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ASX Release

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Beach Energy increases stake in 3D Oil gas hunt

3D Oil Limited (ASX: TDO) is pleased to announce that Beach Energy Limited (ASX: BPT) has agreed to increase its funding of the expanded Flanagan 3D seismic survey in the T/49P permit in the offshore Otway Basin. The Flanagan survey is now programmed to record 974 sq km of full-fold data, significantly above the 755 sq km permit commitment.

Beach will earn an additional 10% interest in T/49P by paying an increased share of the expanded Flanagan survey costs. The final cash contribution of the parties will be determined by the final cost of the acquisition and processing of the survey. The T/49P joint venture will then be TDO 70% and operator, with Beach Energy at 30%.

TDO intends to leverage the results of the Flanagan survey to attract the best possible farmin terms for future exploration in this highly prospective gas exploration area. This current deal with Beach allows TDO to retain a large pre-drilling interest and operatorship in T/49P, while reducing cash exposure and at the same time acquiring additional seismic coverage over the targeted T/49P leads.

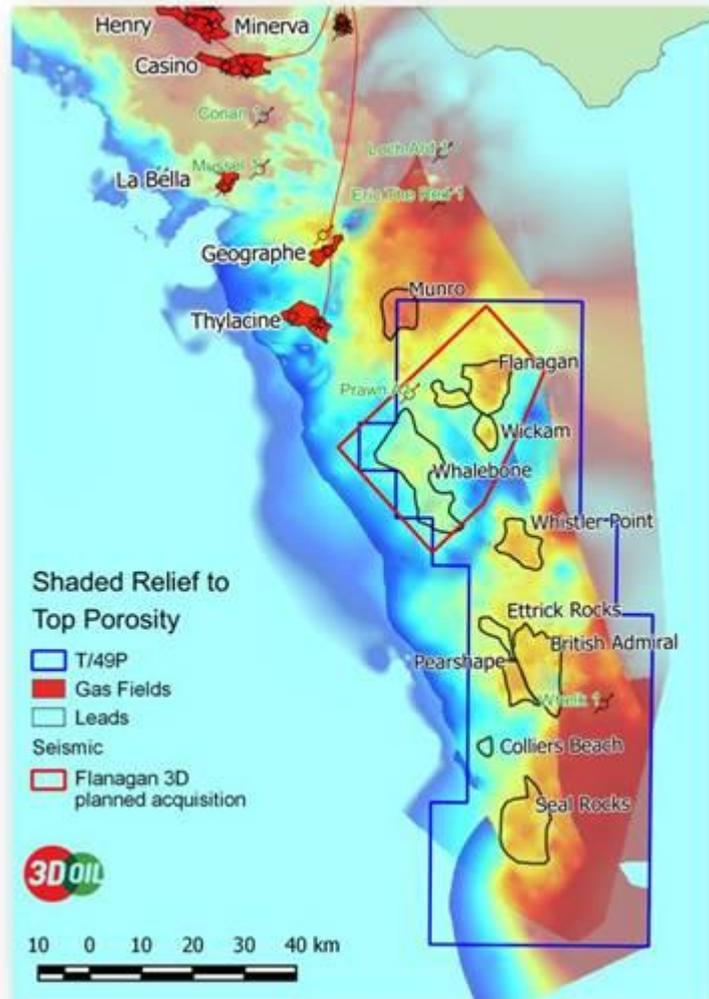
TDO Managing Director Noel Newell commented *"The technical and commercial fundamentals of gas exploration in this area are very strong. We consider the fact that a large Australian operator like Beach Energy has increased its stake in T49P is a strong validation of the potential of permit. It is also gratifying that Beach has confidence in our joint venture and in TDO's operatorship of the permit."*

Acquisition of the 974 sq km Flanagan survey is underway northwest of King Island and, subject to weather and sea conditions, is expected to be completed by mid-December. The Polarcus Asima is a state-of-the-art seismic vessel which is towing 10 recording streamers in an array approximately 1km wide and 6km long in order to record seismic data for the survey.

T/49P covers an area of 4,960 km² in water depths generally no greater than 100m. The permit is lightly explored covered by a broad grid of 2D seismic data of varying vintages and has two exploration wells drilled in 1967 and 1970. Since acquiring the permit in May 2012 TDO has continued to expand its assessment of the prospectivity. This work has only enhanced the Company's view that the permit potentially contains significant gas volumes.

The Flanagan survey is designed to mature a number of leads in northern part of the block which are located adjacent to the neighbouring Thylacine and Geographe producing gas fields which have a combined gas in place ("GIP") of over 2 TCF. Of particular note are the Whalebone and Flanagan leads which have a combined best estimate Prospective Resource of 7.8 TCF GIP

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T/49P showing leads and Flanagan survey as well as nearby Otway Basin gas fields

Competent Person’s Statement

Any Petroleum Reserves, Contingent Resources and Prospective Resources information on the oil and gas in this release are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of, 3D Oil’s Senior Geophysicist Dr. Chris Pike. He is a Geophysicist [Ph.D. Geophysics] with more than 25 years practising in Petroleum Geophysics. Dr. Pike is a member of the Petroleum Exploration Society of Australia, The American Association of Petroleum Geologists (AAPG - US), the Society of Exploration Geophysicists (SEG – US), the Association of Professional Engineers and Geoscientists of Alberta (APEGA - Canada) and the Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL - Canada). Dr Pike has consented in writing to the inclusion of the information in the form and context in which it appears.

Prospective Resources

The estimates have been prepared by the Company in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2007 approved by the Society of Petroleum Engineer and have been prepared using probabilistic methods. Unless otherwise stated the estimates provided in this report are Best Estimates and represent that there is a 50% probability that the actual resource volume will be in excess of the amounts reported. The estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development.

For further information please contact:

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