

20 January 2012

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The Company Announcements Platform
Australian Securities Exchange
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SYDNEY NSW 2000

INVESTOR UPDATE 20 JANUARY 2012

Please find attached a copy of a presentation updating investors and analysts on Tap Oil Limited's activities.

A copy of this presentation is available at the ASX and can be viewed on the Company's website www.tapoil.com.au under the heading "Investor Centre".

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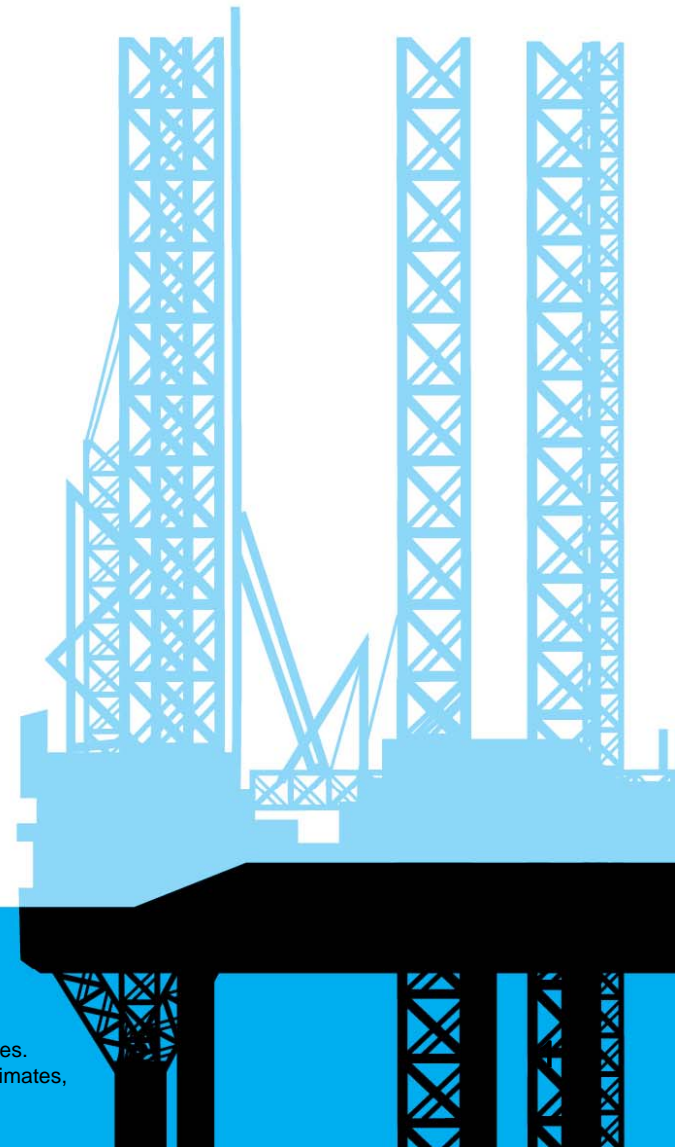
Investor Update

Tallaganda-1 Approaching

20 January 2012

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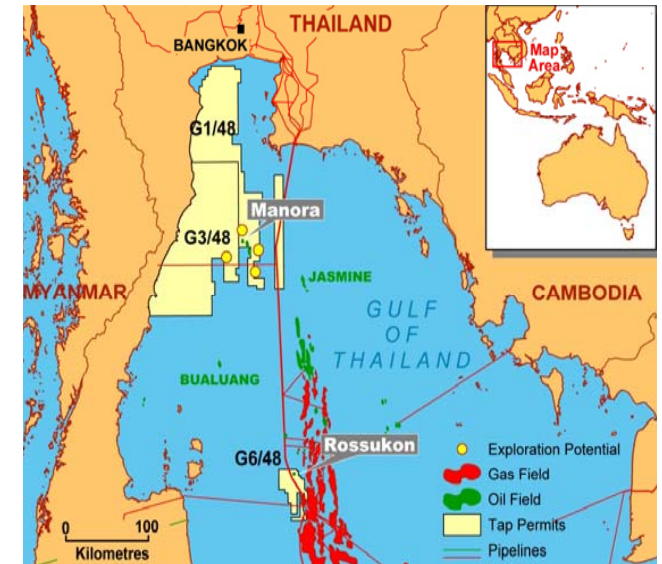
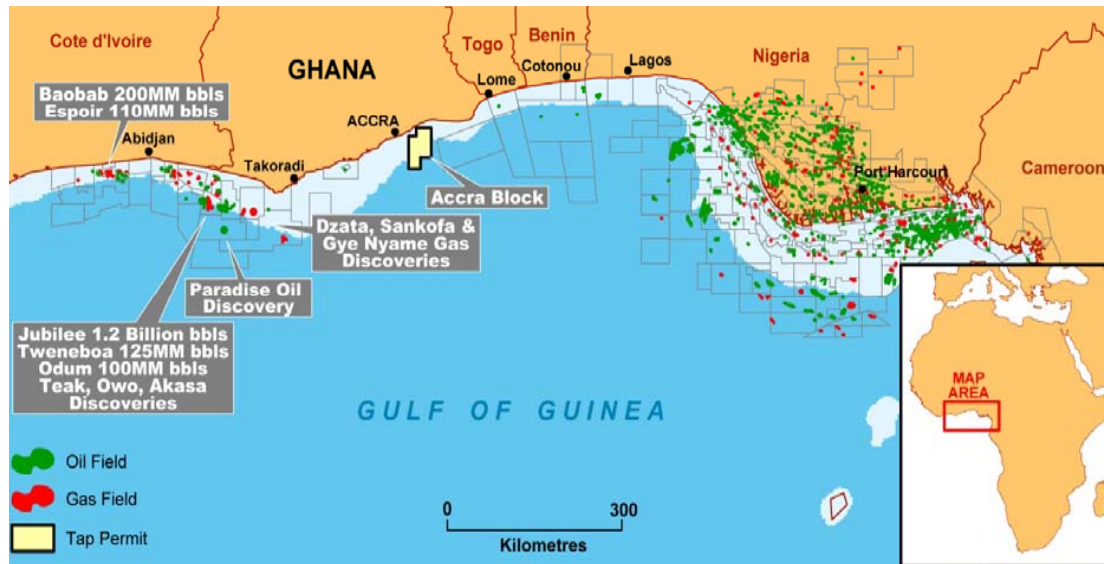
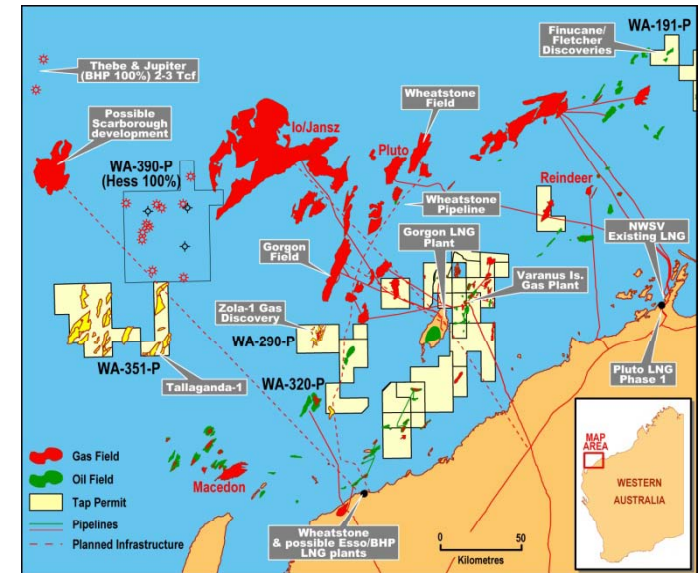
Person compiling information about hydrocarbons

Pursuant to the requirements of the ASX Listing Rules, the reported hydrocarbon estimates contained in this document are based on information compiled by the Company's Exploration Manager, Mr Milton Schmedje B.Sc (Hons) who has more than 25 years relevant experience in the petroleum industry. Mr Schmedje is a full-time employee of the Company, and has consented to the inclusion of such information in this report in the form and context in which it appears.

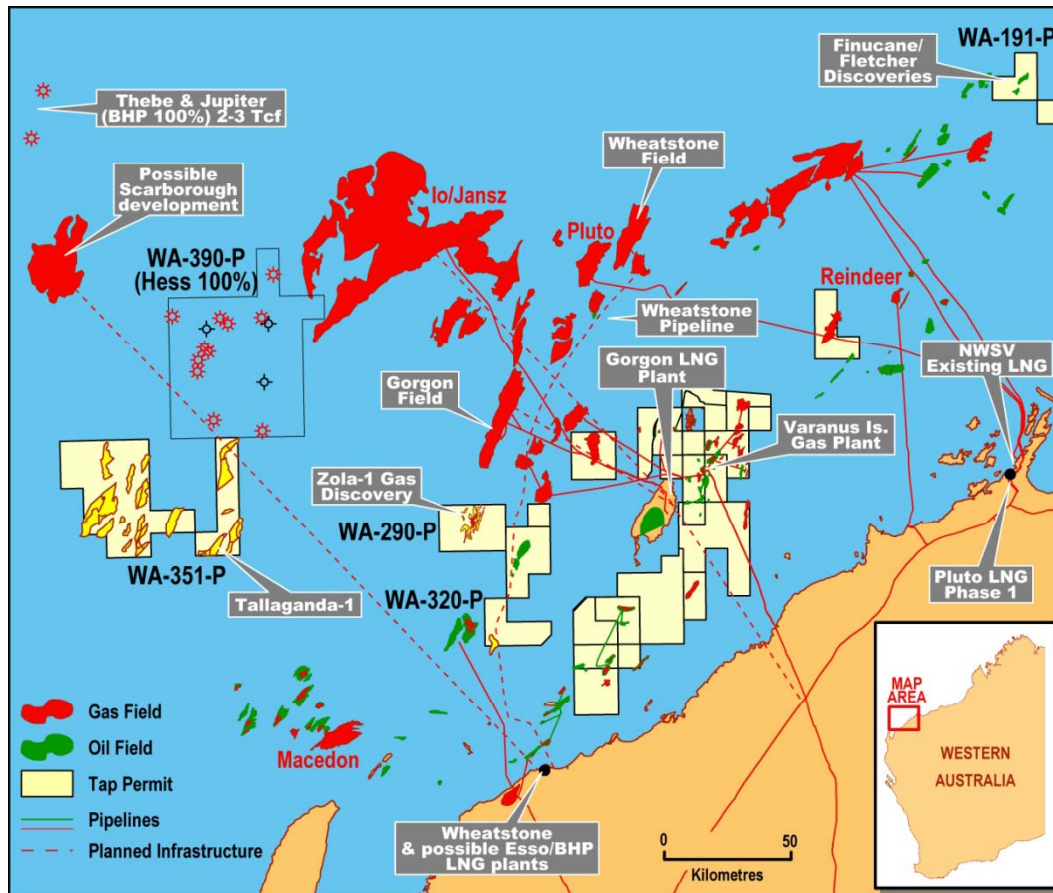
Core Focus Areas



- Carnarvon Basin, Western Australia
 - WA-290-P, Zola-1 gas discovery
 - WA-351-P, LNG gas exploration
- Thailand – Manora oil development and exploration
- Ghana, Accra Block – large scale oil exploration



Background on WA-351-P Permit (Tap 20%)



- Triassic potential of 2-3 Tcf (gross) in a proven province, with further upside in the Jurassic
- Hess undertaking FEED studies in adjacent WA-390-P (Hess 100%) and in discussion/evaluating various LNG project options for development
- Tallaganda-1 will be the first well in WA-351-P
- Proximity to many large-scale liquefied natural gas (LNG) projects being developed provides multiple options for commercialisation if successful

Permit Partners

Participating Interest

BHP Billiton Petroleum (Northwest Shelf) Pty Ltd	55%
Apache Northwest Pty Ltd	25%
Tap (Shelfal) Pty Ltd	20%
BHP Billiton Petroleum Pty Ltd (Operator)	

2-3 Tcf potential with first well to be drilled early in 2012

Tallaganda-1 to Spud Shortly

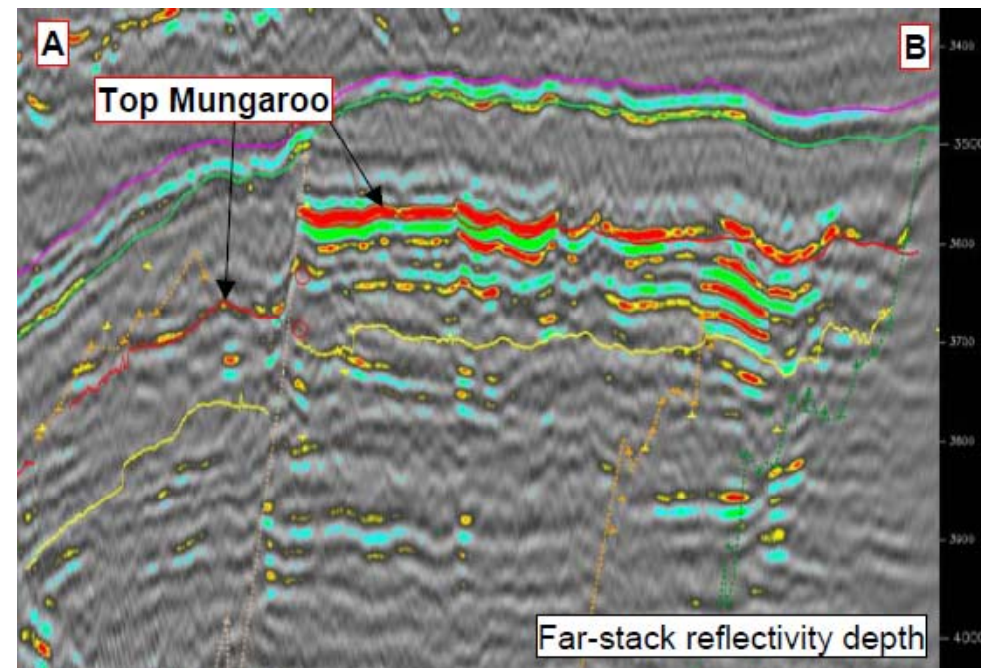
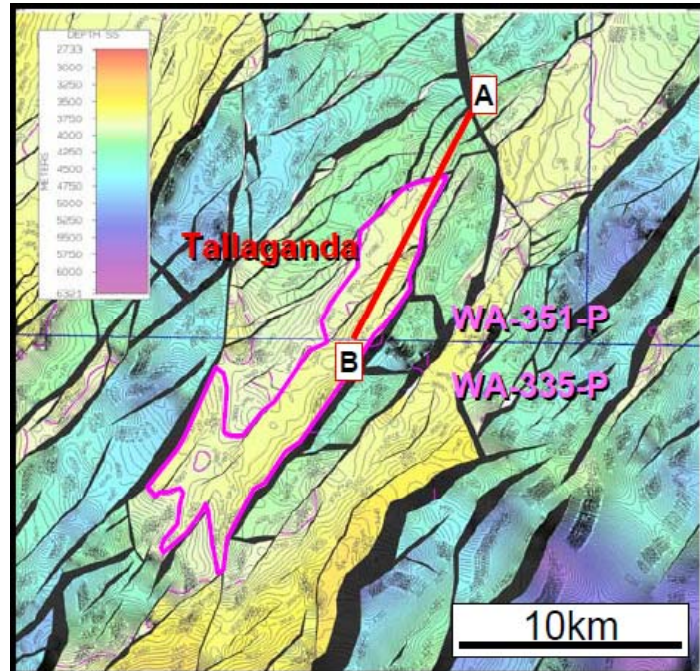


Tap's upcoming Tallaganda-1 well in WA-351-P is a critical well for Tap and provides a near-term catalyst for significant value appreciation due to:

- BHP is Operator and will cover Tap's share of costs up to \$10 million
- Material equity position (20%) for mid cap energy company
- High probability of success at over 60% (very high for exploration)
- Large target size, up to 1.3 Tcf (P10) on block
- Huge potential upside on block of 2 - 3 Tcf+
- Located adjacent to multiple large scale discoveries/projects with numerous commercialisation options
- Rig slot confirmed and well set to spud in Q1 2012

Significant exposure to a highly prospective gas target

Tallaganda-1 Technical Information



- Triassic target analogous to multiple discoveries in the region, e.g. Chrysaor & Dionysus 3 Tcf, Othrus 1.2 Tcf, Maenad 0.8 Tcf, Geryon 2.5 Tcf, Gorgon, Wheatstone & Iago 4.5 Tcf and Thebe 3 Tcf
- Strong seismic amplitudes within closure and AVO support in the Tallaganda Fault Block are indicative of reservoir and gas
- Prospect straddles WA-351-P and WA-335-P
- Tallaganda prospective resource range of 0.8-1.3 Tcf (mean to P10) within WA-351-P
- Tallaganda is assessed as having a possibility of success greater than 60%

Active Year After a Promising Start to 2012



Significant events expected in 2012:

- Sold Tap's 8.2% interest in WA-191-P in Carnarvon Basin for \$21.7 million
- Tallaganda-1 well to be drilled in the highly prospective WA-351-P permit in the Carnarvon Basin, Western Australia. Tap is carried on this well up to \$10 million
- Ghana farm down and prospectivity update
- FID, including funding, at Manora development in Thailand
- Bambra-10 development well in Q2 2012



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