



**3D Oil Limited**

Level 18, 41 Exhibition Street

Melbourne VIC 3000

Tel: +61 3 9650 9866

Fax: +61 3 9639 1960

[www.3doil.com.au](http://www.3doil.com.au)

**ASX Release**

14 October 2016

## **Board Changes and Major Cost Reduction Initiative**

- Annual savings of over \$600,000 achieved from board changes and employees remuneration reduction

3D Oil ("TDO" or the "Company") advises it has undertaken a major cost reduction initiative which has resulted in board changes and a significant reduction in employee remuneration.

On an annualised basis this initiative has resulted in a reduction of cash cost to TDO of over \$600,000. The initiative has been undertaken in response to the continued harsh environment for oil and gas explorers globally. Nonetheless, the initiative is in line with the Company's philosophy of preserving its cash while retaining the ability to undertake exploration and review new venture growth opportunities. The Company advises that the Chairman, Mr Campbell Horsfall, and Non-Executive director Ms Melanie Leydin have offered their resignations as Directors of the Company as part of the cash conservation measures implemented. The board wishes to thank Mr Horsfall and Ms Leydin for their long and dedicated service to TDO. Mr Horsfall will receive a severance payment of 4 months' salary.

While Ms Leydin will step down from the Board the company will retain her skills as she will remain as Company Secretary and Finance officer for TDO.

The Managing Director will step up as Acting Executive Chairman (with no additional fee) while Mr Ian Tchacos, a long term board advisor, will become a Non-Executive Director. Mr Tchacos is an oil and gas professional with over 30 years' experience in corporate development and strategy, mergers and acquisitions, petroleum exploration, development and production operation and energy finance. He has a proven management track record in a range of international energy company environments.

Leo DeMaria remains as a Non-Executive Director.

In addition, the Company has undertaken a significant reduction of the remuneration of its employees.

TDO Acting Executive Chairman Noel Newell commented:

"I would like to thank both Campbell and Melanie for their tremendous commitment to TDO and their willingness to help preserve our cash. This commitment to TDO has also been extended by our staff in response to the tough market conditions by their sacrifice to ensure the long term success of the Company.

While TDO still has a very healthy cash balance we recognise the current difficulties in the market for exploration Companies and we seek to maintain flexibility and minimise dilution. This has been an ongoing philosophy for TDO – the Company has not gone to the market to raise cash since 2008. This fact highlights the Company’s commitment to increasing shareholder value by minimising dilution.”

For further information please contact:

Noel Newell

Acting Executive Chairman

3D Oil Limited

Phone: +613 9650 9866