



ASX Release
30 January 2020

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3D Oil Limited

QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 31 DECEMBER 2019

Highlights for the quarter include:

- **T/49P (Otway Basin):** Executed farm-out agreement with ConocoPhillips Australia comprising of A\$5m cash payment, fully-funded 3D seismic survey (1580km²) and carry up to the first US\$30m of costs for an exploration well (if elected)
- **WA-527-P (Bedout Sub-basin):** Environmental Plan for the Sauropod 3D seismic submitted, with farm-in discussions with multiple majors progressing well
- **VIC/P74 (Gippsland Basin):** Initial prospectivity analysis underway

3D Oil Executive Chairman, Noel Newell commented:

“The successful T/49P farm-out to ConocoPhillips Australia, a major global player, validates 3D Oil’s unique strategy of identifying, acquiring, organically enhancing value and monetising permits, through gazettal rounds, in the most prospective offshore exploration basins. This farm-out represents a milestone transaction and ensures the Company is well positioned to continue executing on its strategy across its high-quality portfolio of assets, including the promising and highly prospective 100%-owned WA-527-P.”

3D Oil Limited (ASX: TDO, “3D Oil” or “the Company”) is pleased to provide an update to its activities for the quarter ending 31 December 2019.

Exploration

T/49P, Otway Basin, offshore Tasmania

3D Oil currently holds 100% interest in the T/49P exploration permit, which covers 4,960km² of the strategic offshore Otway Basin. The permit is located adjacent to the producing Thylacine and Geographe gas fields (100% owned by Beach Energy Limited (ASX: BPT)).

3D Oil finalised its farm-out campaign for T/49P with the execution of a Farmout Agreement (“FOA”) with ConocoPhillips Australia SH1 Pty Ltd (“ConocoPhillips Australia”) on 18 December 2019. ConocoPhillips Australia’s wealth of offshore exploration knowledge and experience will be highly valuable in progressing the T/49P exploration programme. The beginning of this relationship represents an important step towards 3D Oil’s overarching strategy, to provide much needed natural gas to the starved east coast gas market.

The main terms of the FOA are summarised as follows: ConocoPhillips Australia will take operatorship of T/49P and will be transferred a 75% interest in the permit. In exchange for the transfer:

- 3D Oil will receive a A\$5m cash payment in recognition of previous permit expenditure;
- ConocoPhillips Australia will undertake the acquisition of 1580km² of 3D seismic survey at no cost to 3D Oil (currently planned for 3Q CY2020); and
- ConocoPhillips Australia may elect to drill an exploration well upon completion of the acquisition, processing and interpretation of the 3D seismic survey. If elected, 3D Oil will be carried for up to the first US\$30m of costs, after which it will contribute 25% of costs in line with its interest in the permit.

At the time of this quarterly report, the FOA remains conditional on the agreement and signing of a Joint Operating Agreement (“JOA”) by both parties and required government approvals.

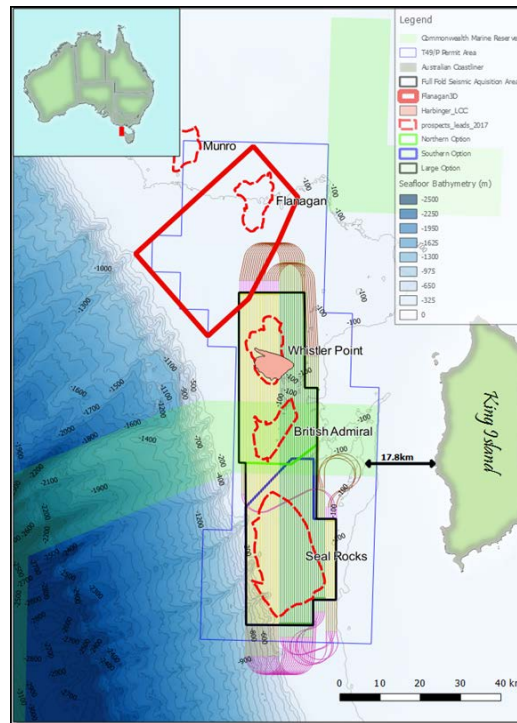
Additional activity during the quarter includes the award of a 12-month suspension and extension for Permit Year 5, which will now expire on 21 February 2021. The Year 5 work programme commitment of the acquisition, processing and interpretation of a minimum 750km² of 3D seismic data will be satisfied as part of the 1,580km² of 3D seismic planned under the FOA. The survey will cover remaining leads in the central and southern sections of the T/49P acreage and will allow for the generation of a permit-wide prospect Seriatim that will inform the best possible drilling location.

Table 1: T/49P Prospective Resource Estimate (TCF) Recoverable Gas
(ASX ann. 27-Jul-17)

Location	Status	Low	Best	High
Flanagan	Prospect	0.53	1.34	2.74
Munro (T/49P Part)	Lead	0.04	0.19	0.57
Whistler Point	Lead	0.82	2.04	8.95
British Admiral	Lead	0.37	1.03	4.45
Seal Rocks	Lead	0.95	4.64	10.64
Harbinger	Lead	0.33	0.79	1.43
T/49P Arithmetic Total		3.04	10.03	28.77

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Figure 1: Location Map of the Dorrigo 3D Marine Seismic Survey shown with Leads and Prospects



WA-527-P, Bedout Sub-basin, offshore Western Australia

3D Oil holds 100% interest in the WA-527-P exploration permit, which covers 6,500km² of the offshore Bedout Sub-basin. The permit is located adjacent to oil and gas/condensate discoveries at Roc, Phoenix South and Dorado (Figure 2). Throughout the quarter, the Company continued to host data rooms for multiple E&P companies and progressed with plans for the Sauropod 3D MSS.

During the quarter, 3D Oil assessed and responded to key matters raised from a 30-day public comment period that ended in August 2019, and subsequently submitted the Environmental Plan (“EP”) to NOPSEMA for assessment, which is ongoing.

As the EP has not yet been awarded and seismic vessel availability for 1Q CY2020 is limited, the Company has applied for a 21-month suspension and extension for the primary work programme. This will extend the expiry of the programme to 21 December 2021, allowing the Company to acquire and process the Sauropod survey (minimum 510km²) in the next available window of 1Q CY2021.

The Sauropod 3D MSS is primarily aimed at determining the potential for traps associated with a Triassic erosional channel system analogous to that which provides the trapping mechanism for the nearby Dorado discovery (Figure 3). The survey is also intended to provide further insight on the size of the Whaleback and Salamander leads and the potential of the Palaeozoic petroleum system in the north-east of the acreage.

Figure 2: Map showing the Milne and Dorado-Apus channel system which provides the trapping mechanism for the Dorado discovery and the location of a similar channel system within WA-527-P

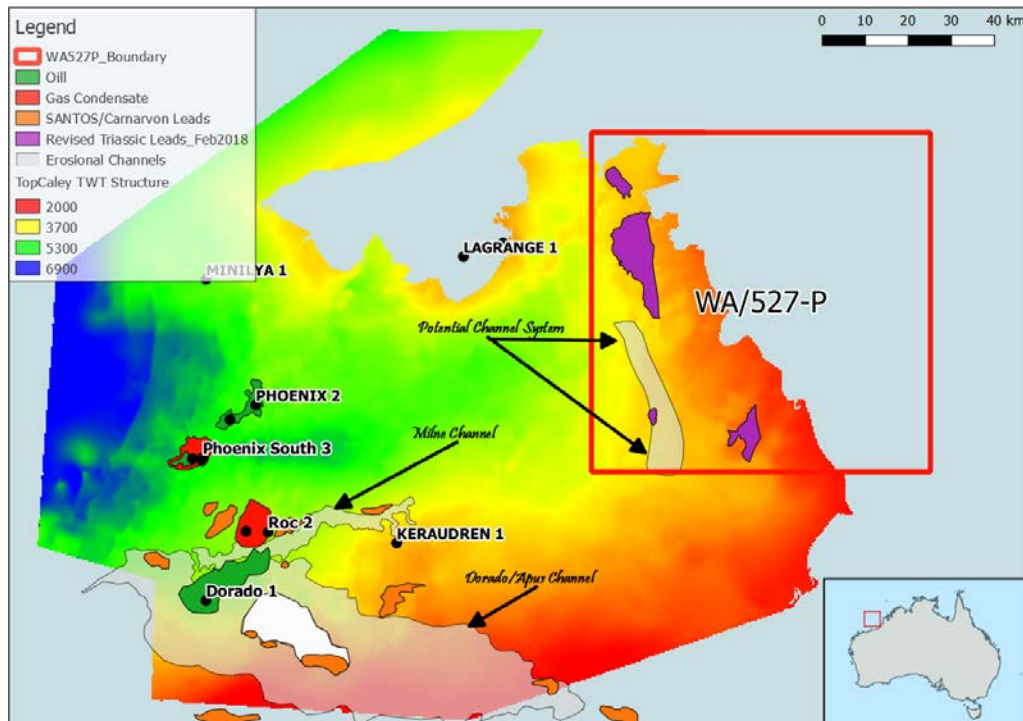


Figure 3: Location of Environmental Planning Area

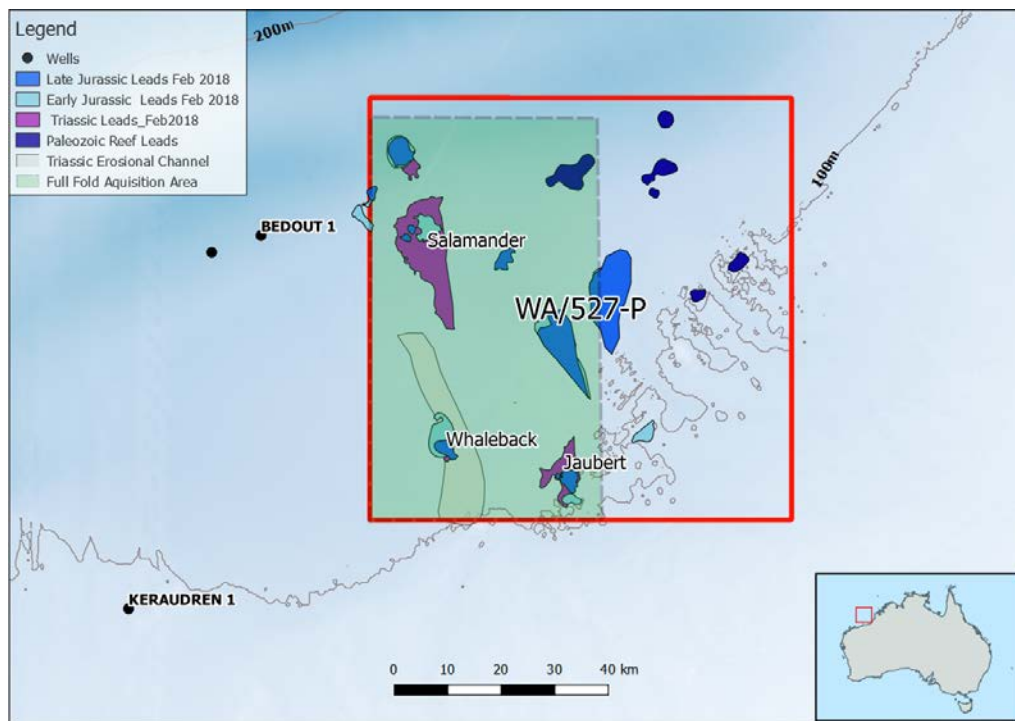


Table 2: WA-527-P Prospective Resource Estimate (MMbbls) Recoverable Oil
(ASX ann. 26-Feb-18)

Prospect	Status	Low	Best	High
Salamander	Lead	57	191	713
Jaubert	Lead	17	72	205
Whaleback	Lead	16	87	219
WA-527-P Arithmetic Total		90	349	1,138

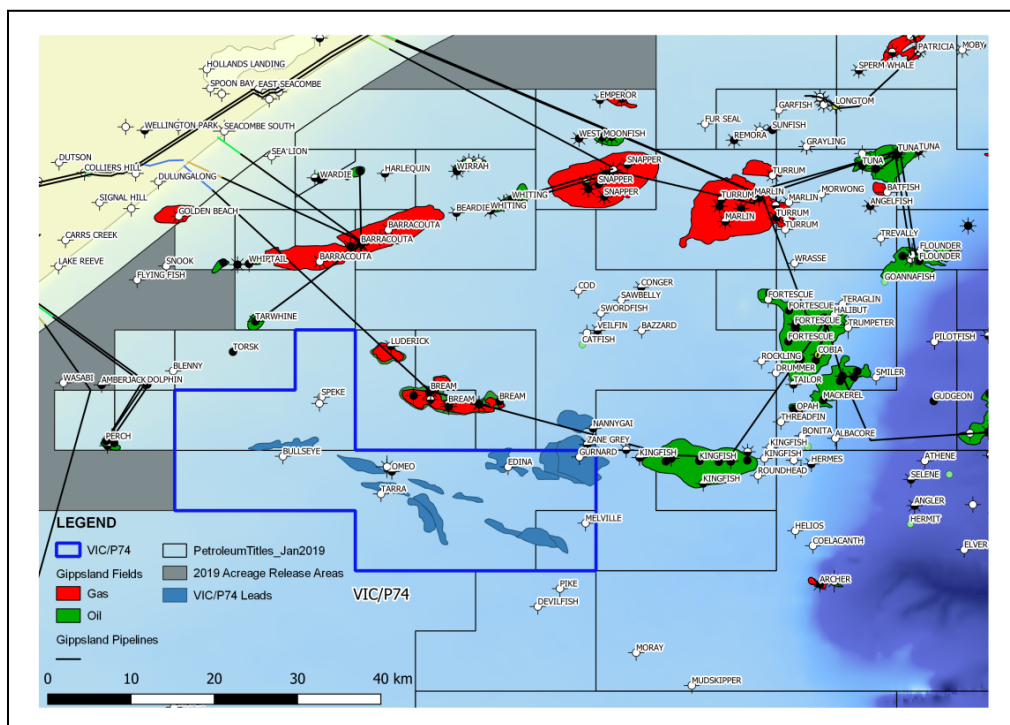
The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

VIC/P74, Gippsland Basin, offshore Victoria

In October 2019, 3D Oil announced that Carnarvon Hibiscus Pty Ltd (“CHPL”), an indirect wholly-owned subsidiary of Hibiscus Petroleum Berhad, elected to enter into a joint venture agreement, by acquiring a 50% interest in the permit. Upon completion of the transaction, 3D Oil and CHPL will enter into a joint operating agreement whereby 3D Oil will remain as operator and retain 50% equity in the permit. The permit covers 1,009km² of the southern side of the Gippsland Basin, adjacent to the giant Kingfish Oil Field, the largest oil field ever discovered in Australia having produced over one billion barrels of oil to date.

During the quarter, 3D Oil performed data consolidation and the initial stages of a prospectivity review. The primary work programme for VIC/P74 is low cost and is carefully designed to identify missed opportunity through analysis of modern seismic data, which is currently being reprocessed by service company CGG.

Figure 4: VIC/P74 Location



VIC/P57, Gippsland Basin, offshore Victoria

TDO holds 24.9% interest in the VIC/P57 exploration permit in the offshore Gippsland Basin with joint venture (“JV”) partner and operator, Hibiscus Petroleum. 3D Oil acts as technical adviser to the JV. During the quarter, 3D Oil continued with a farm-out campaign. The JV’s technical evaluation of the permit has revealed two candidates for drilling including low risk oil & gas prospect at Felix and an AVO supported gas prospect at Pointer.

Figure 5: Prospects and Leads, VIC/P57

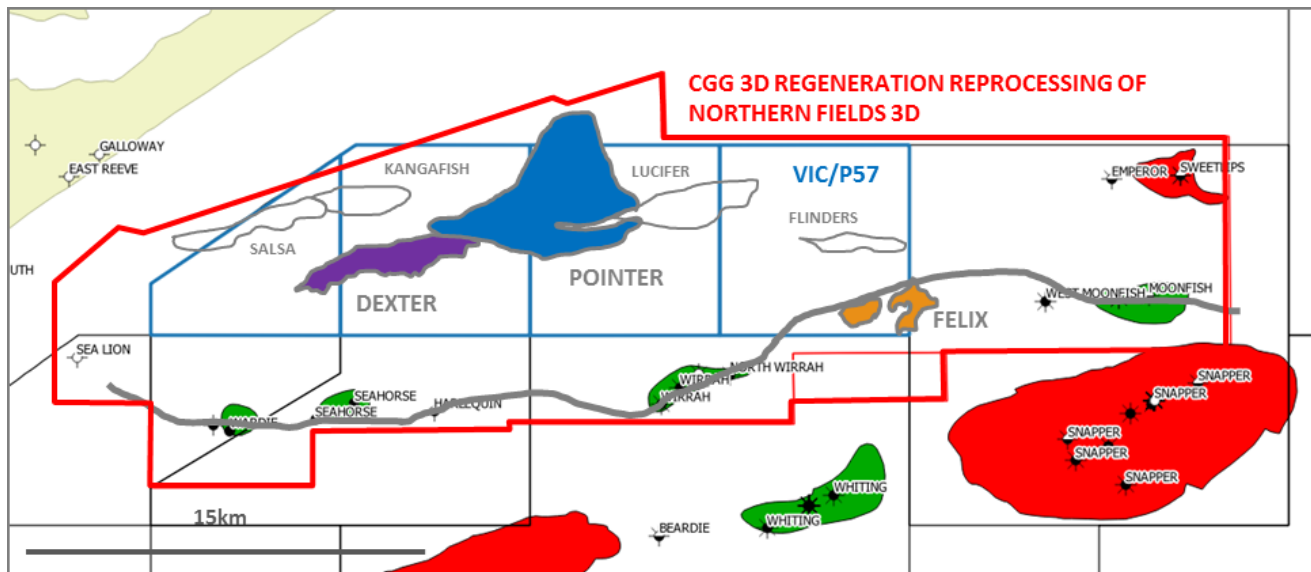


Figure 6: Pointer Prospect Response on Offset Stacks.

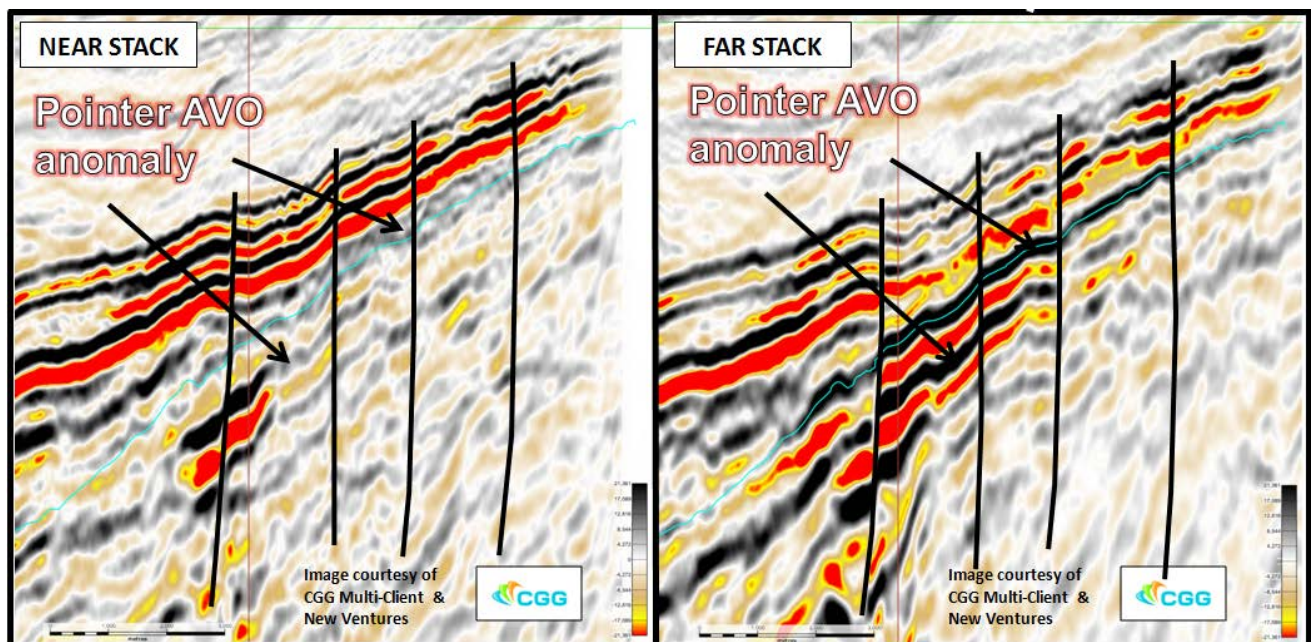


Table 3: VIC/P57 Prospective Resources Estimate (MMbbls) Recoverable Oil
(ASX ann. 27-Jul-17)

Location	Status	Low	Best	High
Felix	Prospect	6.8	15.9	26.9
Salsa	Lead	10.7	15.1	20.6
VIC/P57 Arithmetic Total		17.5	31.0	47.5

Table 4: VIC/P57 Prospective Resource Estimate (BCF) Recoverable Gas

Location	Status	Low	Best	High
Pointer	Prospect	140.1	235.3	364.9
Dexter	Lead	37.0	132.0	259.1
VIC/P57 Arithmetic Total		177.1	367.2	624.0

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Corporate

As at 31 December 2019, the Company held cash and cash equivalents of approximately A\$835K, which excludes the A\$5m cash payment to be received as part of the T/49P farm-out to ConocoPhillips.

Petroleum Tenement Holdings

As at 31 December 2019, 3D Oil's petroleum tenement holdings were:

Tenement and Location	Beneficial interest at 30 Sep 2019	Beneficial interest acquired / (disposed)	Beneficial interest at 31 Dec 2019
VIC/P57	24.9%	nil	24.9%
Offshore Gippsland Basin, VIC			
T/49P	100%	nil	100% ¹
Offshore Otway Basin, TAS			
WA-527-P	100%	nil	100%
Offshore Roebuck Basin, WA			
VIC/P74	100% ²	nil	100%
Offshore Gippsland Basin, VIC			

¹ On 18 December 2019, 3D Oil executed a FOA for T/49P with ConocoPhillips Australia, whereby 3D Oil will retain 25% interest in the permit. The FOA is conditioned on the agreement and signing of a JOA by both parties and required government approvals.

² On 4 October 2019, 3D Oil announced that Hibiscus Petroleum Berhad had elected to enter into a Joint Venture with 3D Oil in the newly awarded offshore Gippsland Basin permit VIC/P74. TDO will remain as operator with 50% equity when a JOA is signed by both parties and required government approvals..

For and on Behalf of the Board of Directors and for further information, please contact:

Noel Newell
Executive Chairman
3D Oil Limited
Phone: +61 3 9650 9866

Qualified Petroleum Reserves and Resources Evaluator Statement

The Prospective Resources estimates in this release are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of Dr David Briguglio, who is employed full-time by 3D Oil Limited as Exploration Manager. He holds a BSc.Hons and PhD in Petroleum Geoscience and has been practicing as a Petroleum Geoscientist for 10 years. Dr Briguglio is qualified in accordance with ASX listing rule 5.41 and has consented in writing to the inclusion of the information in the form and context in which it appears.

Prospective Resources

The estimates have been prepared by the company in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2011 approved by the Society of Petroleum Engineer. Prospective Resource estimates are for recoverable volumes and unless otherwise stated this report quotes Best Estimates and gross volumes. The estimates are un-risked and have not been adjusted for both an associated chance of discovery and a chance of development. The Prospective Resources have been estimated with both probabilistic and deterministic methods.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

3D OIL LIMITED

ABN

40 105 597 279

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(179)	(443)
(b) development	-	-
(c) production	-	-
(d) staff costs	(158)	(268)
(e) administration and corporate costs	(144)	(255)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	20	22
1.5 Interest and other costs of finance paid	(4)	(7)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	(2)
1.9 Net cash from / (used in) operating activities	(465)	(953)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(7)	(13)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other: (cash on deposits) ¹	1,000	906
2.6	Net cash from / (used in) investing activities	993	893

¹ This amount represents the \$1.0 million of cash on deposit, which matured during the quarter ended on 31 December 2019. At maturity this amount was re-classified from short-term investments into cash and cash equivalents.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Principle element of lease payments	(19)	(39)
3.10	Net cash from / (used in) financing activities	(19)	(39)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	326	934
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(465)	(953)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	993	893
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(19)	(39)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	835	835

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	715	206
5.2	Call deposits	120	120
5.3	Bank overdrafts	-	-
5.4	Other – Bank Guarantee	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)¹	835	326

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

124

-

Salaries, superannuation and Director's fees paid to directors and related entities during the December 2019 quarter.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A			

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	170
9.2	Development	-
9.3	Production	-
9.4	Staff costs	172
9.5	Administration and corporate costs	228
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	570

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

¹ During the December 2019 quarter, the Company announced that Hibiscus Petroleum Berhad had elected to enter into a Joint Venture with 3D Oil in the newly awarded offshore Gippsland Basin permit VIC/P74. TDO will remain as operator with 50% equity. Refer to ASX announcement on 4 October 2019 for further details.

² During the December 2019 quarter, the Company announced that its wholly owned subsidiary, 3D Oil T49P Pty Ltd and ConocoPhillips Australia SH1 Pty Ltd executed a Farmout Agreement ("FOA") in relation to the offshore Tasmanian Permit T/49P ("Permit"). Under the terms of the Agreement ConocoPhillips Australia will be transferred a 75% interest in the permit and become operator. In exchange for such transfer, the Company will receive a A\$5 million cash payment in recognition of previous permit expenditure and ConocoPhillips Australia will undertake the acquisition of a 3D seismic survey of not less than 1580 sq km within the Permit and in which the Company will make no financial contribution. This activity is currently planned to be undertaken in the third quarter of 2020. Refer to ASX announcement on 18 December 2019 for further details.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Company secretary)

Date: 30 January 2020

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.