

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Tap Oil Limited

ABN

89 068 572 341

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Tap Oil Limited will issue up to 155,051,755 Shares pursuant to a pro-rata renounceable rights issue as detailed in the announcement dated 15 March 2016 (Rights Issue). The final number of Rights Issue Shares to be issued remains subject to reconciliation of shareholders' holdings and rounding. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

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4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes
5	Issue price or consideration	\$0.05 per Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To raise sufficient funds to satisfy a condition to a restructuring of the Company's borrowing base debt facility, with the funds ultimately being used for working capital purposes.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A

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6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	N/A	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	Expected to be 20 April 2016	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		413,471,346 (subject to the effects of reconciliation and rounding under the Rights Issue)	Fully paid ordinary shares

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	5,000,000	Performance Rights (Special award to MD/CEO, vesting date 1 July 2016)
	1,926,854	Performance Rights (vesting 1 Jan 2017)
	2,541,670	Performance Rights (vesting 1 Jan 2018)
	607,401	18 month Retention Rights (vesting 1 Jul 2016)
	31,289	3 year Retention Rights (vesting February 2016)
	36,564	3 year Retention Rights (vesting Jul 2016)
	19,877	3 year Retention Rights (vesting Aug 2016)
	14,715	3 year Retention Rights (vesting Sept 2016)
	50,000	3 year Retention Rights (vesting Oct 2016)
	61,287	3 year Retention Rights (vesting Jan 2018)
	272,981	3 year Retention Rights (vesting Jul 2018)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	Same dividend entitlements as those that apply to existing ordinary Shares in the Company.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No.
12	Is the issue renounceable or non-renounceable?	Renounceable.

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13	Ratio in which the ⁺ securities will be offered	3 Shares offered for every 5 Shares held at the record date.
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares.
15	⁺ Record date to determine entitlements	7.00pm (AEDT) on 18 March 2016
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Any fractions arising in the calculation of entitlements will be rounded up to the nearest whole number of new Shares.
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with.</small> <small>Cross reference: rule 7.7.</small>	Shareholders whose registered address is not in Australia, New Zealand, the United Kingdom, Singapore, Thailand, the British Virgin Islands or Norway.
19	Closing date for receipt of acceptances or renunciations	Scheduled to close at 5.00pm (AEST) 13 April 2016.

⁺ See chapter 19 for defined terms.

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20	Names of any underwriters	Patersons Securities Limited, Risco Energy Investments (SEA) Limited, Northern Gulf Petroleum Holdings Limited
21	Amount of any underwriting fee or commission	Patersons Securities Limited will receive a total fee of A\$140,781 for their role in managing and underwriting a portion of the Rights Issue. Risco Energy Investments (SEA) Limited, Risco and Northern Gulf Petroleum Holdings Limited will each be paid a fee of US\$100,000 for committing to participate in the Rights Issue and a fee of A\$77,993 for underwriting the remaining portion of the Rights Issue.
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	23 March 2016
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	17 March 2016
29	Date rights trading will end (if applicable)	6 April 2016

+ See chapter 19 for defined terms.

- | | | |
|----|---|--|
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | <p>Eligible shareholders who want to sell their entitlements in full on ASX through a broker can do so by instructing their broker personally and providing details as requested in the Entitlement and Acceptance Form.</p> <p>All ASX sales of entitlements must be made by close of the entitlement trading period, which is scheduled to be 6 April 2016.</p> |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | <p>Eligible shareholders who want to sell part of their entitlements through a broker and accept for the balance must:</p> <ul style="list-style-type: none">(a) in respect of the part of their entitlement being taken up, complete and return the Entitlement and Acceptance Form to the Registry with the required Application Monies (being the issue price multiplied by the number of New Shares applied for) or via BPAY by following the instructions set out in the Entitlement and Acceptance Form; and(b) in respect of the entitlements to be sold, instruct their broker personally and provide details as requested from the Entitlement and Acceptance Form. <p>All sales on ASX of eligible shareholder entitlements must be effected by close of the entitlement trading period, which is scheduled to be 6 April 2016.</p> |

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?

Eligible shareholders participating in the component of the Rights Issue who wish to transfer all or part of their entitlement to another person other than on ASX (provided that the purchaser has an address in Australia, New Zealand, the United Kingdom, Singapore, Thailand, the British Virgin Islands or Norway and is not in the United States or acting for the account or benefit of a person in the United States) must send a completed Renunciation and Transfer Form to the Share Registry. If the transferee wishes to take up all or part of the entitlement transferred to them they must send their Application Monies together with the Entitlement and Acceptance Form related to the entitlement transferred to them to the Registry.

Renunciation and Transfer Forms can be obtained by contacting the Share Registry or from a stockbroker.

The Renunciation and Transfer Form as well as the transferee's Application Monies and the Entitlement and Acceptance Form related to the entitlement transferred must be received by the Share Registry no later than 13 April 2016.

- 33 ⁺Issue date

Scheduled to be 20 April 2016.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

⁺ See chapter 19 for defined terms.

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

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Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


.....
(Director/Company secretary)

Date:

14/3/16

Print name:

Michele Ryan
.....

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⁺ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	
Total ["A" x 0.10] – "E"	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.