

3D Oil Ltd

New prospect discovered

A significant new oil prospect in Bass Strait has been discovered by 3D Oil Ltd adjacent to its West Seahorse oil field.

The new Wardie prospect, will be drilled early next year as part of 3D Oil's, multi-well Bass Strait exploration program, the first stage of the development of the West Seahorse field.

The prospect, which lies in the offshore exploration permit Vic/P57 and revealed by recent technical work, will now be drilled ahead of the Sea Lion prospect due to the lower perceived risk and proximity to West Seahorse.

The Wardie prospect, located one kilometre south west of West Seahorse, was revealed by 3D Oil's ongoing technical evaluation, including detailed mapping, depth conversion and reservoir analysis, of the Vic/P57 permit.

3D Oil Ltd believes the Wardie prospect has lower associated risk than the Sea Lion prospect, primarily due to it's proximity to West Seahorse field.

Further, in the event of a discovery at the Wardie, the field could be developed utilising the West Seahorse facilities.

Estimates of the possible resource within the Wardie prospect are still being prepared.

The company is currently undertaking well planning, in conjunction with Australian Drilling Associates and considering its drilling options. One option includes drilling both West Seahorse-3 and Wardie-1, as deviated wells, from the one location.

3D Oil was recently granted a further six month suspension by the Joint Authority in relation to the Year 3 work programme on the grounds of force majeure in delays in the arrival of the contracted drilling unit the West Triton originally arriving in 2006.

3D Oil Ltd background

3D Oil joined the Australian Stock Exchange in April, 2007 after a \$44 million Initial Public Offering to fund the development of its Bass Strait oil fields. The company issued 110 million shares, partly paid to 25c a share with a further 15c per share payable on December 6, 2007.

3D acquired a 100% interest in the Gippsland basin permit Vic/P57 in April, 2004, which contains the West Seahorse oil field as well as significant oil exploration opportunities.

3D plans to drill an appraisal well at West Seahorse in early 2008, immediately followed by a well on the Wardie prospect.

Oil production from West Seahorse could start as early as 2010.

The company has also acquired a 100% interest in the lightly explored Bass basin permit T41-P.

3D Oil Ltd recently appointed former BHP Petroleum chief executive, Peter Willcox as company chairman.

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