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29 October 2010

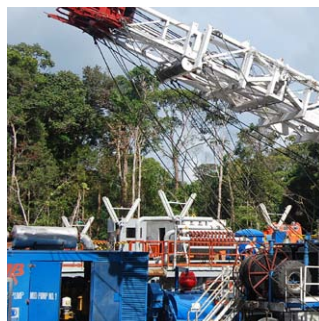
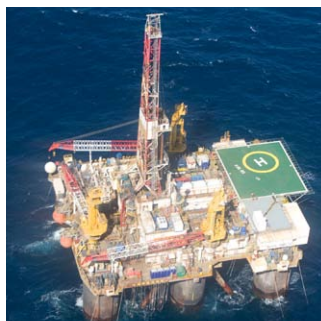
The Company Announcements Platform
Australian Securities Exchange
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

SEPTEMBER 2010 QUARTERLY REPORT

Herewith is Tap Oil Limited's Quarterly Report for the quarter ended 30 September 2010.

Copies of these documents are 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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Highlights

- Acquisition of 75% of Northern Gulf Petroleum Pte Ltd
 - three concessions in the Gulf of Thailand
 - 24 million barrel (mmbbl) Manora field
 - Rossukon discovery
 - over 200 mmbbl exploration potential across 31,000km²
 - experienced Operator (Pearl Energy)
- Strong institutional support for capital raising of \$50 million
- Troy Hayden appointed CEO and MD from 1 December 2010
- Revenue steady at \$20 million for the quarter
- Oil encountered in both wells drilled in Block M, Brunei



Managing Director's Summary

"The acquisition of 75% of Northern Gulf, with two oil discoveries and a large exploration acreage position, is an excellent fit with Tap's existing portfolio and strategy.

The Manora oil field is an exciting recent discovery that will be further appraised in 2011 with a final investment decision anticipated in early 2012.

The concessions acquired also include the single well Rossukon oil discovery that, alongside the discovery of Manora in late 2009, highlights the significant exploration upside in this 31,000km² exploration area. Tap currently sees over 200 mmbbls of cumulative unrisks follow up potential.

We appreciate the strong support from our long term shareholders for the acquisition and capital raising. The result of the equity raising shows the confidence that both shareholders and new investors have in Tap's growth strategy and their endorsement of the Thai acquisition.

In addition to the activity in the Thailand concessions, seismic acquisition is now underway in Indonesia and Brunei and program planning has progressed in Ghana.

We are very pleased to be drilling Zola-1 (WA-290-P) shortly and then Bass Strait (T/47P) early next year.

Overall we are very optimistic about the near-term outlook for Tap with several very attractive, high-impact wells and all cash generating assets performing soundly."

Mr Peter Stickland
Managing Director / CEO

The acquisition of 75% of Northern Gulf, with two oil discoveries and a large exploration acreage position is an excellent fit with Tap's existing portfolio and strategy

For further information regarding **Tap Oil Limited** please contact **Peter Stickland** (Managing Director / CEO)
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Acquisition of 75% of Northern Gulf Petroleum Pte Ltd

Tap acquired 75% of the shares in Northern Gulf Petroleum Pte Ltd (NGP) on 13 October 2010. NGP holds a 40% working interest in three concessions in the north and central Gulf of Thailand (G1/48, G3/48 and G6/48).

The G1/48 concession contains the Manora field which Tap currently estimates as a 24 mmbbl resource. The Manora discovery in late 2009 opened up a new oil play in the northern Gulf of Thailand. The G1/48 joint venture is targeting further appraisal in 2010 and 2011 leading to Final Investment Decision (FID) in early 2012 and first production in early 2014. Manora-1 tested at cumulative flow rates of over 9,000 barrels of oil per day (bopd) from three zones.

The G6/48 concession contains the Rossukon discovery, also made in 2009. The Rossukon well tested at 890 bopd from a single zone. 3D seismic data acquisition is planned for this area in 2011 with appraisal to follow.

All three concessions are operated by Pearl Energy who is an experienced international Operator. In the Gulf of Thailand, Pearl operates the nearby Jasmine field which provides a model for the expected development scenario for Manora of a well head platform and floating storage and offloading (FSO) vessel.

In addition to the Manora and Rossukon discoveries, there are 17 exploration features with 200 mmbbls of cumulative unrisks potential across the 31,000km² covered by the three concessions. There is an active exploration and appraisal program in place with up to eight wells planned for 2010/11.



Tap Oils' Gulf of Thailand Assets



Flaring at the Manora-3 appraisal well

Manora Field

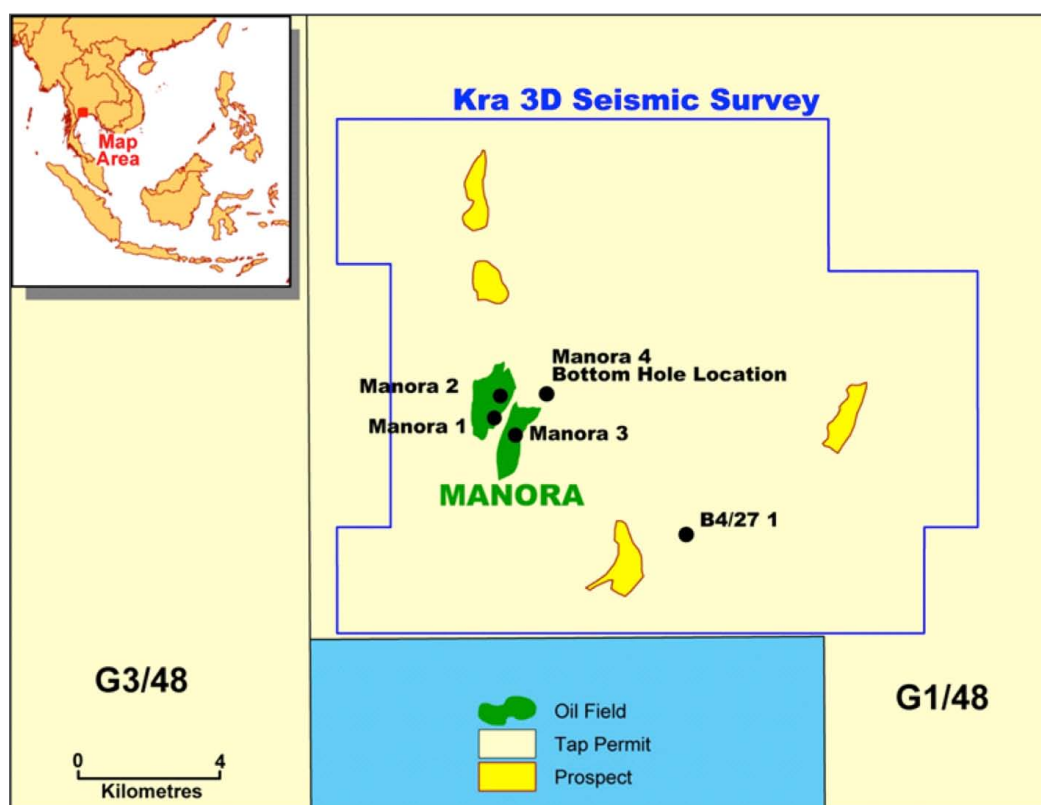
The Manora field was discovered in late 2009 with the Manora-1 well and successfully appraised in 2010 with the Manora-2 & 3 wells. The field has an estimated resource of 24 mmbbls (100%) discovered to date. The field is in a low-cost development environment as it is located in shallow water (~50m) with shallow target depths (1,600m to 2,200m).

Manora has excellent reservoirs with Manora-1 testing cumulative flow rates of over 9,000 bopd from three zones.

Over the next 12 to 18 months to FID there will be further appraisal drilling and engineering studies undertaken in order to arrive at FID in early 2012 with first production potentially early 2014.

The Manora field also has substantial near-field exploration with the potential to tie back to the Manora development facilities.

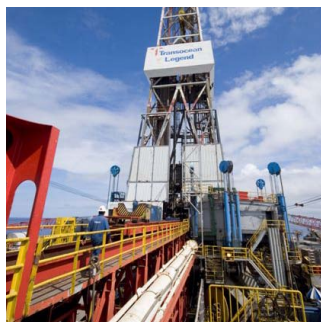
The Manora-4 step out well was spudded on 14 October 2010 to test a separate culmination beyond the current field limits. The well encountered good reservoir section at the Manora objective which was water wet, in line with Tap's own interpretation. The failure to encounter oil in the well is expected to have no impact on Tap's resource estimates. The presence of a good reservoir very similar to adjacent wells supports Tap's geological model. Drilling is continuing to a deeper prospective section not previously drilled in the Manora area.



Acquisition Consideration

The acquisition of 75% of NGP was structured as a combination of upfront and ongoing payments designed to limit downside risk for Tap. The consideration is summarised as follows:

- upfront payment of US\$37.5 million comprising of US\$25 million cash and issue of US\$12.5 million of Tap Oil shares priced at \$0.95/share (10 day VWAP up to 12 October market close);
- Tap Oil pays the vendor's 25% share of project costs to first production, capped at US\$20 million, 50% of which is to be reimbursed from production;
- Manora FID and success payments will depend on identified 2P reserves and total between US\$0 and US\$37.5 million; and
- an earn out fee of 2% on revenue generated by the concessions (provided the oil price remains above US\$50/bbl).



Equity Raising to Fund Project to FID

On 14 October 2010, in conjunction with the announcement to acquire 75% of NGP, Tap also announced an equity raising for a firm underwritten \$50 million to facilitate the acquisition and exploration, appraisal and pre-FID engineering costs leading to an FID decision in early 2012.

The equity raising comprised of a \$13 million underwritten institutional placement and an accelerated non-renounceable pro-rata 1-for-2 entitlement offer, with the \$37 million institutional component underwritten. The placement and entitlement offer are both at \$0.81 per share. The maximum amount raised would be \$82 million if there was a 100% take-up of non-underwritten retail component.

There was strong support for the institutional entitlement offer and placement totalling \$50 million which settled on 28 October 2010. The retail entitlement offer opened on 21 October 2010 and closes on 8 November 2010.

Application of Funds

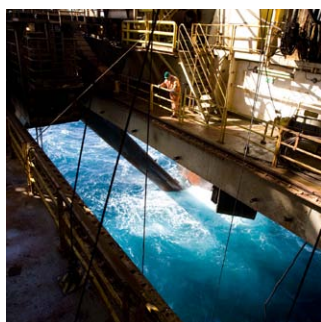
Tap estimates it will spend \$62 million on the acquisition and project as follows:

Use of Funds	\$mil.
Purchase consideration	25.4
Appraisal of Manora field	27.2
Gulf of Thailand exploration	9.4
Total Use of proceeds	62.0

Funded by	\$mil.
Equity raising (net of fees)	48.0
Existing cash	14.0
Total Sources	62.0

Upcoming Key Events

Tap has several key events in the forthcoming quarter as follows:



- Continued drilling of the Manora-4 well in Block G1/48, Thailand
- Drilling Zola-1 in WA-290-P, Western Australia
- Commencement of seismic acquisition in Thailand
- Complete acquisition of the second 3D seismic survey in Block M, Brunei
- Preparation for Q1 2011 drilling of Craigow-1 in T/47P, Bass Strait, Australia
- Commence seismic acquisition in Ghana

The table below lays out the indicative forward Drilling Schedule for the next 12 – 18 months:

Projects	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
Australia Carnarvon Basin	Zola-1 WA-290-P (10%) Proven gas trend	Bambra-10 HJV (12%) Development well	Finucane South-1 WA-191-P (8.2%) Oil Exploration	HJV (12.2%) 1 to 4 Exploration wells	WA-351-P (25%) LNG scale gas	
Australia Bass Basin		Craigow-1 T/47P (75%) Oil Exploration				
Brunei			1+ wells Block M (39%) Oil Exploration			
Ghana					1 well Accra (36%) Oil Prospect	
Gulf of Thailand	1-2 wells G1/48 (30%) Appraisal / Nr Field Exploration		4-6 wells G1/48 & G3/48 (30%) Appraisal / Exploration		1+ wells G1/48, G3/48 or G6/48 (30%) Appraisal / Exploration	

Note: Tap's indicative exploration drilling program is detailed in the above table. Timing is subject to rig availability, joint venture and regulatory approvals. Other prospects are also currently being considered for drilling in the near to medium term. Please refer to Tap's website (www.tapoil.com.au) for the latest information on the forward drilling program.

Revenue and Production



Revenue for the quarter was \$19.8 million. Tap achieved an average of \$85 per barrel for its liquids. The company has no commodity hedging in place.

Sales Revenues	Jun '10 Qtr	Sep '10 Qtr	Qtly % Change	Comment
Liquids – net (\$000)	11,454	11,033	-3.7%	Two liftings at HJV, one lifting at WBT
HJV Gas – net (\$000)	1,517	1,452	-4.3%	
Third Party Gas – net (\$000)	6,875	6,919	0.6%	
Tolling – net (\$000)	400	431	7.8%	
Total Oil & Gas Revenue (\$000)	20,246	19,835	-2.0%	
Average realised oil price \$/bbl	83	85	2.4%	

Production Volumes – Tap Share	Jun '10 Qtr	Sep '10 Qtr	Qtly % Change	Comment
Liquids – Harriet JV (bbls)	50,844	47,895	-5.8%	
Liquids – Woollybutt (bbls)	98,265	77,352	-21.3%	Some planned maintenance
Total Liquids (bbls) – net	149,109	125,247	-16.0%	
Total Daily (bopd) – net ave.	1,639	1,361	-16.9%	
Gas ¹ - Harriet JV (TJ) – net	1,067	953	-10.7%	
Total Gas ¹ (TJ/D) – net	12	10	-11.7%	
Total production – boe	308,177	267,121	-13.3%	
Liquids inventory – bbls	61,462	55,510	-9.7%	

Production of sales gas (i.e. after losses, fuel and flaring).

bbls	Barrel of oil	TJ	Terajoules (1012 joules); 1000 Gigajoules
Boe	Barrels of oil equivalent	TJ/d	Terajoules per day
Bopd	Barrels per day (oil and condensate)	mmstb	Million stock tank barrels



Harriet Joint Venture Fields

Tap 12.2229%, Apache Operator

The Harriet Joint Venture produces gas and liquids (oil and condensate) from many different fields within the joint venture area. Each field may have several wells and the Operator manages the production from the many different oil and gas wells in accordance with processing plant capacities to achieve the optimal commercial outcome over the life of the assets.

During the quarter liquid production rates at the Harriet Joint Venture averaged 4,259 bopd (gross) for the period, with production slightly down on the previous quarter but better than budgeted. Gas production was 11% lower than the previous quarter at approximately 84.7 TJ per day (gross) due to minor interruptions and maintenance.



Woollybutt Field

Tap 15%, ENI Operator

Woollybutt is an oil field in the Carnarvon Basin, Western Australia. Oil is produced from the field by a floating storage, production and offtake vessel (FPSO) named Four Rainbow.

During the quarter oil production rates at Woollybutt averaged 5,605 bopd (gross) for the period, with production down 21% from the previous quarter as the field experienced natural decline and a 3 day shutdown for planned maintenance occurred.

Floating storage, production and offtake vessel (FPSO) – Four Rainbow

Third Party Gas Contracts

Tap 100%

In 2005, Tap secured an option over approximately 33 PJ (31 Bcf) of gas from the John Brookes field offshore Western Australia at then current market prices. The option was exercised in 2007 and Tap on-sells the gas to a number of Western Australian gas customers under long term contracts. The gas is purchased at a fixed 2005 price and sold at fixed prices approximately three times higher. Both buy and sell prices are denominated in Australian dollars and are subject to CPI escalation. Around 26 PJ (~24 Bcf) currently remains to be delivered over the period to December 2016. This gas is now fully contracted and provides substantial stable, long-term cash flow.

During the year several gas customers have experienced operational issues, reducing their consumption of gas and deferring revenue to Tap of approximately \$4.5 million. As gas is sold on a 'take-or-pay' basis, Tap still receives payment as if the gas had been delivered, but for accounting purposes the revenue is deferred and a corresponding liability to deliver this gas at a future date is recognised. Thus revenue from gas sales will be lower than expected, even though the cash has been received for future gas sales.

Revenue from third party gas sales is expected to reach approximately \$28 million for the full year.

Tap expects to generate total revenues of approximately \$220 million between 2010 and the end of 2016. Forecast third party gas revenues are expected to be sustained at around \$30 million per annum until 2017, generating substantial cash flow.



Revenue from third party gas sales is expected to reach approximately \$28 million for the full year

Exploration

Tap Permit	Well/Prospect	Risk	Tap Share of Unrisked Resource Potential	Multiple of Existing 2P Reserves
WA-290-P	Zola	Low-moderate	20-200 Bcf	85 – 850%
Brunei	Belait Total	Low-moderate	3-25 mmbbl	75 – 640%
T/47P	– Craigow	Moderate	2-31 mmbbl	50 – 800%
	– Tolpuddle	Moderate	7-37 mmbbl	180 – 950%
WA-351-P	10+ leads	Low-moderate	0.5-0.75 Tcf	2100 – 3200%
WA-191-P	Finucane South	Low-moderate	~0.5 mmboe	15%
HJV	Up to 4 wells	Low-moderate	10 mmboe	250%
Ghana - Accra	Well #1	Moderate	>36 mmbbl	>900%
Thailand G1/48, G3/48, G6/48	Multiple	Moderate	>60 mmbbl	>1500%

Australia – Carnarvon Basin – WA-290-P

Tap 10%, Apache Operator

WA-290-P is a 482km² exploration permit located in approximately 200m of water in the offshore Carnarvon Basin. The permit is immediately south of the giant Gorgon gas field and west of the Woollybutt oil field (Tap 15%) and contains the Zola prospect.

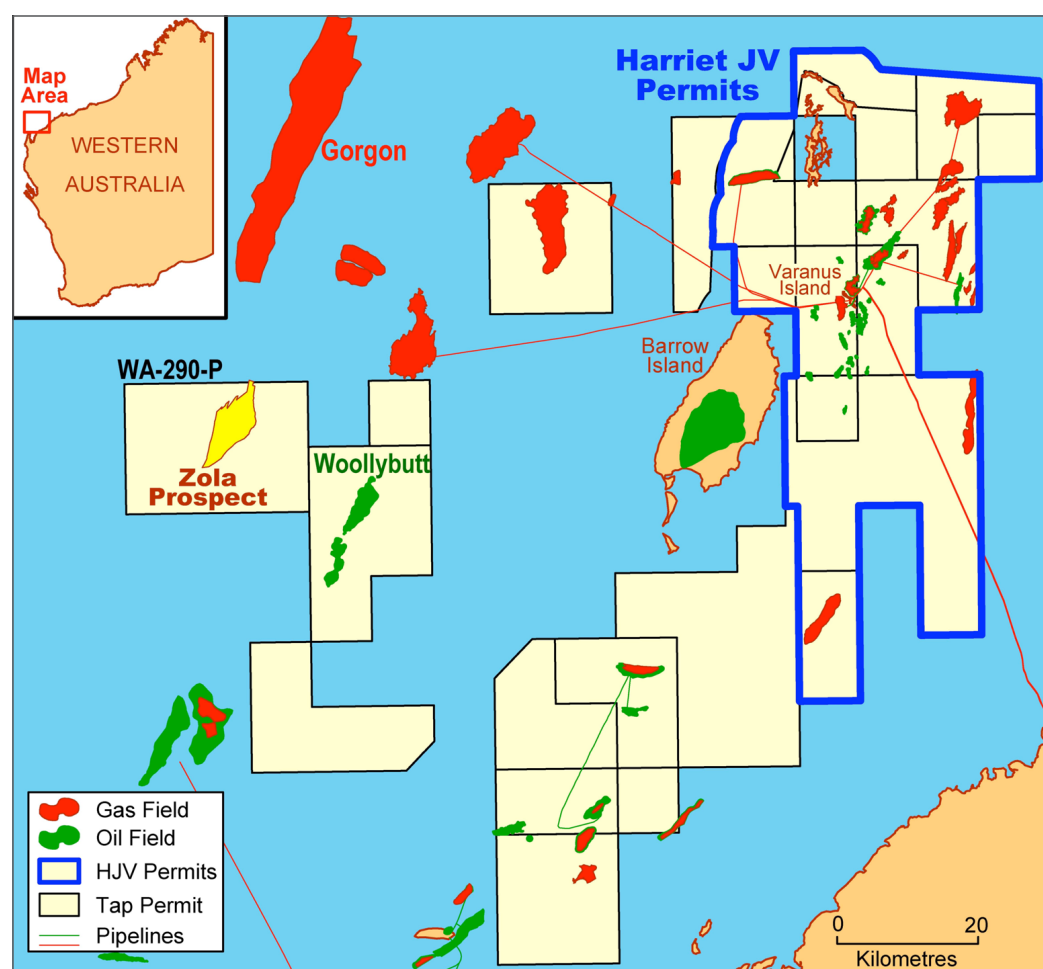
The Operator has advised that the Zola-1 exploration well is the next well on the schedule of the Stena Clyde semi-submersible drilling rig. Tap expects Zola-1 to commence in November 2010. Once on location, drilling of Zola-1 is planned to take approximately 40-50 days to reach to a final total depth of around 5,000m.

The Zola prospect is a very large Triassic tilted fault block on trend with the giant Gorgon gas field. One of the largest undrilled structural features in the Carnarvon Basin, Zola is covered by high quality newly reprocessed 3D seismic data and is considered a moderate risk prospect. Zola is estimated by Tap to contain recoverable gas volumes of between 0.2 and 2.0 Tcf with a mean volume of approximately 1 Tcf. The well will test the gas potential of several top and intra Mungaroo Formation sands – the primary reservoir at Gorgon. In addition it is possible that some Jurassic reservoirs may be developed flanking the main Triassic structure. The primary Mungaroo Formation target will be intersected at approximately 4,300m below sea level. Water depth at the well location is approximately 300m.

Previous drilling in the block focused on the shallower Jurassic and Cretaceous interval, resulting in the Antiope gas discovery in 2000 and the minor Lauda oil discovery in 2005.

Located close to existing and developing gas infrastructure, Zola would have multiple potential development options should it be a discovery. Any development at Zola could also encompass the overlying Antiope gas discovery.

The permit is immediately south of the giant Gorgon gas field and west of the Woollybutt oil field



Tap Oils' Carnarvon Basin Assets

Brunei, Block M

Tap 39%, Operator



The Belait Field is characterised as having recoverable hydrocarbons in the range of 8 – 64 mmboe



Block M covers an area of approximately 3,011km² in the prolific Baram Delta Basin and is the largest onshore permit in Brunei. The block contains the Belait anticlinal trend along which hydrocarbon seeps occur and oil and gas have been encountered in previous drilling. The Belait Field is characterised as having recoverable hydrocarbons in the range of 8 – 64 mmboe. Block M is regarded as under-explored having not seen a concerted exploration effort using modern exploration methods for over 20 years.

Tap became the Operator of the Block M Joint Venture in April 2008 and acquired both 2D and 3D seismic data in 2009.

Once again there was significant activity in Block M during the quarter with two wells drilled and acquisition commencing for the second 3D seismic survey.

Drilling

Two wells were drilled in Brunei during the quarter – Mawar-1 and Markisa-1. Both wells encountered hydrocarbons and have been cased and suspended in anticipation of future activity. Studies are now underway on data acquired from both wells to determine the implications of the hydrocarbons encountered and to plan the most appropriate future course of action.

Mawar-1 encountered up to 25m of gas in the primary objective Ridan Sandstone. A deeper secondary objective Rampayoh Series at Mawar-1 had indications of oil. Reservoir quality in the upper part of the Rampayoh Series is unclear and will only be confirmed with further analysis of the well data.

Markisa-1 encountered good oil shows while drilling through the Ridan sands from approximately 1,070m to 1,100m (29m true vertical thickness) with mudlog and preliminary wireline logs indicating a possible oil column over this horizon. It was not possible to recover any fluid samples from this interval.

Seismic

During the quarter data acquisition commenced for the second 3D seismic survey in Block M. The survey will cover approximately 136km² and is expected to take until the end of the year to complete.

The area to be covered by the Belait North 3D seismic survey lies in the north-central part of Block M and covers a northern extension of the prospective trend covered by the 2009 Belait 3D seismic survey. The area is bisected by the Belait River, with jungle-covered hills to the south and more subdued terrain to the north. The aim of the survey is to identify additional targets along the trend for possible drilling in 2011/2012.

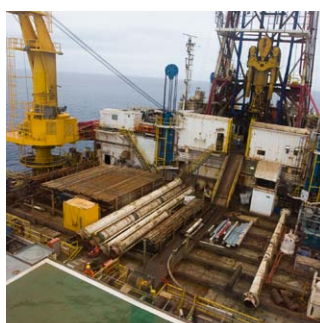


Australia – Bass Basin - T/47P

Tap 75%, Operator



The Kan Tan IV rig



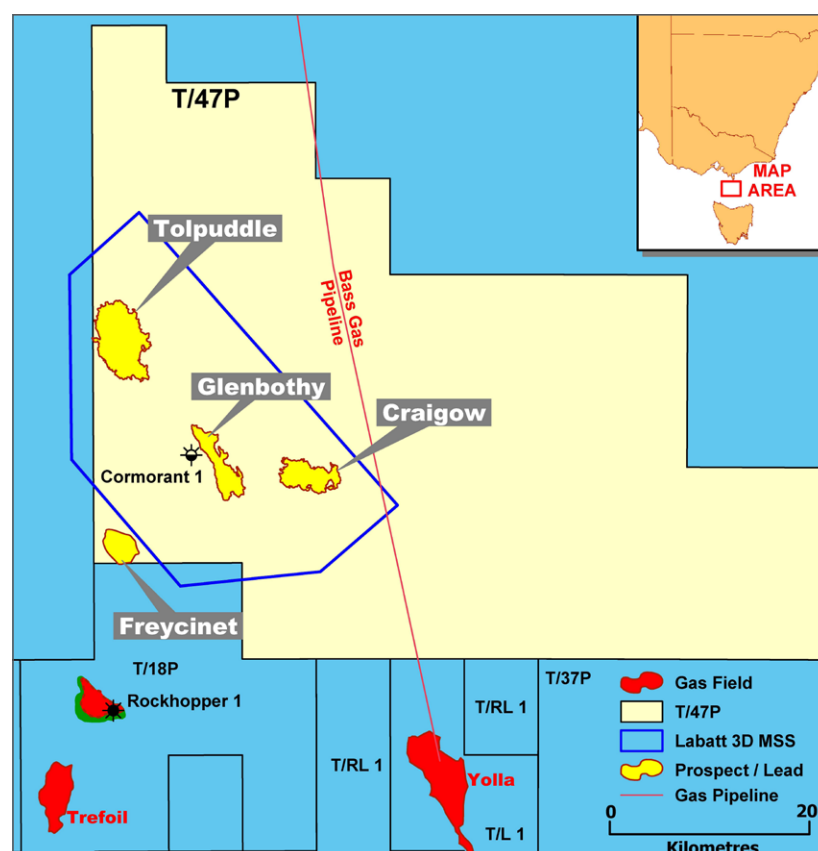
In T/47P the Craigow prospect has been selected for drilling. The Craigow prospect is an anticlinal trap defined on 3D seismic data, in a good regional location for both reservoir quality and oil charge. Craigow has potential recoverable oil volumes in the range of 3 - 42 million barrels with a mean volume of approximately 20 million barrels. A number of follow up prospects (including the previously announced Tolpuddle and Glenbothy prospects) have also been defined on 3D seismic with total potential of over 100 million barrels of recoverable oil in the permit.

Should Craigow be a discovery, it has good potential for commercial development due to the shallow water depth and depth of the objective.

During the quarter, Tap increased its stake in T/47P from 40% to 75%. This came via a transaction whereby Tap assumed the 35% working interest of Singapore Petroleum Company (SPC) in return for being compensated for the increased share of the joint venture's drilling obligations. Tap's decision to take over SPC interest was based on the Company's view that T/47P is an attractive exploration prospect and that the terms of the transaction offered by SPC were commercially favourable. SPC was recently taken over by PetroChina.

Tap is currently conducting a farmout exercise and if an acceptable proposal is received Tap will consider a partial reduction of its 75% equity in T/47P.

Craigow-1 is on the drilling schedule for the Kan Tan IV rig. AWE have exercised their rights to add additional wells ahead of Tap and hence Craigow-1 to now scheduled to be drilled in January 2011.



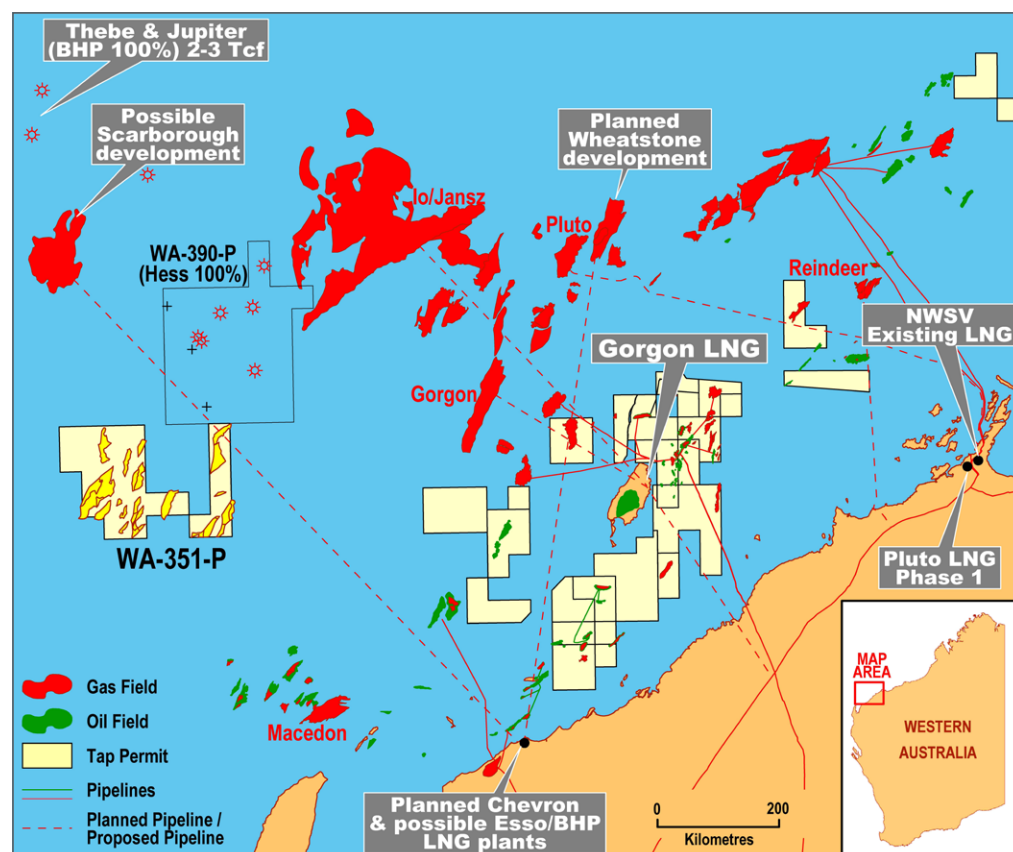
Australia – Carnarvon Basin – WA-351-P

Tap 25%, BHP Billiton Operator



WA-351-P is located in a proven oil and gas province with many nearby LNG projects in progress providing the joint venture with many options for commercialisation of gas reserves. Earlier this year the Operator completed a detailed assessment of the plays, prospects and leads in the permit and arrived at a total success-case potential of 2-3 Tcf (gross) with a chance of success of over 50% for a number of the targets. This high chance of success is reinforced by Hess' reporting of 13 discoveries from 16 wells drilled to date in the adjacent WA-390-P permit.

An exploration well is required under the exploration licence before 5 June 2013. The Joint Venture is considering the most appropriate timing for the drilling of this well.



Carnarvon Basin, Western Australia

Australia – Carnarvon Basin – Harriet Joint Venture

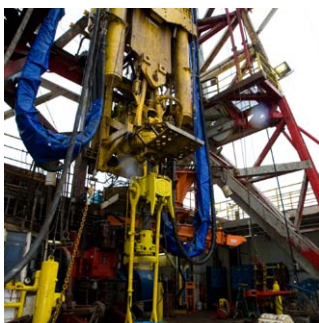
Tap 12.2229%, Apache Operator

The Harriet Joint Venture commenced production in the 1980s and continues strong production to this day (refer production section). The Harriet Joint Venture has had an exploration success rate of over 40% since inception and is seeking to continue this impressive strike rate.

During the quarter, work commenced on a 3D seismic reprocessing project over a large part of the Harriet Joint Venture area to be completed in the first quarter of 2011. A previously discussed new 3D seismic survey over parts of the Harriet Joint Venture area has been deferred until next year when the reprocessing is completed and interpreted and appropriate approvals obtained. The Operator is anticipating the first of up to five exploration wells may be drilled in the Harriet Joint Venture area in early 2011.

Australia – Carnarvon Basin – WA-191-P

Tap 8.2%, Santos Operator



Exploration Permit WA-191-P is located in the northern Dampier Sub-Basin, immediately east of Santos' producing facilities at Mutineer - Exeter. This part of the northern Dampier Sub-Basin is oil prone as evidenced by the 2007 Fletcher discovery. Technical work has been ongoing in the permit since the Fletcher 3 and 4 appraisal wells were drilled in 2008/2009, resulting in the delineation of the Finucane South prospect.

Santos has proposed a well on Finucane South for drilling in the first half of 2011. Tap will undertake technical and commercial analysis during the rest of 2010 to finalise its assessment of this prospect. Tap's current commercial analysis is that a discovery at Finucane South, combined with Fletcher, could be jointly developed into a new oil project.

Ghana – Offshore Accra Contract Area

Tap 36%, Operator



The Offshore Accra Contract Area covers an area of 2,000km² and is located to the southeast of Accra, the capital of the Republic of Ghana, in water depths ranging from less than 50m to greater than 2,500m. Ghana ranks as one of the most financially and politically stable, truly democratic countries in Africa.

The Offshore Accra Contract Area is located in an emerging oil province on the West Africa Transform Margin, along the northern Gulf of Guinea. A number of discoveries have been made in analogous geological settings along this Margin, including the Espoir and Baobab producing fields in neighbouring Cote d'Ivoire. In 2007, the Jubilee field was discovered by Kosmos Energy and Tullow Oil (one of the largest oil discoveries in the world in 2007) establishing a new deepwater play offshore Ghana. According to Tullow, recoverable oil reserves for the Jubilee field are estimated to be 1.2 billion barrels. Subsequent discoveries in Ghana (Tweneboa, Odum and Owo) and in the Liberian Basin (Venus) have further demonstrated the potential that exists along the whole Margin.



Several moderate risk but high reward structures have been identified on existing 3D seismic data in shallow to moderate water depths in the contract area, each of which is considered to have potential to contain in excess of 100 mmbbl barrels of prospective resources

Several moderate risk but high reward structures have been identified on existing 3D seismic data in shallow to moderate water depths in the contract area, each of which is considered to have potential to contain in excess of 100 mmbbl of prospective resources. One of these is likely to be the initial drilling candidate in 2011 or early 2012. Deepwater leads similar to the recent Jubilee discovery will be the subject of future seismic programs to confirm and mature them into prospects for drilling.

During the quarter Tap, as Operator, commenced the reprocessing of the existing 3D seismic data over the area. Tap, with the approval of the joint venture, is working towards the acquisition of a new seismic survey to explore the remainder of the contract area as early as possible. A planned survey has been proposed to the regulator for commencement before the end of 2010.

Indonesia – Rangkas Block



Tap 24%, Lundin Petroleum Operator

The Rangkas Block covers an area of 3,977km² and is located onshore west Java, southwest of Jakarta. Previous exploration seismic and drilling in the block, along with the presence of surface oil seeps, indicates the presence of an active petroleum system. Recent reviews of the block, including seismic reprocessing, resulted in Tap and its joint venture partners concluding that the previous wells were not valid tests of the prospectivity and that there is significant untested potential, including previously unrecognised deep targets analogous to proven production in adjacent blocks. A number of leads have been identified on the existing 2D seismic data and are the target of a 474km 2D seismic survey currently being acquired.

During the quarter the contractor commenced line surveying, line clearing and shot hole drilling and preloading ahead of acquisition which commenced in October.

Philippines – Sandakan Basin – SC41

Tap 50%, Operator

The next phase of the service contract would have included a work program commitment to drill an exploratory well by May 2011, which made farming out this service contract difficult. It was ultimately concluded that a well was not appropriate at this time and thus on 11 August 2010 Tap announced that it had relinquished SC41.

Tap views the area as having some prospectivity and may pursue exploration here in the future with an appropriate work program to address the technical risks.

Wells drilled or drilling since 1 April 2010

Mawar-1 and Markisa-1, both in Block M, Brunei were drilled during the quarter. Refer above for details.

Exploration, Development, Operating and Other Expenditures

	Tap Oil Share		
	Jun '10 Qtr \$000	Sep '10 Qtr \$000	Comments
Exploration & Appraisal	4,236	6,599	Major items were drilling and seismic in Brunei and seismic data purchase in Ghana
Development, Plant & Equipment	376	106	
Total Capital Expenditure	4,612	6,705	
Production Operating Costs *	7,439	7,646	
Production Royalties and PRRT	236	273	
Total Production Expenditure	7,675	7,919	

* excludes depreciation and amortisation charges. Includes third party gas purchases and inventory movements.

Financial & Corporate



Tap's cash position continues to be strong at \$77 million with no debt at the end of September 2010.

Cash Position	Dec '09 \$'000	Mar '10 \$'000	Jun '10 \$'000	Sep '10 \$'000
Cash on hand *	59,438	61,448	66,284	77,465
Debt	-	-	-	-
Net Cash/(Debt)	59,438	61,448	66,284	77,465

* Cash on hand includes estimated cash held in joint ventures to Tap's account.

At the end of the September 2010 quarter Tap had 156,485,921 ordinary shares on issue. There were no share issues during the quarter.

At 30 September 2010, Tap had on issue a total of 5,720,437 options to acquire fully paid shares with option expiry dates varying from 30 November 2010 through to 15 July 2013 and exercise prices in the range \$0.61 to \$2.70. All of these options are held by current or former Tap executive directors and employees. No options were issued during the quarter. 227,479 options expired, lapsed or were cancelled during the quarter.

During the quarter 14,925 share rights were issued to employees and at 30 September 2010, Tap had on issue a total of 2,896,962 share rights to acquire fully paid shares with expiry dates varying from 1 January 2017 through to 30 August 2017. 53,590 share rights expired, lapsed or were cancelled during the quarter.

Appointment of Chief Executive Officer and Managing Director

On 27 October 2010, Tap announced the appointment of Mr Troy Hayden as Chief Executive Officer and Managing Director of the Company. The appointment is effective from 1 December 2010.

Mr Hayden brings an appealing mix of skills to the role: leadership, financial and general management expertise, including overseeing exploration and production activities, and over 20 years experience in the resources and petroleum industries.

Mr Hayden joins the Company after a 12 year career at Woodside Petroleum, where he held a number of positions, including Acting CFO, Vice President of the USA Business Unit and Vice President of the Pluto Business Unit. Since leaving Woodside in 2008, he has undertaken a number of financial and commercial consulting projects working with First Quantum Minerals and QR National. He has built and maintains a wide range of senior level relationships across the petroleum, resources and financial sectors in Australia and internationally.

Mr Hayden succeeds Mr Peter Stickland, who will remain as an adviser for an interim transition period. The Board had previously reported Mr Stickland's intention to resign from Tap.

Person compiling information about hydrocarbons:

Pursuant to the requirements of the Listing Rules, the reported hydrocarbon estimates contained in this document are based on information compiled by the Company's Exploration Manager, Mr Joe Scibiorski B.Sc (Hons) M.Sc (Petroleum Geology), DIC. Mr Scibiorski is a full-time employee of the Company and has more than 25 years relevant experience in the petroleum industry.

Abbreviations and Definitions

Please refer to Tap Oil Limited's Annual Report Glossary or Glossary and Definitions on Tap's website for explanations of any abbreviations used in this report.

Investor Relations

Information contained on Tap's website is regularly updated and includes recent ASX announcements and investor presentations. We encourage all interested stakeholders to visit www.tapoil.com.au or for further information please contact the Managing Director / CEO, Mr Peter Stickland by phone (+61 8 9485 1000) or email info@tapoil.com.au.

Disclaimer

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.