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Tangiers signs Heads of Agreement to farm-out WA and NT blocks

Deal gives Tangiers ongoing exposure to exploration upside while enabling it to focus on African growth strategy

Tangiers Petroleum Limited (ASX:TPT, AIM:TPET, "Tangiers" or "the Company") is pleased to advise that it has signed a non-binding Heads of Agreement with ASX-listed CWH Resources Ltd ("CWH") to explore Tangiers' prospective acreage off the coasts of Western Australia and the Northern Territory.

Under the terms of the Heads of Agreement, CWH will fund AUD \$35 million in exploration activities to earn a 70 per cent interest in blocks WA-442-P and NT/P81, located in the southern Bonaparte Basin, 250 km south-west of Darwin. As part of the agreement Tangiers will maintain a significant 27 per cent interest in the Joint Venture and Ansbachall, which is a joint venture partner in the permits, will hold a 3 per cent interest. Under the agreement, CWH will assume the operatorship of the permits. The offer is subject to execution of a fully-termed agreement, due diligence and any necessary government approvals.

This funding level will fulfil the remaining Firm Work Program Commitments of 3D seismic acquisition and drilling in the two permits. Acquisition of modern 3D seismic data will enable the partners to fully evaluate the deep gas potential of the area as well as the oil potential in the Milligans Formation and expand the resource base in the previously discovered, Turtle/Barnett oil fields

CWH has a diversified base of Australian resources assets and has its head office in Chongqing, a major municipality in western China.

Tangiers Executive Chairman Eve Howell said "We are very pleased to be CWH's first petroleum joint venture partner in Australia and are excited that they have selected Tangiers' Australian permits as their initial focus for oil and gas exploration in Australia. We are looking forward to building a long term relationship with CWH as we explore these permits."

"We are delighted to have reached this agreement and look forward to working in partnership with CWH to finalise the agreements and approvals," Ms Howell said. "At the same time, it is another significant step in our strategy to focus Tangiers' resources on growing our interests in Africa, where we believe there are substantial opportunities for a company with our' skills and experience."

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