

Quarterly Update

For the Quarter ended 31 December 2020



Highlights

- **US\$12.455 million of cash on hand (excluding Tap's share of joint venture cash) as at 31 December 2020**
- **Manora production during the December 2020 quarter (December Quarter) averaged 7,009 bopd (Tap's share 2,104 bopd)**
- **Cumulative Manora gross production reached 18.5 MMSTB (Tap's share 5.55 MMSTB) as at 31 December 2020**
- **Two liftings during the December Quarter totalling 171,653 bbls (Tap's share)**
- **Tap's cash receipts from three liftings received during the December Quarter of US\$10.49 million (US\$10.48 million after hedging) at an average price of US\$40.09/bbl (US\$40.05/bbl after hedging)**
- **Hedging program for circa 80% of the January, February and March 2021 cargoes executed at a weighted average Dubai price of US\$44.61 / barrel**
- **FY2020 Manora production totalled 6,021 bopd gross (Tap's share 1,806 bopd)**
- **The Manora debottlenecking project was 82% complete at the end of December 2020 and is expected to be completed in Q1 FY2021.**
- **Tap completed the equal access off market share buy back on 14 December 2020 and was officially delisted from the Australian Stock Exchange on 18 December 2020. The remaining number of Tap shares on issue at the time of delisting was 260,539,206.**

Tap Oil Limited (**Tap** or the **Company**) provides the following update on its activities for the December Quarter.

Revenue

Cash receipts for the December Quarter were US\$10.49 million (US\$10.48 million after hedging) from three liftings, made in September, October and November. Cash receipts were higher compared to the quarter ending September 2020 (**September Quarter**) due to an increase in the number of barrels sold. The average realised oil price before hedging on a cash basis was US\$40.09/bbl for the December Quarter, being 9% lower compared to the September Quarter. However, the average realised oil price after hedging was US\$40.05/bbl being marginally lower than the September Quarter.

The 2020 average realised oil price both pre and post hedge realisation were US\$39.65 and US\$42.11 per barrel, bringing the total cash receipts to US\$28.7 million post hedging.

CASH SALES RECEIPTED * (Tap's Share)	Sept Qtr US\$'000	Dec Qtr US\$'000	Qtly % Change	Comment
Manora Crude Receipts – net	3,129	10,478	234.9%	Increase primarily due to there being cash receipts from 3 oil liftings in the December quarter and only 1 cash receipt from oil liftings in the September quarter.
Other Receipts	66	12	(81.8%)	Timing of receipt of interest on term deposits.
Total Cash Receipts	3,195	10,490	228.3%	
Average realised oil price after hedging (US\$/bbl*)	40.11	40.05	(0.2%)	

*For the quarters cash receipts and includes Realised Hedge Gains/ (Losses).

PRODUCTION AND LIFTING VOLUMES (Tap's Share)	Sept Qtr	Dec Qtr	Qtly % Change	Comment
Manora Crude Production (bbls)	193,432	193,437	0.0%	Consistent with previous quarter.
Manora Daily Average Production (bopd)	2,104	2,103	-0.1%	
Manora Crude Lifting (bbls)	167,992	171,653	2.2%	There were 2 liftings in the September Quarter and 2 liftings in the December Quarter.
Manora inventory ¹ (bbls)	117,432	137,549	17.1%	As at quarter end.

1. Reconciliation between production and inventory won't be exact due to shrinkage.

Production and Development

Gulf of Thailand - Manora Oil Field

Offshore Thailand
(Tap 30%)

Tap holds a 30% direct interest in the G1/48 concession in the northern Gulf of Thailand. This concession is operated by MP G1 (Thailand) Limited (**Mubadala Petroleum**).

The G1/48 concession comprises the Manora Oil Field under production license and the Reservation Area within the concession.

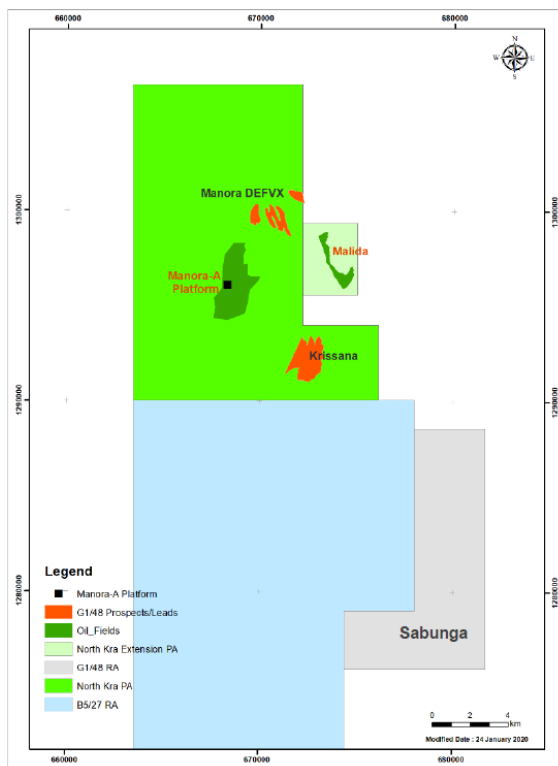
Gross production for the December Quarter was 644.8 MSTB (Tap's share 193 MSTB). The average quarterly gross production rate was 7,008 bopd (Tap's share 2,103 bopd). Cumulative field production to 31 December 2020 was 18.5 MMSTB gross (Tap's share 5.55 MMSTB).

Production during November and December 2020 was constrained by the FSO storage capacity prior to the early January 2021 lifting. At 31 December 2020, the four new development wells had a cumulative production of 667 MSTB (200 MSTB net to Tap). This accounted for 30.3% of the 2020 Manora production of 2.2 MMSTB (661 MSTB net to Tap).

Production exit rate on 31 December 2020 was 7,216 Bopd (2,165 Bopd net to Tap).

During the December Quarter, the Manora de-bottlenecking project continued. The objective was to increase the water handling capacity of the platform to approximately 43,000 bpd, which would allow enhanced depletion of the high watercut wells. At the end of the December Quarter the project was reported to be 82% complete with final completion expected by the end of January 2021.

Figure 1: Location Map of Manora Production Area and G1/48 Exploration Reservation Areas



The Sabunga Exploration Reservation Area totalling 56.96km² expired in December 2020 and will not be renewed. Tap now only holds the Manora production area and its extension totalling 171.55 km²

No further exploration, appraisal and development drilling is planned at Manora.

Exploration, Development, Operating & Other Expenditures

	Tap Share	Tap Share
	Sept Qtr US\$'000	Dec Qtr US\$'000
Exploration & Appraisal	70	-
Development, Plant & Equipment	1,417	842
Total Capital Expenditure	1,487	842
Manora Production Costs *	5,477	4,167
Other expenses **	438	1,030
Total Expenditure	7,402	6,039

* Includes operating costs, royalties, marketing costs, insurance, inventory movements. Excludes depreciation and amortisation charges.

** Includes staff costs and G&A costs.

2020 Manora operating cash costs totaled circa US\$24.49/bbl including royalty, insurance and marketing costs.

Financial & Corporate

Cash Position

Tap's cash position at 31 December 2020 was US\$12.455 million. Cash excludes Tap's share of cash held in joint ventures, which at the end of the December Quarter was US\$4.07 million and primarily required for expenditures incurred but not yet paid.

	Dec'19 US\$'000	Mar'20 US\$'000	Jun'20 US\$'000	Sept'20 US\$'000	Dec'20 US\$'000
Cash on hand	20,274	24,576	22,539	19,103	12,455
Debt	-	-	-	-	-
Net Cash /(Debt)	20,274	24,576	22,539	19,103	12,445

Hedging

During the December Quarter, the Tap Board resolved to execute the following commodity hedges:

- 72,000 bbls of swaps at an average Dubai fixed oil price of US\$44.70/bbl for January 2021;
- 67,000 bbls of swaps at an average Dubai fixed oil price of US\$44.57/bbl for February 2021; and
- 67,000 bbls of swaps at an average Dubai fixed oil price of US\$44.57/bbl for March 2021.

The hedges represented circa 80% of scheduled Tap Q1 2021 oil liftings.

Share Buyback and Vountary Delisting

On 15 December 2020, Tap spent A\$13,316,947 buying back 170,730,090 fully paid ordinary shares in the capital of the Company through the off-market equal access share buy-back previously announced on ASX on 29 September 2020, and approved by Shareholders at its general meeting held on 29 October 2020. The Buy Back closed on 14 December 2020.

The Company's Share structure following completion of the Buy Back is set out in the table below.

	Number of Shares	Percentage of total issued Shares before Buy Back
Total issued Shares before Buy Back	431,269,296	100%
Buy Back	170,730,090	39.6%
Total issued Shares after Buy Back	260,539,206	60.4%

On 29 October 2020, Shareholders approved the Company's removal from the Official List of the ASX from the close of trading on 18 December 2020. Shareholders should have received a holding statement from the Company's Share Registry, Link Market Services, outlining shareholders holdings and their SRN number that corresponds to the shareholders' holding.

The Company wishes to remind Shareholders that following the Company's removal from the Official List, any further announcements to be made by the Company will be made available on the Company's website at <http://www.tapoil.com.au/site/Investor-Centre/company-updates>

Authorised by the Board of Tap Oil Limited.

FURTHER INFORMATION

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Abbreviations and Definitions	Investor Relations	Disclaimer
Please refer to Tap Limited's Annual Report Glossary or Glossary and Definitions on Tap's website for explanations of any abbreviations used in this report. Unless otherwise noted, this Quarterly Update is presented in US dollars.	Information contained on Tap's website is regularly updated. Tap encourages all interested stakeholders to visit www.tapoil.com.au .	This report contains some references to forward looking assumptions, estimates and outcomes. These are uncertain by the nature of the business and no assurance can be given by Tap that its expectations, estimates and forecast outcomes will be achieved.