



ASX ANNOUNCEMENT

3D Energi Limited | ASX: TDO

24 June 2024

Otway Basin

3D Energi has entered into a Gas Sales- Right of First Refusal Deed with ConocoPhillips Australia

3D Energi Limited (the “Company”; ASX: TDO) is pleased to announce the Company has entered into a Right of First Refusal Deed in regard to the sale of its share of future gas production with a ConocoPhillips Australia (“COPA”) group company. COPA group companies are Joint Venturers and Operators of VIC/P79 and T/49P exploration permits in offshore Commonwealth waters of the Otway Basin. TDO retains a 20% participating interest in both permits.

Highlights

- TDO has negotiated favourable terms for a Right of First Refusal Deed (“ROFR”) with COPA.
- The agreement provides 3D Energi with a mechanism to achieve market parity pricing whilst also providing COPA first access to the gas.

Executive Chairman’s Comments

Mr Noel Newell, Executive Chairman of 3D Energi, said today “The finalisation of this agreement reinforces the Joint Venture’s commitment to fast tracking commercialising any discoveries from the upcoming drilling program. The JV is aligned in aiming to bring gas to market in the shortest timeframe achievable at a time when new gas supply is desperately need on the Australian East Coast.

Right of First Refusal Deed

3D Energi is pleased to announce that the Company has executed a Right of First Refusal Deed with a COPA group company in relation to any sales gas produced from either of Joint Venture permits VIC/P79 and T/49P. Under the deed COPA has an opportunity to acquire TDO's share of joint venture production however the ROFR mechanism gives TDO ample opportunity to capture market parity pricing from COPA or otherwise a third-party buyer. For a small explorer such as TDO, this ROFR Deed provides TDO with a relatively simple, demonstrable and credible path to market but an ability to maximise value in that process.

Otway Exploration Drilling Program

The Joint Venture has previously signed a two-well drilling contract as part of a 2025 exploration drilling program (Phase 1), pending regulatory approval, with an additional 120 days of optional drilling (Phase 2) ([TDO ASX release 12 July 2023](#)). The contracted semi-submersible drilling rig, Transocean Equinox, recently mobilised to Australia for a five-well drilling contract and is currently expected to arrive in the Otway during the first quarter of 2025.

The drilling Environmental Plan (EP) is currently under assessment with the regulator, NOPSEMA (National Offshore Petroleum Safety and Environmental Management Authority). The EP proposes seabed surveys and the drilling of up to six exploration wells in exploration permits VIC/P79 and T/49P, located in Commonwealth waters offshore of Victoria and King Island, Tasmania (Figure 1).

Drilling locations for the two wells in Phase 1 of the drilling program are yet to be determined and will depend on the outcome of 3D seismic interpretation results in both VIC/P79 and T/49P. Depending on the timing of this interpretation, well locations will be assigned to the firm phase (Phase 1) of the program and the optional phase (Phase 2) of the program.

Commercialisation strategy

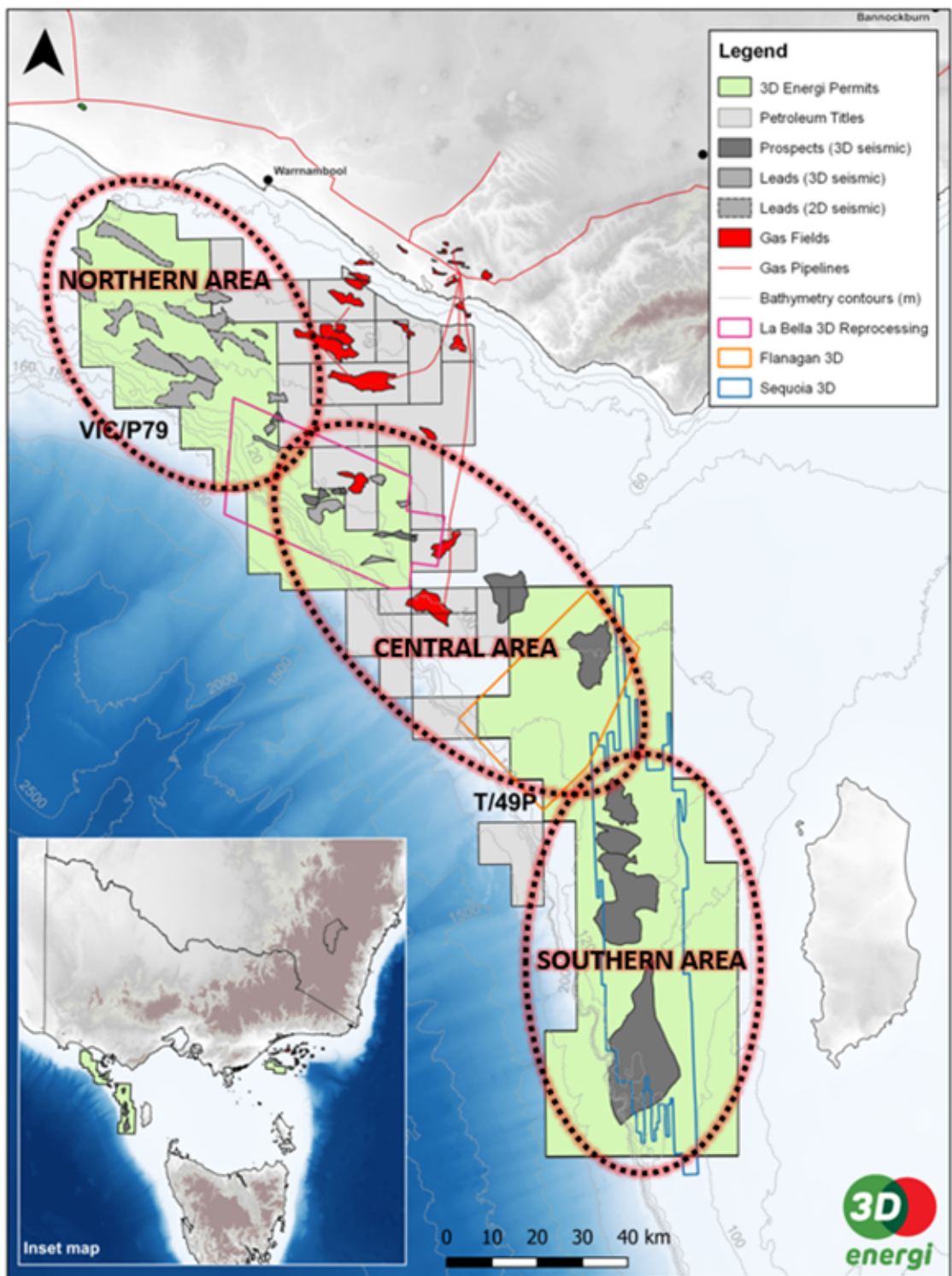
As announced on 24 June 2024 amended Farm Out Agreements (FOA) were executed that provide flexibility to the joint venture in terms of drilling. The amended FOAs form part of an emerging strategy that enables the Joint Venture to manage exploration prospects within both permits as one large portfolio or area of interest. This provides the ability to optimise decision-making around exploration drilling that facilitates a logical and faster pathway to a commercial project, incorporating proximity to infrastructure, risk, and estimates of prospective resources.

TDO recognises three main exploration fairways across the broader VIC/P79 and T/49P portfolios (Figure 1), all of which are important to a future commercialisation strategy.

- **Central area** (southern VIC/P79 and northern T/49P)
 - Prospects characterised by good quality 3D seismic (La Bella and Flanagan 3D reprocessing) with observations of Direct Hydrocarbon Indications (DHIs), proximal to infrastructure and existing discoveries (i.e. La Bella, Geographe and Thylacine fields).
- **Northern area** (northern VIC/P79)
 - Prospects characterised by 2D seismic, proximal to infrastructure and existing discoveries (i.e. Casino, Henry, Netherby fields), fewer exploration wells. 3D seismic required for detection of DHIs. Regia 3D seismic is currently under planning over this area.

- **Southern area** (southern T/49P)
 - Frontier prospects characterised by good quality 3D seismic (Sequoia 3D) with observations of Direct Hydrocarbon Indications, limited exploration wells, longer tie-backs required to existing infrastructure.

Figure 1 – VIC/P79 and T/49P exploration permits and exploration fairways



This announcement is authorised for release by the Board of Directors of 3D Energi Limited.

Enquiries

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Glossary of Terms

COPA	ConocoPhillips Australia
Environmental Plan (EP)	A document that identifies the environmental risks and impacts of an activity (such as drilling) and details the control measures that will be used to reduce the risks and impacts to as low as reasonably practicable (ALARP). An EP must be accepted by NOPSEMA prior to undertaking the proposed activity.
FOA	Farmout Agreement
Joint Venture	The joint ventures formed pursuant to finalised farmout agreements announced on 11 June 2020 (T/49P) and 16 March 2023 (VIC/P79) by and between 3D Energi Limited and ConocoPhillips Australia SH1 Pty Ltd and ConocoPhillips Australia SH2 Pty Ltd, respectively.
NOPSEMA	<i>National Offshore Petroleum Safety and Environmental Management Authority</i> NOPSEMA is responsible for ensuring all offshore petroleum and greenhouse gas activities in Commonwealth waters are undertaken in accordance with the Offshore Petroleum Greenhouse Gas Storage (Environment) Regulations 2009 (the Environment Regulations).
Operator	Company responsible for the exploration, development and production of a petroleum title.
Otway Exploration Drilling Program	The Joint Venture is proposing to undertake an exploration program that consists of seabed surveys and the drilling of up to 6 exploration wells in exploration permits VIC/P79 and T/49P located in Commonwealth waters offshore of Victoria and King Island, Tasmania.
Prospect(s)	A prospect is a potential trap/structure that may contain hydrocarbons, usually defined on 3D seismic, and has undergone significant geological and seismic investigation to evaluate the petroleum system.
ROFR	Right of First Refusal
Semi-submersible	A specialised offshore drilling rig with a platform type deck that is buoyant and floats during operations on partially submerged (ballasted) watertight pontoons that are stable and capable of withstanding rough water conditions.
TDO	ASX trading code for 3D Energi Limited.