

The Board considers that its prime responsibility is to oversee the Company's business activities and management for the benefit of shareholders. The Board also recognises its responsibilities to employees and, where appropriate, other stakeholders. The Board also recognises the Company has responsibilities to the wider community and to the environment.

Responsibility for management of Tap's business activities is delegated to the CEO, who is accountable to the Board.

RESPONSIBILITIES OF THE BOARD

- contribute to and approve strategy and performance objectives developed by management;
- contribute to the ideas pool for the growth of the Company;
- establish corporate governance standards;
- ensure appropriate policies, procedures and systems are in place to:
 - (i) monitor performance and reporting; and
 - (ii) manage risk and internal control.
- approve and monitor budgets, major investments and projects;
- facilitate the appointment of additional Directors as determined by the Nominations Committee (who shall stand for election at the next general meeting of shareholders) and remove Directors and approve succession plans;
- review and monitor the findings of the Nominations Committee in respect of the composition of the Board and succession plans to ensure there is an appropriate mix of expertise and experience;
- assess performance of the Board as a whole and contributions of individual Directors;
- appoint the CEO and approve succession plans and remuneration of management;
- ensure compliance with applicable laws and regulations;
- establish ethical, environment and health and safety standards for the Company's operations and people; and
- establish appropriate committees to assist the Board in the discharge of its responsibilities and oversee such committees.

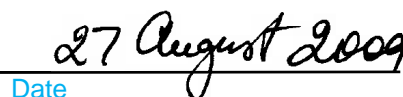
RESPONSIBILITIES OF MANAGEMENT

- contribute ideas for the growth and strategy of the Company
- assume and exercise the powers and perform the duties from time to time vested in management by the Board;
- implement the decisions and strategies as determined by the Board;
- manage the Company's day to day activities;
- develop corporate strategy performance objectives, budgets, financial plans and proposals for major projects for consideration and approval by the Board;
- manage the Company's financial and investment decisions;
- lead negotiations in relation to material transactions;
- manage staff recruitment, deployment and dismissals;
- manage investor relations and represent the Company in the community and with government; and
- protect the Company's assets.

Approved by the Board of Tap Oil Limited.



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



Date