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TAP ANNOUNCES FARMIN TO RANGKAS BLOCK, ONSHORE WEST JAVA, INDONESIA

Tap is pleased to announce that it has entered into a farmin agreement to acquire a 24% interest in the Rangkas Block, onshore West Java, Indonesia from Lundin Petroleum AB.

The block covers an area of 3,977 km² and is located 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 proposed joint venture partners concluding that the previous wells were not valid tests of the prospectivity. It is believed 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 these will be the target of a seismic survey of up to 500 km in the first half of 2010. Based on the results of this seismic survey the joint venture may commit to additional seismic and drilling in 2011-2012.

The participants in the Rangkas Block will be:

	<u>Participating Interest</u>
Tap Energy (Rangkas) Pty Ltd	24%
Lundin Rangkas B.V.	51%
Carnarvon Petroleum (Indonesia) Pty Ltd	25%

Lundin Rangkas B.V., a subsidiary of Lundin Petroleum will be the Operator for the Rangkas Block. Lundin Petroleum, an independent Swedish oil and gas exploration and production company, currently operates other exploration projects in Indonesia and Malaysia and holds exploration interests in Vietnam, Cambodia, Congo (Brazzaville) and Ireland. Lundin Petroleum produces approximately 40,000 barrels of oil equivalent per day from assets in France, Tunisia, Netherlands, Norway, Russia, Indonesia and the UK.

Carnarvon Petroleum (Indonesia) Pty Ltd is a subsidiary of Carnarvon Petroleum Limited which is listed on the ASX and has other exploration and production interests in Thailand and Australia.

The transaction is subject to the approval of the Indonesian Government.

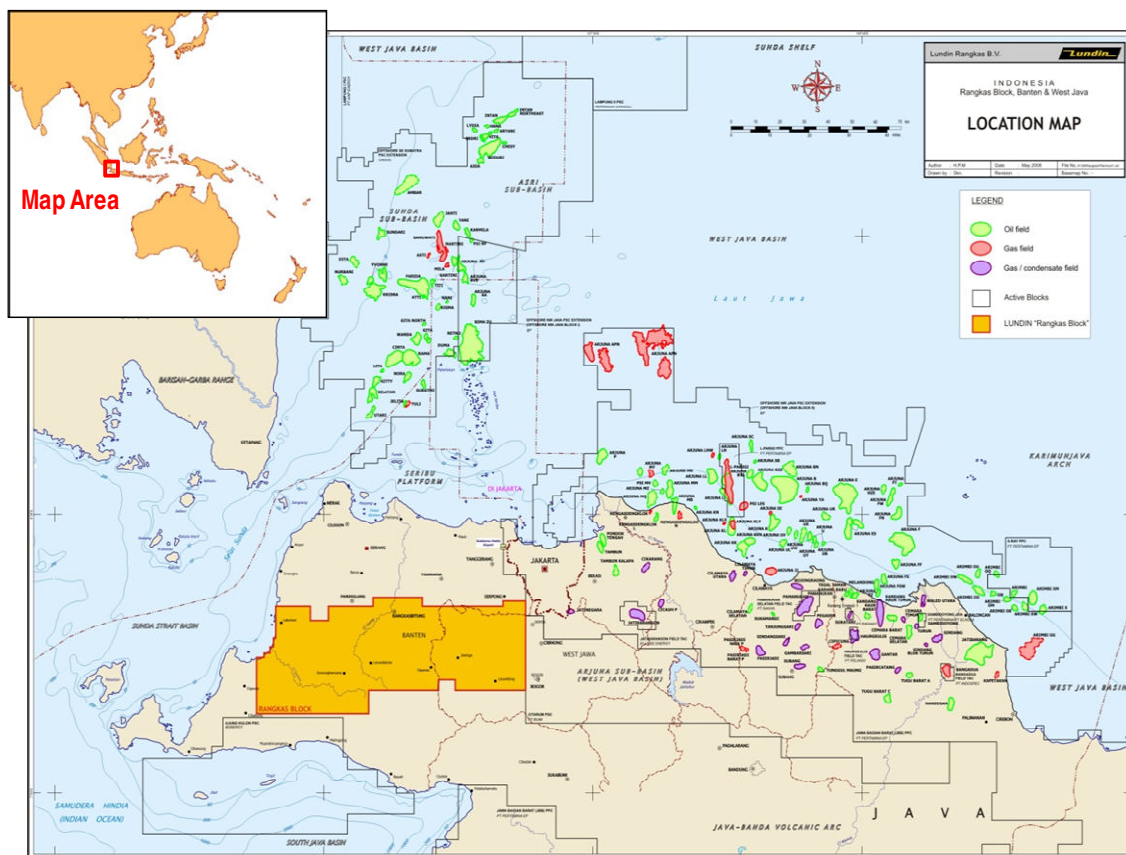
Tap's Managing Director Mr Peter Stickland said:

"We are pleased to have concluded the farmin agreement for the Rangkas Block.

This block meets Tap's strict internal criteria, having excellent oil potential, secured under attractive commercial terms and in an effective operating environment. Rangkas fits with our strategy of acquiring high quality exploration blocks early in the exploration cycle at relatively low commitment and cost.

While Tap remains focused on executing its 2010 drilling program, the acquisition of this onshore block in an prospective area has potential to deliver attractive but lower cost exploration drilling opportunities in the 2011-2012 time frame and complements Tap's existing portfolio."

Rangkas Block Location, North West Java, Indonesia



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