



Notice of Annual General Meeting and Explanatory Statement

The Annual General Meeting of

3D OIL LIMITED

ACN 105 597 279

*Will be held at
4.00pm (AEDST) on Wednesday, 21 November 2012*

At

*Baker & McKenzie
Level 19
181 William Street, Melbourne, Victoria 3000*

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

3D OIL LIMITED

ACN 105 597 279

Registered office: Level 5, 164 Flinders Lane, Melbourne, Victoria 3000

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of 3D Oil Limited (the "Company") will be held at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne, Victoria at 4.00pm on Wednesday, 21 November 2012 (AEDST).

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2012.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2012 be adopted."

Voting Exclusion

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or*
- (b) a Closely Related Party of such member.*

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or*
- (d) the person is the Chairman and the appointment of the Chairman as proxy:*
 - i. does not specify the way the proxy is to vote on Resolution 1; and*
 - ii. expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of the Key Management Personnel.*

Notes: Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by either marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Ms Melanie Leydin

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Ms Melanie Leydin, who retires by rotation as a non-executive Director in accordance with the Constitution of the Company and being eligible for re-election, be re-elected as a non-executive Director of the Company."

Notes: The non-candidate directors unanimously support the re-election of Ms Melanie Leydin. The Chairman of the meeting intends to vote undirected proxies in favour of Ms Melanie Leydin's re-election.

Resolution 3: Election of Mr Kenneth Pereira

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Kenneth Pereira, a non-executive director who was appointed to the Board as a casual vacancy since the last annual general meeting and who retires in accordance with the Company's Constitution, being eligible and having offered himself for election, be elected as a non-executive director."

Notes: The non-candidate directors unanimously support the election of Mr Kenneth Pereira. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Kenneth's Pereira's election.

Resolution 4: Approval to issue shares to Hibiscus Petroleum Berhad

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the shareholders approve the issue of 30,963,000 securities of the Company for the purposes and on the terms and conditions set out in the Explanatory Memorandum and such securities may be issued at any time(s) and on such terms as the Board decides is appropriate but no later than three (3) months after the date of this Annual General Meeting."

Voting Exclusion

A vote in respect of Resolution 4 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed; or*
 - (b) an associate of that person,*
- unless:*
- (c) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; and*
 - (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.*

Resolution 5: Increase in maximum amount payable to Non-executive Directors

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, in accordance with the Company's constitution and ASX Listing Rule 10.17, the maximum aggregate amount of directors' fees payable to non-executive directors be increased by \$200,000 from \$200,000 to \$400,000 per annum."

Voting Exclusion

A vote in respect of Resolution 5 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a director of the Company; or*
 - (b) an associate of that person,*
- unless:*
- (c) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; and*
 - (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.*

Resolution 6: Grant of Options

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.1 of the Listing Rules of the ASX Limited and for all other purposes, shareholders approve the issue of 595,000 options to be granted on 15 December 2012 to employees of 3D Oil Limited and on the terms set out in the Explanatory Memorandum."

Voting Exclusion

A vote in respect of Resolution 6 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (e) a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed; or
 - (f) an associate of that person,
- unless:
- (g) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; and
 - (h) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

SPECIAL BUSINESS

Resolution 7: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum"

Voting Exclusion

A vote in respect of Resolution 7 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a person who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed; or
 - (b) an associate of that person,
- unless:
- (c) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; and
 - (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By the order of the Board



Melanie Leydin
Director and Company Secretary

Dated: 19 October 2012

EXPLANATORY MEMORANDUM

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2012 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9650 9866, and you may request that this occurs on a standing basis for future years. Alternatively you may access the annual report at the Company's website: www.3doil.com.au or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

The Corporations Act requires that at a listed Company's Annual General Meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, section 250R(3) of the *Corporations Act 2001* expressly provides that the vote on such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company (described as "**Key Management Personnel**"). The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2012.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Pursuant to the *Corporations Amendment (Improving Accountability for Director and Executive Remuneration) Bill 2011* which amended the Corporations Act from 1 July 2011, if 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings (effectively, "two strikes"), shareholders will be required to vote at the second of those annual general meetings on a resolution (referred to as a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election. The spill resolution requirements will only be triggered where both strikes occur after 1 July 2012. On this basis, while votes on the Remuneration Report at this Annual General Meeting will be counted towards the two strikes, the first spill resolution can only potentially occur following the Company's 2013 Annual General Meeting.

Also, the *Corporations Amendment (Improving Accountability for Director and Executive Remuneration) Bill 2011* has introduced new prohibitions on key management personnel ("KMP") and their closely related parties from voting or voting undirected proxies on, amongst other things, remuneration matters. Accordingly, any undirected proxies held by Directors or by other Key Management Personnel or their closely related parties for the purposes of Resolution 1 will not be voted on Resolution 1. This prohibition does not apply the Chairman of the meeting who may vote directed and undirected proxies in favour of the resolution, providing that the shareholder expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP for the relevant entity.

The Company encourages all Shareholders to cast their votes in relation to Resolution 1 and if Shareholders choose to appoint a proxy, Shareholders are encouraged to direct their proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the proxy form. The Chairman of the meeting will vote undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Ms Melanie Leydin

The Constitution of the Company requires that at every annual general meeting, one-third or the next highest number nearest one-third of the Directors, shall retire from office and provides that such Directors are eligible for re-election at the meeting. Ms Leydin has been a non-executive Director since 23 January 2009. She retires by rotation and, being eligible, offers herself for re-election.

Melanie Leydin is a Chartered Accountant and is a Registered Company Auditor. She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of chartered accounting firm, Leydin Freyer. In the course of her practice she audits listed and unlisted public companies involved in the resources industry. Her practice also involves outsourced company secretarial and accounting services to public companies in the resources sector. This involves preparation of statutory financial statements, annual reports, half year reports, stock exchange announcements and quarterly ASX reporting and other statutory requirements. Melanie has over 20 years' experience in the accounting profession and is a director and company secretary for a number of oil and gas, junior mining and exploration entities listed on the Australian Stock Exchange.

Resolution 3: Election of Dr Kenneth Pereira

Dr Kenneth Pereira was appointed as a director on 4 September 2012 as a casual vacancy and is eligible for election.

Kenneth Pereira is currently the Managing Director of Hibiscus Petroleum Berhad, a company listed on the Malaysian Stock Exchange. He has 24 years' experience in the oil and gas industry (both services and exploration and production). He has worked for Schlumberger (9 years as a Field Engineer in North Africa and Europe) and SapuraCrest Petroleum Berhad (from founding of the company as Sapura Energy in 1997 until 2008) as Chief Operating Officer. In 2009, he became Managing Director of Interlink Petroleum Ltd, an oil and gas exploration & production company listed on the Mumbai Stock Exchange (2009 to 2011).

Resolution 4: Approval to issue shares to Hibiscus Petroleum Berhad

ASX Listing Rule 7.1 restricts the number of securities which a listed entity may issue in any 12 month period without the approval of shareholders to 15% of the number of shares on issue at the start of the period subject to certain adjustments and permitted exceptions. The passing of this resolution will mean that the shares described below do not count towards the 15% limit, thereby providing the Company with considerable flexibility in meeting any short-term requirements for raising additional capital should it be necessary.

As previously announced, on 14 August 2012 the Company entered into a conditional Farm-in Agreement and a conditional Subscription Agreement with Hibiscus Petroleum Berhad and certain of its wholly owned subsidiaries ("Hibiscus"). Under the Farm-in Agreement, Hibiscus will acquire a 50.1% interest in petroleum exploration permit VIC/P57 up front and will invest up to \$27m in tranches to fund joint operations on the permit.

As previously announced, on 4 September 2012, as per the Subscription Agreement, Hibiscus subscribed for 30,963,000 new fully paid ordinary shares in the Company equal to 14.99% of the Company's share capital (before this share issue) ("Hibiscus Shares") as part of a cornerstone investment. The net consideration for the Hibiscus Shares of approximately \$2.0 million was based on the 30 day Volume Weighted Average Price ("VWAP") of the Company's shares prior to the date the Subscription Agreement was signed. Completion of both the Subscription Agreement and Farm-in Agreement is subject to a number of conditions precedent, including Foreign Investment Review Board ("FIRB") and Hibiscus shareholder approval.

The Company wishes to obtain prior shareholder approval for the issue of the Hibiscus Shares. The Hibiscus Shares will be issued following satisfaction of the conditions precedent to the Subscription Agreement.

The information for shareholders required by ASX Listing Rule 7.3 is as follows:

- (a) the total number of securities which may be issued under Resolution 4 is 30,963,344;
- (b) the securities will be issued and allotted no later than three (3) months after the date of this Annual General Meeting;
- (c) the securities will be issued at a price of 6.6 cents per share which was the 30 Day VWAP of the Company's ordinary shares before the date of the agreement.
- (d) the securities are to be issued to Hibiscus Petroleum Berhad;
- (e) the securities will rank pari passu with all securities of that class; and
- (f) the funds raised are being applied principally towards the appraisal of the West Seahorse oil field.

Resolution 5: Increase in maximum amount payable to Non-executive Directors

Resolution 5 seeks approval to increase the maximum aggregate sum payable to Non-Executive Directors by \$200,000 to \$400,000 per annum. Under ASX Listing Rule 10.17, the approval of Shareholders in general meeting is required for this increase. Shareholders previously approved aggregate Non-Executive Directors' fees of \$200,000 on 14 December 2006. The increase is sought to ensure that the Company has the ability to pay fees to attract and retain the appropriate skills mix on the Board and that are comparable with its peer companies.

If approved, the maximum amount of \$400,000 will be applied to the various Directors in accordance with the discretion of the Directors. Details of the Directors' remuneration to the period ended 30 June 2012 are contained in the Remuneration Report.

The Directors abstain from making a recommendation in relation to this resolution and are excluded from voting on it.

Resolution 6: Grant of Options

ASX Listing Rule 7.1 restricts the number of securities which a listed entity may issue in any 12 month period without the approval of shareholders to 15% of the number of shares on issue at the start of the period subject to certain adjustments and permitted exceptions. The passing of this resolution will mean that the options described below do not count towards the 15% limit, thereby providing the Company with considerable flexibility in meeting any short-term requirements for raising additional capital should it be necessary.

This resolution is to approve the grant of 595,000 options for no consideration to be issued to three employees on 15 December 2012. The options will each have an exercise price set 25% above the VWAP for the 5 days preceding the issue date, vest upon issue and be exercisable by 30 November 2015, and otherwise on terms similar to options issued to directors and employees of the Company. Shareholders should refer to Appendix A for the full terms of the options.

The information for shareholders required by ASX Listing Rule 7.3 is as follows:

- (a) the total number of securities which may be issued under Resolution 6 is 595,000;
- (b) the securities will be issued and allotted on 15 December 2012;
- (c) the securities will be issued for no consideration;
- (d) the securities are to be issued to three employees of the Company;
- (e) the securities will be subject to the terms included as Appendix A; and
- (f) no funds will be raised by the issue of the options. However if the options are exercised, the funds received will be applied to working capital requirements.

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 7: Approval of 10% Placement Facility

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

As disclosed in the Company's previous Annual Reports and Quarterly Activity Reports, the Company continues actively seeking to increase work on its current exploration assets and reviewing new potential projects and investments. Should the Company utilise the 10% Placement Facility, it intends to use the funds to acquire new

resource assets or investments, to conduct further work on its current projects or to meet additional working capital requirements.

The Directors of the Company believe that Resolution 7 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of Equity Securities, Shares and unlisted Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$(A \times D) - E$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 206,560,000 Shares and therefore has a capacity to issue:

- (i) 30,984,000 Equity Securities under Listing Rule 7.1 (not taking account the securities that may be issued under Resolution 4; and
- (ii) subject to Shareholder approval being sought under Resolution 7, 20,656,000 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) *Minimum Issue Price*

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) *10% Placement Period*

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1. Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.045 50% decrease in Issue Price	\$0.090 Issue Price	\$0.180 100% increase in Issue Price
Current Variable A 206,560,000 Shares	10% Voting Dilution	20,656,000 Shares	20,656,000 Shares	20,656,000 Shares
	Funds raised	\$929,520	\$1,859,040	\$3,718,080
50% increase in current Variable A 309,840,000 Shares	10% Voting Dilution	30,984,000 Shares	30,984,000 Shares	30,984,000 Shares
	Funds raised	\$1,394,280	\$2,788,560	\$5,577,120
100% increase in current Variable A 413,120,000 Shares	10% Voting Dilution	41,312,000 Shares	41,312,000 Shares	41,312,000 Shares
	Funds raised	\$1,859,040	\$3,718,080	\$7,436,160

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No options (including any options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The issue price is \$0.90, being the closing price of the Shares on ASX on 10 October 2012.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (e) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.
- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

PROXY AND VOTING INSTRUCTIONS

1. For the purposes of the Corporations Act, the Company has determined that all securities of the Company recorded on the Company's register as at 7.00 pm (AEDST) on the date 48 hours before the date of the Annual General Meeting will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time.
2. The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and forms part of this Notice of Meeting.
3. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
4. If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that resolution as they think fit.
5. If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
6. Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf.
7. If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions.
8. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the resolutions proposed in this Notice.
9. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person excluded from voting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or where it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.
10. Key Management Personnel and their closely related parties will not be able to vote your proxy on Resolution 1 unless you direct them how to vote. If you intend to appoint a member of the Key Management Personnel as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by either marking the box for Resolution 1 or by marking the Chairman's box on the proxy form (in which case the Chairman of the meeting will vote in favour of this item of business).
11. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office or Computershare Investor Services Pty Ltd in accordance with the instructions set out in the proxy form by no later than 4:00 pm (AEDST) on 19 November 2012.

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to:

(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

Relevant custodians may lodge their proxy forms online by visiting www.intermediaryonline.com

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“ASIC” means the Australian Securities and Investments Commission;

“ASX” means ASX Limited or the Australian Securities Exchange, as the context requires;

“AEDST” means Australian Eastern Daylight Savings Time.

“Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“Company” means 3D Oil Limited ABN 40 105 597 279;

“Corporations Act” means the Corporations Act 2001 (Cth);

“Director” means a Director of the Company;

“Listing Rules” means the Listing Rules of the ASX;

“Notice” means the Notice of Meeting accompanying this Explanatory Statement;

“Remuneration Report” means the remuneration report which forms part of the Directors’ Report of 3D Oil for the financial year ended 30 June 2012 and which is set out in the 2012 Annual Report.

8. The options are exercised by completing the Notice of Exercise of Options form (similar to the one above) and forwarding it to the Company with the exercise monies payable to the Company. The Company shall within 7 days after the receipt of such Notice, allot shares in respect of the options exercised and dispatch a shareholder statement to the holder.
9. The Company will advise holders at least 20 business days before the impending expiry of their options and will advise the due date for payment, the amount of money payable on exercise, the consequences of non-payment and such other details as the ASX Listing Rules then prescribe, so as to enable holders to determine whether or not to exercise their options.
10. The options are non-transferable.



3D Oil Limited

ABN 40 105 597 279

000001 000 TDO
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 4.00pm (AEDST) Monday 19 November 2012

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- ☒ Review your securityholding
- ☒ Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of 3D Oil Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of 3D Oil Limited to be held at at Baker & McKenzie Level 19, 181 William Street, Melbourne, Victoria 3000 on Wednesday, 21 November at 4.00pm (AEDST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1 and 5 (except where I/we have indicated a different voting intention below) even though Items 1 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: For Item 5, this express authority is also subject to you marking the box in the section below.

If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1 and 5 by marking the appropriate box in step 2 below.

Important for Item 5: If the Chairman of the Meeting is your proxy and you have not directed the Chairman how to vote on Item 5 below, please mark the box in this section. If you do not mark this box and you have not otherwise directed your proxy how to vote on Item 5, the Chairman of the Meeting will not cast your votes on Item 5 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 5 of business.

☐ I/We acknowledge that the Chairman of the Meeting may exercise my/our proxy even if the Chairman has an interest in the outcome of Item 5 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 1	Adoption of Remuneration Report	☐	☐	☐
Item 2	Re-election of Ms Melanie Leydin	☐	☐	☐
Item 3	Election of Mr Kenneth Pereira	☐	☐	☐
Item 4	Approval to issue shares to Hibiscus Petroleum Berhad	☐	☐	☐
Item 5	Increase in maximum amount payable to Non-executive Directors	☐	☐	☐
Item 6	Grant of Options	☐	☐	☐
Item 7	Approval of 10% Placement Facility	☐	☐	☐

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /