



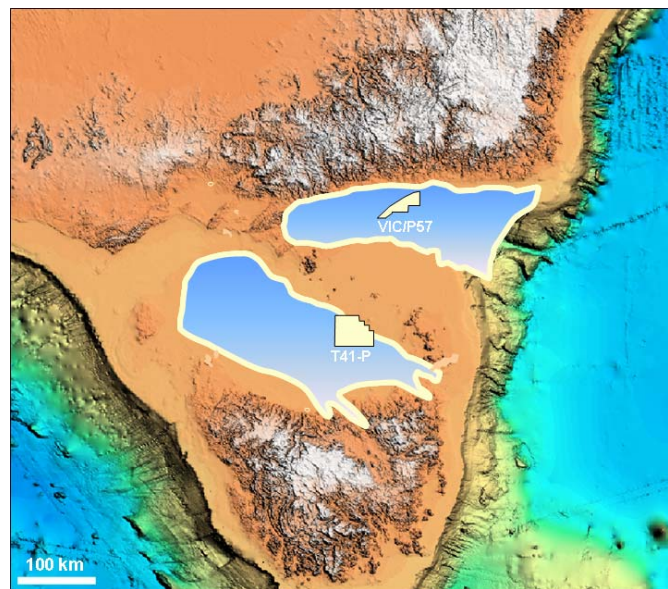
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QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 31 MARCH 2008

Exploration Review

3D Oil Limited is the operator and 100% equity holder in two permits in Bass Strait; Vic/P57 in the Gippsland basin, Victoria and T41-P in the Bass basin, Tasmania.



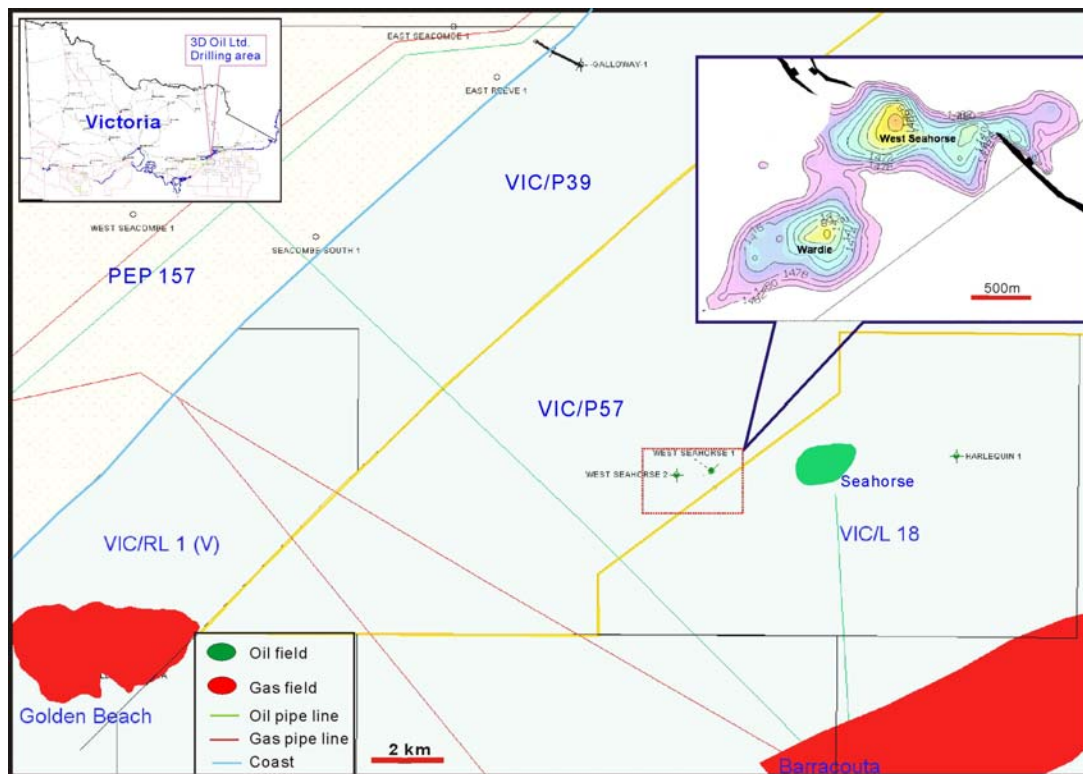
The VIC/P57 and T41-P permits located in the Gippsland and Bass basins.

VIC/P57, Gippsland Basin Offshore Victoria

In the March quarter the company continued well planning, in conjunction with Australian Drilling Associates, for an appraisal on the West Seahorse field (West Seahorse-3) and an exploration well on an adjacent prospect (Wardie-1). The West Seahorse-3 well is currently drilling.

Both West Seahorse-3 and the Wardie-1 well will be drilled from the same location using the newly built jack-up rig, the West Triton. This will reduce rig move time and will provide cost-effective commercialisation of the Wardie prospect in the event of a discovery.

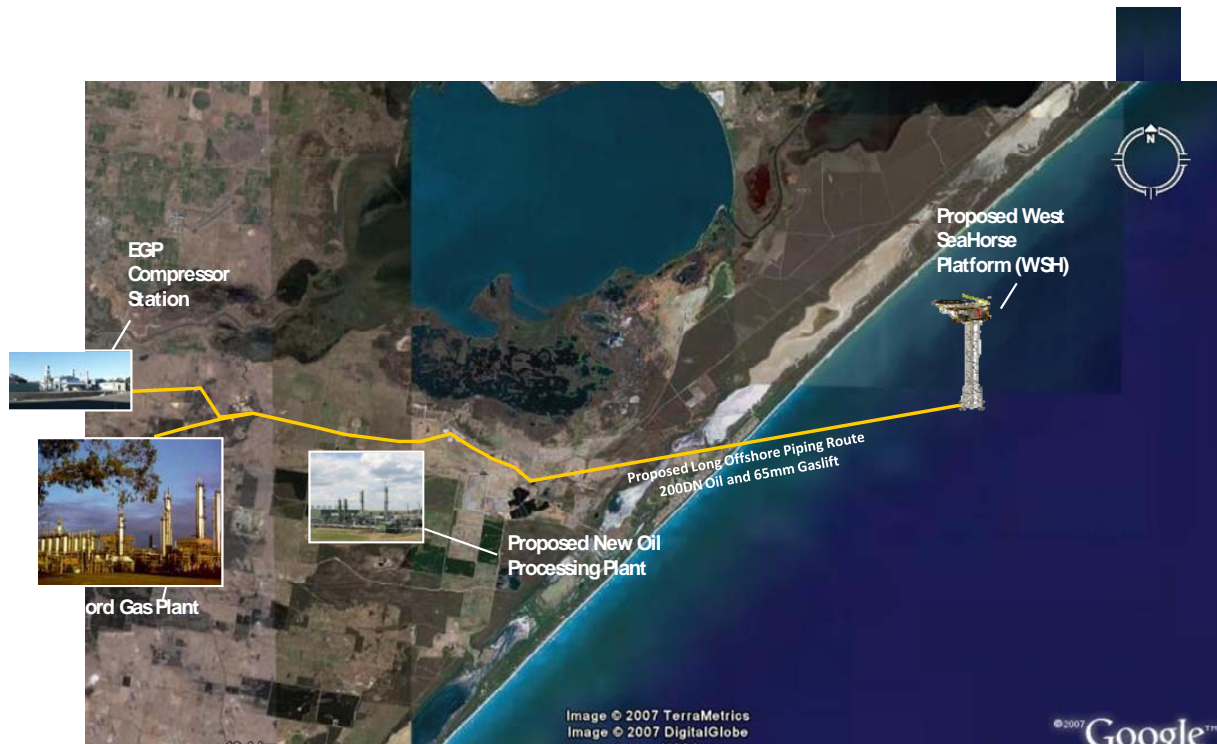
Location Map



3D Oil Limited has completed a conceptual study with Worley Parsons to review and define a range of potential development options for the West Seahorse field. These include development on a stand-alone basis as well as a range of options to utilise the existing third party infrastructure in Bass Strait.

The stand alone option consists of a lightweight wellhead platform; pipeline to an onshore crude stabilisation facility with stabilised crude oil exported to Melbourne by road tanker and excess gas exported to the eastern gas pipeline.

Option A – Stand Alone Basis



A range of integration options for the development of West Seahorse are also being considered. These include a direct tie-in to third party facilities. This would consist of a light-weight wellhead platform and pipeline to these facilities. This would be subject to production capacity constraints of the existing facilities and an acceptable commercial agreement being negotiated.

3D Oil Limited has also had preliminary discussions with:

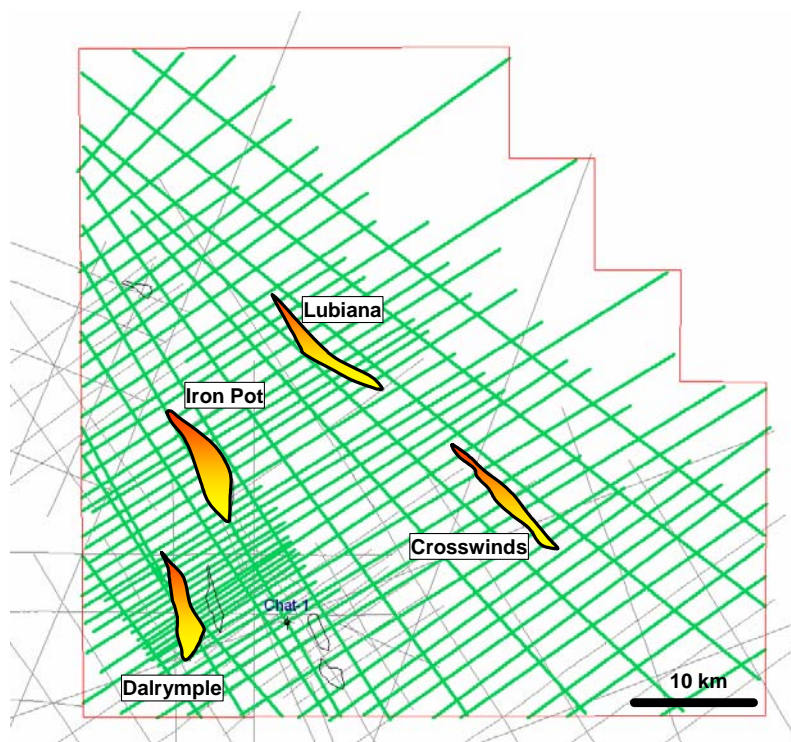
- Government authorities regarding Production and Pipeline licence submission requirements and to identify all government permit and regulatory requirements.
- Potential Front End Engineering and Design (FEED) contractors
- Potential pipeline and installation contractors

T41/P, Bass Basin Offshore Tasmania

The Southern Margin seismic consortium, of which 3D Oil Limited is a member, contracted the CGG seismic vessel, the Pacific Titan to conduct a seismic survey in the T41/P permit. Seismic data acquisition started in April 2008.

Existing seismic coverage within T41-P is sparse and consists of data from 6 separate surveys ranging in vintage from 1975 to 1990 with 1,500km of this data having been reprocessed. Mapping of this data has identified at least four main leads with the new seismic acquisition located primarily to further delineate these structures.

New seismic programme over T41-P and location of current leads.



The most highly rated lead is Dalrymple, a tilted fault block trap identified on three seismic lines. Seismic amplitude dimming is present on the southernmost line, consistent with the presence of hydrocarbons in sandstone reservoir. More seismic data will be acquired over Dalrymple to improve the structural definition and confirm the interpreted direct hydrocarbon indicator (DHI). In total, approximately 2200 km of seismic data will be acquired.

NOEL NEWELL

Managing Director
3D Oil Limited

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

3D OIL LIMITED

ABN

40 105 597 279

Quarter ended ("current quarter")

31 MARCH 2008

Consolidated statement of cash flows

	Current quarter \$A	Year to date (9 months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	2,970	11,880
1.2 Payments for:		
(a) exploration and evaluation	(3,691,660)	(5,670,774)
(b) development	-	-
(c) production	-	-
(d) administration	(187,933)	(857,144)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,064,117	1,546,948
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(2,812,506)	(4,969,090)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects/farmins	-	-
(b) equity investments	-	-
(c) other fixed assets	(5,885)	(76,141)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(5,885)	(76,141)
1.13 Total operating and investing cash flows (carried forward)	(2,818,391)	(5,045,231)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,818,391)	(5,045,231)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares	-	16,469,014
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Capital raising costs	(930,563)	(930,563)
	Net financing cash flows	(930,563)	15,538,451
	Net increase (decrease) in cash held	(3,748,954)	10,493,220
1.20	Cash at beginning of quarter/year to date	40,719,664	26,457,977
1.21	Exchange rate adjustments to item 1.20	(1,283,805)	(1,264,292)
1.22	Cash at end of quarter	35,686,905	35,686,905

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	62,884
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fees and salaries paid during the March 2008 quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	35,833
4.2 Development	-
Total	35,833

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4,746	20,159
5.2 Deposits at call	30,941	20,561
5.3 Bank overdraft		-
5.4 Other – Bank Guarantee		-
Total: cash at end of quarter (item 1.22)	35,687	40,720

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

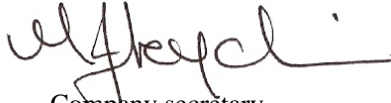
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	83,060,000 110,000,000	-	\$0.40 \$0.40	\$0.40 \$0.40
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	10,100,000 7,125,000	- -	<i>Exercise price</i> \$0.50 \$0.60	<i>Expiry date</i> 31 January 2011 31 January 2011
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired/lapsed during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 29 April 2008

Print name:

MELANIE LEYDIN

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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