



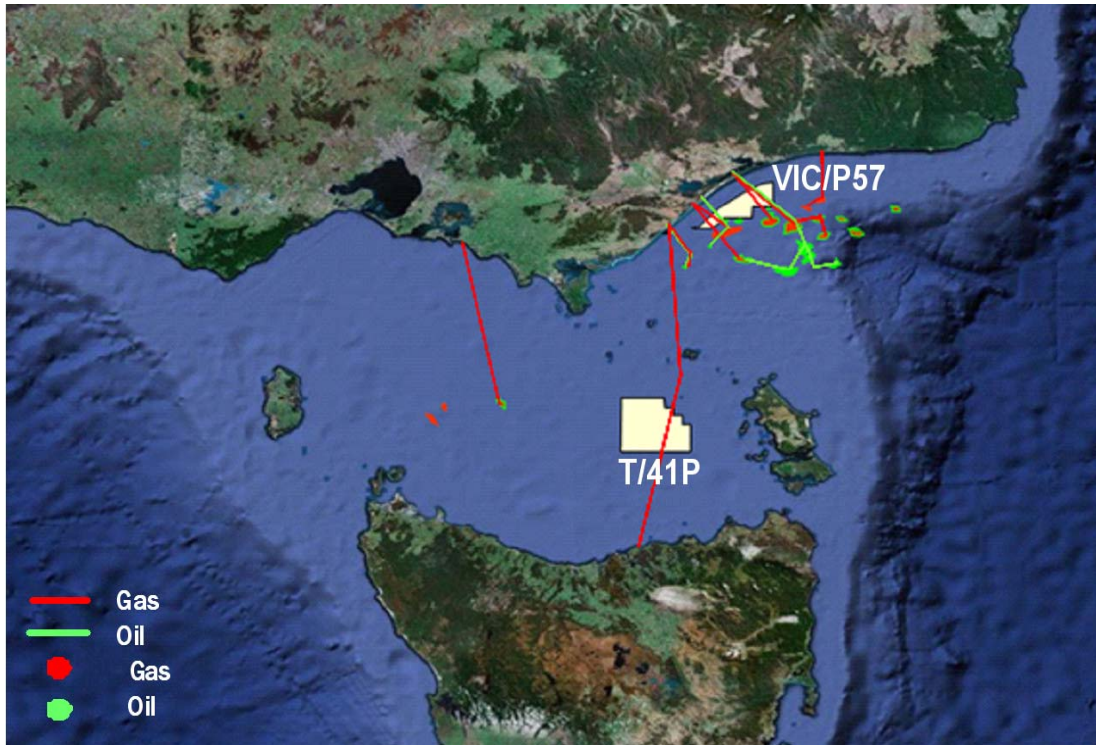
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3D Oil Limited

QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 30 JUNE 2011

Overview

- Renewal application for VIC/P57 has been successful, securing the permit for the next five years.
- Engineering studies for the West Seahorse development have progressed to a sufficient level of detail to now commence the regulatory approval processes.
- In relation to the farmout of VIC/P57 the company is currently in discussions with four (4) parties.
- In T/41P, processing of the Dalrymple 3D seismic survey is near completion.
- The board appointed Keith Edwards, a highly experienced global oil and gas professional, as a non-executive director.



Location of 3D Oil exploration permits

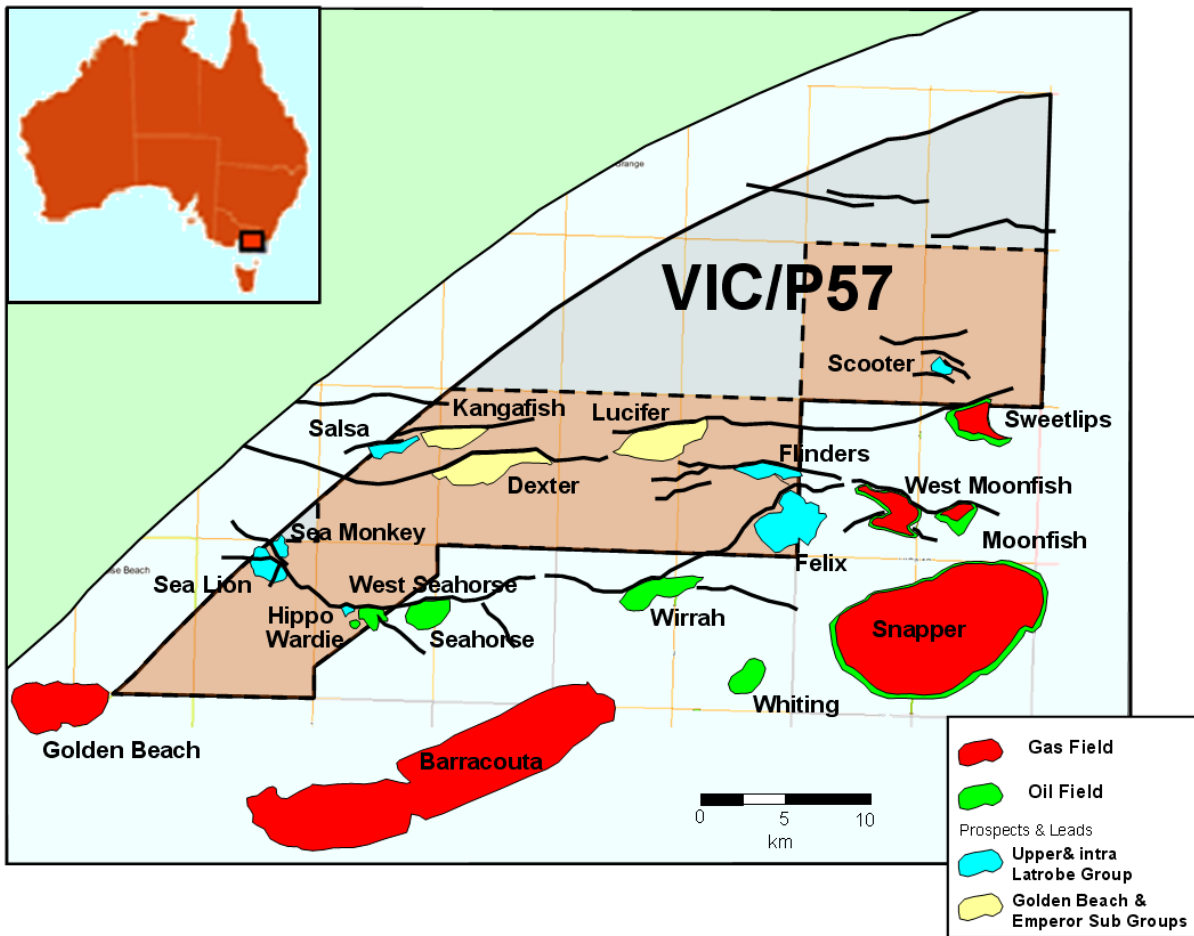
VIC/P57, Gippsland Basin, offshore Victoria

During the June quarter the company continued to focus primarily on the quest for a suitable joint venture partner for both its exploration and development programs in the permit and is in discussions with four parties in this regard. The company is optimistic it will secure a strategically aligned partner and, as such, believes continuation of this farmout strategy to progress exploration and development within VIC/P57 will ultimately be transformational to the company.

Engineering studies for the West Seahorse development have progressed to a sufficient level of detail to now commence the regulatory approval processes.

Reprocessing of approximately 500 sq km of pre-existing 3D seismic data over VIC/P57 and selected adjacent areas continued during the quarter. Preliminary results are demonstrating that the anticipated improvement in imaging, especially at deeper levels, is being achieved, which will enable better mapping of prospects and leads within the permit, and direct comparison to nearby discoveries.

In April the company submitted a renewal application for VIC/P57, which is nearing the end of the final year of its initial term. In line with statutory requirements, half of the graticular blocks in the original permit have to be relinquished however, since most of these were only 'part' blocks, the renewed permit will retain approximately two thirds of the original area – and, significantly, all of the identified prospects and leads. 3D Oil has recently been notified by government that its renewal application has been successful, and the renewed permit will be formally gazetted in the next quarter for the usual second term duration of five years.



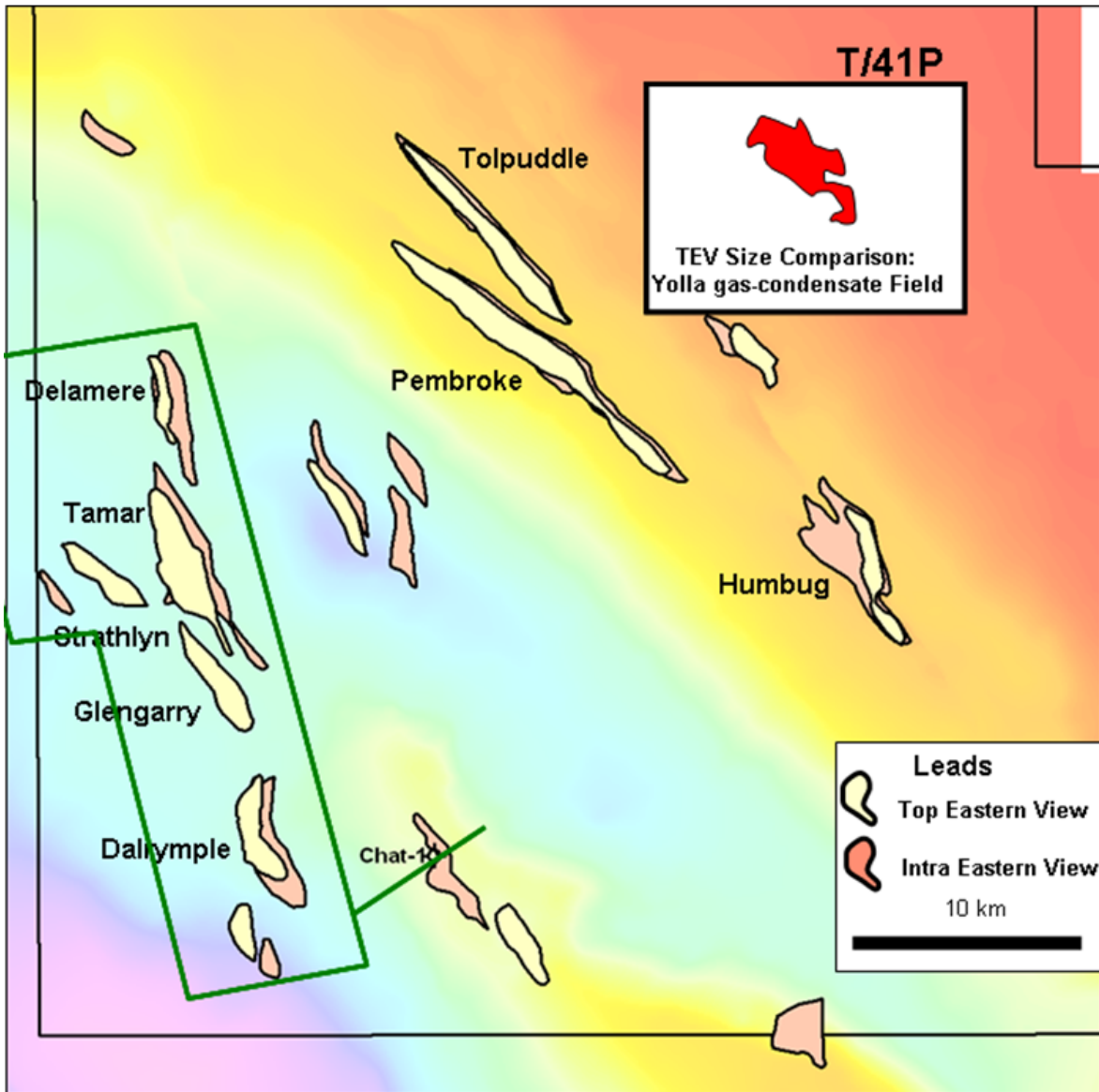
VIC/P57 permit area, also showing prospects, leads and surrounding fields. At the completion of the current permit renewal process VIC/P57 will be reduced to the area shaded orange.

T/41P, Bass Basin, offshore Tasmania

During the June quarter processing of the newly-acquired 264 sq km Dalrymple 3D seismic survey continued, and is on schedule to be completed around the middle of August.

In addition to the processing and interpretation of the new 3D seismic data, the company is updating its geological studies on the petroleum system in this region of the basin to optimize the understanding of potential for adequate hydrocarbon charge, reservoir quality, and seals.

By early next year this work will be integrated with the seismic interpretation to mature all of the existing leads in the area of the 3D survey to prospect status, and enabling the best candidates for future drilling to be identified.



Part of T41/P showing existing leads and the outline of the Dalrymple 3D survey.

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 2011

Consolidated statement of cash flows

	Current quarter \$A	Year to date (12 months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	5,059	13,232
1.2 Payments for		
(a) exploration and evaluation (net of refunds)	(926,628)	(3,788,231)
(b) development	-	-
(c) production	-	-
(d) administration	(286,063)	(1,084,311)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	48,078	415,990
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 GST Refund	-	-
1.8 Refund of exploration deposit	-	16,685
Net Operating Cash Flows	(1,159,554)	(4,426,635)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects/farmins	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(42,195)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(1,159,554)	(4,468,830)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,159,554)	(4,468,830)
	Cash flows related to financing activities		
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 – Capital raising costs	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,159,554)	(4,468,830)
1.20	Cash at beginning of quarter/year to date	5,048,366	8,378,658
1.21	Exchange rate adjustments to item 1.20	(30,817)	(51,833)
1.22	Cash at end of quarter	3,857,995	3,857,995

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	111,933
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, salaries and fees paid to related entities during the June 2011 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

Nil

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

+ See chapter 19 for defined terms.

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	350
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	650

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	309	1,211
5.2 Deposits at call	3,502	3,790
5.3 Bank overdraft		-
5.4 Other – Bank Guarantee	47	47
Total: Cash at end of quarter (item 1.22)	3,858	5,048

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	-	-	-	-

+ 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 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	206,560,000	206,560,000	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Released from ASX restriction	- - -	- - -	- - -	- - -
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7 Options <i>(description and conversion factor)</i>	400,000 189,000 615,000 200,000	- - - -	<i>Exercise price</i> \$0.75 \$0.25 \$0.40 \$0.40	<i>Expiry date</i> 31 March 2013 30 June 2014 30 November 2014 31 January 2015
7.8 Issued during quarter	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -
7.9 Exercised during quarter	-	-	-	-
7.10 Expired/lapsed during quarter	-	-	<i>Exercise price</i>	<i>Expiry date</i> -
317.1 Debentures 1 <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <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: 
Company Secretary

Date: 29 July 2011

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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