



# ASX ANNOUNCEMENT

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ASX:TAP

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## Commodity Hedging Program

Tap Oil Limited (**Tap** or **the Company**) advises that the Board has decided to take the opportunity to lock in some of the recent oil price strength and protect a portion of revenue and Manora reinvestment plans against a significant oil price retreat.

As such, Tap has entered into commodity hedging instruments with BP Singapore Pte Limited covering 110,625 barrels of Manora crude oil due to be lifted between May 2019 and December 2019. This represents approximately 40% of anticipated Manora sales in May 2019 and 25% of anticipated Manora sales volumes during the July to December 2019 period.

Hedging has been implemented against Dubai crude, the reference against which Manora crude is priced.

The hedging is designed to protect against oil price falls below US\$60.0/bbl while retaining exposure to price increases up to US\$75.0/bbl.

The following has been contracted:

- 80,625 bbls of buy puts at Dubai US\$60.0/bbl for the scheduled lifting months during the period from July to December 2019
- 80,625 bbls of sell calls at a strike price of Dubai US\$75.0/bbl for the same months

In addition, an oil lifting of circa 250,000 bbls gross (75,000 bbls Tap share) is scheduled for the second week of May 2019 and Tap has arranged 30,000 bbls of swaps at a Dubai price of US\$69.10/bbl.

### [Investor enquiries](#)

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