section provides a summary of the key aspects of the Offer. You should be read it in conjunction with the Terms and Conditions.

What is the Offer?	<p>The Offer provides each Eligible Shareholder an opportunity to purchase up to \$15,000 worth of ordinary shares in Tap Oil without paying any brokerage or other charges.</p> <p>New Shares issued under the Offer will rank equally with existing Shares as at the Allotment Date, and will be able to be traded on ASX (subject to ASX granting quotation of the New Shares).</p>
Am I eligible to participate?	<p>You are eligible to participate if you fulfil the criteria set out in clause 2 of the Terms and Conditions.</p> <p>You must have been a holder of Tap Oil Shares at 5.00pm (AWST) on 15 December 2015 (being the Record Date) and your registered address must be in Australia (and its external territories), New Zealand, the United Kingdom, Norway, Thailand or Singapore for you to be eligible to participate, provided that you are not in the United States and you are not, and you are not acting for the account or benefit of, a US Person.</p> <p>If you are a nominee or custodian holding Shares on behalf of one or more beneficial holders, you may also apply to purchase up to \$15,000 worth of Shares on behalf of each beneficial holder, subject to complying with the criteria set out in clause 7.2 of the Terms and Conditions.</p>
Do I have to participate?	<p>Participation is optional.</p> <p>If you do not wish to participate in the Offer, no action is required on your part.</p>
Can I transfer my entitlement to participate?	<p>No, you cannot transfer your right to purchase Shares under the Offer to anyone.</p>
What is the Offer Price of New Shares under the Offer?	<p>The Offer Price is the lower of:</p> <ul style="list-style-type: none">• the same price paid by investors under the Placement of 19.25 cents per share; and• a price determined at the issue date of shares under the Offer based on a 15% discount to the volume weighted average price of Tap Oil shares over the 5 trading day period on the ASX immediately prior to the issue date of the New Shares under the Offer. <p>Tap will announce the final Offer Price on the issue date of the New Shares under the Offer.</p>
How do I apply?	<p>To apply for New Shares under the Offer you can either:</p> <p>Option 1: Pay by BPAY®</p> <p>Make payment by BPAY as shown on the Application Form. New Zealand, United Kingdom, Norway, Thailand and Singapore based Eligible Shareholders cannot apply using BPAY unless they have an Australian bank account.</p> <p>Option 2: Pay by cheque or money order</p> <p>Complete and return the enclosed Application Form together with a cheque or money order made payable to "Tap Oil Limited" as shown on the Application Form.</p>
How much will Tap Oil raise under the Offer?	<p>Tap Oil is targeting raising A\$4 million under the SPP but may, at its discretion, decrease or close the SPP at such lesser or higher amount that it determines. If this occurs, applicable excess funds will be returned to applicants without interest.</p>
How many Shares will I receive?	<p>You may apply for a parcel of shares under the Offer with one of the application amounts set out in clause 6.2 of the Terms and Conditions. In the absence of any scale back, the number of New Shares you will receive will be calculated by dividing that application amount by the Offer Price, with any resulting fractions of a New Share being rounded up to the nearest whole number of New Shares. Details of the Offer Price are set out above and in clause 4 of the Terms and Conditions.</p> <p>If Tap Oil, in its discretion, undertakes a scale back of applications for New Shares, you may receive less than the parcel of New Shares for which you have applied. Excess funds will be returned to applicants without interest.</p>

When will I receive my Shares?

New Shares are expected to be allotted on 19 February 2016 (**Allotment Date**). Holding statements are expected to be dispatched by 22 February 2016.

When can I trade allocated shares?

Subject to confirmation from ASX, you can trade your New Shares after the Allotment Date. However, given the possibility that applications may be scaled back, you should confirm your holding on or after the Allotment Date before trading any New Shares you believe you have acquired under the Offer.

Terms and conditions of the Share Purchase Plan

1 Offer

The Offer entitles eligible Tap Oil shareholders to apply to purchase up to \$15,000 worth of Shares in Tap Oil, subject to and in accordance with the terms and conditions set out below.

2 Eligibility to participate

2.1 You are eligible to participate in the Offer if you were a registered holder of Shares at 5.00pm (AWST) on 15 December 2015 (**Record Date**) with a registered address in Australia (and its external territories), New Zealand, the United Kingdom, Norway, Thailand or Singapore, unless:

(a) you hold Shares on behalf of another person who resides outside Australia (and its external territories), New Zealand, the United Kingdom, Norway, Thailand or Singapore; or

(b) you are, or are acting for the account or benefit of, a US Person.

2.2 Tap Oil has determined that it is either unlawful or impracticable for holders of Shares with registered addresses in jurisdictions outside Australia (and its external territories), New Zealand, the United Kingdom, Norway, Thailand or Singapore to participate in the Offer.

2.3 If you are the only registered holder of a holding of Shares, but you receive more than one offer (for example, due to multiple registered holdings), you may only apply for one maximum parcel of New Shares.

2.4 Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification under **clause 7.1(I)** by one joint holder will be effective in respect of the other joint holder(s).

2.5 If you are a Custodian for a beneficiary or beneficiaries, you may apply for one maximum parcel of New Shares for each beneficiary (or if you are a Custodian for two or more joint beneficiaries, for each such holding as if it was held by a single person). Further information in relation to how Custodians may apply for New Shares is set out in **clause 7.2**.

2.6 Directors and employees of Tap Oil who hold Shares may be Eligible Shareholders.

3 Rights are non-renounceable

If you are an Eligible Shareholder, your rights under the Offer are personal to you and are non-renounceable, which means that you cannot transfer your rights to another person.

4 Offer Price

4.1 The Offer Price for each New Share is the lower of:

- the same price paid by investors under the Placement of 19.25 cents per share; and
- a price determined at the issue date of shares under the Offer based on a 15% discount to the volume weighted average price of Tap Oil shares over the 5 trading day period on the ASX immediately prior to the issue date of the New Shares under the Offer.

4.2 Tap Oil will announce the final Offer Price on the issue date of the New Shares under the Offer.

- 4.3 You should note that Tap Oil's Share price may rise or fall between the date of this Offer and the date when New Shares are allotted and issued to you under the Offer. This means that the price you pay per New Share pursuant to this Offer may be either higher or lower than the Tap Oil Share price at the time of the Offer or at the time the New Shares are issued and allotted to you under the Offer. Please refer to the information in the 'Important Notices' section about how to monitor current trading prices of Tap Oil Shares.

5 Timing

- 5.1 The Offer opens on 4 January 2016 and closes at 5.00pm (AWST) on 12 February 2016 unless extended. Tap Oil proposes to allot the New Shares on 19 February 2016 and send confirmations to shareholders by 22 February 2016.
- 5.2 Tap Oil reserves the right to extend the Offer, or the proposed Allotment Date, at any time by making an announcement to the ASX.

6 Applying for New Shares

- 6.1 You may apply for a parcel of New Shares under the Offer with one of the application amounts set out in the table below. The minimum investment under the Offer is \$1,000 and the maximum investment under the Offer is \$15,000.
- 6.2 The number of New Shares you will receive, at each application amount, will depend on the Offer Price determined in accordance with **clause 4.1**. **For illustrative purposes only**, the following table summarises the number of New Shares for different application amounts and different Offer Prices (assuming there is no scale back of applications):

Application amount	Number of New Shares (at various prices) ²		
	At Placement price (19.25 cents per Share)	If 15% discount to VWAP price is 19 cents	If 15% discount to VWAP price is 17 cents
\$1,000	5,195	5,263	5,882
\$2,000	10,390	10,526	11,765
\$5,000	25,974	26,316	29,412
\$10,000	51,948	52,632	58,824
\$15,000	77,922	78,947	88,235

- 6.3 You may not apply for more than \$15,000 of New Shares in aggregate under the Offer, even though you may receive more than one offer, or offers in more than one capacity, under the Offer.
- 6.4 If you wish to apply for New Shares under the Offer you should either:
- (a) pay directly via BPAY[®] on the internet or by telephone, using the details on the Application Form (New Zealand, United Kingdom, Norway, Thailand or Singapore based shareholders cannot apply using BPAY unless they have an Australian bank account).³ The Application Form does not need to be returned in this case; or

² Figures have been rounded up to the nearest whole number.

³ Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should take this into consideration when making any electronic payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY[®] are received in time.

- (b) complete the Application Form and forward it with your payment by cheque (or money order) in Australian dollars made payable to “Tap Oil Limited” to the Share Registry, at the address set out on the Application Form. A reply paid envelope is enclosed for the convenience of Australian shareholders.
- 6.5 Do not forward cash. Receipts for payment will not be issued.
- 6.6 Funds paid via BPAY[®] or Application Forms (with application payments) must be received by the Share Registry by 5.00pm (AWST) on 12 February 2016. Tap Oil may reject applications received after this time. If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred.
- 6.7 If your Application Form or application is incomplete, contains errors or is otherwise invalid or defective, Tap Oil may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it considers appropriate, refund your application money, or take any combination of these actions. Any necessary refund will be paid to you shortly after the close of the Offer. No interest will be paid on any refunded money.
- 6.8 You cannot withdraw or revoke your application once you have sent in an Application Form or paid via BPAY[®].

7 Effect of making an application

- 7.1 If you submit a BPAY[®] payment or complete and return the Application Form, you:
 - (a) will be deemed to have represented and warranted that you are an Eligible Shareholder, you have read and understood these Terms and Conditions and you subscribe for New Shares in accordance with these Terms and Conditions;
 - (b) authorise Tap Oil to correct or amend your Application Form as contemplated by **clause 6.7**;
 - (c) acknowledge that the market price of Shares may rise or fall between the date of this Offer and the Allotment Date and that the Offer Price you pay for the New Shares may exceed the market price of the Shares on the Allotment Date;
 - (d) accept the risk associated with any refund that may be dispatched to you at your address as shown on the share register;
 - (e) are responsible for any dishonour fees or other costs Tap Oil may incur in presenting a cheque for payment which is dishonoured;
 - (f) acknowledge that in accordance with relevant New Zealand securities law, a person who, on the Record Date, was registered as a holder of Shares with a New Zealand address but who, as at the time of the Offer no longer holds Shares, is not eligible to participate in the Offer. This Offer is being made to New Zealand resident Shareholders pursuant to the New Zealand Securities Act (Overseas Companies) Exemption Notice 2013;
 - (g) acknowledge that to the extent you hold Shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any application complies with all applicable foreign laws (see ‘Important Notices’ above for further information);
 - (h) acknowledge that the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia (and its external territories), and accordingly, the New Shares purchased under the Offer may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;

- (i) represent and warrant that you are not a US Person, and are not applying under the Offer for or on behalf of a US Person;
- (j) represent and warrant that you have not and will not send any materials relating to the Offer to any person in the United States that is, or is acting for the account or benefit of, a US Person;
- (k) acknowledge that you have not been provided with investment advice or financial product advice by Tap Oil or the Share Registry and have made your own enquiries before making an investment decision; and
- (l) certify that you have not applied for, or instructed a Custodian to apply on your behalf for, New Shares with an application price which, when aggregated with the application price for any Shares issued to you or a Custodian on your behalf under the Offer or any similar Tap Oil arrangement in the 12 months prior to your application, exceeds \$15,000. This certification by one joint holder of Shares will be effective in respect of the other joint holder(s).

7.2 If you are a Custodian, you certify:

- (a) that as at the Record Date, you hold Shares directly or indirectly on behalf of one or more beneficiaries, and that those beneficiaries have been provided with a copy of this document and have instructed you to apply for New Shares;
- (b) details of the number of beneficiaries who have instructed you directly or indirectly to apply for New Shares on their behalf, their names and addresses, the number of Shares you hold directly or indirectly on their behalf and the number of New Shares they have instructed you directly or indirectly to apply for are correct;
- (c) you have not applied for New Shares directly or indirectly on behalf of any beneficiary with an application price which, when aggregated with the application price for any Shares issued to you (or any other Custodian) on behalf of that beneficiary under the Offer or any similar Tap Oil arrangement in the 12 months prior to your application, exceed \$15,000;
- (d) where you hold Shares on behalf of a beneficiary indirectly, through one or more interposed Custodians, the name and address of each interposed Custodian; and
- (e) you:
 - (i) hold an Australian financial services licence that covers the provision of a custodial or depositary service (within the meaning given by section 766E of the Corporations Act) or which includes a condition requiring the holder to comply with the requirements to operate an IDPS (as defined in ASIC Class Order 13/Class Order 763); or
 - (ii) do not hold an Australian financial services licence for the provision of a custodial or depositary service as described in the Class Order and are exempt from the requirement to hold such a licence; or
 - (iii) otherwise meet the definition of Custodian in the Class Order.

7.3 Custodians wishing to participate on behalf of one or more beneficiaries should contact the Share Registry to obtain more information on how to apply and the form of certification to be given.

7.4 Please note that if you hold Shares in the capacity of a trustee or a nominee for another person but you do not meet the definition of Custodian in the Class Order, you cannot participate for beneficiaries in the manner outlined in **clause 7.2** above. In this case, the rules for multiple registered holdings as described in **clause 2.3** apply.

8 Rights attached to the New Shares

New Shares issued under the Offer will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements as at the Allotment Date. Tap Oil will apply for the New Shares to be quoted on the ASX.

9 Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, New Shares under the Offer.

10 Applications may be scaled back

10.1 Tap Oil may in its discretion scale back applications for New Shares to the extent and in the manner it sees fit. If there is a scale back you may receive less than the parcel of New Shares for which you have applied. Decisions made by Tap Oil regarding any scale back will be final.

10.2 If the scale back produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be allocated will be rounded up to the nearest whole number of New Shares.

10.3 In the event of a scale back, the difference between the application monies received, and the number of New Shares allocated to you multiplied by the Offer Price, will be refunded by Tap Oil, without interest, following allotment.

11 Rejection of applications

Tap Oil may accept or reject your application for New Shares at its absolute discretion. Tap Oil may reject your application in one or more of the following circumstances (among others):

- (a) your Application Form is incorrectly completed, incomplete or otherwise determined by Tap Oil or the Registry to be invalid;
- (b) you have paid less than A\$1,000 to apply for New Shares;
- (c) your cheque is dishonoured or the cheque, bank draft or money order that you enclose with your Application Form is not made out for the amount corresponding to the value of the parcel of New Shares you have applied for;
- (d) your BPAY® payment is incomplete or invalid;
- (e) it appears that you are applying to acquire New Shares with an aggregate application amount in excess of A\$15,000;
- (f) you are a custodian and you have not provided the required documentation (refer to **clause 7.3**);
- (g) your Application Form or BPAY® payment is received after 5.00pm (AWST) on 12 February 2016. Late payments will be refunded or rejected, without interest, as soon as practicable following the issue of New Shares; or
- (h) Tap Oil believes you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements).

12 Refunds

12.1 Refunds pursuant to the Offer may be paid under various circumstances. For example, if applications are made incorrectly the entire payment may be refunded, or if allocations are scaled back a partial refund may be made.

12.2 If a refund is made, payment will be by cheque mailed to your address as shown on the Company's share register.

12.3 You will not receive any interest on funds refunded to you.

12.4 Any refund made to you is dispatched at your risk.

13 United States

13.1 Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person. Participation in the Offer, directly or indirectly, in violation of these restrictions is not permitted, and any such participation will be invalid.

13.2 This document is not an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Tap Oil Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or delivered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person, except in accordance with an available exemption from registration.

13.3 Because of the legal restrictions summarised above, you must not send copies of any Offer materials to any of your clients (or any other person) in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Consistent with the warranties set out above, you are also advised not to submit any Application Form or make payment by BPAY[®] or otherwise in respect of the purchase of New Shares under the Offer on behalf of any of your clients (or any other person) in the United States or that is, or is acting for the account or benefit of, a US Person. Failure to comply with these restrictions may result in violations of applicable securities laws.

14 Dispute resolution

Tap Oil reserves the right to settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Offer. The decision of Tap Oil will be conclusive and binding on all shareholders and other persons to whom the determination relates.

15 Waiver, amendment, suspension and termination

15.1 Tap Oil may, in its absolute discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions or suspend, withdraw or terminate the Offer at any time. Any such waiver, amendment, variation, suspension, withdrawal or termination will be binding on all Eligible Shareholders even where Tap Oil does not notify you of the event.

15.2 Tap Oil is not liable for loss, cost or expense arising out of any exercise of its discretions under these Terms and Conditions.

16 ASIC relief

16.1 The Offer is made in accordance with the Class Order. The Class Order grants relief from the requirement to prepare a prospectus for the offer of New Shares up to \$15,000 under the Offer, subject to certain terms and conditions.

16.2 In accordance with the terms of the Class Order, Tap Oil has on 23 December 2015 given a notice to ASX that complies with section 708A(6) of the Corporations Act.

17 Governing law

These Terms and Conditions are governed by the laws in force in Western Australia, Australia.

18 Binding terms

By accepting the offer to purchase New Shares under the Offer, you agree to be bound by these Terms and Conditions and the constitution of Tap Oil.

19 Underwriting

The Offer is not currently underwritten. The directors of Tap Oil reserve the right in its absolute discretion to obtain an underwriter at any stage in accordance with the Corporations Act and the Listing Rules. Subject to any underwriting, Tap Oil reserves the right to place any shortfall under the Offer in accordance with its share issue capacity under the Listing Rules.

20 Right to withdraw

Tap Oil reserves the right to withdraw the Offer at any time.

21 Definitions

In this document the following terms have these meanings:

Definition	Meaning
\$	Australian dollars.
Allotment Date	The date the New Shares are allotted, is expected to be 19 February 2016.
Application Form	The application form which accompanies this Share Purchase Plan Offer.
ASIC	The Australian Securities & Investments Commission.
ASX	ASX Limited or the Australian Securities Exchange, as the context requires.
Class Order	ASIC Class Order 09/425 (as may be amended from time to time).
Company or Tap Oil	Tap Oil Limited ABN 89 068 572 341.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Custodian	The meaning given in the Class Order.
Eligible Shareholder	A person who is eligible to participate in the Offer in accordance with clause 2 of the Terms and Conditions.
Listing Rules	The official listing rules of the ASX.
New Shares	The Shares offered in the Share Purchase Plan Offer.
Offer or SPP	The offer of New Shares under the share purchase plan.
Offer Price	The price calculated in accordance with clause 4.1 of the Terms and Conditions.
Placement	The placement of new Shares to institutional and professional investors, raising \$2.75 million, announced on 16 December 2015.
Record Date	5.00pm (AWST), 15 December 2015.
Share Purchase Plan Offer	This document.
Share Registry	Computershare Investor Services Pty Limited of Level 11, 172 St Georges Terrace, Perth, Western Australia 6000.
Shares	Fully paid ordinary shares in Tap Oil.
Terms and Conditions	The terms and conditions of the Offer set out in this Share Purchase Plan Offer.

Definition	Meaning
US Person	A “U.S. person” as defined in Regulation S under the US Securities Act.
US Securities Act	<i>US Securities Act of 1933</i> , as amended.

