

4 June 2013

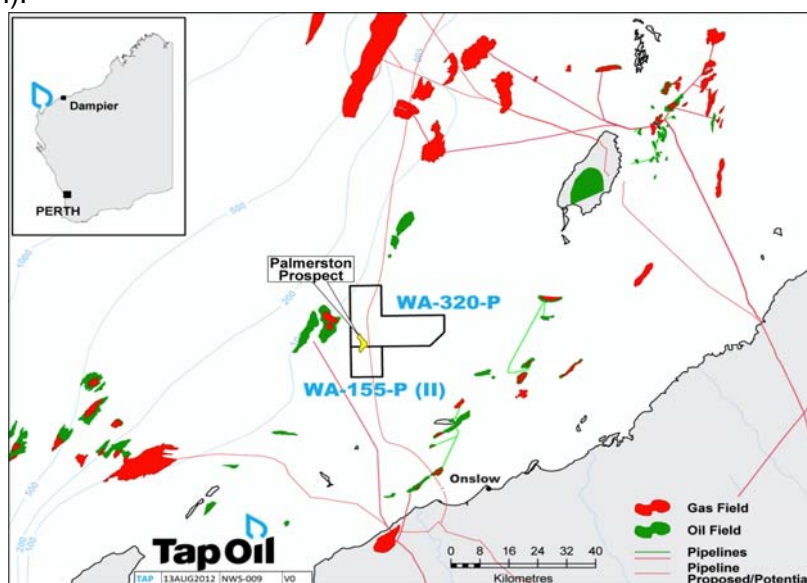
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WA-320-P / WA-155-P (PART II) FARMOUT

Tap Oil Limited (ASX:TAP) is pleased to announce that its wholly owned subsidiary Tap (Shelfal) Pty Ltd has entered into an agreement with JX Nippon Oil and Gas Exploration (Australia) Pty Ltd to farmout a portion of its interests in Exploration Permits WA-320-P and WA-155-P (Part II). The Palmerston gas prospect straddles these two permits and may be drilled as early as the first quarter of 2014.

Tap will farmout 10% of its interest in WA-320-P and 7% of its interest in WA-155-P (Part II) in exchange for a 5% carry on the Palmerston well (up to a total well cost of US\$70 million). Following the farmout, Tap will retain a 9.778% interest in WA-320-P and a 6.555% interest in WA-155-P (Part II).



Tap's Managing Director/CEO, Troy Hayden said:

"This transaction follows on from the equity swap in WA-320-P and WA-155-P (Part II) that provided us with access to the entire Palmerston gas prospect. This farmout reduces our equity exposure in these permits and with the well carry, significantly reduces the cost of the well to Tap. The WA-320-P joint venture is looking at drilling the Palmerston prospect in early 2014."

The transaction is subject to Foreign Investment Review Board approval and other approvals as are standard for transactions of this type. Subject to receipt of these approvals, the effective date of the transaction is 1 January 2013.

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Key Terms of Farmout		
Location	Offshore Carnarvon Basin	
Permits	Part II Area of Exploration Permit WA-155-P Exploration Permit WA-320-P	
Effective date	1 January 2013	
Consideration	5% of Palmerston well cost (up to a total well cost of US\$70 million)	
Pre Farmout Equity	WA-320-P	
	Apache Permits Pty Ltd (Operator)	40.665%
	Tap (Shelfal) Pty Ltd	19.778%
	OMV Australia Pty Ltd	39.557%
	WA-155-P (Part II)	
	Apache Permits Pty Ltd (Operator)	40.665%
	Tap (Shelfal) Pty Ltd	13.555%
	OMV Australia Pty Ltd	27.110%
	Inpex Alpha, Ltd	18.670%
	Post Farmout Equity	WA-320-P
Apache Permits Pty Ltd (Operator)		40.665%
Tap (Shelfal) Pty Ltd		9.778%
OMV Australia Pty Ltd		39.557%
JX Nippon Oil and Gas (Australia) Pty Ltd		10.000%
WA-155-P (Part II)		
Apache Permits Pty Ltd (Operator)		40.665%
Tap (Shelfal) Pty Ltd		6.555%
OMV Australia Pty Ltd		27.110%
Inpex Alpha, Ltd		18.670%
JX Nippon Oil and Gas (Australia) Pty Ltd		7.000%
Forward Plan		An exploration well, Palmerston, may be drilled as early as the first quarter of 2014.