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ASX Release

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**West Seahorse Oil Field:
Production Licence Application Submitted**

3D Oil Limited (ASX: TDO) is pleased to advise that, together with its joint venture partner in VIC/P57, Carnarvon Hibiscus Pty Ltd (Hibiscus), it has submitted an application for a Production Licence over the West Seahorse oilfield.

This follows on from the finalisation of the development concept for the West Seahorse oilfield, announced on 16th April, and the commencement of the Front End Engineering Design (FEED).

As a precursor to the submission of the Production Licence application, the VIC/P57 Joint Venture submitted a preliminary Field Development Plan (FDP) to the National Offshore Petroleum Titles Authority (NOPTA). Following a period of review, NOPTA provided a favourable response to the FDP and indicated that, subject to minor amendments, a final FDP could now be submitted. The process of finalizing and submitting the Production Licence application and the FDP follows on from the NOPTA declaring a location over the West Seahorse oil field in November 2012.

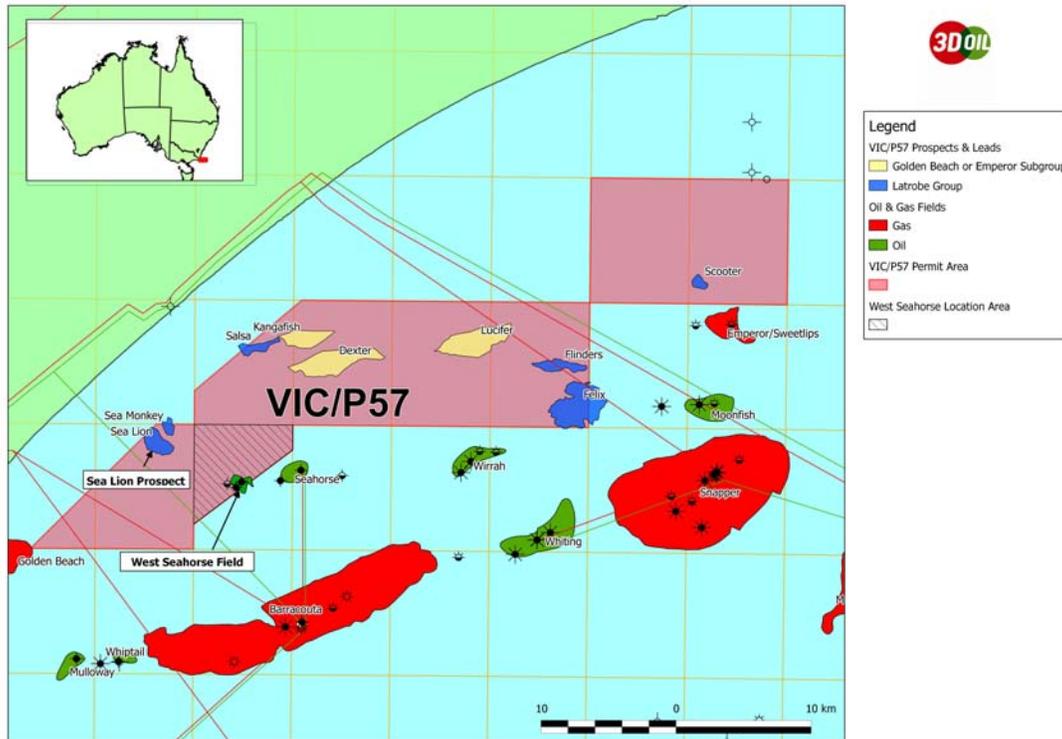
Once NOPTA is satisfied with the information provided, TDO anticipates that the West Seahorse Production Licence will be awarded in the third quarter of 2013.

The selected Development Concept is described herein:

- Two production wells will be drilled via a jack-up drilling rig prior to the arrival of the MOPU. The West Seahorse wells will be drilled, cased and suspended using the jack-up drilling rig and will be completed for production from the MOPU using a hydraulic snubbing unit. Two production wells will be connected directly to the MOPU through the use of surface completions.
- The Mobile Offshore Production Unit (MOPU) is a modified jack-up fixed to the seabed at West Seahorse field location for the life of the project. The MOPU will include processing facilities to remove associated gas and water, to stabilise the crude oil, and export the stabilised crude. Produced gas will be processed and

utilized for fuel gas and enhanced recovery (gas lift) with the remaining gas being flared. Produced water will be treated to regulatory requirement quality and disposed overboard.

- The stabilised oil will be produced via a 1.5km 4-inch flexible flowline to a catenary anchor leg moored (CALM) buoy and flexible hose to a Floating Storage Offloading (FSO) vessel. The FSO can then either load to another vessel in tandem mooring or shuttle the crude to a refinery.



Location map showing the West Seahorse location

3D Oil’s Managing Director Noel Newell commented that

“Submitting an application for a Production Licence is another significant step toward bringing the West Seahorse Field into production. Since bringing Hibiscus in as a JV partner, we have made very rapid progress in commercializing the field. This rate of progress is anticipated to continue to first oil; an event now on our horizon”

West Seahorse Oil Field Background

Independent experts engaged by 3D Oil have determined a best estimate of 9.2 million barrels of recoverable oil from West Seahorse (2C Contingent Resources).

The West Seahorse oil reservoir is approximately 1400 metres below sea level in some of the same high-productivity sandstones that have historically contributed to the prolific oil fields of the Gippsland Basin. Initial oil production rates are expected to be as high as 12,000 barrels of oil per day.

The joint venture has adopted an aggressive project schedule and has assembled a project team who have been working on engineering, planning and approvals for the West Seahorse development project, with the objective of producing oil within approximately two years.

The West Seahorse field lies 14km offshore from Ninety Mile Beach in 39 metres of water, 18km SSE of the Gippsland town of Loch Sport. The area hosts existing oil and gas infrastructure, with West Seahorse located 38km east of the onshore Esso Longford Gas Plant and 11km from Esso's offshore Barracouta platform.

The VIC/P57 Joint Venture is comprised of:

Carnarvon Hibiscus Pty Ltd (a wholly owned subsidiary of Hibiscus Petroleum Berhad)	50.1% and Operator
3D Oil Limited	49.9%

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