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## **TAP TO RECEIVE A FURTHER US\$10 MILLION ON FINAL SETTLEMENT OF VARANUS ISLAND INSURANCE CLAIM**

Tap is pleased to report that it has reached an unconditional final settlement and release with its insurers in relation to Tap's business interruption and property damage insurance claims stemming from the incident which occurred on Varanus Island in June 2008.

The total net settlement of US\$21.07 million represents compensation for the impact of the incident on oil and gas production and sales as well as the cost to repair the damage to the Varanus Island facilities.

Tap had previously received three separate interim payments in relation to its insurance claims; these payments totaling US\$11 million are included in the settlement amount noted above leaving US\$10.07 million to be received within 14 days of settlement.

With settlement now being achieved, the full US\$21.07 million of proceeds from this claim will be recognised as revenue by Tap in its financial statements for the year ending 31 December 2009.

Tap wishes to acknowledge the support of its panel of insurers led out of the Singapore market and its insurance advisor, Marsh, in resolving these claims.

Tap's Managing Director, Peter Stickland said:

*Tap is very pleased to have been able to reach a final settlement on the claim in relatively quick time and we are very appreciative of the efforts of our insurers, advisors and loss adjusters for the professional and pragmatic way they have conducted the claim since the incident occurred.*

*Tap's prudent commercial practices are demonstrated by the level of insurance coverage maintained over its assets and the speed with which this comprehensive settlement has been achieved.*

*With this settlement and the Varanus Island facility back to capacity, Tap can now ensure its resources are focused on future value creation through its upcoming 2010 exploration drilling campaign.*

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