

3D Oil Limited Annual General Meeting



22 November 2016

**Baker & McKenzie
William Street
Melbourne**

**Noel Newell
Executive Chairman**





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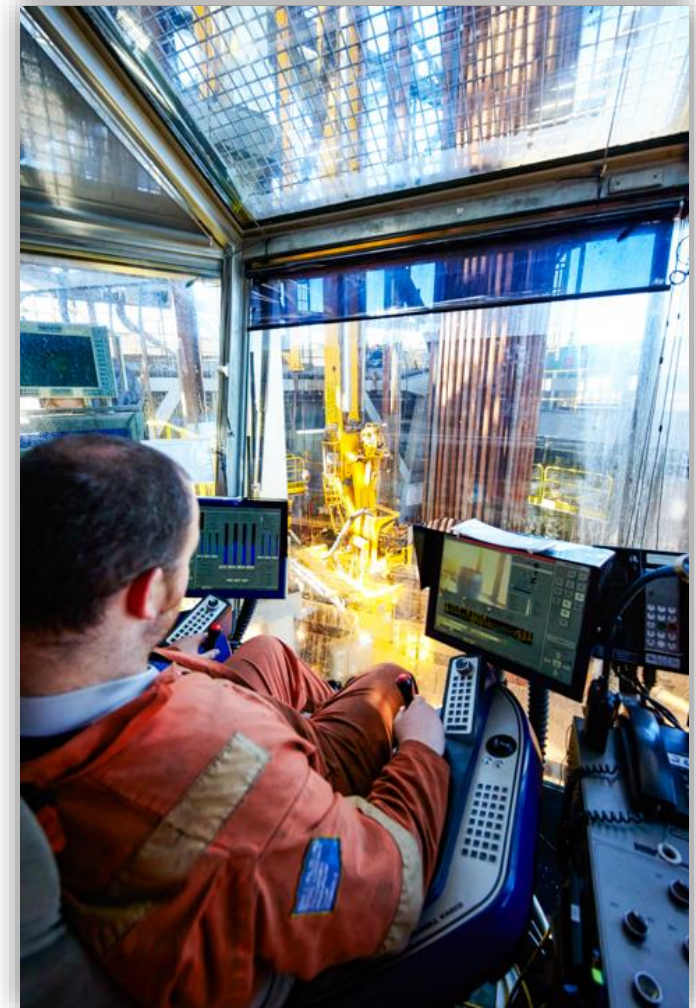
1. 3D Oil Overview

A shift of focus to benefit from supply constrained Eastern States gas markets

Well placed to succeed in a tough environment



- TDO identifies 7 TCF potential (Best Estimate Prospective Resource) and up to 21 TCF (High estimate Prospective Resource) in T/49P permit and partnered with farminee Beach Energy
- Seeking strategic partner to exploit gas potential with 1.4 TCF (Best Estimate Prospective Resource) Flanagan Prospect ready to drill
- TDO has been exposed to over \$A70 mill of exploration in last 2 years with only approximately \$A10 mill outlay to the company
- The company is focussed on one of the few energy deficient regions in the world



TDO here for the long haul



- TDO has not gone to the capital markets since 2008 keeping the capital structure tight
- TDO undertook a major cost reduction initiative in 2016 representing almost half the forecast budget overheads
- The \$600,000 annual savings, achieved through board and employee changes and remuneration reduction
- The TDO board was strengthened during this process with board advisor and respected oil industry leader, Mr Ian Tchacos, joining as a non executive director



3D Oil Snapshot



An oil and gas company focussed on eastern Australia with an exciting program on the horizon



Location: Southern Australia

Key Assets

- **24.9% of VIC/P57 offshore Victorian permit**
 - Significant potential remaining eg. Felix (~100 mmbbl)
- **70% of T/49P offshore Tasmanian permit**
 - Contains highly prospective Flanagan prospect together with at least five further large leads

Capitalisation (Cash as at 30 September 2015)

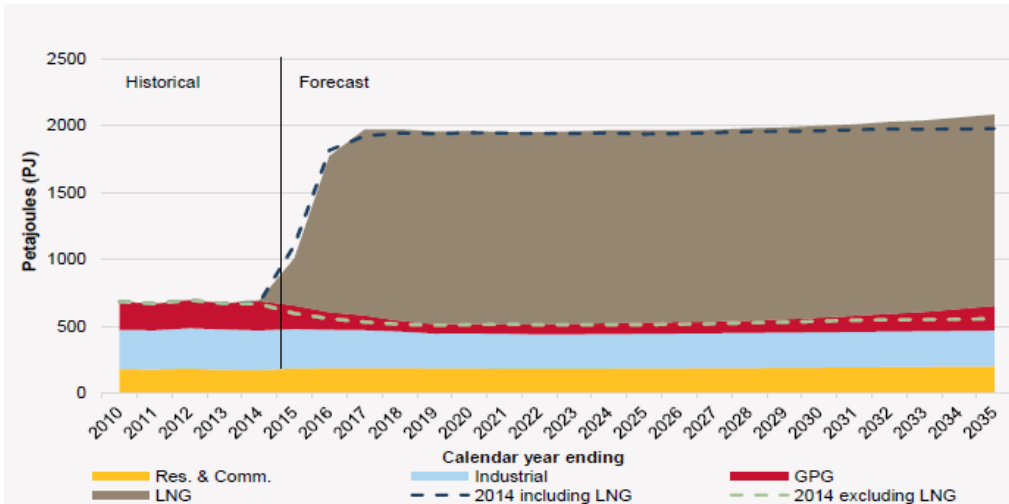
	AUD	USD
Share Price	0.042	0.032
Shares	237.5m	237.5m
Market Cap	\$9.98m	\$7.58m
Net cash*	\$3.57m	\$2.72m
Enterprise Value	\$6.41m	\$4.86m

* 30 September 2016

Gas demand and supply in Eastern Australia

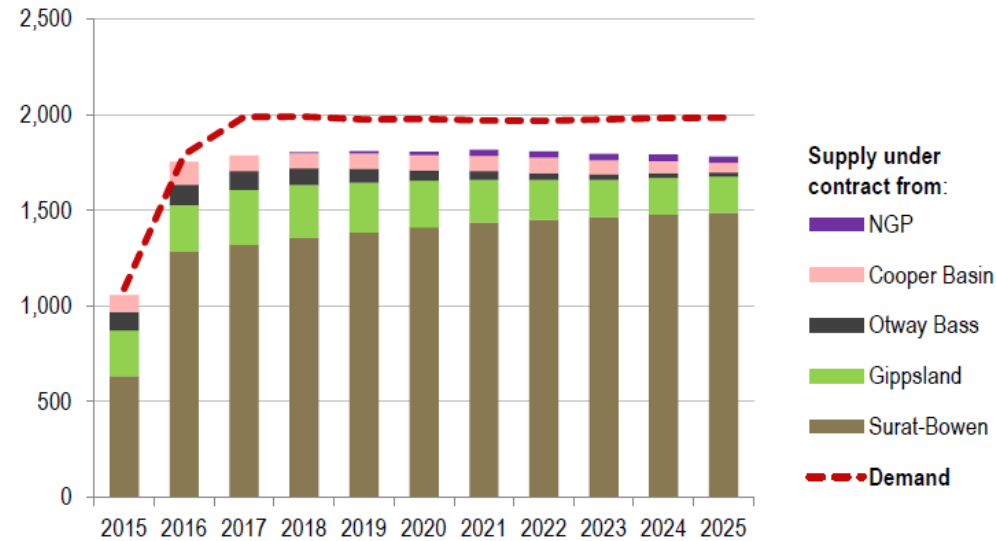


Total annual consumption



Source: <http://gbb.aemo.com.au>

Demand and contracted supply



Source: EnergyQuest EnergyQuarterly May 2016

- All 6 Qld CSG LNG are up and running tripling gas demand
- East coast total demand is 1800 PJ/annum (approximately 1.8 TCF)
- It is unlikely that CSG fields in Surat-Bowen can deliver all required gas
- Unconventional gas remains uncertain/long term/expensive
- Inter-connected markets mean LNG operators can seek diversity of supply

A compelling market niche

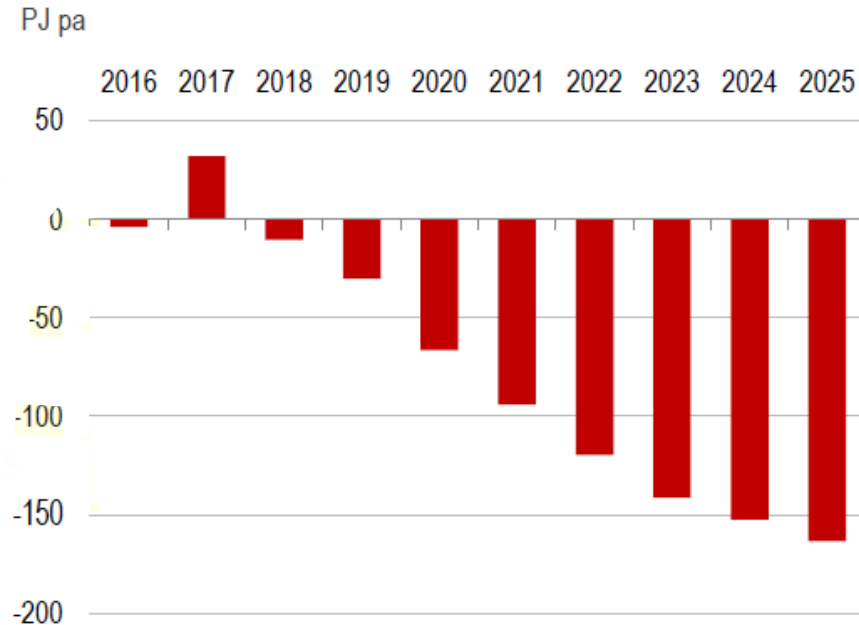
East coast gas supply - opportunity knocks

Net Gas Flow 9 November 2016
AEMO Gas Bulletin Board



Source: <http://gbb.aemo.com.au>

Forecast south east Australia gas demand and supply balance



- Demand/supply balance assumes CSG can meet the needs of Qld LNG
- Qld export LNG accounts for 68% of demand
- 2 major contracts from Cooper and Bass Strait will end in next 12 months
- Spot prices on the east coast over winter nudge \$40/GJ (Typical current contracts around \$4-\$6/GJ)





2. Exploration T/49P

T/49P Overview

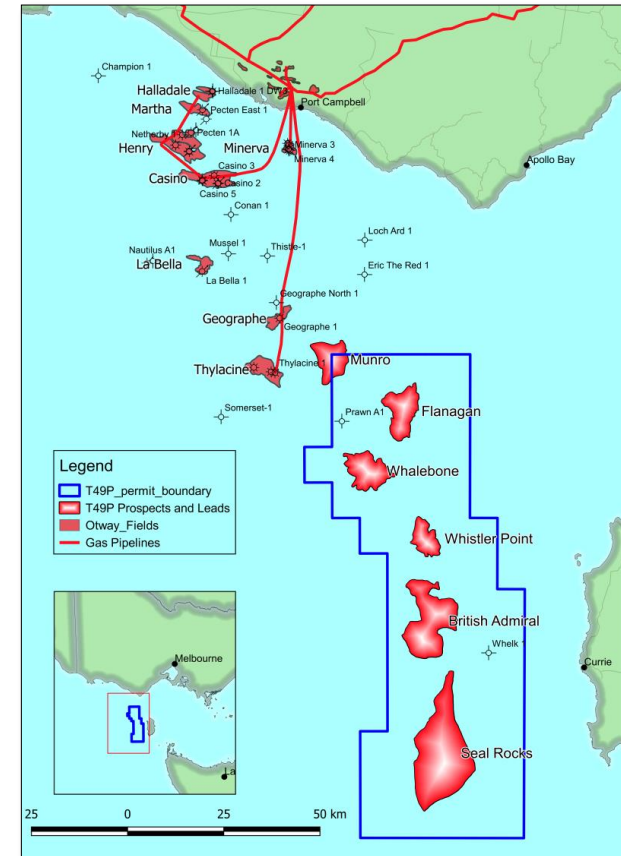


3D Oil has 70% equity and operator with its partner Beach Energy

- Ideally located to access East Coast gas market and adjacent the producing Thylacine (1.5 TCF GIP) and Geographe (0.5 TCF GIP)
- Interpreted to contain all the geological elements required for sizeable accumulations of hydrocarbons
- Flanagan Prospect 3D defined ready to drill large gas target
- At least another 5 large leads identified on 2D
- International farmout process progressing well with advanced discussions with a number of companies
- 1 TCF has a wholesale value* of A\$4.6 billion in Victoria

• * Australian Energy Market Operator

A potentially significant Australian gas province adjacent infra-structure

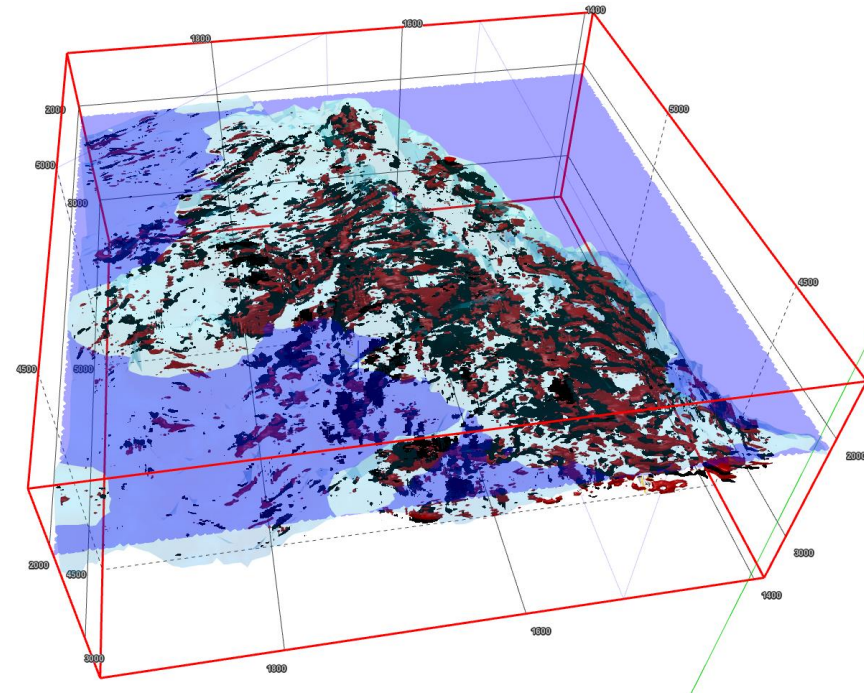


Large (4,960 km²) frontier permit
Relatively shallow water (~100m)

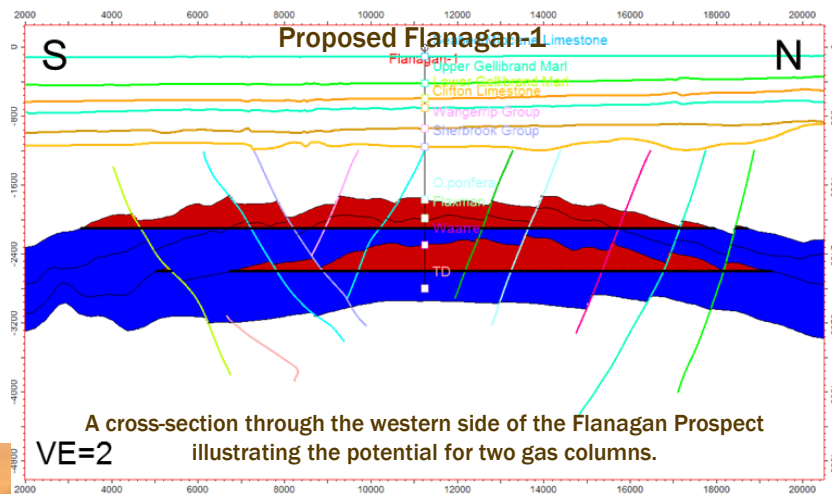
Flanagan Prospect, T/49P



- Flanagan, with up to 80sq km of closure, is now a ready to drill prospect
- The structure is detailed by the recent Flanagan 3D with the data allowing for high confidence in characterisation of the sub-surface structural and stratigraphic configuration
- Quantitative geophysical modelling, which indicates the presence of a Class III AVO anomaly, strongly suggestive of gas bearing sands
- Analogous to nearby Thylacine Field which confirm the presence of favourable Late Cretaceous seal and reservoir facies as well as an active petroleum system in the immediate area



Quantitative geophysical modelling results showing the distribution of the Class III AVO anomaly. This anomaly is likely to represent gas bearing sands that fit the Flanagan closure well.



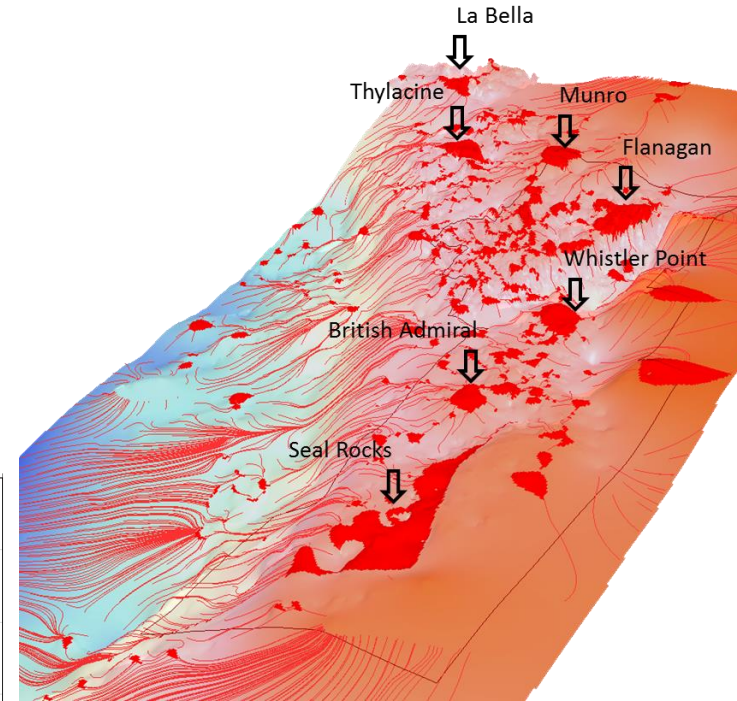
A cross-section through the western side of the Flanagan Prospect illustrating the potential for two gas columns.

Prospective Resource	Low	Best	High
Flanagan Prospect Recoverable TCF	0.41	1.38	2.68

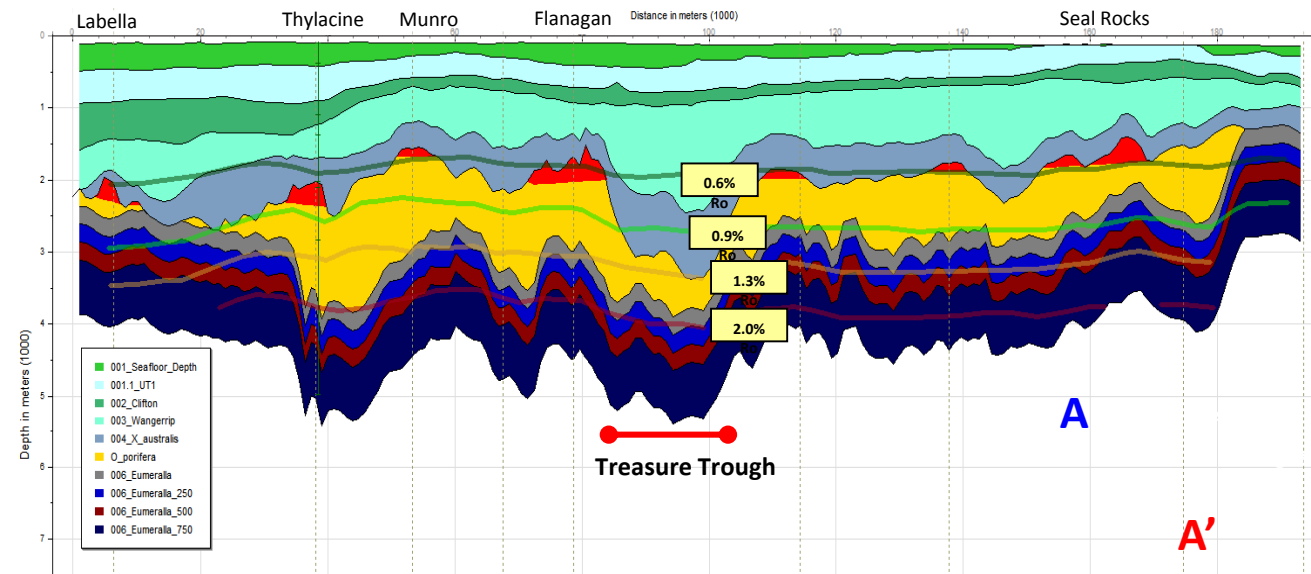
T/49P Prospectivity



- T/49P is interpreted to lie within a rich and active petroleum system
- Neighbouring Thylacine is 'full to spill' strongly supporting our view of significant gas in the system
- With numerous large leads and the necessary geological elements present the region has the potential to be a significant new hydrocarbon province



3D perspective of modelled migration paths and hydrocarbon accumulations along the Top Reservoir horizon



Geological cross section through southern Otway Basin

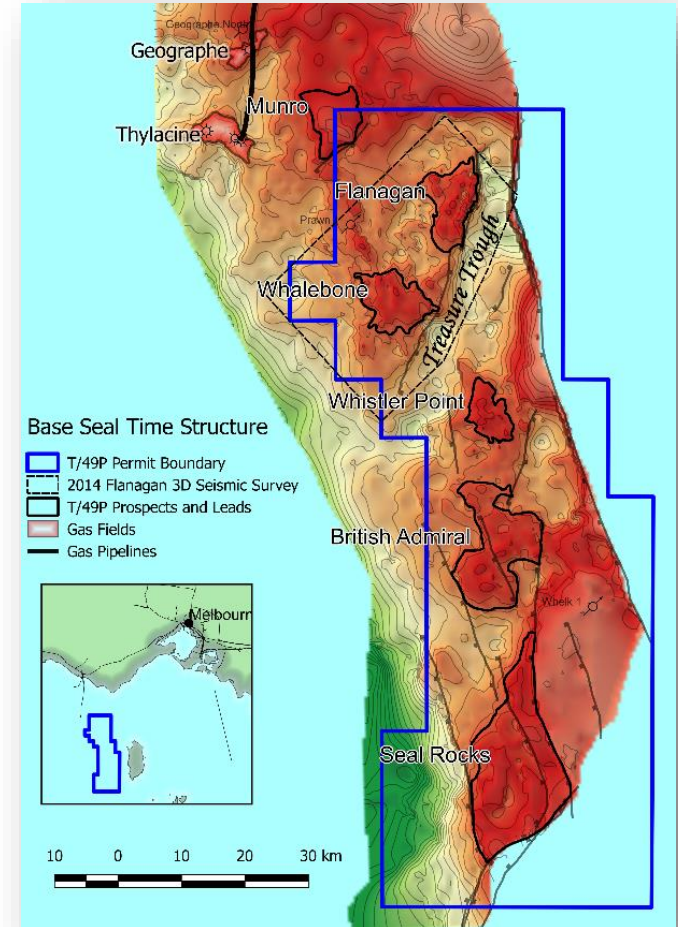


T/49P Prospectivity

- In addition to the Flanagan Prospect at least 5 leads have been identified from a broad grid of 2D seismic data
- There is significant potential to uncover further leads in the central and southern portions of the permit
- The petroleum system sourcing Thylacine is interpreted to operate throughout T/49P
- The southern Seal Rocks Lead offers the potential to have multiple large gas accumulations

T/49P Prospective Resource Estimate (TCF) Recoverable Gas

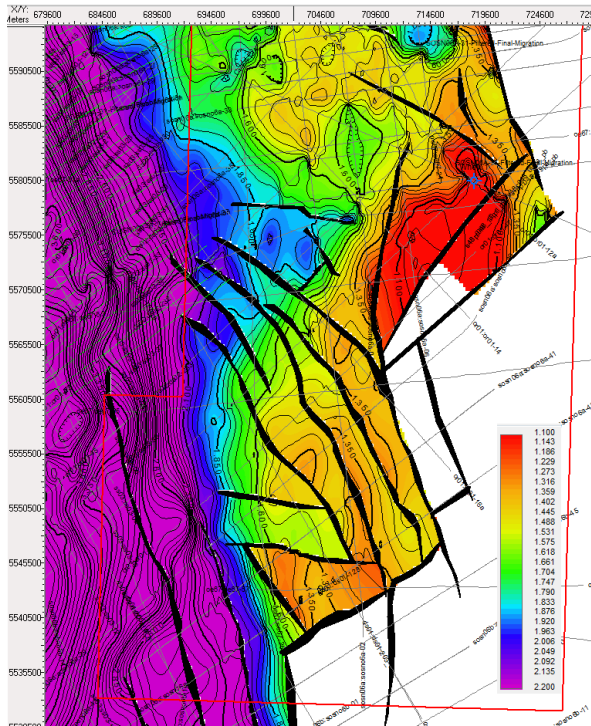
Location	Status	Low	Best	High
Flanagan	Prospect	0.41	1.38	2.68
Whalebone	Lead	0.38	1.20	2.72
Munro (T/49P Part)	Lead	0.04	0.19	0.57
Whistler Point	Lead	0.19	0.93	1.88
British Admiral	Lead	0.17	0.54	3.22
Seal Rocks	Lead	0.28	2.59	10.64
T/49P Total		1.47	6.82	21.71



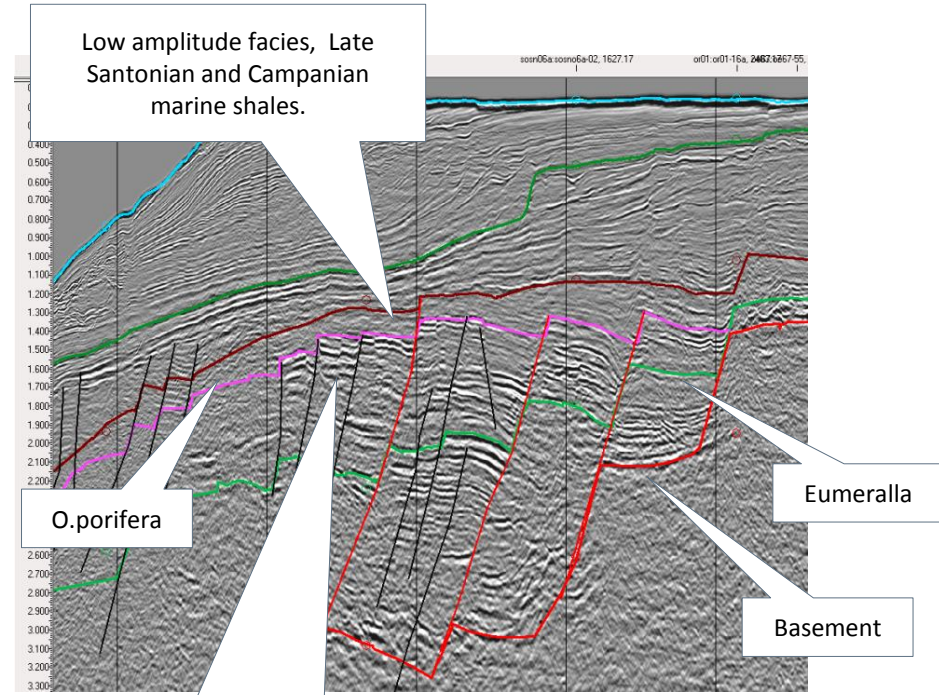
Top Porosity TWT

T/49P - Seal Rocks Lead

- The Seal Rocks Lead is an excellent example of the further potential within T/49P
- Optimally located for hydrocarbon charge from late Tertiary burial



Top Porosity TWT Seal Rocks



Multiple High and Low amplitude seismic facies. Indication of stacked sand / shale sets within Flaxmans and Waarre reservoir section

Regional Seismic Line through southern part T/49P

- Displays bland zone indicative of seal over bright amplitudes possibly indicating gas
- Requires 3D seismic to adequately delineate the 400 sq km lead

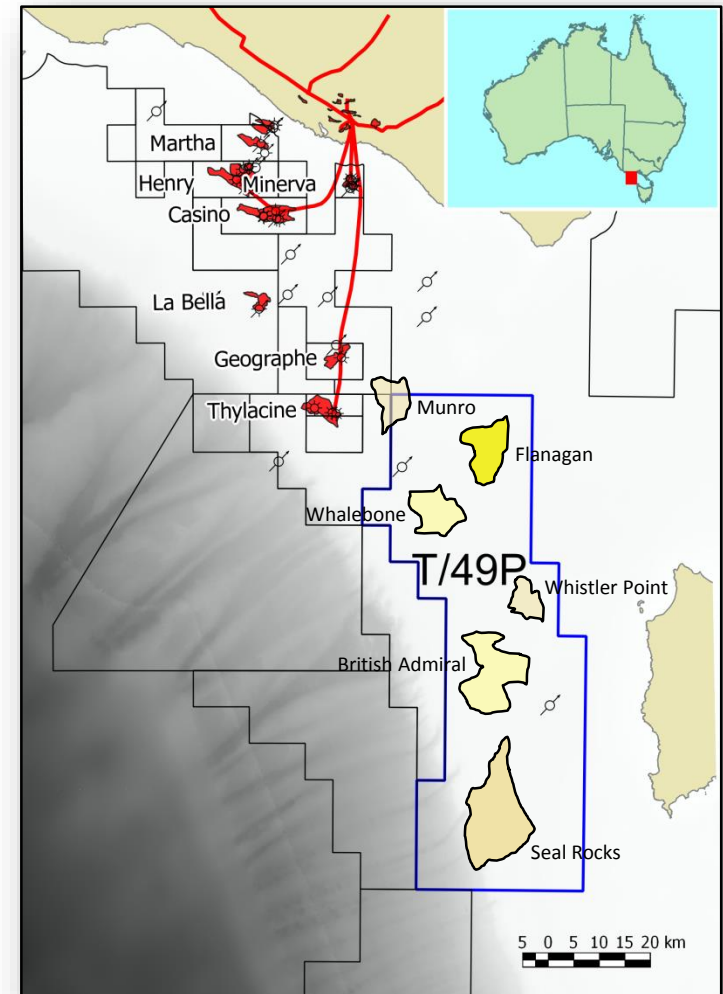


T/49P Indicative Economics



Indicative economics are strong:

- Robust project for field sizes greater than 400 BCF @ \$6/GJ gas price
- Flanagan Best Estimate of Prospective Resource of 1,380 BCF would be very valuable
- At \$8/GJ gas price the analysis indicates NPVs of approximately A\$450 million and A\$1.3 billion for field sizes of 800 BCF and 1400 BCF respectively
- Conservative economic analysis based on stand alone development and excluding condensate
- Three offshore operators in Otway Basin offering a variety of potential tie in options
- Recent purchase by Mitsui of Santos' 35% interest in Kipper Field for \$520 million indicates approximately \$2.50 / GJ for developed reserves



Offshore fields and pipelines, Otway Basin



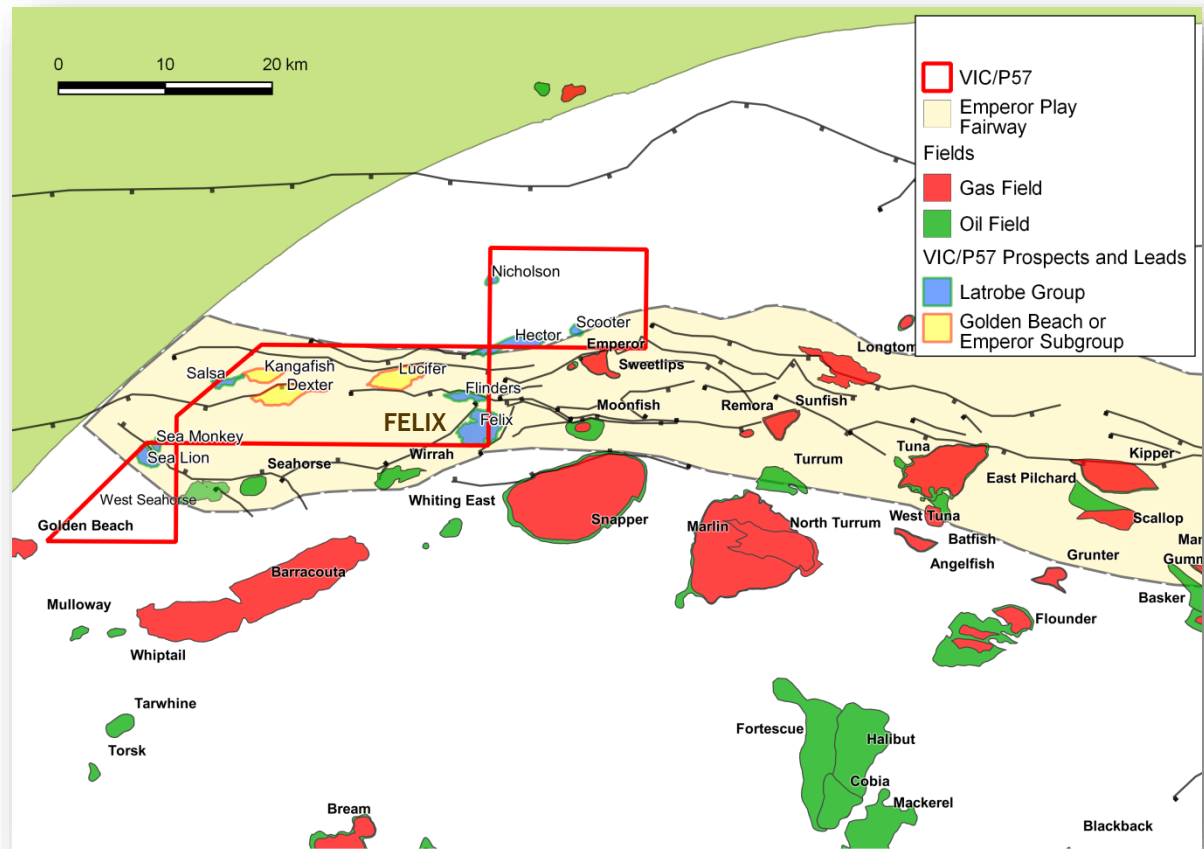
3. VIC/P57 Exploration

The planned sale of a portion of Esso-BHPB's Gippsland Basin assets and infrastructure is potentially a watershed event in the history of this world class petroleum province.

VIC/P57 Overview

VIC/P57 has numerous high quality prospects and leads remaining. The JV will now broaden its focus to include a review of gas prospectivity.

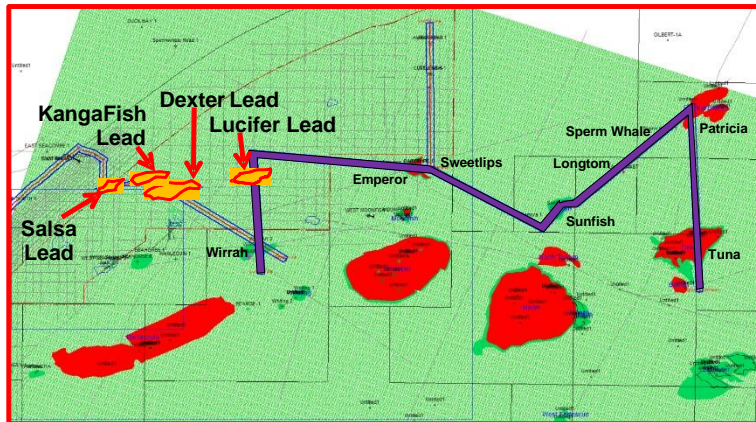
- The permit covers approximately 449 km² along the prospective Northern Margin
- The Felix structures remains an exciting prospect located between Esso's Wirrah and Moonfish oil fields
- 8 prospects and leads identified in total along the northern edge of the Rosedale Fault System
- All prospects and leads defined by state of the art reprocessed 3D seismic
- 3D Oil to remain technical operator of the permit
- The JV has made application to vary the Year 5 work program to studies



Northern Margin Gippsland Basin

Note: TDO has 24.9% equity in VIC/P57

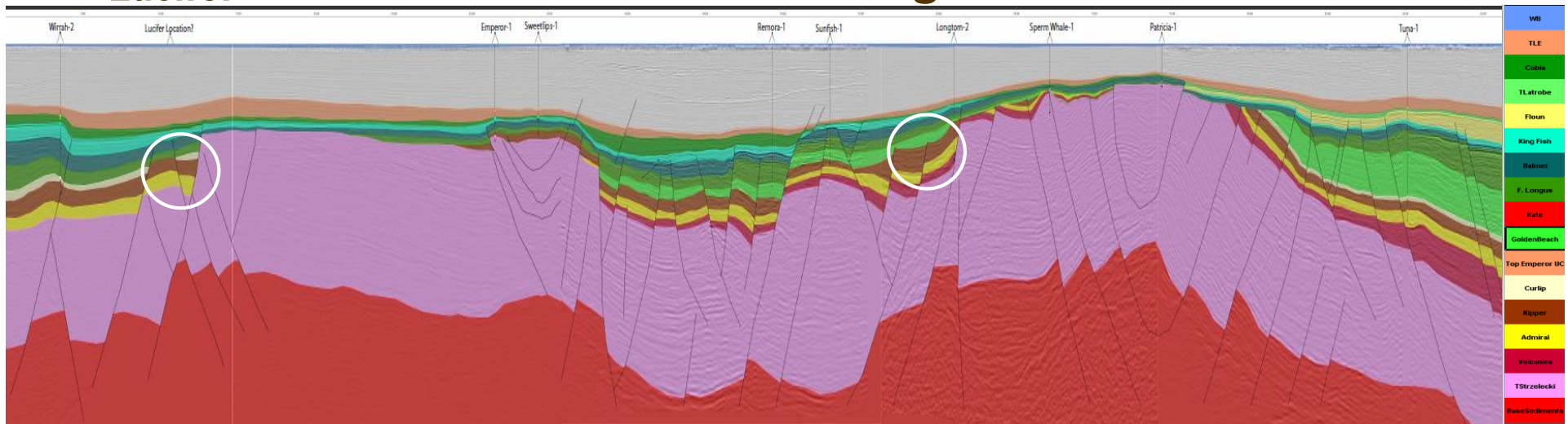
Potential significant gas trend



- Gas play trend which includes Lucifer, Dexter and Kangafish
- On trend with previously developed Longtom field
- Similar geology, geometry and source kitchen
- TDO will undertake an extensive review of the gas prospectivity

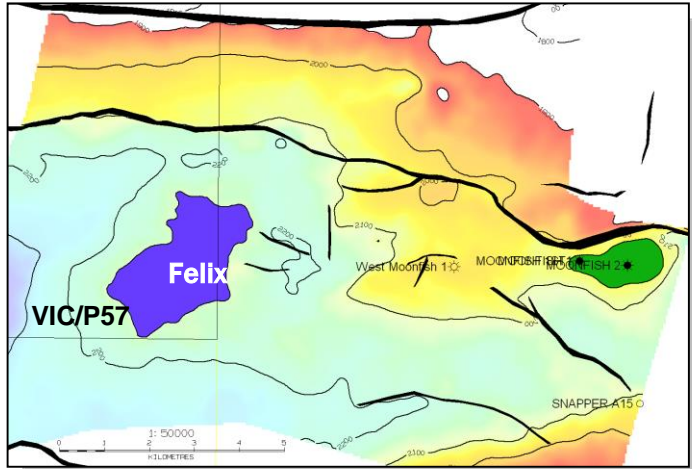
Lucifer

Longtom

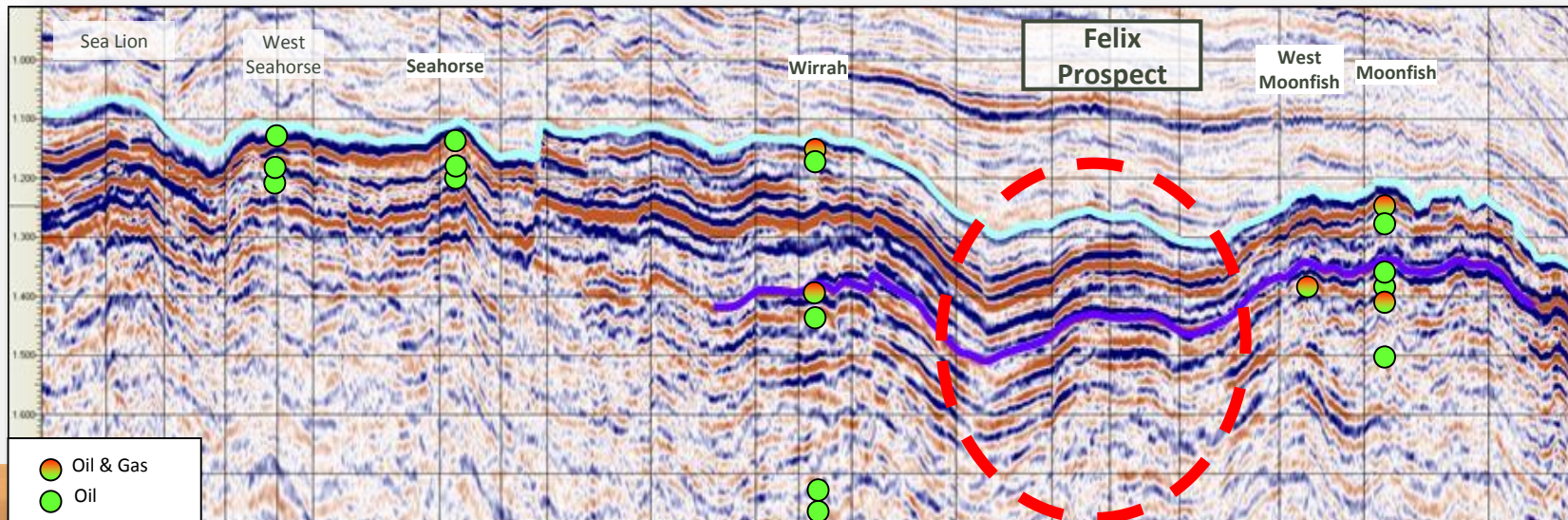


VIC/P57 - Felix Prospect

The Felix Prospect still has a great address and is independent of the Sea Lion result



- Located between two oil fields (Wirrah and Moonfish) and appears larger at the sub-volcanic level which contains oil in both fields
- Contains potential deep gas prospect together with the shallow oil prospect
- The JV can keep the prospect in our 'back pocket' until oil prices rise





5. Conclusion

3D Oil poised to move forward after a year of consolidation



TDO continues to successfully navigate through a difficult financial climate

International farmout process for T/49P	<ul style="list-style-type: none">• TDO in advanced discussions with a number of companies	
In house studies have significantly derisk Flanagan Prospect	<ul style="list-style-type: none">• Geophysical analysis confirm amplitude and Class III AVO responses consistent with presence of gas	
Regional prospectivity studies indicate world class petroleum system	<ul style="list-style-type: none">• Estimated gas charge sufficient to fill all mapped structures providing large gas prospects	
TDO is an experienced and reputable offshore operator	<ul style="list-style-type: none">• The company has now operated safely and successfully a number of offshore wells and seismic surveys	
Well Funded	<ul style="list-style-type: none">• TDO substantially cuts overheads to be adequately funded for at least 2 years	



3D Oil has high ambitions



- Complete farmout of T/49P
- Undertake planning for drilling in T/49P in 2017/2018
- Talking to other operators in region to form rig club to mobilise a semi sub
- Potential new permit acquisitions
- Prudently and diligently review new opportunities within our strategy to organically grow TDO

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