

NOMINATIONS COMMITTEE FUNCTION AND AUTHORITY

The role of Nominations Committee is to review Board composition and Board succession planning. This includes, but is not limited to, finding, evaluating and recommending candidates for the Board.

RESPONSIBILITIES

The Nominations Committee responsibilities will include:

- assessment of the necessary and desirable competencies of Board members;
- reviewing Board succession plans;
- reviewing the size and composition of the Board;
- evaluating Board candidates and recommending to the Board individuals for Board appointment or election by shareholders;
- reviewing education and professional development programmes to ensure Board members are up to date with relevant external developments effecting Tap and are able to discharge their responsibilities effectively;
- providing that the roles and responsibilities of Board members promote Board accountability to the Company, its shareholders and key stakeholders; and
- evaluating Board performance so that individual and collective performance is regularly and fairly assessed.

BOARD COMPOSITION

The Nominations Committee will have regard to the following in assessing Board composition:

- the Chairman should be non-executive and independent;
- the Chief Executive Officer should be a full time employee of the Company;
- ideally a majority of the Board should consist of members who are independent;
- the Board should represent a broad range of qualifications, experience and expertise considered of benefit to the Company; and
- the Board should ideally comprise of no less than three (3), and not more than ten (10), members in line with the number of members authorised under the Company's Constitution.

CRITERIA FOR EVALUATING CANDIDATES

In its evaluation of candidates for the Board, the Nominations Committee will have regard to the appropriate skill and characteristics necessary for the Board to maximise its effectiveness, taking into account the Company's current and future needs. Attributes to be considered include, without limitation, the following:

- the ability to exercise sound business judgement and ethical standards;
- a position of leadership or prominence in a specified field;
- absence of conflicts of interest or other legal impediments to serving on the Board;
- willingness to, and ability of, the candidate to devote the required time and availability to attend Board and other committee meetings;
- compatibility with the existing Board;
- appropriate industry experience and/or professional qualifications and a sound understanding of the E&P business; and
- appropriate vetting of references, including professional qualifications and search of ASIC records to ascertain whether the candidate has been prosecuted under the Corporations Act.

In approaching candidates, the Nominations Committee may give due consideration to the appointment of outside professional consultants. Any fees payable are to be approved by the Managing Director and Chairman.

Where a new non-executive Director of the Company is appointed, a letter of appointment will be provided setting out their responsibilities, rights, term of appointment and any other matters deemed necessary by the Nominations Committee for them to fulfil their role. This letter will be countersigned by the non-executive Director to indicate his/her agreement to the terms of appointment. Executive Directors shall enter into an executive service agreement with the Company.

ELECTION OF BOARD MEMBERS

In submitting the names of candidates for election as a Board member the Nominations Committee should ensure that shareholders are provided sufficient information to make an informed decision on their election, including:

- biographical details, including competencies, qualifications and any other information necessary to enable shareholders to make an assessment of the independence of the candidate;
- details of relationships between the candidate and the Company and the candidate and existing Board members;
- Board memberships held, including those Board memberships required by law and any other Board memberships relevant to an assessment of independence;
- particulars of other positions which involve significant time commitments;
- the term of office currently served by any Board members subject to re-election; and
- any other particulars required by law.

TERM OF BOARD MEMBERSHIP

Board members (other than the CEO) shall retire from the Board no later than the longer of:

- the third annual general meeting; or
- three (3) years.

In addition, one third of Board members (rounded down to the nearest whole number and excluding the CEO) must retire from the Board at each AGM. Any appointment, retirement and/or re-election of a Board member shall be subject to the relevant provisions of the ASX Listing Rules and Corporations Act and otherwise in accordance with the Company's Constitution.

COMPOSITION AND CHAIRMAN

The Nominations Committee shall consist of a minimum of three members.

The Chair of the Nominations Committee shall be selected by the Committee.

MEETINGS

The Nominations Committee will meet at least once per year and at such additional times as the Chairman of the Nominations Committee shall decide in order to fulfil its duties.

Approved by the Board of Tap Oil Limited.



Neale Taylor
Chairman
for and on behalf of the Board
of Directors



Date