

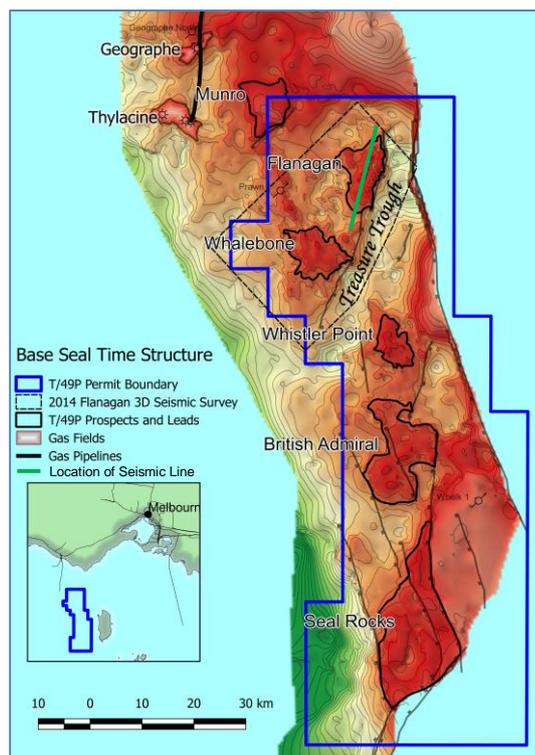
ASX Release

22 October 2015

T/49P Preliminary Prospective Resource Estimates

- Flanagan Prospect drill-ready based on new 3D seismic data
- 1.38 TCF recoverable gas Flanagan Prospect – 3D Oil Limited Prospective Resource Best Estimate
- Associated seismic anomalies within Flanagan Prospect potentially indicative of gas
- 6.82 TCF recoverable gas total in T/49P (Flanagan plus 5 leads) – 3D Oil Limited Prospective Resource Best Estimate
- Significant additional potential value in condensate and liquids associated with gas

3D Oil Limited (ASX: TDO) is pleased to announce that it has completed a preliminary estimate of the Prospective Resources for the Flanagan Prospect as well as for other leads within T/49P. 3D Oil is operator (70%) of the joint venture with its partner Beach Energy (ASX: BPT, 30%). The permit is located in the Tasmanian sector of the offshore Otway Basin, adjacent to the producing gas fields of Thylacine and Geographe and in the proximity of existing infrastructure supplying the expanding east coast gas market.



Updated T/49P prospects and leads showing nearby Otway Basin gas fields

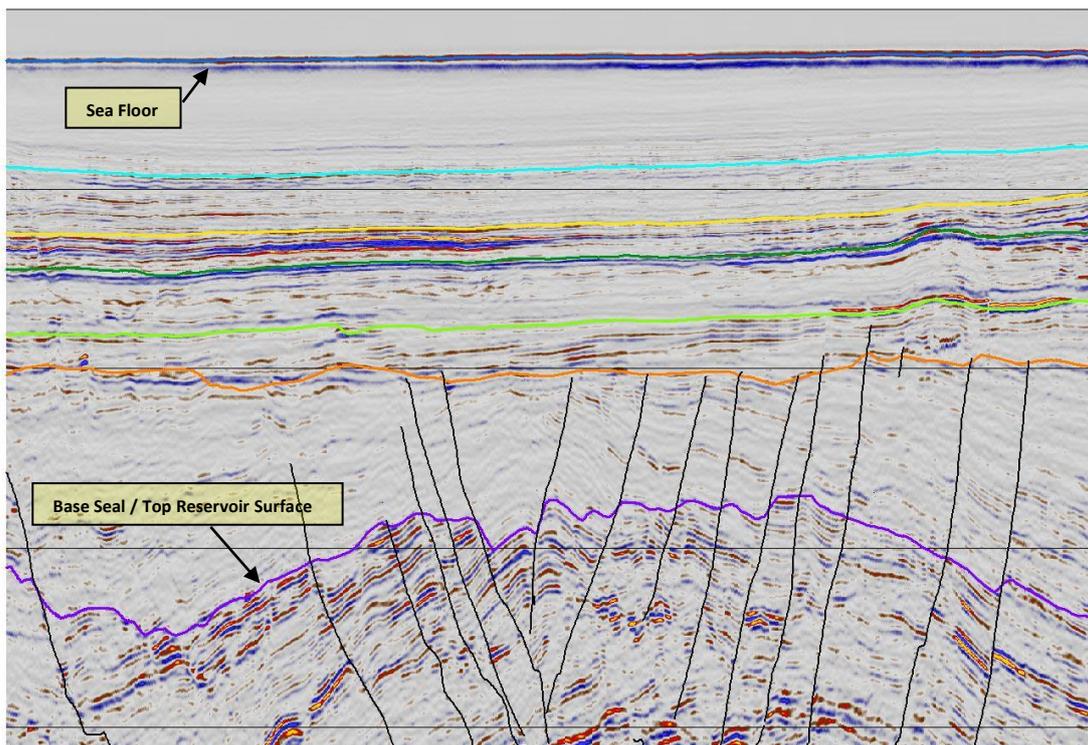
This updated preliminary resource assessment (gross joint venture volumes) now incorporates the results of the company's 2014 Flanagan 3D seismic survey in the northern area of the permit. T/49P covers an area of 4,960 km² in water depths generally no greater than 100m. The north of the permit is now covered by 974 km² of modern 3D seismic, while the area to the south remains lightly explored covered by a broad grid of 2D seismic data of varying vintages. Only two early exploration wells have been drilled in the permit (in 1967 and 1970) and the region has largely been overlooked by the industry despite the proximity of the Thylacine gas field.

TDO's view of the potential for this permit has been strongly supported by the new seismic data which provides significantly greater detail of the geology. Good indications of reservoir and seal units analogous to the Thylacine and Geographe fields are evident from the data.

Within this region, gas accumulations are typically associated with seismic amplitude anomalies. TDO has identified seismic amplitude anomalies on the 3D data, particularly within the Flanagan Prospect area, although the extent to which these indicate the presence of gas requires further interpretation and analysis.

Two major structural features, Flanagan and Whalebone, which had previously been identified from a broad grid of 2D seismic, have been confirmed within the 3D area.

The Flanagan structure is a ready to drill prospect and is considered to be an analogue, albeit larger, to the adjacent Thylacine gas field. Flanagan's Prospective Resources are currently estimated at 1.38 TCF (Trillion cubic feet) recoverable gas. At production start-up Thylacine and Geographe combined were expected to produce 0.95 TCF raw gas and as such TDO believes that Flanagan represents an attractive drilling target.



*Seismic line through **Flanagan Prospect** (see map Page 1 for location). Crest of the structure is approximately 2000m below sea level. Note low amplitude section indicative of seal facies overlying high amplitudes in potential reservoir section.*

Thylacine and Geographe also contain condensate of significant economic value – initial expected production was 12 MMbbl condensate – as well as associated LPG. TDO estimates that Flanagan and T/49P would have similar condensate to gas ratios enhancing the commercial viability of these features. For example, by analogy and on a best estimate basis, the Flanagan Prospect could contain 16.5 MMbbl of condensate and T/49P could total over 80 MMbbl of condensate.

T/49P has significant strategic potential beyond the Flanagan Prospect, with an additional 5 leads identified and mapped across the whole permit as shown on the map on Page 1 and as listed in the table below. The permit has the potential to become a substantial new gas province which could provide a valuable contribution to the east coast gas market. As recently reported by Energy Quest, a leading energy advisory firm, the Australian east coast gas market is one of the few energy markets in the world without substantial over-capacity.

T/49P Prospective Resource Estimate (TCF) Recoverable Gas				
Location	Status	Low	Best	High
Flanagan	Prospect	0.41	1.38	2.68
Whalebone	Strong Lead	0.38	1.20	2.72
Munro (T/49P Part)	Lead	0.04	0.19	0.57
Whistler Point	Lead	0.19	0.93	1.88
British Admiral	Lead	0.17	0.54	3.22
Seal Rocks	Lead	0.28	2.59	10.64
T/49P Total		1.47	6.82	21.71

TDO is well positioned to farmout with a large interest and operatorship. The company now intends to utilise the positive results of the Flanagan survey and this compelling resource assessment to attract the best possible farmin terms for future exploration drilling and seismic in this highly prospective gas exploration area. Priority will be given to ensure the drilling of the Flanagan Prospect as soon as practically possible.

TDO Managing Director Noel Newell commented that;

“Our decision to invest in modern 3D seismic data has really paid off by substantially de-risking the Flanagan Prospect and highlighting the potential of the T/49P permit as a new gas province. The Flanagan Prospect is drill-ready, analogous to the nearby producing gas fields and located in a region where new gas supplies are in strong demand. We are excited to be taking this opportunity to potential farm in partners over the coming months.”

Qualified Petroleum Reserves and Resources Evaluator Statement

The Prospective Resources estimates in this release are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of, Dr Chris Pike who is employed full-time by 3D Oil as a Senior Geophysicist. Dr Pike holds a Ph.D. Geophysics and has more than 25 years practising in Petroleum Geophysics. He 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 is qualified in accordance with ASX listing rule 5.41 and 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, 2011 approved by the Society of Petroleum Engineer. Prospective Resource estimates are for recoverable volumes and unless otherwise stated this report quotes Best Estimates and gross joint venture volumes. 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:

Noel Newell
 Managing Director
 3D Oil Limited
 Phone: +613 9650 9866