

17 March 2016

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

COMMODITY HEDGING PROGRAM EXECUTED

Tap Oil Limited (ASX:TAP) is pleased to announce that it has met the BNP Paribas and Siam Commercial Bank requirement to hedge approximately 50% of forecast 1P Manora production for between 6 and 12 months. Today, the Company received credit approval from BNP Paribas and has hedged approximately 700,000 barrels of forecast Manora production from April 2016 to February 2017 at an average swap price of US\$42.15/bbl, representing approximately 47.5% of forecast volumes over the 11 month period. BNP has confirmed that this will meet the condition on their credit approval for modification of its borrowing base debt facility (**BNP Facility**).

As previously announced on 14 March 2016, the lead debt arranger BNP Paribas has advised that they have in-principle credit approval for reducing the minimum liquidity amount that needs to be held by the Company from US\$10 million to US\$3 million and for softening the debt sizing ratio requirements. These modifications are conditional on:

- Tap hedging 50% of forecast 1P Manora production for between 6 and 12 months;
Now completed
- Tap raising a minimum of US\$5 million in additional capital;
Tap has commenced a pro rata renounceable rights issue of fully paid ordinary shares in the Company to raise up to A\$7.75 million (before costs).
- Credit approval being received from Siam Commercial Bank for these proposed modifications to the BNP Facility, this approval is expected to be forthcoming in the coming weeks; and
In progress
- Formal legal documentation being entered into to give effect to these changes to the BNP Facility.
In progress

The modifications proposed to be made to the BNP Facility are expected to significantly strengthen the Company's financial position and improve its ability to withstand further prolonged periods of low oil prices until the market improves.

Enquiries

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