



3D Oil Ltd
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30 July 2007

Quarterly Update

Highlights

- Two drilling slots for 2008 were secured with the Seadrill jack-up drilling unit "West Triton" to drill the West Seahorse-3 appraisal/development well and an exploration well in ViC/P57.
- A Heads of Agreement was signed with five other companies to secure a 2D seismic vessel to acquire 2D seismic in the Bass Strait region and enable 3D Oil to acquire seismic in T41-P.
- 3D Oil successfully listed on the Australian Stock Exchange on May 22, 2007.
- Jon Keall, formerly of BHPBilliton new ventures team, joins 3D Oil as exploration manager.

Vic/P57

The company has secured two drilling slots with the Seadrill jack-up "West Triton". Preparations are underway for the drilling of these two wells. Geophysical site surveys have been carried out for two locations; West Seahorse-3 and Sea Lion-1. Detailed mapping, rigorous depth conversion and reservoir analysis of both structures is underway to select the optimum locations for the wells.

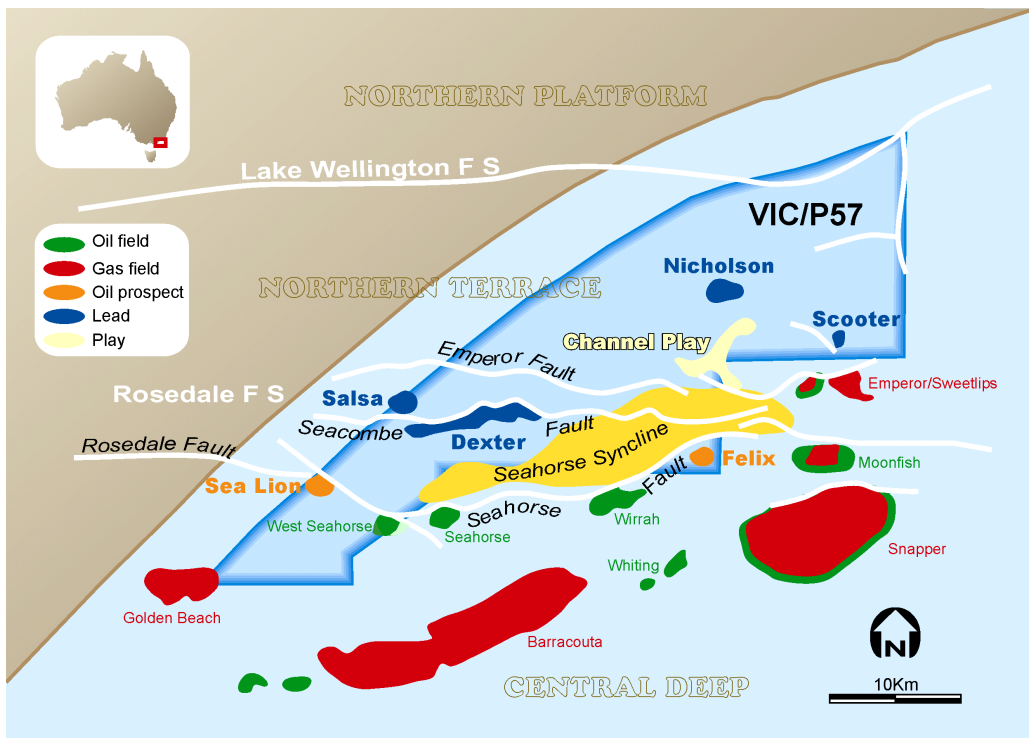
The first well will be the appraisal/development well West Seahorse-3. The most likely location of this well will be immediately south of the discovery well, West Seahorse-1, which intersected three oil accumulations with a potential fourth accumulation untested.



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The uppermost zone, within the top of Latrobe Group, flowed 1800 bopd through a half inch choke. The 2P Reserves and Contingent Resources for the West Seahorse field are currently estimated at a total of 10.3 MMstb. A review of these volumes is part of the ongoing technical studies of the field.

The Sea Lion prospect, 7km west-northwest from the West Seahorse field, has best estimate Prospective Resources of 20.7 MMstb.



Vic/P57 Prospects and Leads

T41-P, Bass Basin

3D Oil was granted a 12 month suspension by the Joint Authority in relation to the Year 2 work programme on the grounds of *force majeure* in securing a seismic vessel. The work programme consists of acquisition of 2200km 2D seismic data. As



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with many offshore operators in Australia, 3D Oil has experienced difficulty in locating a seismic vessel.

The company has joined a consortium with five other companies, through a Heads of Agreement, to secure a 2D seismic vessel to acquire 2D seismic in the Bass Strait region. The consortium is currently engaged in discussions with two vessel operators and is confident a vessel will be secured in the 3rd quarter of 2007.

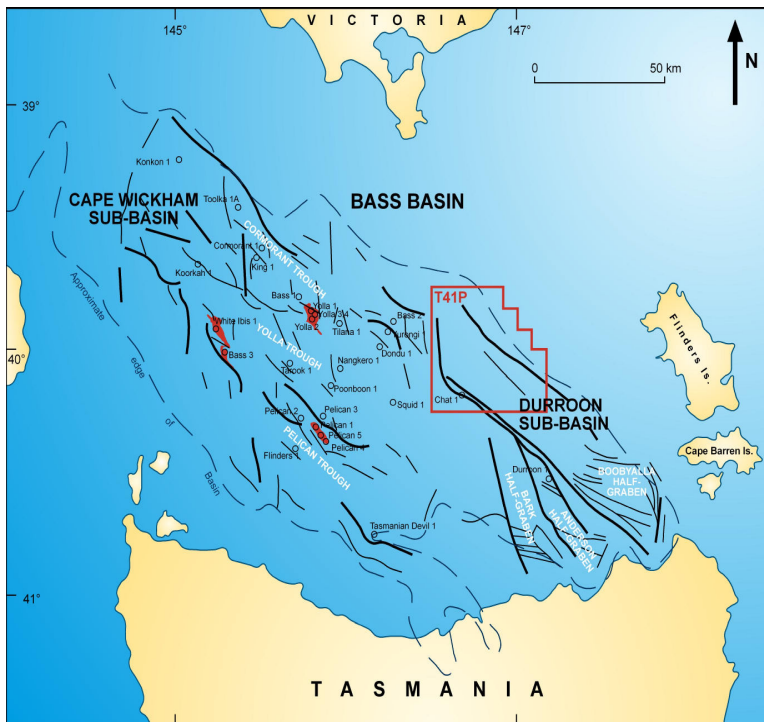
Detailed remapping of the existing reprocessed seismic, together with a prospectivity review of the identified leads, will form the technical platform for a proposed farmout campaign commencing in the third quarter of 2007. 3D Oil will be seeking a partner, on a promoted basis, to reduce its exposure to exploration expenditure.

The upcoming 2D seismic acquisition will focus on the SW portion of T41-P. The Dalrymple Lead shows an interesting seismic response at Top Eastern View level (base regional seal) where an amplitude anomaly is consistent with the presence of hydrocarbons.

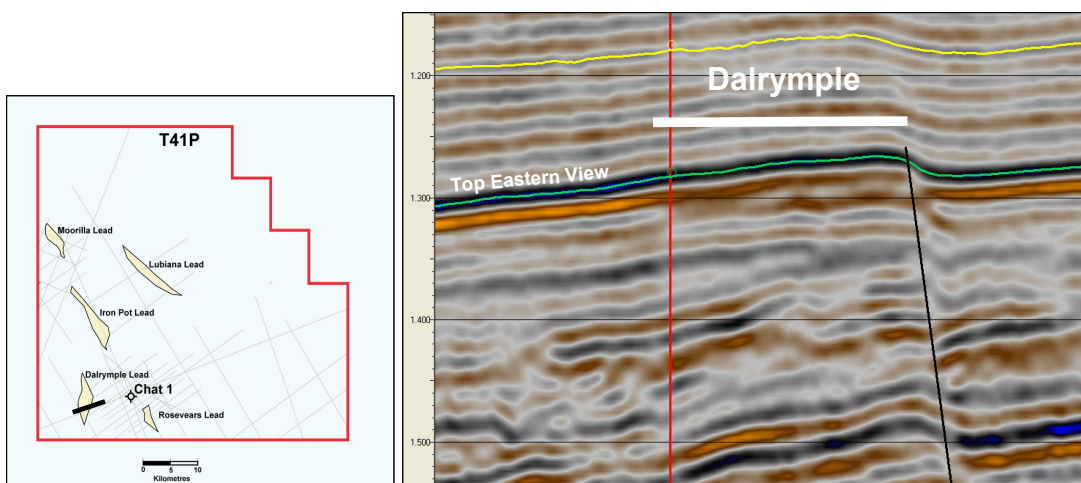
Seismic amplitude anomalies are present on three lines over the feature, suggesting that Dalrymple is potentially quite large, but the NW limit is not defined by seismic.



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T41-P Location and Bass Basin Structural Elements



Seismic line across the SE edge of the Dalrymple Lead