

25 May 2009

---

**Tap Oil Limited**  
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](mailto:info@tapoil.com.au)

[www.tapoil.com.au](http://www.tapoil.com.au)

The Company Announcements Platform  
Australian Securities Exchange  
Exchange Centre  
20 Bond Street  
**SYDNEY NSW 2000**

## **INVESTOR PRESENTATION UPDATE MAY 2009**

Please find attached a copy of a presentation providing investors and analysts with an update 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](http://www.tapoil.com.au) under the heading "Investor Centre".

---

<b>Enquiries to:</b>	Peter Stickland (Managing Director/CEO)
Telephone:	+61 8 9485 1000
Email:	<a href="mailto:info@tapoil.com.au">info@tapoil.com.au</a>
Website:	<a href="http://www.tapoil.com.au">www.tapoil.com.au</a>

---

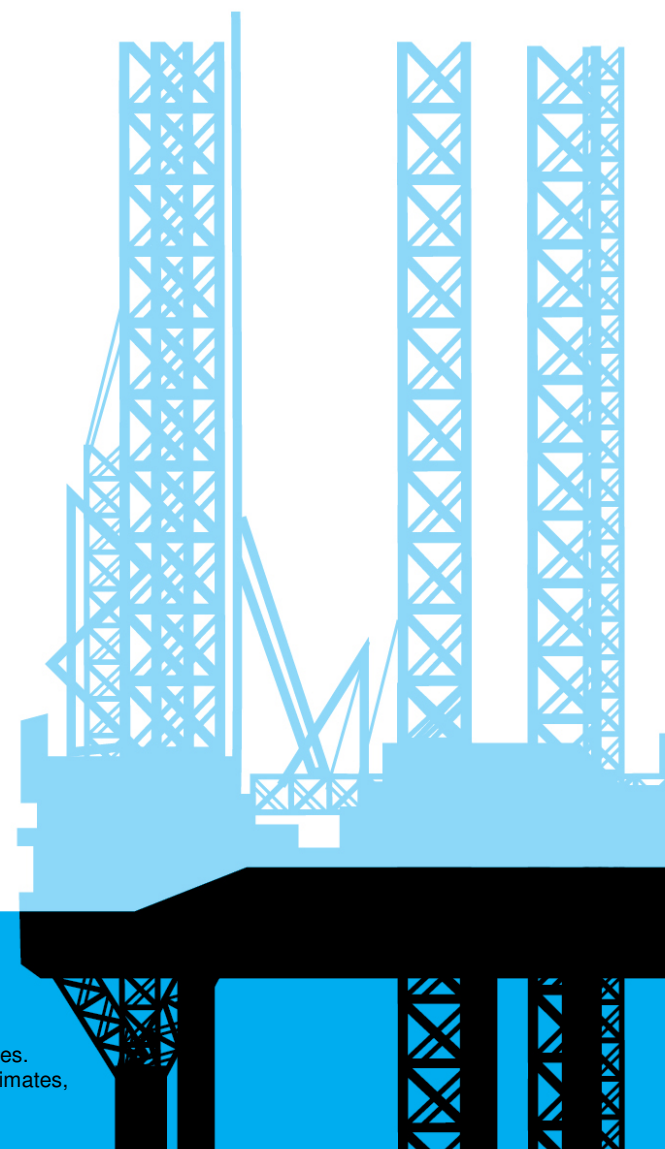


# Tap Oil Limited

**Investor Presentation  
May 2009**

**[www.tapoil.com.au](http://www.tapoil.com.au)**

This presentation contains some references to forward looking assumptions, representations, estimates, budgets, and outcomes. These are uncertain by the nature of the business and no assurance can be given by Tap Oil Limited that its expectations, estimates, budgets and forecast outcomes will be achieved. Actual results may vary materially from those expressed herein.



Tap Oil is an upstream Oil and Gas Company with a strong balance sheet, established production and quality exploration opportunities with a focus on Australia and South East Asia

## Key Strengths

- Established asset base
  - Developed reserves with diversified revenue streams
  - Additional contracted gas delivering fixed high margin revenue
  - Material exploration targets
- Strong financial position
  - Cash balance of A\$52 million equivalent (as at 31 March 2009)
  - No debt
  - Balance of oil production and fixed price gas sales
- Focused on delivering value and growth
  - Managing production assets and gas contracts
  - Exploration funded from internal cash
  - Seeking to acquire value adding assets

# Tap Oil: Capital Structure



## Top 20 Shareholders as at 31/12/08

Name	Shares	%
ANZ Nominees Limited	23,226,499	14.84
National Nominees Limited	20,923,721	13.37
Citicorp Nominees Pty Limited	14,901,175	9.52
HSBC Custody Nominees (Australia) Ltd	13,974,016	8.93
JP Morgan Nominees Australia Limited	11,063,106	7.07
Citicorp Nominees Pty Limited	2,169,642	1.39
Merrill Lynch (Australia) Nominees Pty Ltd	1,983,433	1.27
Weswood Pty Ltd	1,429,767	0.91
McRae Investments Pty Ltd	1,002,234	0.64
UBS Wealth Management Australia Nominees Pty Ltd	841,624	0.54
Hedon Pty Ltd	806,372	0.52
Berne No 132 Nominees Pty Ltd	772,534	0.49
HSBC Custody Nominees (Australia) Limited	685,176	0.44
Keepa Pty Ltd	675,000	0.43
Humboldt Capital Corporation	580,000	0.37
UBS Nominees Pty Ltd	545,698	0.35
Citicorp Nominees Pty Ltd	533,233	0.34
Tap Oil Share Plan Pty Ltd	478,244	0.31
Australian Reward Investment Alliance	468,963	0.30
Brazil Farming Pty Ltd	400,000	0.26
<b>TOTAL TOP 20</b>	<b>97,460,437</b>	<b>62.29%</b>

- Listed on the ASX since 1996
- 156.5 million shares on issue
- Tap's last equity raising 1999
- Top 20 shareholders hold > 60%
- Institutional holders ~55%

## Recent Broker Coverage

## Rating

- |                        |            |
|------------------------|------------|
| ➤ Argonaut             | Buy        |
| ➤ Patersons            | Buy        |
| ➤ Goldman Sachs JBWere | Hold       |
| ➤ Hartleys             | Buy        |
| ➤ Macquarie            | Outperform |
| ➤ UBS                  | Buy        |
| ➤ Euroz                | Hold       |

## As at 31 December 2008

- Shares on issue 156 million
- Market Capitalisation \$120 million (@0.77cps)
- Cash at bank \$53 million
- Net 2P Reserves 5.8 mmboe
- Plus contracted gas 5.1 mmboe

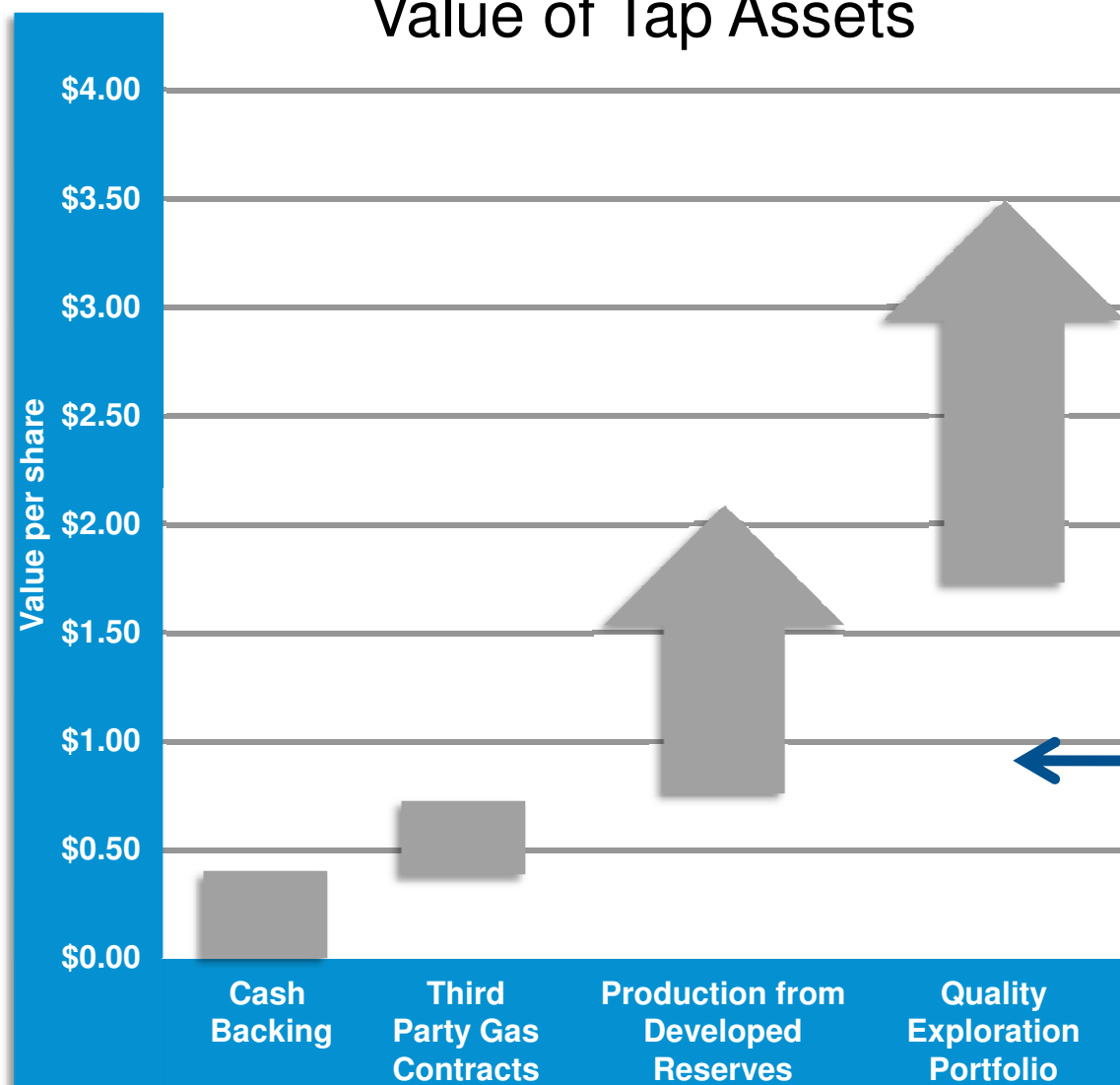
## Board of Directors

- Neale Taylor – Chairman
- Peter Stickland – MD & CEO
- Paul Underwood – Non-executive
- Peter Lane – Non-executive
- Michael Sandy – Non-executive

# Tap Oil: Strong Value Proposition



## Value of Tap Assets



- \$0.79 per share value from just cash and value of locked in 3rd party gas contracts (as at 31 Dec 2008)
- Tap's diversified production portfolio, producing oil, gas, condensate and quality exploration portfolio are not reflected in current share price

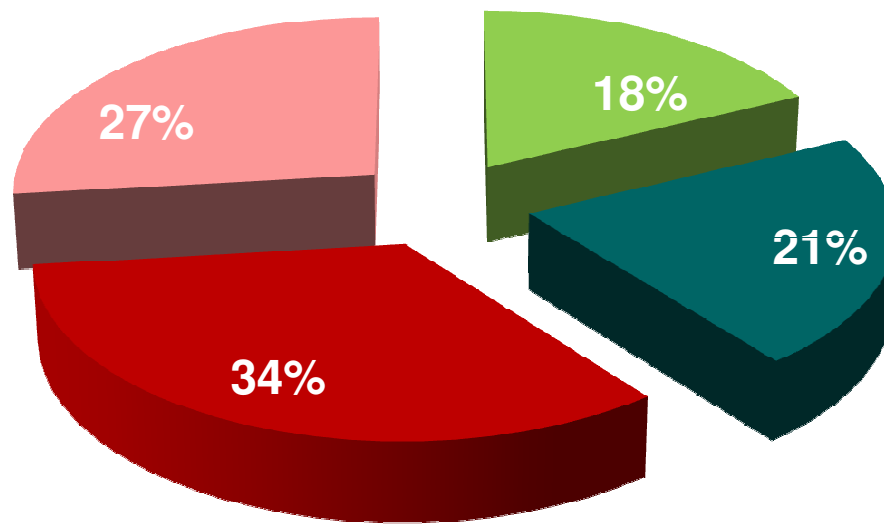
Share Price at market close May 20<sup>th</sup> 2009

**\$0.94**

## Tap Oil Cash Flow: Multiple assets, multiple product streams



### Cash Flow Per Barrel of Oil Equivalent



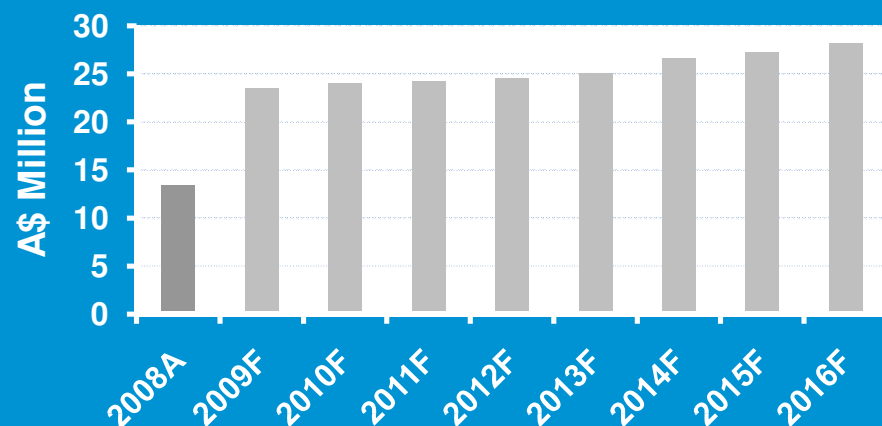
- Woollybutt JV Oil
- Harriet JV Liquids
- Harriet JV Gas
- 3rd Party Gas Contracts

- ~60% of production (boe) is gas generated
- Assets robustly cash flow positive in current oil price environment

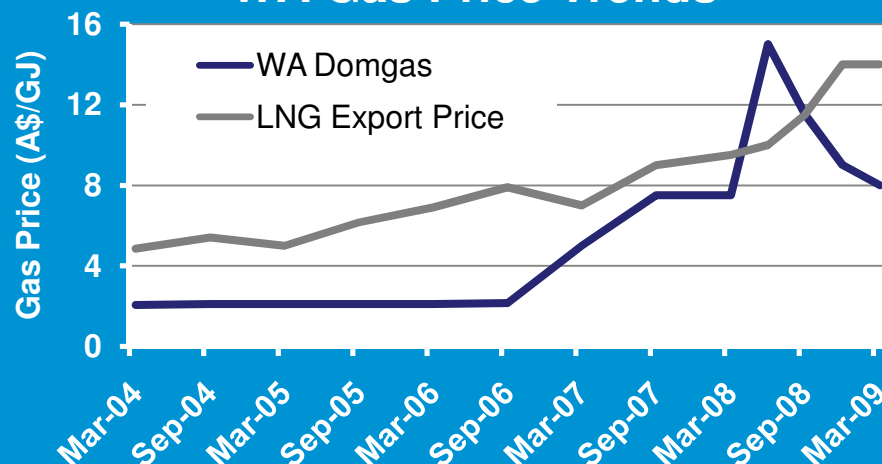
# Tap Contracted Third Party Gas



## Third Party Gas Revenues



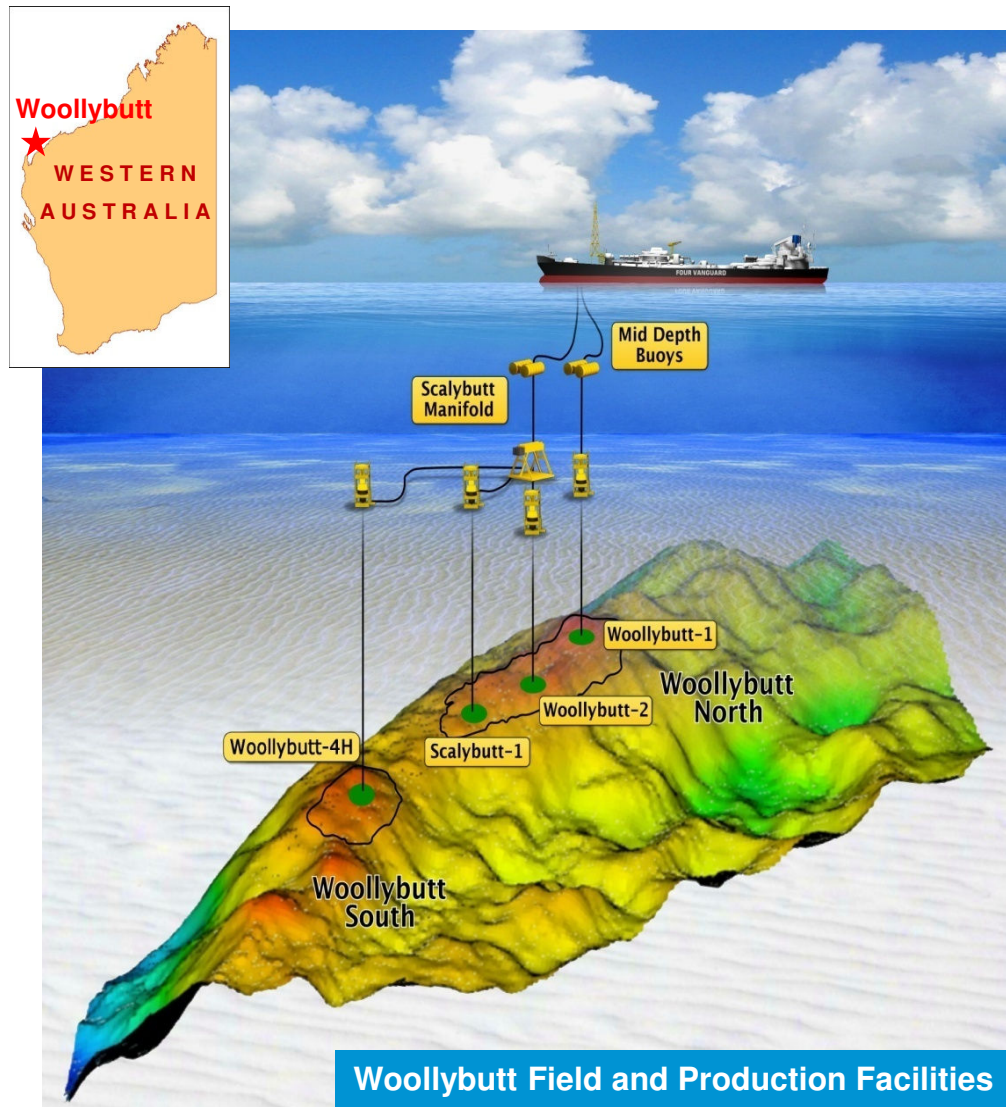
## WA Gas Price Trends



- Tap secured 33PJ of gas in 2005 from the John Brookes JV (JBJV)
- Tap's JBJV sales contracts commenced in September 2007 at domestic market rates substantially higher than Tap's purchase cost
- Contract prices increased mid 2008 in accordance with the contract terms
- This gas is 95% contracted at a locked-in price
- **The forward value of these contracts to Tap, post-tax and discounted at a rate of 10%, is A\$65 million** (as at 31 Dec 2008)



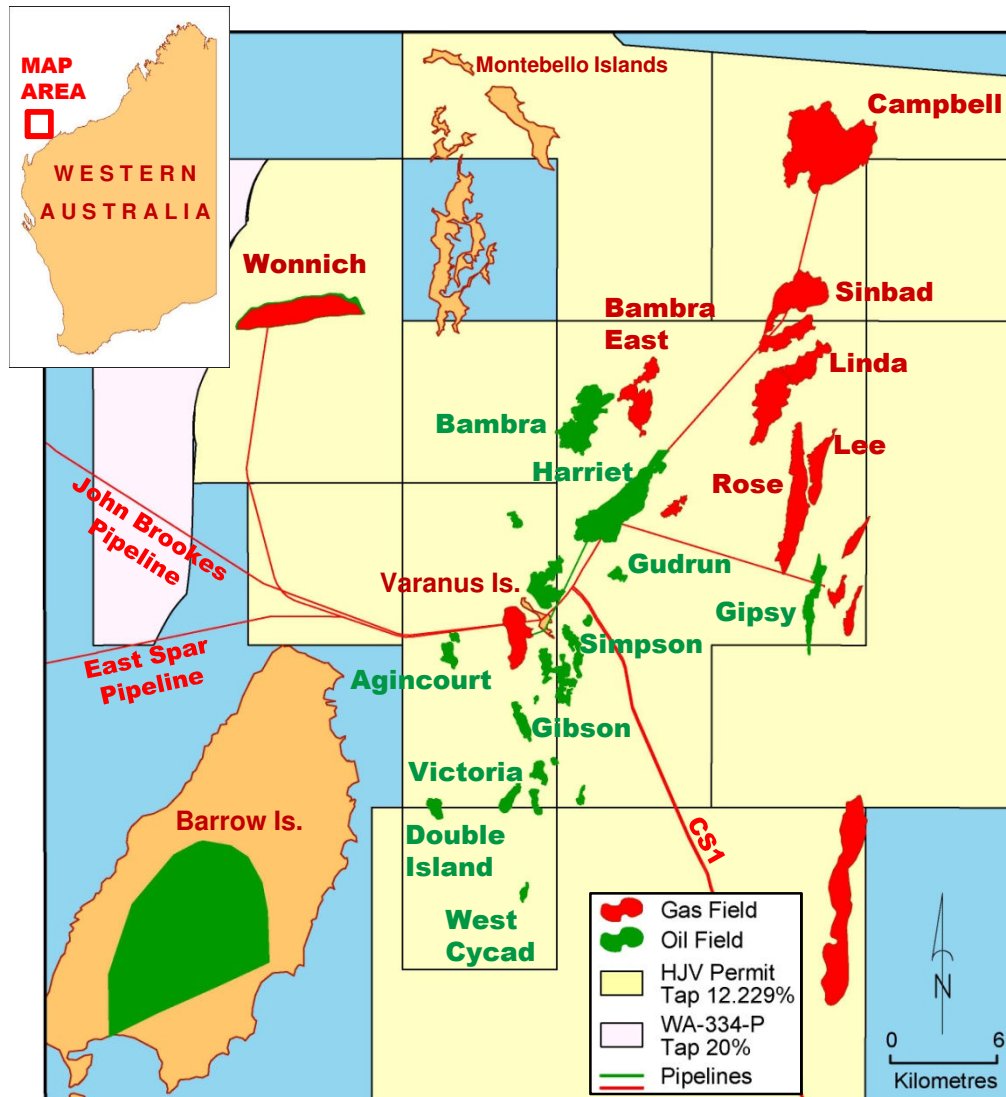
# Woollybutt Oil Field (Tap 15%)



- Production commenced in May 2003 with recovery initially estimated to be 25 MMbbls over 5 years (from 2 wells)
- Woollybutt South commenced in July 2008, enhancing production and extending field life
- 30 MMbbls produced by January 2009 and expected ultimate recovery now ~40 MMbbls
- Woollybutt shut in at end April in preparation for dry-dock
- Dry-dock for leased FPSO from May to November 2009 for life extension of vessel classification to 2013+
- Expect to resume at 8-9,000 bopd

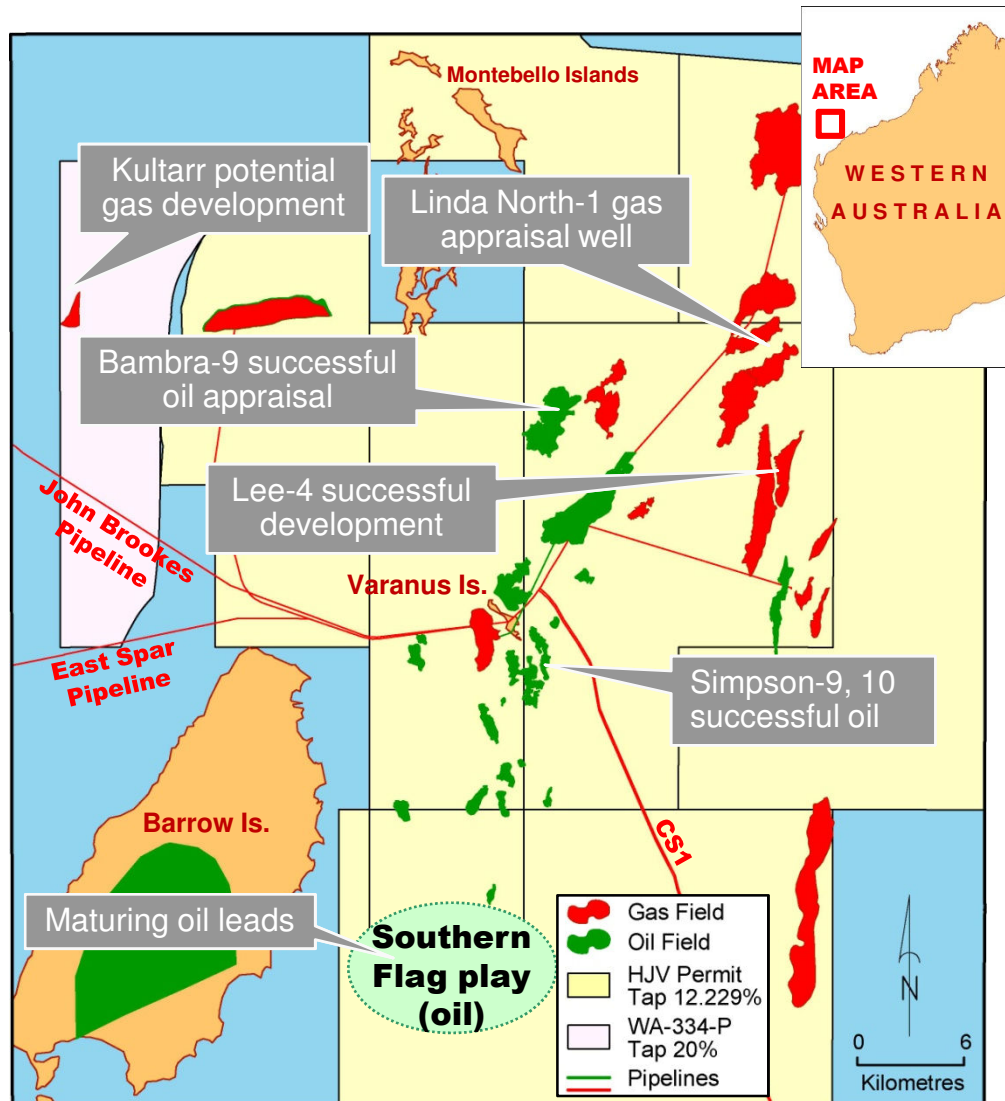


# Harriet Joint Venture - Oil and Gas Producing Assets (Tap 12.22%)



- Oil and gas production substantially restored. Full onshore plant capacity expected to be achieved in early June
- Current rates:
  - Oil > 6,000 bopd
  - Gas ~85 TJ/d
- Tap has business interruption and property damage insurance over its interest in the HJV
- Tap has received interim insurance payments of US\$11 million (A\$16.1 million) of which US\$2 million is in relation to repairs
- Repair costs of A\$12 million (net) to end of March largely yet to be claimed

# Harriet Joint Venture Area: Infrastructure Enhanced Development & Exploration Opportunities



- Established HJV infrastructure and strategic position – rapid field development
- Simpson-9 tied in and producing
- Simpson-10 tied in and producing
- Bambra-9 successfully appraised Bambra oil field. Additional development well planned in 2009
- Linda North-1 appraisal successful and tied in, production expected in June
- Prolific hydrocarbon province with high drilling success rates and short lead times to production

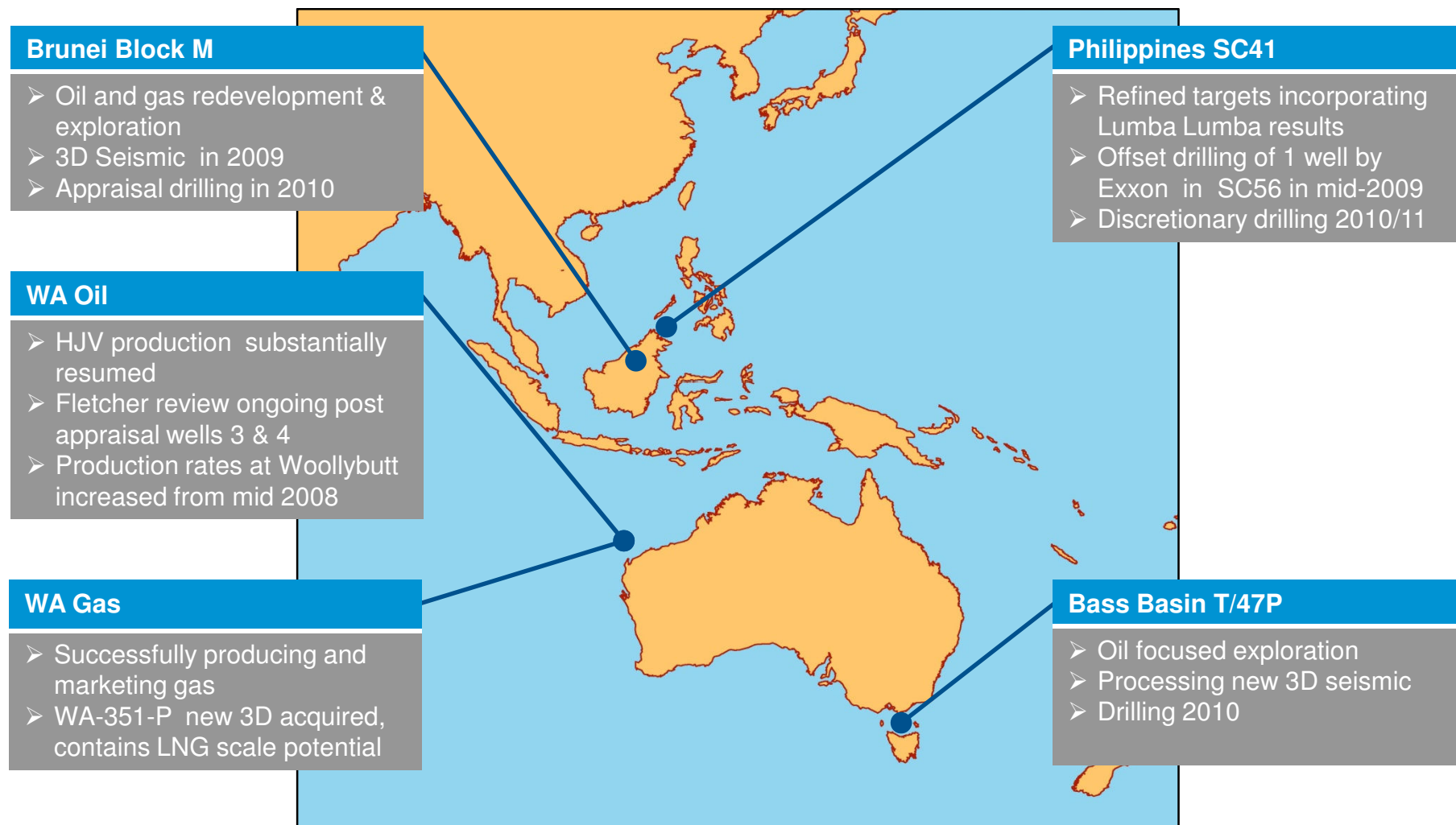


### Tap has ...

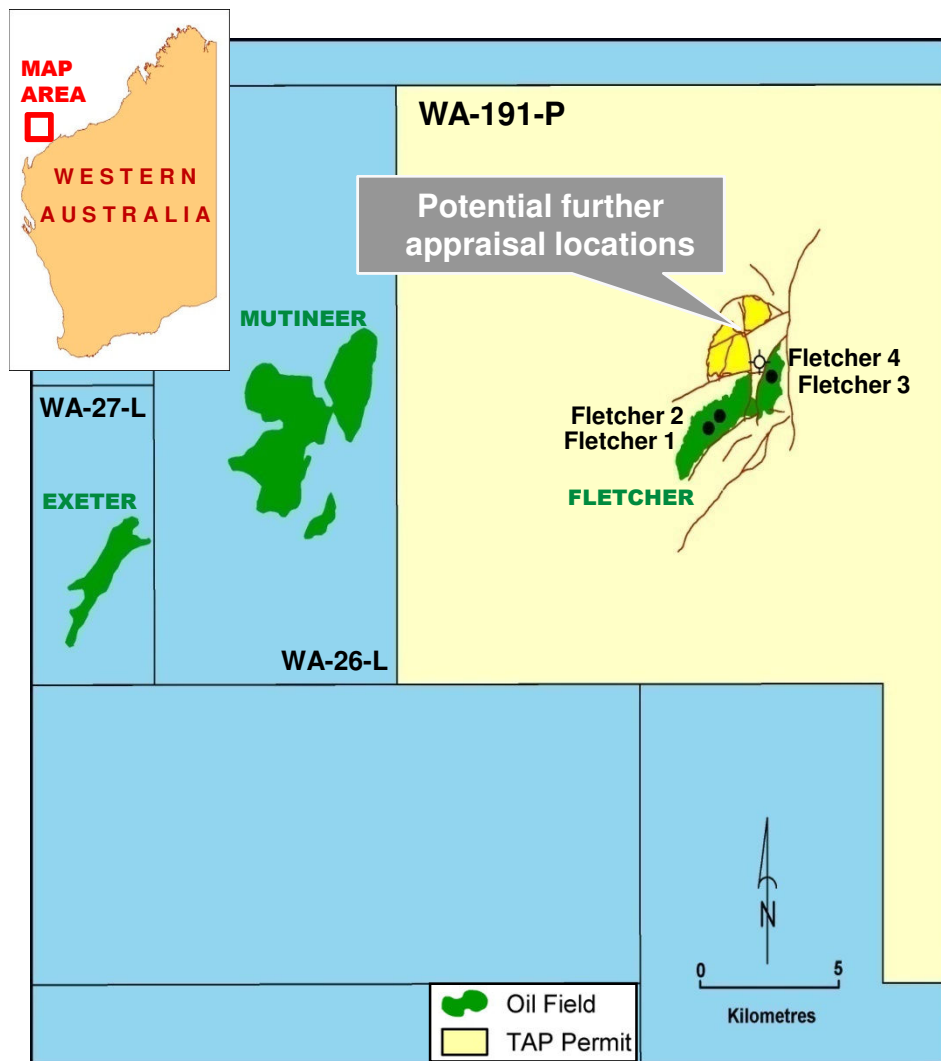
- Solid cash reserves and no debt
- Production assets generating positive balanced cash flow
- Building cash to:
  - Weather the storm with no external funding required
  - Deliver high quality exploration results
  - Secure standout asset opportunities

... critical mass to achieve solid growth

# Tap Oil: Exploration Assets Summary

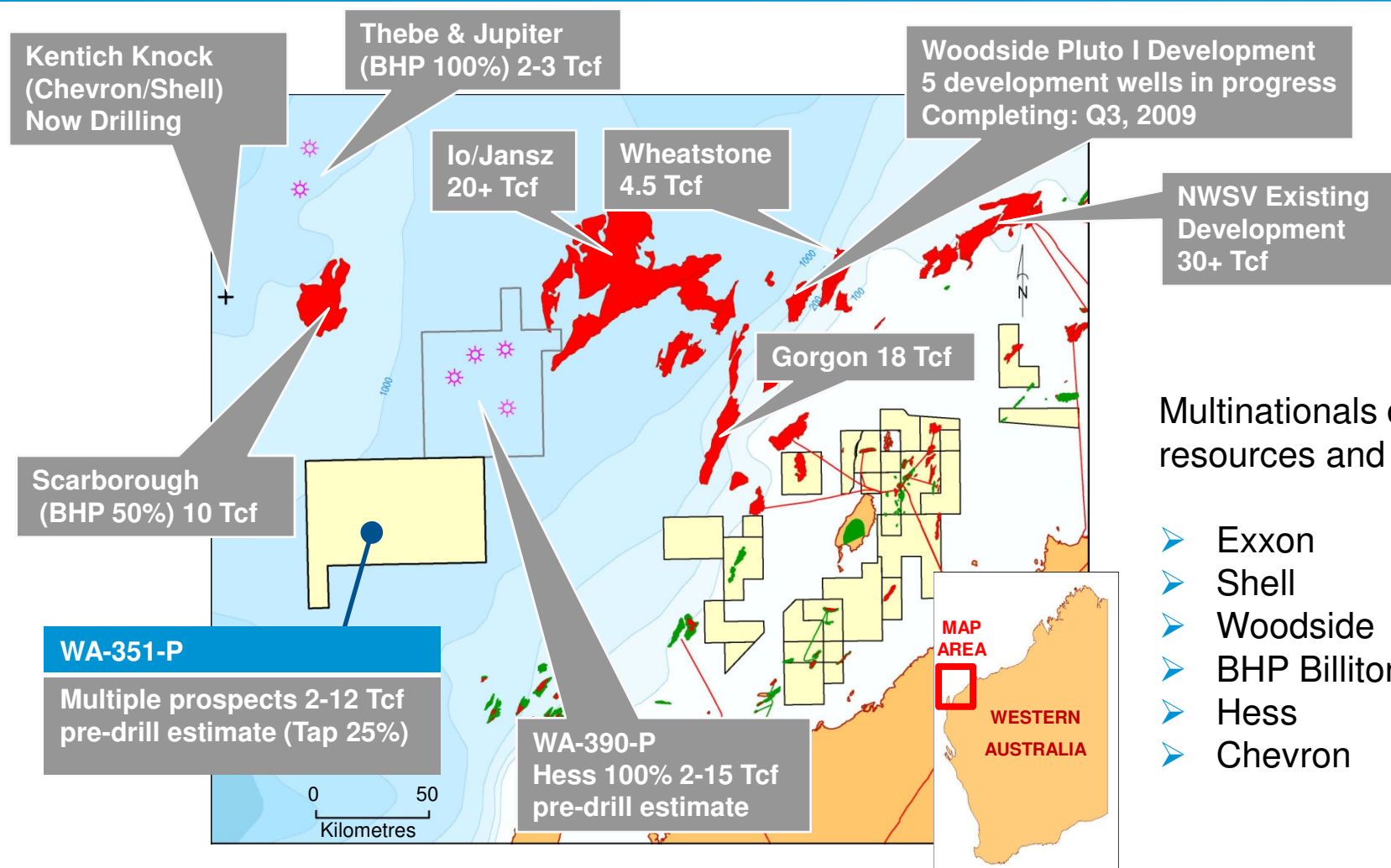


## WA-191-P: Fletcher Remapping (Tap 8.2% in permit)



- Tap's equity interest in Fletcher-3 & 4 was 10.9333%
- Fletcher-3 successfully intersected high quality reservoir sands with 20 metres oil pay
- Fletcher-4 was unsuccessful intersecting good quality water wet reservoir sands in a separate fault block
- Development at current oil prices may be viable through a ~15 km tie-back to Santos' Exeter-Mutineer facilities
- Further potential of fault blocks to North West is also being considered
- Assessment of future potential of Fletcher expected in coming months

# Potential LNG Projects on North West Shelf



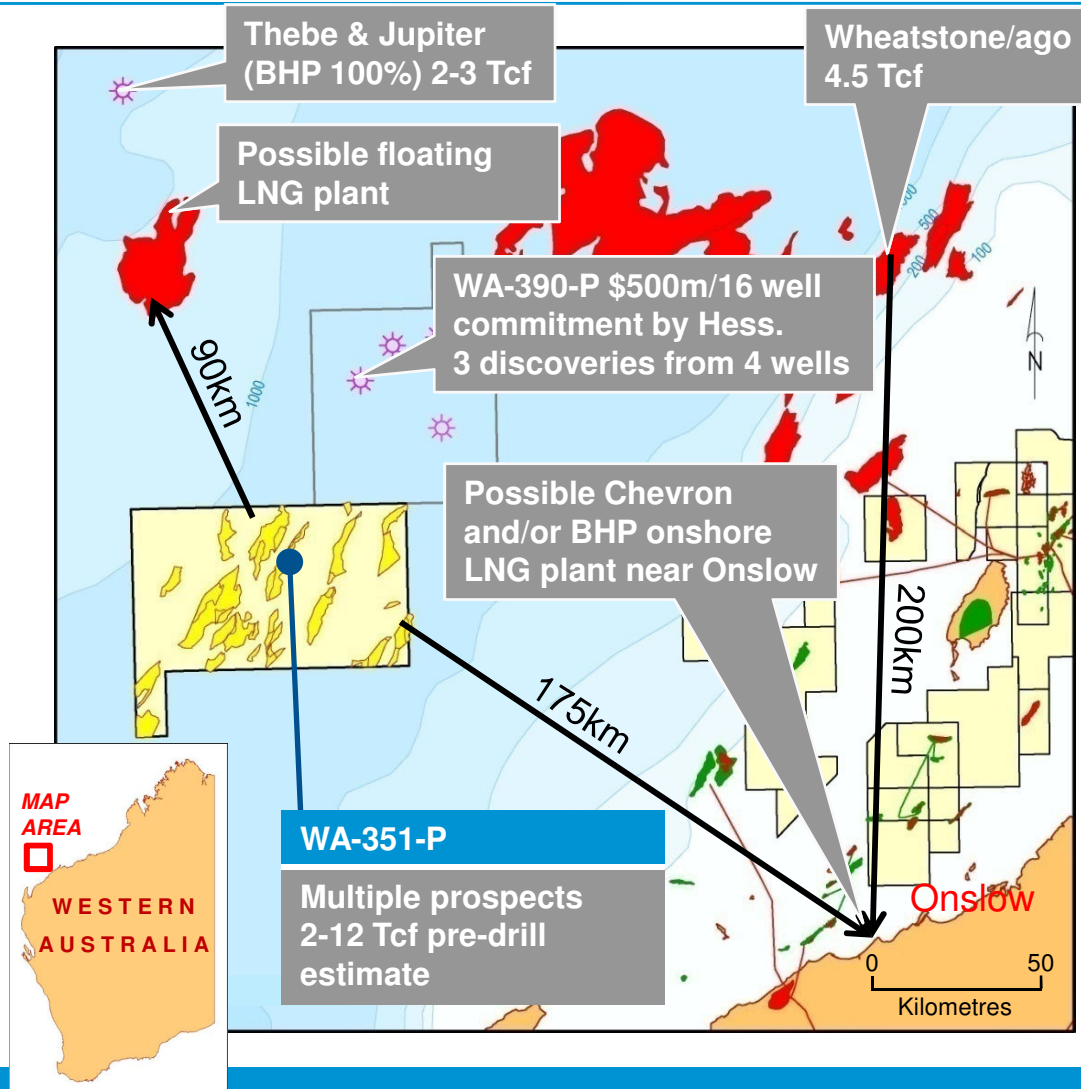
Multinationals dominate resources and acreage:

- Exxon
- Shell
- Woodside
- BHP Billiton
- Hess
- Chevron

**Tap has a quality position in a world class location**



## WA-351-P: LNG Potential (Tap 25%, BHP 55% Operator)



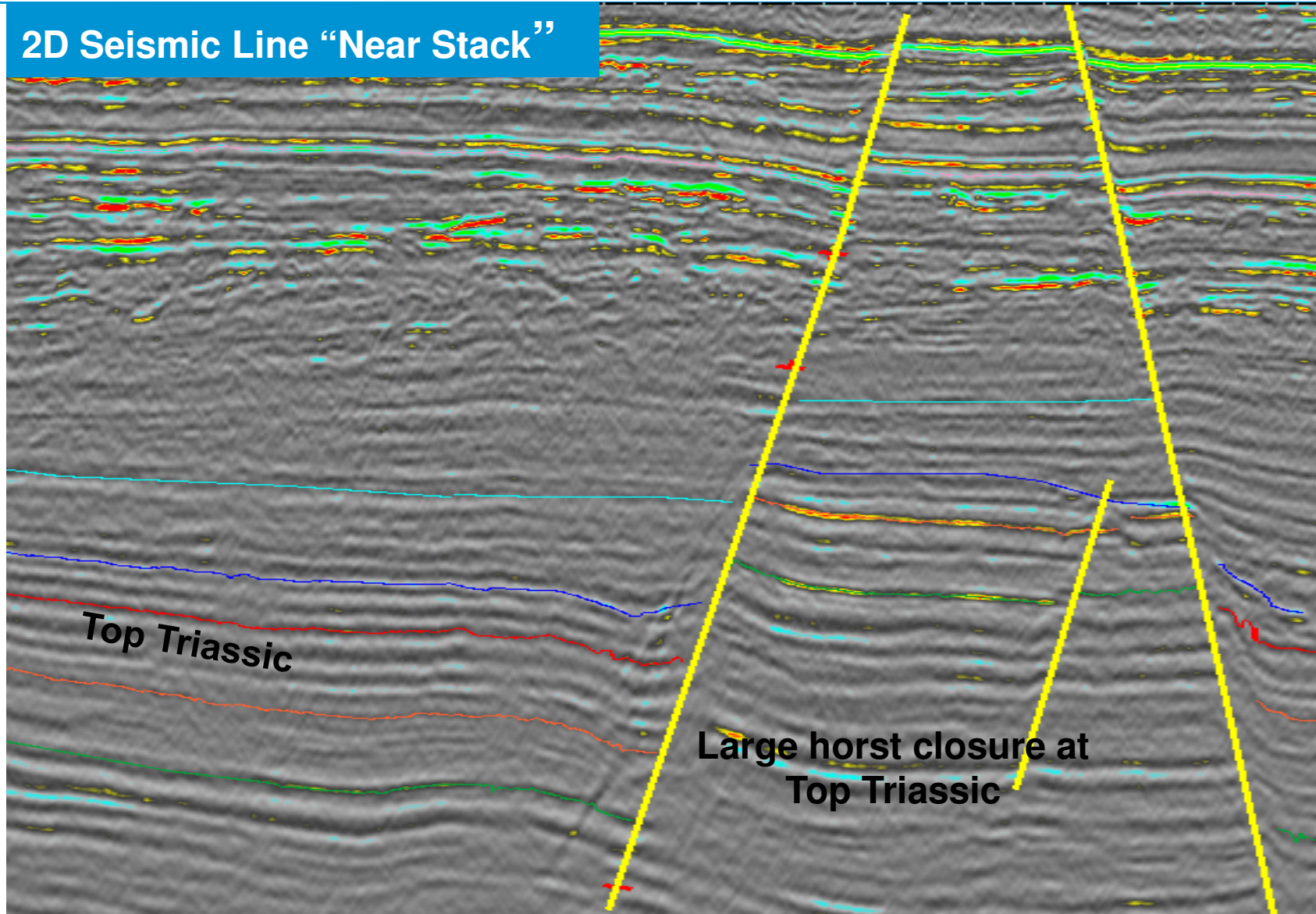
- Triassic gas fairway found in WA-351-P has demonstrated many large discoveries in adjacent permits
- 3D seismic acquired with attractive prospects now being matured. Results expected in the next two months
- Hess testing their pre-drill 2-15 Tcf estimate. Four wells drilled, 3 discoveries, 12 commitment wells to come, commencing drilling in 2009
- WA Govt approved an 800km<sup>2</sup> strategic industrial area south west of Onslow to provide an opportunity to establish future gas processing facilities
- WA-351-P drilling as early as 4Q 2009
- Success could see Tap supplying gas to a future LNG development
- Value Potential \$2.00 - \$3.00/share

**Region continues to be a hot spot for exploration activity**



## WA-351-P: Example of Seismic Evidence of Gas

2D Seismic Line “Near Stack”

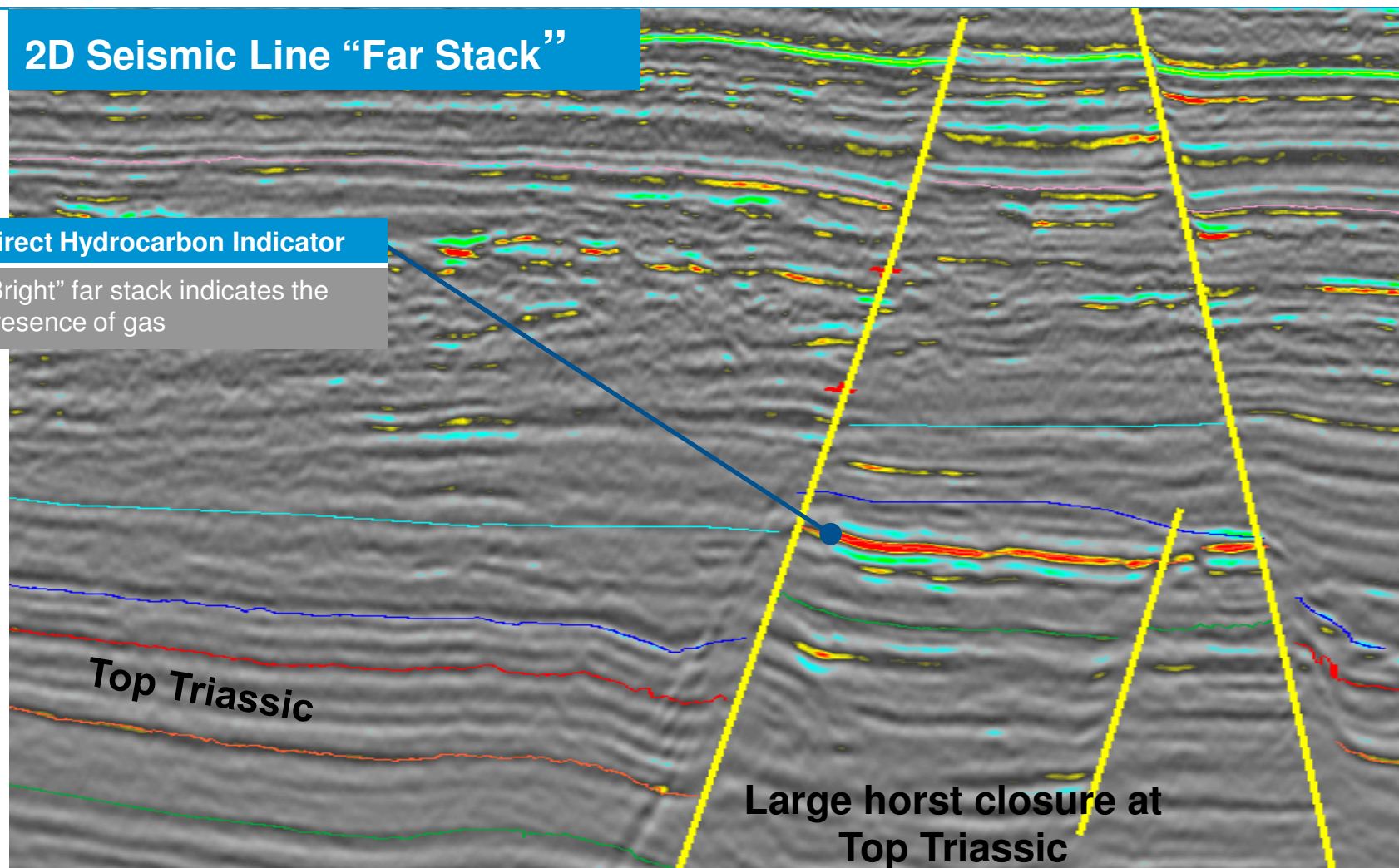


## WA-351-P: Example of Seismic Evidence of Gas

### 2D Seismic Line “Far Stack”

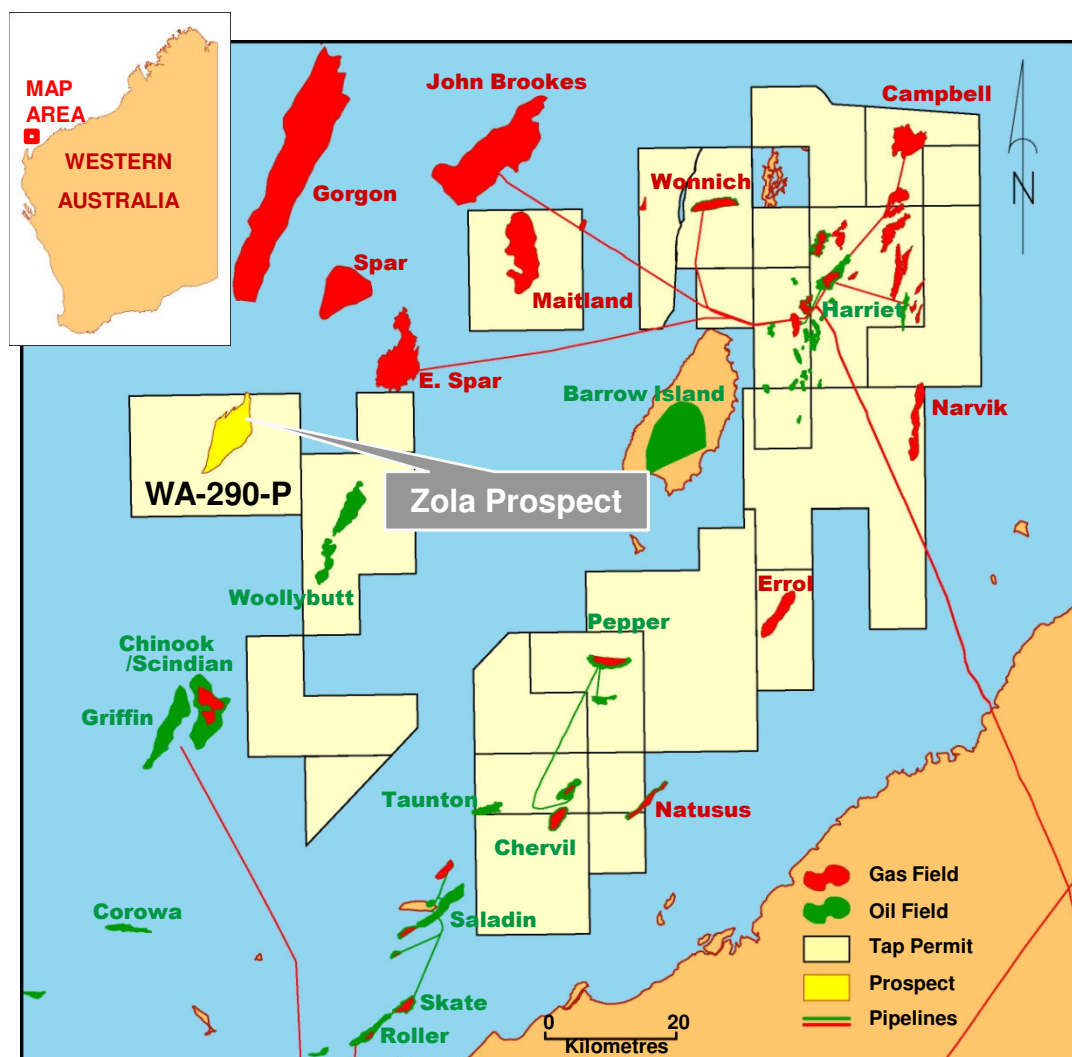
#### Direct Hydrocarbon Indicator

“Bright” far stack indicates the presence of gas



**Historical success rate in this region around 50% for drilling prospects on 3D seismic with direct evidence for gas**

# WA-290-P: Zola High Impact Gas Exploration Well (Tap 20%)

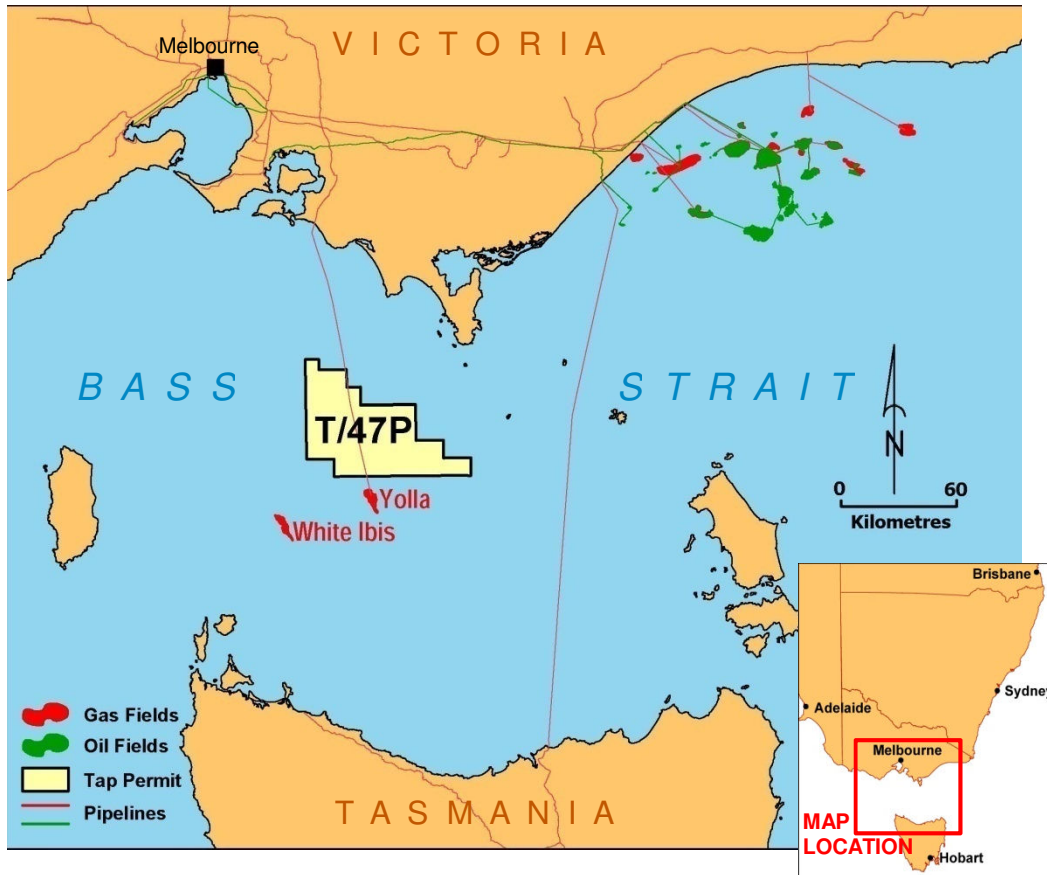


- Moderate risk:
  - Proven Triassic play type
  - Immediately south of Gorgon field
- High potential: ~1 Tcf recoverable gas
- Undergoing final prospect assessment
- Likely drilling 2010
- Seeking to prove commercial gas volumes
- Multiple development options



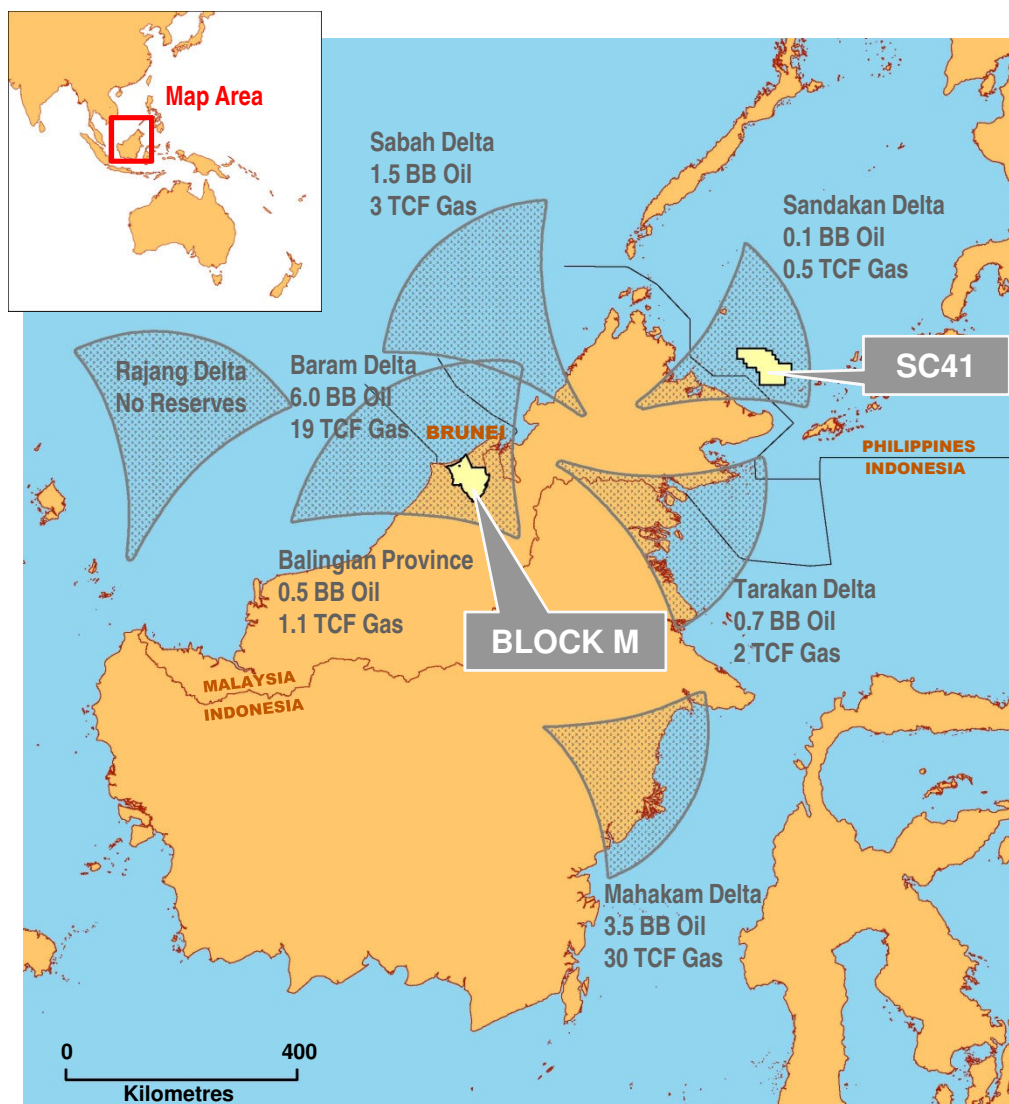
# Bass Basin T/47P: Overlooked Oil Potential

(Tap 40%, Operator)



- Oil discovered on block at Cormorant-1 (1970)
- Labatt 3D seismic survey acquired December 2007 over key leads with significant oil potential
- Molson 2D seismic acquisition completed in March 2008
- Mature low-mod risk prospects
- Drilling rig secured for drilling two wells in early 2010

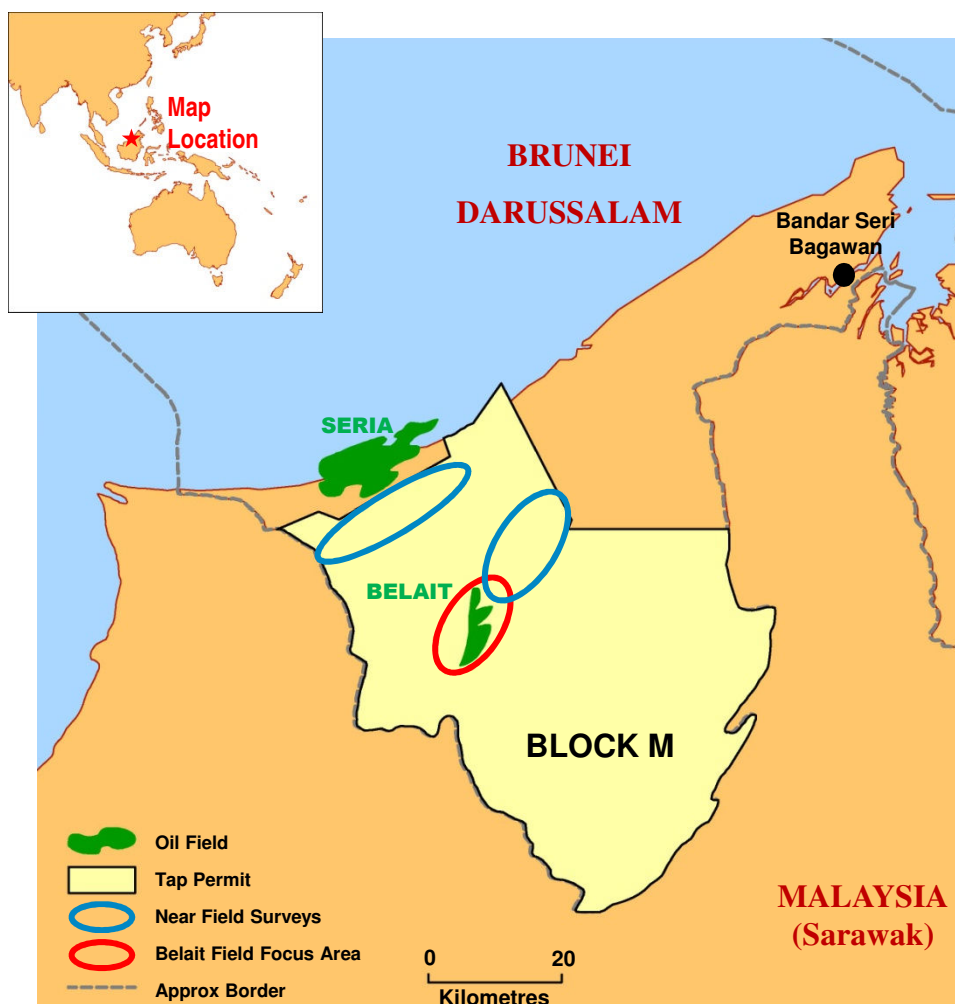
# South East Asia – Building a Circum-Borneo Portfolio



Note: International borders indicative only

- Borneo basins have yielded billions of barrels
- Tap has a multi-national strategy capturing under-explored areas or overlooked resources
- SC 41 (Tap 50% & operator)
  - Very high potential block with excellent Filipino fiscal terms
  - Reviewing impact of 2008 drilling
  - Offset drilling by Exxon in 2009
  - Multiple play types remain with further drilling 2010
- Brunei Block M (Tap 39% & operator)
  - Belait oil & gas field to be appraised with 3D seismic mid-2009
  - Significant exploration potential in remainder of block

## Brunei Block M (Tap 39%, Operator)



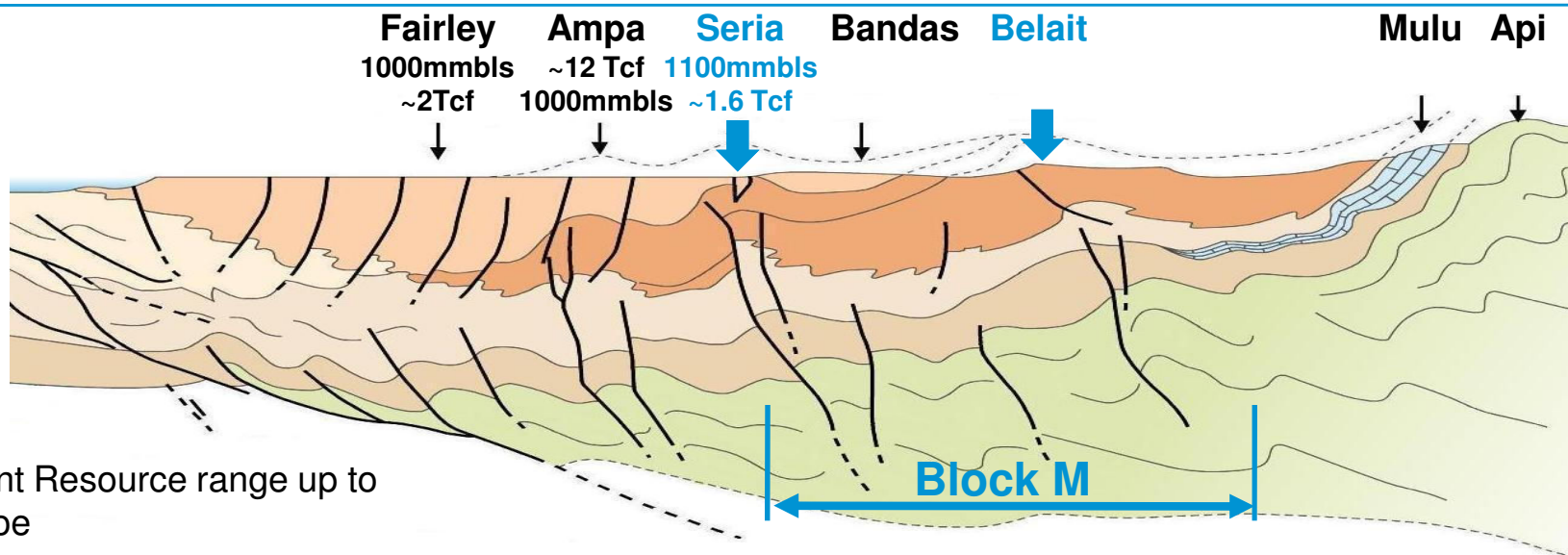
- Tap awarded 39% and operator role of Block M in October 2007
- 3,011km<sup>2</sup> onshore block located in the prolific Baram Delta
- Tap plans aggressive 3-pronged appraisal and block-wide exploration programme:
  1. Appraise Belait
    - Acquire 3D seismic 2009
    - Drill 2 appraisal wells early 2010
  2. Explore Remaining Belait Trend & Seria South Flank
    - Acquire 2D/3D seismic 2009
    - Exploration drilling in 2010
  3. Assess remaining Block potential
    - Airborne geophysical survey acquired
    - 2D seismic 2009

**Tap's strategy in action: high equity, operatorship in proven basins**



# Brunei Block M: Belait Appraisal

(Tap 39%, Operator)

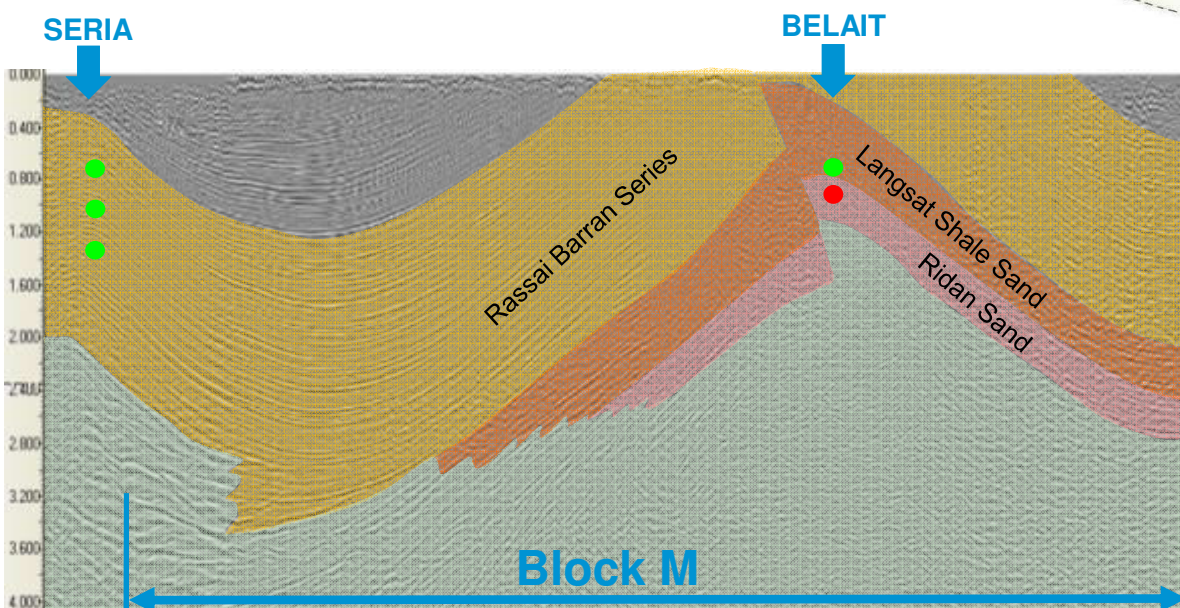


## Belait Field

- Contingent Resource range up to >50mmboe
- Produced oil and gas during 1920/30's with 18 wells drilled, 14 without seismic control

## Initial Program















- Modern geologic and seismic data needed:
  - Acquiring 3D seismic in 2009
  - 2 wells early 2010 targeting 1-2 mmbbls compartments of field





# Tap Forward Drilling Schedule



	2009				2010				2011
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Australia	Linda North -1		Harriet JV	WA-351-P			Zola-1	WA-351-P	
Carnarvon Basin			 	 					 
Bass Basin					T/47P				
					 				
Brunei						Block M Expl. & Appr.			
						  			
Philippines									SC41
									



Firm well



Contingent / discretionary well

## Key Strengths

- Multiple assets producing a balance of oil and gas
- Strong financial position; A\$52 million cash, no debt
- Focused on delivering value and growth
  - Maintenance and enhancement of core production assets
  - High quality exploration portfolio, fully funded
  - Uniquely leveraged exposure to world class LNG scale gas exploration