

29 February 2012

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The Company Announcements Platform
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20 Bond Street
SYDNEY NSW 2000

2011 FULL-YEAR FINANCIAL RESULTS CONFERENCE CALL PRESENTATION

Please find attached a presentation providing investors and analysts with information on Tap Oil Limited's 2011 full-year financial results.

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".

Tap will be hosting a conference call in respect of the 2011 financial results at 1:00pm AEDST on Thursday, 1 March 2012. Dial in details are set out below:

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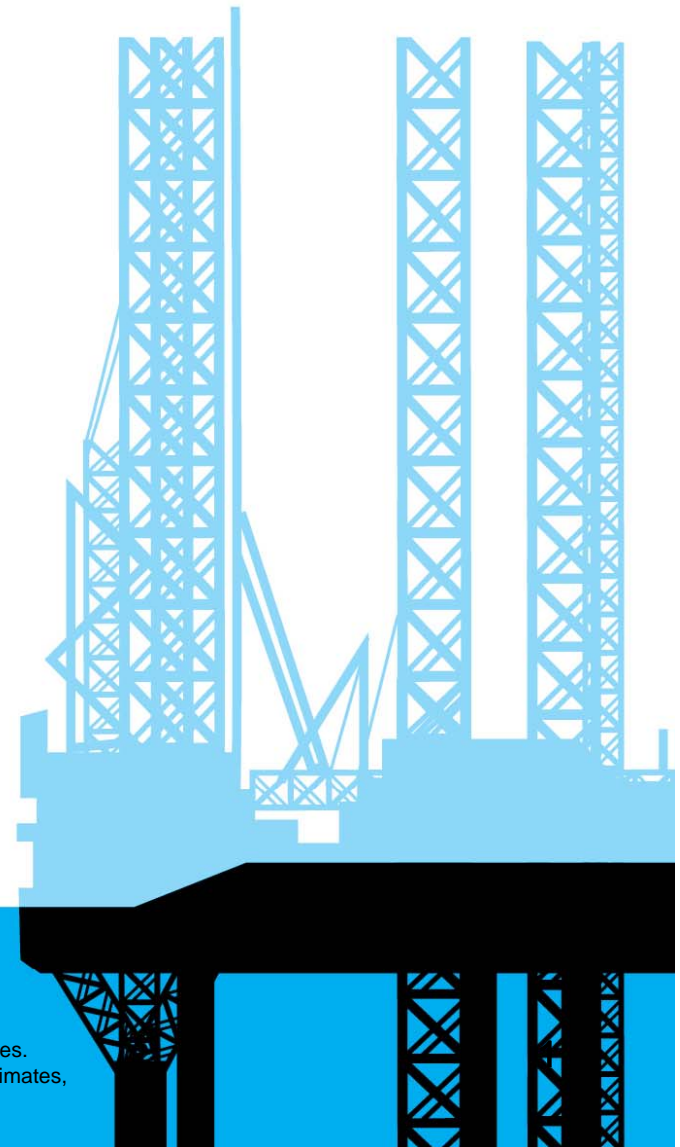


2011 Results Presentation

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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.



This presentation contains summary information in respect of the 2011 financial year results. For complete information please refer to the Audited Annual Financial Report for the Financial Year Ended 31 December 2011 which accompanies this announcement and is available at the Tap Oil website www.tapoil.com.au

Certain statements contained in this presentation, including information as to the future financial or operating performance of Tap Oil Limited and its projects, are forward-looking statements. Such forward-looking statements:

- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Tap Oil Limited, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;*
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and*
- may include, among other things, statements regarding targets, estimates and assumptions in respect of production and prices, operating costs and results, capital expenditures, reserves and resources and anticipated flow rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.*

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The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, “potential”, “opportunity” and similar expressions identify forward-looking statements.

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Person compiling information about hydrocarbons

The reserve information in this report is based on information compiled by Mr Denis Bouclin B.A.Sc (Hons), M.A.Sc (Engineering), P.Eng., who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Bouclin is a full-time employee of the Company, with more than 25 years relevant experience in the petroleum industry.

- Tap has continued its strategy of refocusing and commercialising our asset portfolio
- The 2011 financial statements reflect the significant changes made to the Tap asset portfolio during the year
- Writedowns due to:
 - Increases in abandonment costs for the Harriet and Woollybutt Joint Ventures
 - Impairment relating to the loss on sale of our interest in the Harriet Joint Venture (HJV)
- A year of exploration success with more activity planned for 2012
- Sale of HJV since year end will:
 - Remove the uncertainty associated with the litigation exposures
 - Free Tap from having to meet the abandonment liability
 - Remove an asset that had falling production and rising costs

Highlights

- ✓ 280% increase in 2P reserves due to the booking of 6.1 mmbbls of 2P oil reserves at Manora
- ✓ Net profit after tax from continuing operations of \$4.9 million
- ✓ Cash flow from operations of \$26.3 million
- ✓ Cash reserves of \$82.4 million with no debt
- ✓ \$11.6 million profit on sale of WA-351-P interest plus US\$10 million well carry covering the remaining equity
- ✓ Significant gas discovery at Zola-1
- ✓ Oil discovery at Finucane South-1
- ✓ Ghana deepwater provides high-risk, high-reward opportunity
- ✓ Portfolio rationalisation
- ✓ Board renewal

Material Subsequent Events

- ✓ Sale of WA-191-P for \$21.7 million
- ✓ Sale of participating interest in HJV for US\$10 million which will remove all litigation exposure, including the Burrup gas sales agreement action
- ✓ Imminent commencement of the Tallaganda-1 well in WA-351-P

Breakdown of Results



	2011 \$ million	2010 \$ million	% change
Oil and gas production (mmboe)	0.8	1.1	-27%
Sales revenue*	64.2	73.6	-13%
Gross profit*	12.4	14.7	-16%
EBITDAX (incl. impairments)*	(5.7)	20.3	n/a
Net loss before tax*	(32.3)	(76.4)	-58%
Net loss after tax	(20.2)	(61.4)	-67%
Add back exploration and impairment expense**	<u>32.4</u>	<u>61.9</u>	-48%
Net profit after tax, before exploration and impairments	12.2	0.5	2340%

* These financial numbers are the sum of both continued and discontinued operations, which is a non-IFRS disclosure. Please see the Appendix at the back of this presentation for a reconciliation to IFRS financial information as included in the financial statements.

+ See slide 7 for breakdown.

Exploration and Impairment Expenses



	2011 \$ million		2010 \$ million	
Exploration and Impairment Expenses				
Exploration impairment/write downs				
➤ Block M Brunei	6.5		28.7	
➤ SC 41	-		20.3	
➤ T/47P	(3.3)		12.9	
➤ WA-191-P	(3.5)			
➤ Rangkas	3.8			
➤ HJV (TP/8 - Hannah)*	1.0			
➤ Others	-	4.5	8.6	70.5
Property, Plant and Equipment Impairment				
➤ Woollybutt	9.8		7.0	
➤ Harriet JV*	28.8			
➤ TL/2 and TP/7	-	38.6	2.1	9.1
Tax effect**		(10.7)		(17.7)
Total		32.4		61.9

* Relates to discontinued operations.

** Tax effect includes \$9 million that relates to discontinued operations (2010: \$0.6 million)

Production Assets



	2011	2010	% change
Production (net to Tap)			
HJV liquids ('000 bbls)	154	200	-23%
WBT oil ('000 bbls)	155	262	-41%
Total liquids ('000 bbls)	309	462	-33%
HJV Sales Gas (TJ)	3,575	4,134	-14%
HJV Sales Gas ('000 boe)	533	616	-13%
Total production ('000 boe)	842	1,078	-22%
	2011	2010	
	(\$ million)	(\$ million)	% change
Sales (net to Tap)*			
Liquids	27.5	40.3	-32%
HJV gas sales	4.8	6.1	-21%
Third Party Gas	27.5	25	10%
Tolling	4.4	2.2	100%
Total	64.2	73.6	-13%

HJV

- Liquids production declined, but still ahead of budget
- Gas sales delivered in line with contractual demand
- HJV interest sold since year end – to be effective from 1 January 2012

Woollybutt (WBT)

- Production has declined as expected for most of the year
- Lower than budget due to longer cyclone shut-ins and mechanical problems on Woollybutt-1 late in the year
- The field will cease production in April 2012

*These financial numbers are the sum of both continued and discontinued operations, which is a non-IFRS disclosure. Please see the Appendix at the back of this presentation for a reconciliation to IFRS financial information as included in the financial statements.

Third Party Gas Contracts



Third Party Gas Contracts	2011	2010	% change
Volume sold (TJ)	3,762	3,940	-5%
Volume sold ('000 boe)	555	581	-4%
Revenue (\$ million)	27.6	25.0	10%

- Throughout 2011, several gas customers experienced operational issues, reducing their consumption of gas and deferring revenue to Tap of approximately \$2.8 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 is lower than expected, even though the cash has been received for future gas sales.
- At 31 December 2011, Tap had total deferred revenue of approximately \$11.2 million due to gas sold on a 'take-or-pay' basis. There is a corresponding deferment by Tap of its purchases recorded in Other Current Assets (Prepaid Gas).
- All contracts are AUD and CPI linked so no currency or commodity risk
- NPV of contracts at 1 January 2012 is approximately \$57 million (after tax, 10% discount rate)

Focus on Three Core Asset Areas

1. Thailand

- Manora oil development – FID mid-2012
- Exploration – up to three wells in the second half of 2012

2. Carnarvon Basin, Western Australia






- WA-351-P: LNG scale gas exploration – Tallaganda-1 well to commence shortly
- Recent Zola-1 discovery

3. Ghana

- Accra Block – deepwater provides high-risk, high-reward oil opportunity

Plenty of Near Term Activity



Project	Tap Share	Indicative Timing 2012			
		Q1	Q2	Q3	Q4
<u>Australia Carnarvon Basin</u>					
WA-290-P	10%				Drilling 
WA-351-P	20%	 Drilling			
<u>Thailand</u>					
Manora	30%*		 FID		
Exploration	30%*			 Drilling	
<u>Ghana</u>					
1 well	40%			 Drilling	

* Tap owns 75% of Northern Gulf Petroleum, which holds a 40% interest in Thailand concessions

Tap has an active drilling program scheduled for 2012

Appendices

The audited annual financial report for the financial year ended 31 December 2011 accompanies this announcement and is available at the Tap Oil website at www.tapoil.com.au. Please refer to the audited financial statements for the IFRS financial information.

Where indicated, this announcement also contains some non-IFRS financial information. Such information includes aggregate financial information that totals both continuing and discontinued operations, and is therefore non-IFRS financial information. The non-IFRS information is presented in order to provide investors with further information and perspective on the overall financial performance and operations of the Company.

This Appendix contains a reconciliation of non-IFRS financial information to audited IFRS financial information.

2011 Results Breakdown 1



	2011	2010	%
	\$ million	\$ million	Change
Revenue	64.2	73.6	-13%
Cash operating costs	(28.1)	(31.2)	-10%
Cash gross profit	36.1	42.4	-15%
Net admin costs (excl. depn)	(10.8)	(8.1)	33%
Other income	11.6	-	n/a
Other expenses	(4.0)	(4.9)	-18%
EBITDAX (excl. impairments)	32.9	29.4	12%
Impairment of development assets	(38.6)	(9.1)	324%
EBITDAX (incl. impairments)	(5.7)	20.3	-128%
Exploration impairment/write down	(4.5)	(70.5)	-94%
EBITDA	(10.2)	(50.2)	-80%
Depreciation - cost of sales	(23.7)	(27.9)	-15%
Depreciation - admin	(0.2)	(0.3)	-33%
EBIT	(34.1)	(78.4)	-56%
Net interest	3.3	3.3	0%
Finance costs	(1.5)	(1.3)	15%
Net profit before tax	(32.3)	(76.4)	-58%
Tax	12.1	15.0	-19%
Net (loss)/profit after tax	(20.2)	(61.4)	-67%

2011 Results Breakdown 2



	2011			2010		
	Continuing Operations \$ million	Discontinued Operations \$ million	Total \$ million	Continuing Operations \$ million	Discontinued Operations \$ million	Total \$ million
Revenue	39.4	24.8	64.2	48.7	24.9	73.6
Cash operating costs	(16.8)	(11.3)	(28.1)	(20.4)	(10.8)	(31.2)
Cash gross profit	22.6	13.5	36.1	28.3	14.1	42.4
Net admin costs (excl. depn)	(10.8)	-	(10.8)	(8.1)	-	(8.1)
Other income	11.6	-	11.6	-	-	-
Other expenses	(3.4)	(0.6)	(4.0)	(4.7)	(0.2)	(4.9)
EBITDAX (excl. impairments)	20.0	12.9	32.9	15.5	13.9	29.4
Impairment of development assets	(9.8)	(28.8)	(38.6)	(9.1)	-	(9.1)
EBITDAX (incl. impairments)	10.2	(15.9)	(5.7)	6.4	13.9	20.3
Exploration impairment/write down	(3.4)	(1.1)	(4.5)	(69.4)	(1.1)	(70.5)
EBITDA	6.8	(17.0)	(10.2)	(63.0)	12.8	(50.2)
Depreciation - cost of sales	(3.2)	(20.5)	(23.7)	(4.5)	(23.4)	(27.9)
Depreciation - admin	(0.2)	-	(0.2)	(0.3)	-	(0.3)
EBIT	3.4	(37.5)	(34.1)	(67.8)	(10.6)	(78.4)
Net interest	3.3	-	3.3	3.3	-	3.3
Finance costs	(0.3)	(1.2)	(1.5)	(0.4)	(0.9)	(1.3)
Net profit before tax	6.4	(38.7)	(32.3)	(64.9)	(11.5)	(76.4)
Tax	(1.5)	13.6	12.1	13.0	2.0	15.0
Net (loss)/profit after tax	4.9	(25.1)	(20.2)	(51.9)	(9.5)	(61.4)

2011 Results Breakdown 3



	2011			2010		
	Continuing Operations \$ million	Discontinued Operations \$ million	Total \$ million	Continuing Operations \$ million	Discontinued Operations \$ million	Total \$ million
Oil and gas production (mmboe)	0.2	0.6	0.8	0.3	0.8	1.1
Sales revenue	39.4	24.8	64.2	48.8	24.8	73.6
Gross profit	19.5	(7.1)	12.4	23.9	(9.2)	14.7
EBITDAX (incl. Impairments)	10.2	(15.9)	(5.7)	6.4	13.9	20.3
Net (loss)/profit before tax	6.4	(38.7)	(32.3)	(64.9)	(11.5)	(76.4)
Net (loss)/profit after tax	4.9	(25.1)	(20.2)	(51.9)	(9.5)	(61.4)
Add back exploration and impairment expense	11.5	20.9	32.4	60.2	1.7	61.9
Net profit after tax, before exploration and impairments	16.4	(4.2)	12.2	8.3	(7.8)	0.5

2011 Results Breakdown 4



	2011	2010	% change
Balance Sheet (\$ million)			
Cash*	81.8	98.9	-17%
Capitalised Exploration Expenditure	141.2	109.6	29%
Property, Plant & Equipment	4.8	77.4	-94%
Total Assets	301.1	325.1	-7%
Debt	-	-	-
Total Liabilities	90.2	94.6	-5%
Net Assets	211.0	230.5	-8%
Cashflow (\$ million)			
Operations	26.3	31.9	-18%
Investing	(42.2)	(45.9)	-8%
Financing	-	55.0	-100%

* \$81.8 million plus \$0.6 million classified as assets held for sale totals to \$82.4 million as per the highlights on slide 4.

2011 Results Breakdown 5



Production Volumes	2011	2010	% change
<i>Production</i>			
Oil & Condensate (mmbbls): : HJV	0.2	0.2	0%
: Woollybutt	0.2	0.3	-33%
Sales Gas (PJ): : HJV	3.6	4.1	-12%
Total (mmboe)	0.8	1.1	-27%
Reserves (Proved and Probable) (mmboe)	8.0	2.8	186%
Sales of third party gas (PJ):	3.8	3.9	-3%
<i>Other</i>			
Oil Price – A\$ average realised/bbl	116	85	36%
Shares on Issue	241.0	241.0	0%
Share Price at period end (\$)	0.60	0.83	-28%

2011 Revenue Breakdown



	2011			2010		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Sales Revenue : Oil and Condensate	10.5	17.0	27.5	22.5	17.8	40.3
: Gas	27.5	4.8	32.3	25	6.1	31.1
: Tolling	1.4	3.0	4.4	1.2	1.0	2.2
	39.4	24.8	64.2	48.7	24.9	73.6