



**3D Oil Limited**

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## 3D Oil Limited

### QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 30 JUNE 2015

#### Key Points

- Sea Lion-1 exploration well due to commence drilling mid August in offshore Gippsland Basin permit VIC/57.
- Flanagan 3D seismic data processing, acquired within T/49P offshore Tasmania 2014, is completed and interpretation and mapping is underway.
- T/49P updated prospective resource estimates expected late third quarter.

#### Exploration

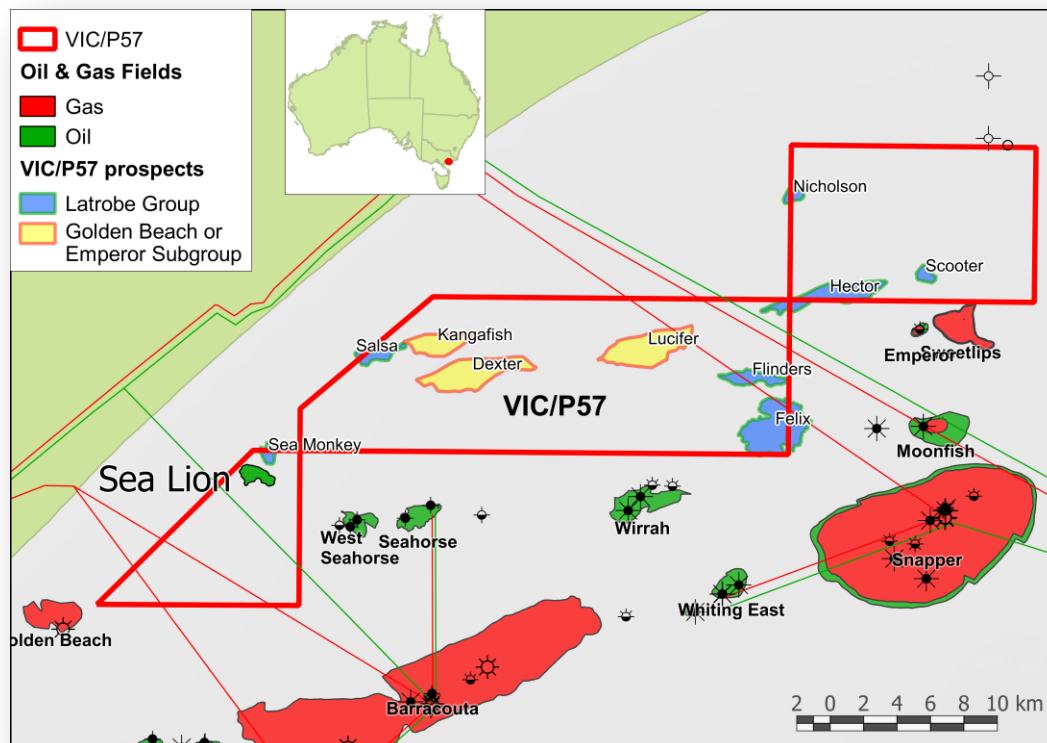
##### *VIC/P57, Gippsland Basin, offshore Victoria*

3D Oil Limited (ASX: 'TDO') has a 24.9% interest in the Vic/P57 exploration permit which contains the Sea Lion prospect plus a number of prospects and leads identified on 3D seismic.

Drilling of the Sea Lion-1 well is now imminent with spud now scheduled for mid August. In the event of an oil discovery, Sea Lion has been assessed to contain 11 million barrels of oil (P50 prospective resource).

TDO's share of well costs is being carried up to the extent of US\$7.5 million as part of an agreement with joint venture operator Carnarvon Hibiscus Pty Ltd ('CHPL') the wholly owned subsidiary of Hibiscus Petroleum.

During the quarter, TDO and Hibiscus worked to finalise operational and regulatory preparations for Sea Lion-1. The drilling schedule will now be determined by the release of the West Telesto jack-up rig from its current drilling programme for Origin Energy at the Yolla gas field offshore Tasmania. This is expected in early August, weather permitting.

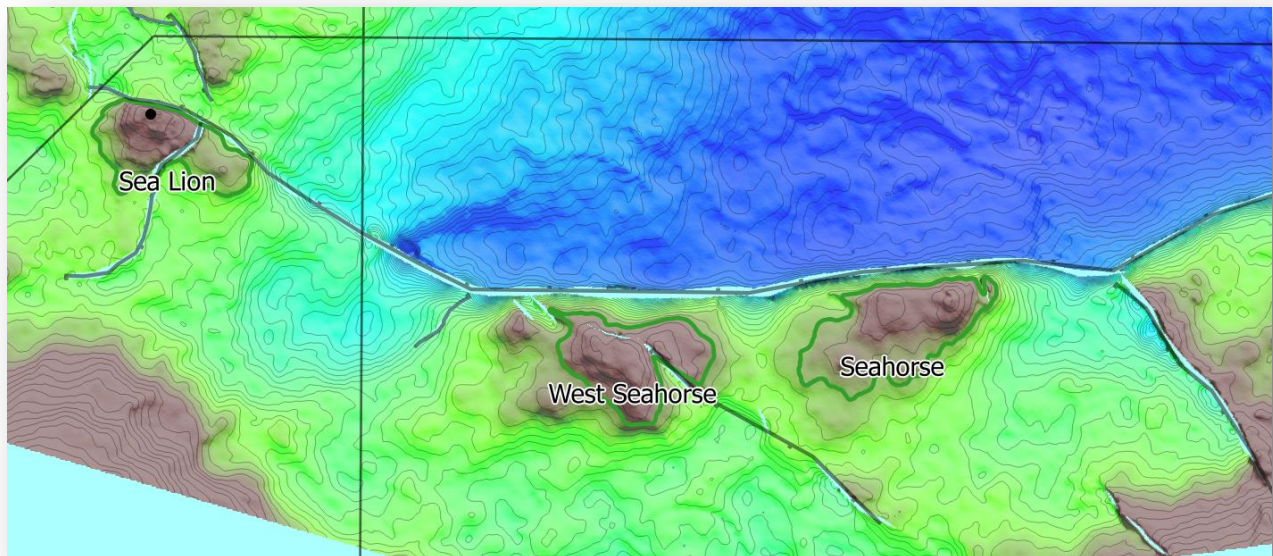


*Location map for VIC/P57 and VIC/L31*

Sea Lion is considered highly prospective as it is on a proven oil-producing trend, and represents one of the last undrilled 4-way dip closures at the prolific 'Top Latrobe' level in the Gippsland Basin. The combination of prominent mapped depth structure and the likely presence of thick high quality reservoir sands overlain by the regional seal provides the ingredients of a high quality target.

An independent report has assessed the Sea Lion most likely (P50) Prospective Resource at 11.0MMbbl of oil (combined probabilistic estimate for the three main target levels).

During the quarter, Hibiscus applied for a three month suspension and extension of the current permit Year 3 to 9 November 2015. This will ensure that Sea Lion-1 well will be completed within Year 3, meeting the permit commitment.



*Structural map of Sea Lion*

TDO Managing Director Noel Newell commented:

*"It has been a long time coming and it is truly exciting to now be on the cusp of drilling Sea Lion-1. It is an excellent prospect targeting the world-class reservoirs, on a proven oil fairway and close proximity to Hibiscus' planned West Seahorse development. A discovery at Sea Lion could be transformational for TDO."*



*West Telesto drilling rig on transport ship*

### ***T/49P, Otway Basin, offshore Tasmania***

In the T/49P permit TDO holds a 70% interest and operatorship in joint venture with Beach Energy (30%). The permit is now in Year 3 having met the Year 2 permit commitment with the acquisition and processing of the Flanagan 3D seismic survey.

T/49P is located immediately southeast of the largest producing gas field in the Otway Basin and contains a number of prospective features for gas exploration.

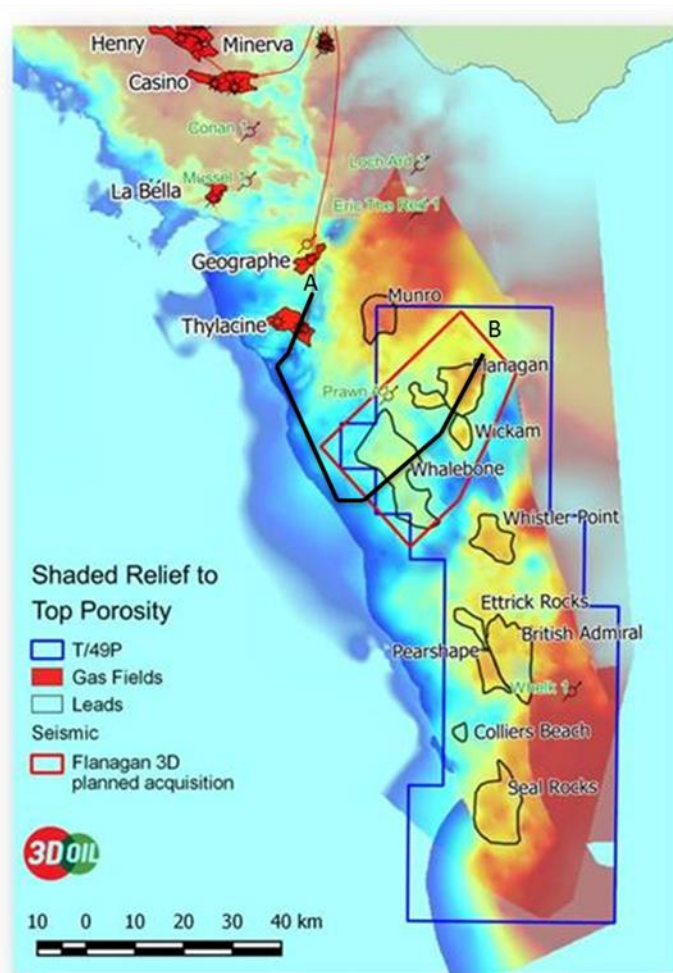
During the quarter TDO finalised data processing for the 974 sq km Flanagan 3D seismic survey which had been recorded in November and December 2014. Processing was conducted by DownUnder GeoSolutions (in Perth) and the final dataset was received at the end of the quarter.

The Flanagan data are of very good quality and represent a major step forward in TDO's ability to make prospects for drilling.

Interpretation of the new 3D seismic data is underway and will be integrated with the results of TDO's regional geological review and mapping of the pre-existing 2D seismic data set.

It is anticipated that an updated estimate of T/49P Prospective Resources will be available approximately end September 2015.

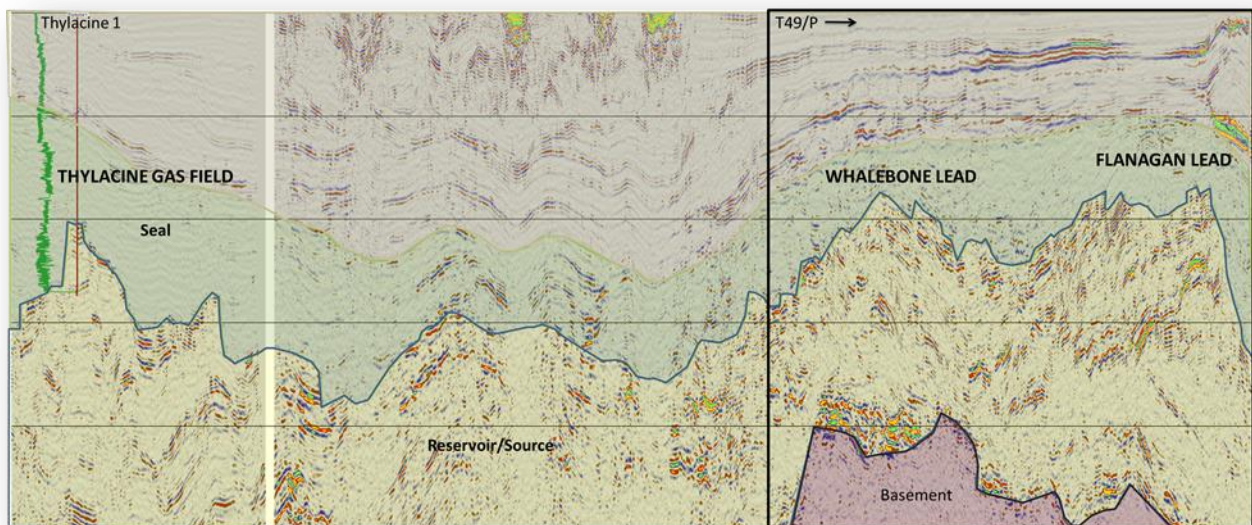




*Location of leads and the Flanagan Survey, T/49P Offshore Tasmania*

A

B



*3D seismic composite line from Thylacine to T/49P (Partial Flanagan survey)*

TDO retains a large pre-drilling interest and operatorship in T/49P and intends to leverage the results of the Flanagan survey to attract the best possible farm in terms for future exploration in this highly prospective gas exploration area. Farmout activities are expected to commence during the third and fourth quarter of 2015.

## TDO Petroleum Tenement Holdings

As at 30 June 2015, TDO petroleum tenement holdings were:

<b>Tenement and Location</b>	<b>TDO beneficial interest at 31Mar15</b>	<b>Beneficial interest acquired / (disposed)</b>	<b>TDO beneficial interest at 30Jun15</b>
VIC/P57 offshore Gippsland Basin, Victoria	24.9%	nil	24.9%
T/49P offshore Otway Basin, Tasmania	70%	nil	70%

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

3D OIL LIMITED

ABN

40 105 597 279

Quarter ended ("current quarter")

30 June 2015

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A	Year to date (12 months) \$A
1.1	Receipts from product sales and related debtors	50,188	408,160
1.2	Payments for		
	(a) exploration and evaluation (net of refunds)	(359,510)	(9,776,986)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(334,039)	(2,130,394)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	26,541	92,924
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	R&D Tax Rebate	-	-
1.8	Refund of expenditure from Joint Venture	-	-
<b>Net Operating Cash Flows</b>		<b>(616,820)</b>	<b>(11,406,296)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a)prospects/farmins	-	-
	(b)equity investments	-	-
	(c) other fixed assets	(10,260)	(30,836)
1.9	Proceeds from sale of:		
	(a)prospects/farmin	-	18,439,329
	(b)equity investments	-	-
	(c)other fixed assets	-	1,489,695
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		<b>(10,260)</b>	<b>19,898,188</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(627,080)</b>	<b>8,491,892</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(627,080)	8,491,892
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(627,080)	8,491,892
1.20	Cash at beginning of quarter/year to date	11,113,996	827,853
1.21	Exchange rate adjustments to item 1.20	7,483	1,174,654
1.22	<b>Cash at end of quarter</b>	<b>10,494,399</b>	<b>10,494,399</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A
1.23 Aggregate amount of payments to the parties included in item 1.2	141,181
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director's fees and salaries paid to directors during the June 2015 quarter.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil



### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,000
4.2 Development	-
4.3 Production	-
4.4 Administration	500
<b>Total</b>	<b>3,500</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10,332	10,953
5.2 Deposits at call	115	114
5.3 Bank overdraft	-	-
5.4 Other – Bank Guarantee	47	47
<b>Total: Cash at end of quarter (item 1.22)</b>	<b>10,494</b>	<b>11,114</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-
6.3 Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter	-	-	-	-
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	237,523,000	237,523,000	-	-
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
(c) Released from ASX restriction	-	-	-	-
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	78,000	-	<i>Exercise price</i> \$0.18	<i>Expiry date</i> 07 October 2015
	595,000	-	\$0.16	30 November 2015
	300,000	-	\$0.11	30 November 2016
	250,000	-	\$0.12	29 November 2016
	400,000	-	\$0.08	30 November 2017
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired/lapsed during quarter	-	-	-	-
317.1 <b>Debentures</b> <i>(totals only)</i>	-	-	-	-
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 29 July 2015

Director and Company Secretary

Print name: MELANIE LEYDIN

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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