

20 December 2013

Tangiers receives official approval for Farm-out to Galp Energia

Tangiers Petroleum Limited (ASX: TPT; AIM:TPET) (**Tangiers**) is pleased to announce that the Ministries of Energy and Finance in Morocco have officially approved the assignment of a 50 per cent interest in the Tarfaya Offshore Block from Tangiers to Galp Energia (Galp). Tangiers will maintain a 25 per cent interest in the Tarfaya Offshore Block.

The signed Joint Order from the Ministries means Galp will now assume operatorship of the Tarfaya Offshore Block which comprises eight exploration permits. Pursuant to the farm-out agreement, Galp is obliged to expend US\$40.5 million which will include up to US\$7.5 million in back costs reimbursable to Tangiers and the cost of an exploration well (TAO-1), limited by a cap, to be drilled within the Tarfaya Offshore area. With the receipt of the Ministerial approvals, the back costs reimbursement is expected to be paid shortly.

The Moroccan government has also approved a six month extension to the First Extension Period for the Tarfaya Offshore Block. This means the joint venture partners will have until February 2015 to evaluate the results of the TAO-1 well and decide whether to enter the Second Extension Period.

Executive Chairman Eve Howell commented *"We are very pleased to receive the approval from the Moroccan government and Galp can now source and contract a drilling rig for the TAO-1 well which is expected to be drilled in the first half of next calendar year"*.

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