

30 March 2010

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

TAP TO EXPLORE HIGHLY PROSPECTIVE OFFSHORE GHANA EXPLORATION BLOCK

Highlights

- *Tap Oil confirms it has executed a Petroleum Agreement with the Ghana National Petroleum Corporation for the exploration of the "Offshore Accra Contract Area", in Ghana, West Africa. Tap will hold a 36% interest and be the Operator of the Joint Venture and Petroleum Agreement.*
- *The Agreement will become effective when ratified by the Parliament of the Republic of Ghana. We have been advised verbally that ratification occurred on 24 March 2010 and await written confirmation.*
- *3D seismic indicates the potential for multiple large (+100 million barrel) oil accumulations in the Contract Area.*
- *The Offshore Accra Contract area is located on the West African Transform Margin. One of the world's largest oil discoveries in 2007, Kosmos Energy and Tullow Oil's 1.2 billion barrel Jubilee discovery, is located in the adjacent and analogous basin which also forms part of the West African Transform Margin.*
- *The Offshore Accra Contract Area fits Tap's strict internal technical, economic and overall operating criteria for new ventures. It forms part of Tap's exploration strategy, of adding 1-2 high quality blocks to its portfolio each year and gaining maximum value by securing the acreage early in the exploration cycle.*
- *2010 activity in the Contract Area will focus on seismic reprocessing and new seismic acquisition, with one well to be drilled 2011/12.*
- *Ghana ranks as one of the most financially and politically stable countries in Africa. That stability was highlighted when US President Barack Obama deliberately chose Ghana as his first African destination upon becoming US President.*

Detail

Tap is pleased to announce that it has entered into a Petroleum Agreement to secure a 36% interest and Operatorship of the Offshore Accra Contract Area, off the coast of Ghana, Africa.

The Petroleum Agreement between Tap, its joint venture partners, the Republic of Ghana and the Ghana National Petroleum Corporation (GNPC) has been approved by the Minister and Cabinet and we are awaiting written confirmation that it was ratified by the Parliament of the Republic of Ghana on 24 March 2010.

Tap will be the Operator of the joint venture which includes Challenger Minerals and AFEX International.

The Offshore Accra Contract Area covers an area of 2,000 sq km (Figure 1) and is located to the southeast of Accra, the capital of the Republic of Ghana, in water depths ranging from less than 50 metres to greater than 2,500 metres.

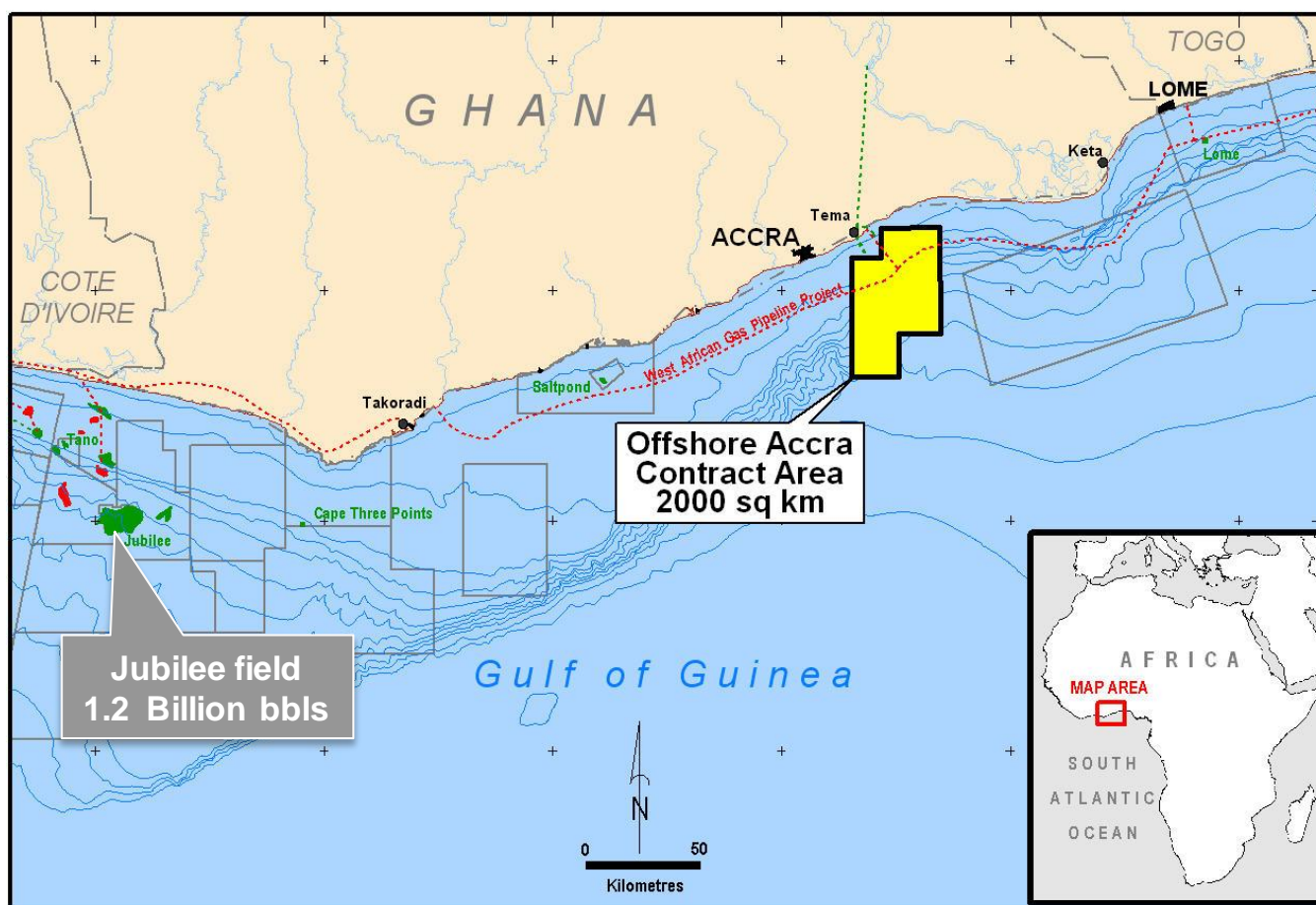


Figure 1: Location map – Offshore Accra Contract Area

Excellent Oil Potential

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 the 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 (Tweneboa and Odum) have further demonstrated the significant potential that exists along the Margin.

Several moderate risk but high reward structures have been identified on existing 3D seismic data in shallow-moderate water depths in the Contract Area, each of these is considered to have potential to contain in excess of 100 million barrels 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.

Commercial Terms

The initial application for the Offshore Accra Contract Area was made prior to the Jubilee discovery and negotiations continued through the 2008 elections and under the new government. The Contract Area has a modest initial committed exploration program consisting of 3D seismic reprocessing, acquisition of 850km of 2D seismic data and a single exploration well over the next two and a half years.

The terms of the Petroleum Agreement are confidential but are consistent with other Petroleum Agreements in Ghana which are considered attractive on a global ranking. The Agreement terms and the supportive host government provide an attractive reward for effort in the event of a discovery.

The Contract Area is located over the West African Gas Pipeline which provides immediate access to expanding energy markets in this growing region for any gas discovered as part of the program.

Solid Operating Environment

Ghana is a stable parliamentary democracy which gained its independence in 1957. While Ghana has significant natural resources, its hydrocarbon potential has only recently been highlighted by the 2007 offshore Jubilee discovery of 1.2 billion barrels.

The government is supportive of petroleum developments as demonstrated by the relatively quick approval of the phase one development plan for the Jubilee field. Tullow Oil reported on 15 July 2009 that the phase one development plan had been approved and Tullow have recently confirmed that first oil production is on schedule to begin in late 2010.

All oil and gas field services are readily available in this region.

Ghana hosted US President Barack Obama's first African visit on becoming President of the United States. The choice of Ghana was a deliberate show of support by the US and President Obama for the Ghana's democracy and stability.

REFER TO THE ATTACHED PRESENTATION FOR ADDITIONAL INFORMATION ON THE OFFSHORE ACCRA CONTRACT AREA

Joint Venture Partners

The participants in the Petroleum Agreement are:

	Participating Interest
Tap Oil (Ghana) Limited	36%
Afex Oil (Ghana) Limited	27%
Challenger Minerals (Ghana) Limited	27%
Ghana National Petroleum Company*	10%

** carried by the other parties in proportion to their Participating Interest*

Tap's joint venture partners in the Contract Area are:

Challenger Minerals Inc. (CMI) is a subsidiary of Transocean Ltd, the world's largest offshore drilling contractor. CMI participates in exploration and appraisal opportunities around the world and provides the joint venture with the potential to access Transocean's fleet of 138 offshore drilling rigs and effectively manage drilling risk through CMI's drilling affiliate, Applied Drilling Technology International.

AFEX Oil (Ghana) Limited is an affiliate of AFEX International, Inc which is a private, US-based company with West African experience, including Ghana and discoveries in Cote d'Ivoire and most notably in Equatorial Guinea with the Zafiro Field (1.2 billion barrels).

Ghana National Petroleum Corporation was established by the Republic of Ghana to undertake exploration and production activities in Ghana and hold the State's participating interest in those activities.

Mr Peter Stickland, Tap's Managing Director / CEO commented:

"We believe the significant potential of the Offshore Accra Contract Area makes it a compelling opportunity that enhances our existing portfolio of activities.

Our New Ventures team have worked hard over the last few years on many opportunities with few meeting Tap's challenging acceptance criteria. It's a credit to our team's foresight and ability to have successfully concluded the Petroleum Agreement with the government during a period when the Jubilee discovery has created intense international interest in the region.

As well as the very attractive exploration potential, Ghana's long term economic and government stability played an important role in our assessment process.

Over the next 12 months Tap remains focussed on delivering the opportunities it has developed in Australia and South East Asia, while Offshore Accra represents an early entry opportunity for longer term growth with drilling likely in 2011/12.

Tap is pleased to have successfully concluded the Offshore Accra Petroleum Agreement and to have been endorsed as the Operator for the Joint Venture and the Contract Area. We are looking forward to working with the joint venture and GNPC, a combination that represents a strong convergence of technical and operational skill and experience."

Enquiries to:	Peter Stickland	(Managing Director / CEO)
	Telephone:	+61 8 9485 1000
	Email:	info@tapoil.com.au
	Website:	www.tapoil.com.au

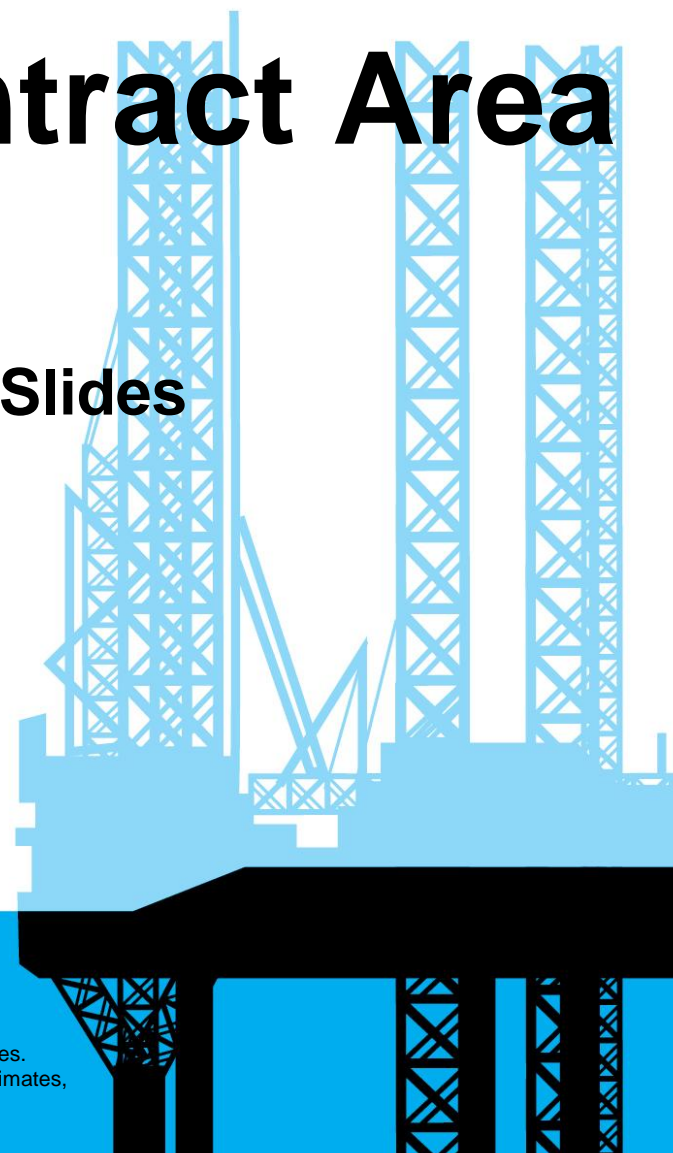
Offshore Accra Contract Area Ghana

Background Information Slides

30 March 2010

www.tapoil.com.au

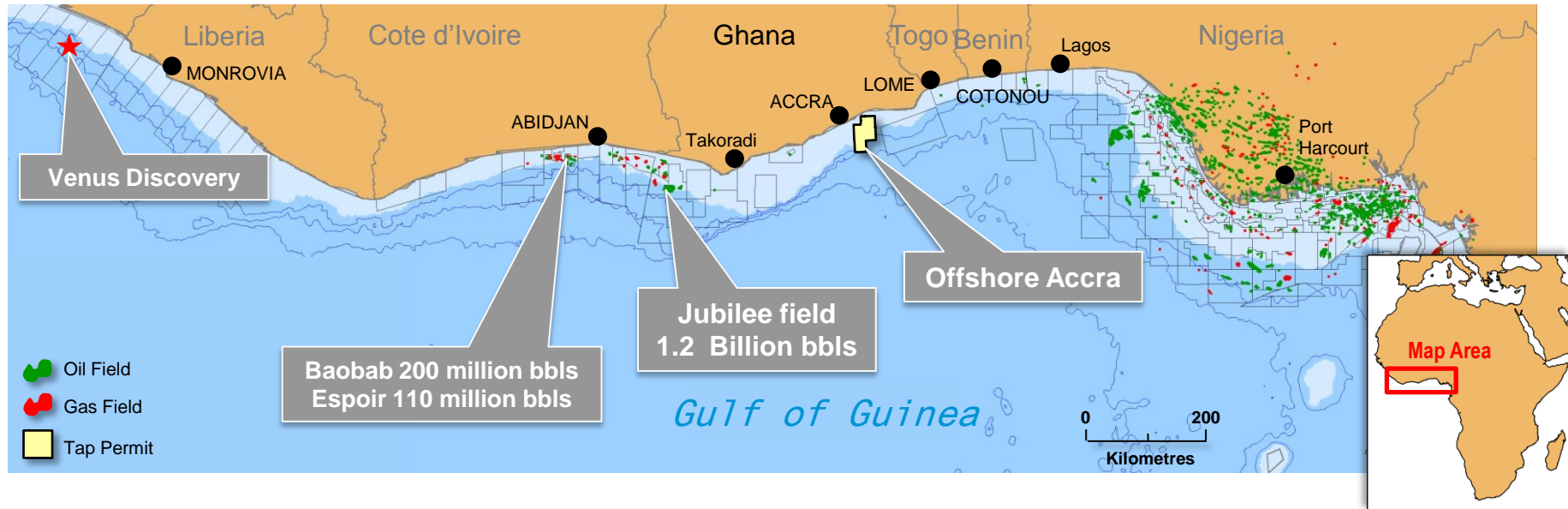
This presentation contains some references to forward looking assumptions, representations, estimates, budgets, and outcomes. These are uncertain by the nature of the business and no assurance can be given by Tap Oil Limited that its expectations, estimates, budgets and forecast outcomes will be achieved.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



Ghana, Offshore Accra Contract Area: Overview

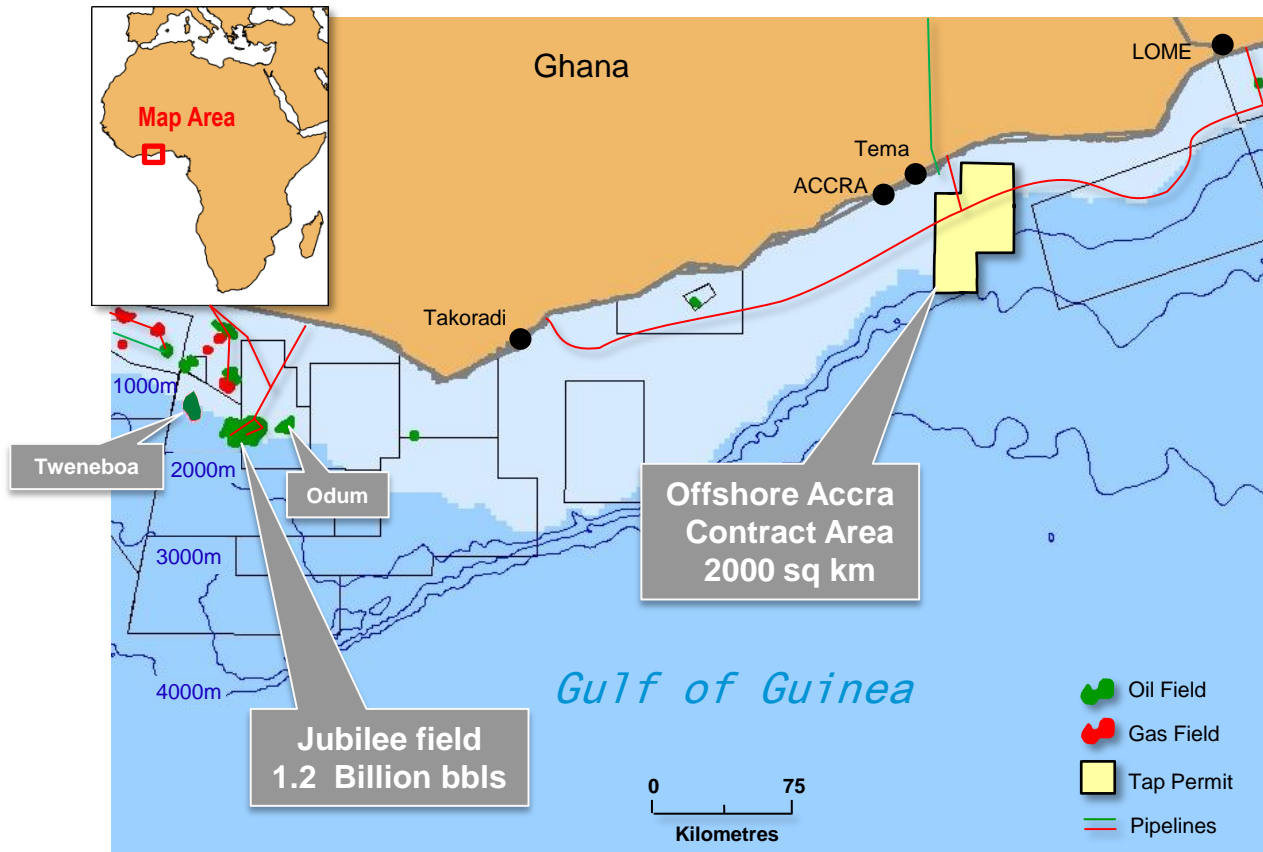
- Offshore Accra Contract Area (Tap 36% & operator)
 - Favourable regional geology, highly prospective for multiple plays and targets,
 - Multiple leads have been identified on existing 3D seismic coverage > 100mmbbl oil
 - Ground floor entry positioning for 2011-2012 drilling
 - Favourable fiscal terms and supportive government
 - Ghana is politically stable and a preferred West African country for operations
- West African basins are prolific. The recent 1.2 billion barrel oil discovery at Jubilee and other subsequent discoveries (eg Tweneboa, Odum) highlighted the previously overlooked prospectivity of Ghana and is the reason for the international attention Ghana and its neighbouring countries are receiving.

This is a compelling oil opportunity that fits Tap's strategy to capture early entry opportunities with moderate risk and the potential for material discoveries



Ghana Offshore Accra Contract Area

(Tap 36%, Operator)

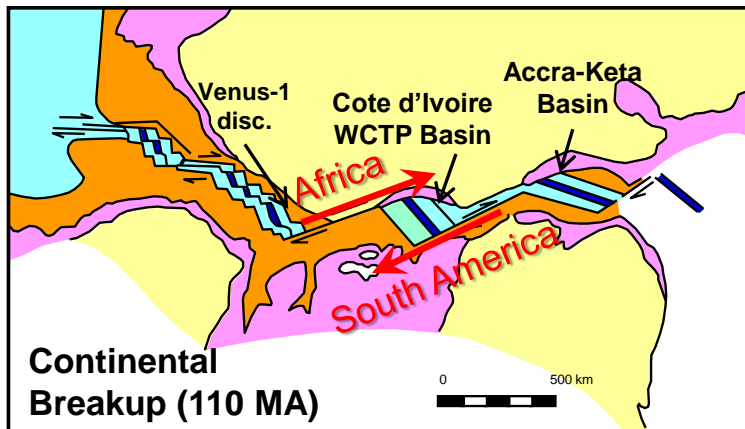


➤ Joint Venture Partners

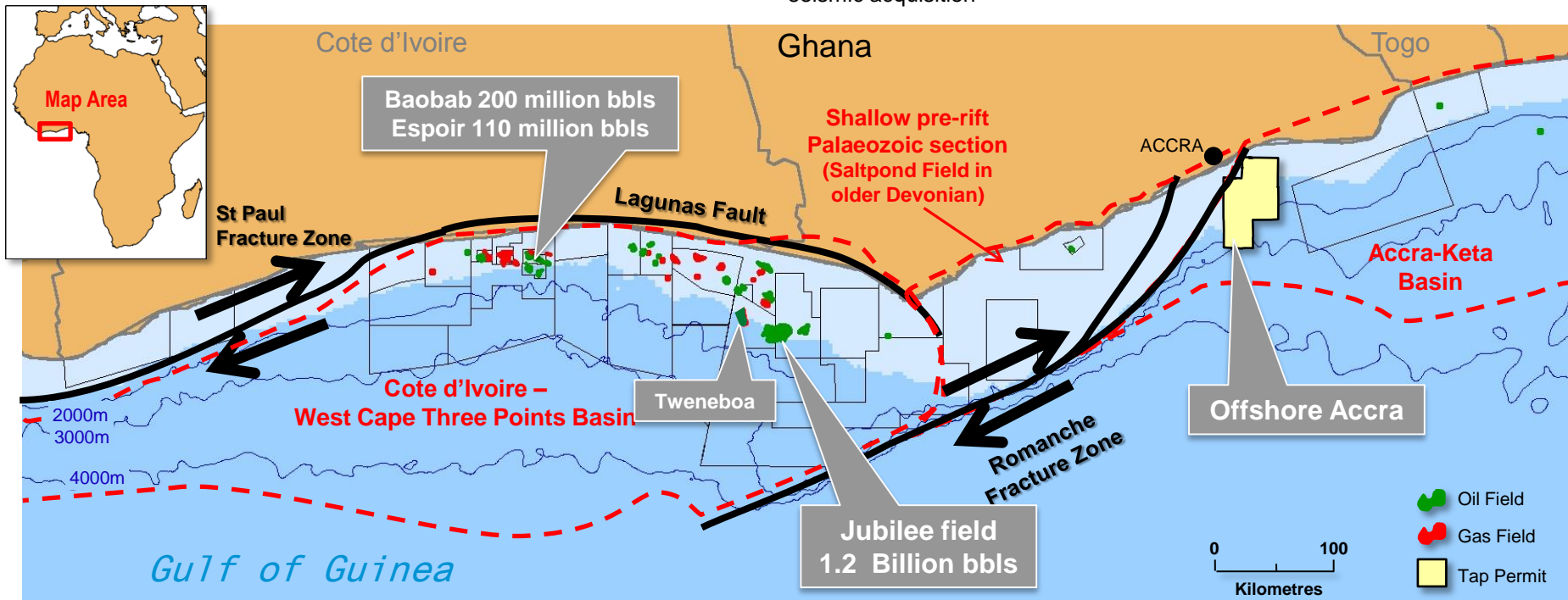
- Afex International , 27%, a private US company with successful West African experience including major discoveries in Equatorial Guinea and Cote d'Ivoire
- Challenger Minerals Inc , 27%, exploration subsidiary of Transocean, the world's largest offshore drilling contractor
- Ghana National Petroleum Corporation (GNPC) 10% carried through exploration & development

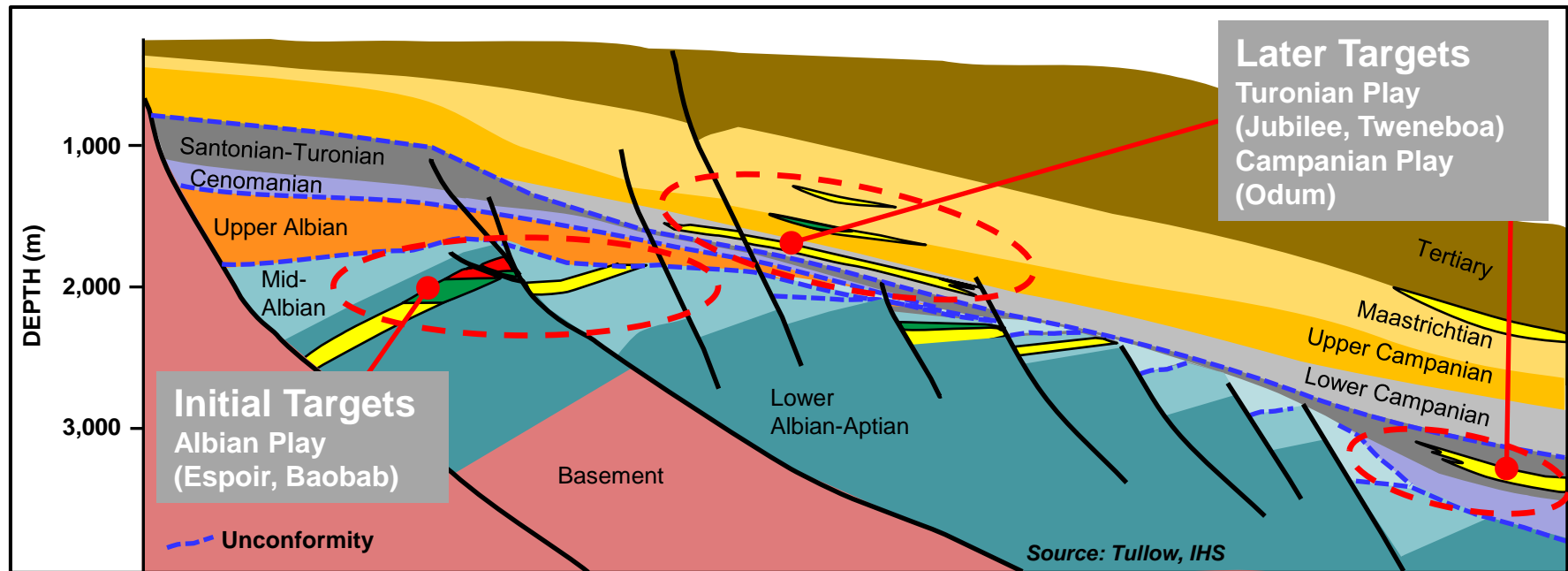
- Initial work program;
 - 2010: 3D seismic reprocessing over leads in conventional water depths, acquisition of new seismic
 - 2011-12: 1 well
- Predictable operating environment with access to seismic vessels, drilling rigs and services
- West Africa Gas Pipeline runs through the Contract Area providing access to markets in growing region

West African Transform Margin Regional Geology

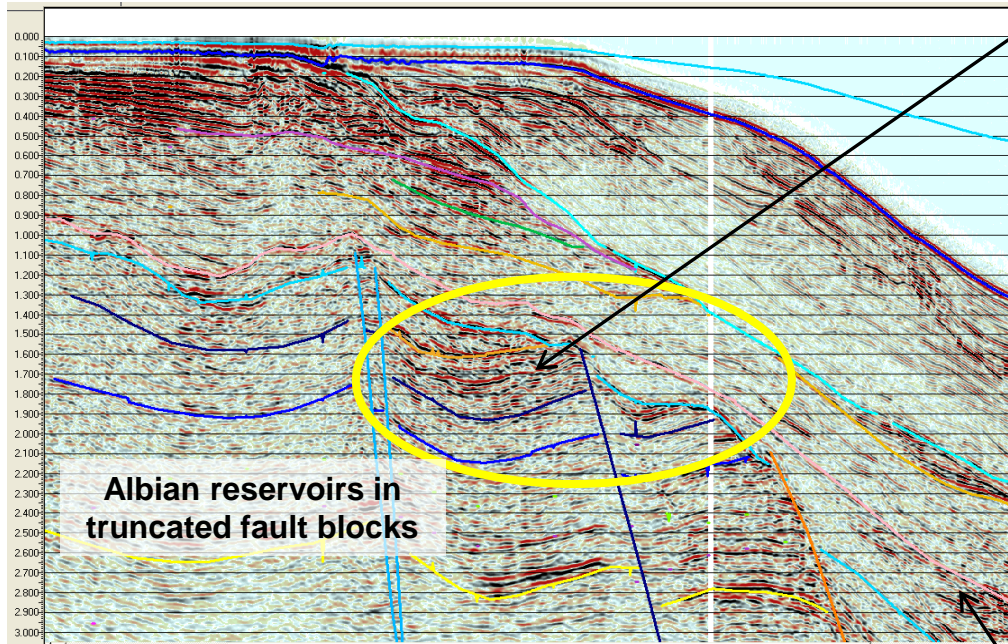


- The West African Transform Margin extends from Sierra Leone to western Nigeria
 - three related basins bounded by major transform faults
 - oil-prone source rocks occur in these basins along the whole margin
- Commercial production established in the Cote d'Ivoire – West Cape Three Points Basin, new discovery at Venus-1 in the next basin west
- Accra-Keta sub-basin has the same key elements but is underexplored
- Accra Block located in a similar setting to the Espoir-Baobab area
 - initial targets are in the pre-breakup Albian play with existing 3D coverage
 - potential for post-breakup deepwater “Jubilee” play – will be evaluated by new seismic acquisition





- Exceptionally favourable convergence of regional geological factors on the Ghana margin
 - Rich source rocks deposited and matured for oil
 - Well developed and widespread Albian age reservoirs contain major fields – Baobab, Espoir
 - World class turbidite reservoirs deposited in giant stratigraphic traps – eg Jubilee, Tweneboa, Odum
 - Highly effective seals preserve oil and gas for discovery and development
- Two Albian leads identified to date, in conventional water depths, with >100 mmstb potential
- 3D seismic reprocessing to upgrade those leads, new seismic will target deepwater leads



Initial wells will likely target leads in the Albian play

- >100mmstb recoverable oil
- Shallow water depth
- Moderate target depth
- Defined on existing 3D seismic
- Proven play type, mid-Cretaceous truncation trap
- Analog discoveries at Espoir (110mmbo) and Baobab (200mmbo) in Cote d'Ivoire
- 3D seismic reprocessing to upgrade leads – improved imaging and potential DHI/AVO analysis

New seismic acquisition to explore turbidite sand leads in the deepwater play

- potential Jubilee type prospects

goal of producing oil by the second half of 2010.

Celebrated for its democratic rule and stability on a continent more often associated with coups d'état and violence, Ghana is trying to figure out how to handle the oil discovery responsibly and avoid the problems that have beset other oil-rich African nations.

In 2007, backed partly by oil

Ghanaian officials are aware of the burden that oil and natural-gas riches have brought to countries like Nigeria, and they are carefully negotiating their position with the oil companies. During an industry conference last

still down the flow of oil.

That Ghana has held five consecutive democratic elections—the most recent one in December—and is mostly peaceful has inspired confidence among many analysts that the country will better handle its oil and gas resources than Nigeria or Angola and Equatorial Guinea.

Ghana has a more diverse

Wall St Journal
July 28, 2009



- Ghana is a leading nation in Africa in terms of political and economic governance and as a result:
 - Ghana has significant support from the US, Europe, IMF and World Bank
 - Political risk ratings similar to much of SE Asia (rated lowest sovereign risk in West Africa)
 - Recent visits by US Presidents Bush and Obama (and family)
- Peaceful changes of government in 2000 and 2008, the latter election was extremely close yet trouble-free
- Diversified economy provides greater stability:
 - Second largest producer of cocoa and second largest African gold producer (significant Australian involvement)
 - other resources - timber, bauxite, manganese and industrial diamonds
- English speaking and English system of law
- Since the discovery of oil at the 1.2 billion bbl Jubilee Field the Ghanaian government has carefully considered all its plans for:
 - administration of the E&P industry
 - licence awards and terms
 - local industry development
- At least A\$1bn has been invested in Ghana by Australian resources companies (eg. Perseus, Noble, Adamus, Castle, Resolute...)