

3D Oil Limited Annual General Meeting



2 November 2017

**Baker & McKenzie
William Street
Melbourne**

**Noel Newell
Executive Chairman**



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1. 3D Oil Overview

Uniquely positioned in the east coast gas crisis

Uniquely positioned with potential multi-TCF resources to supply into the east coast gas crisis

Corporate overview

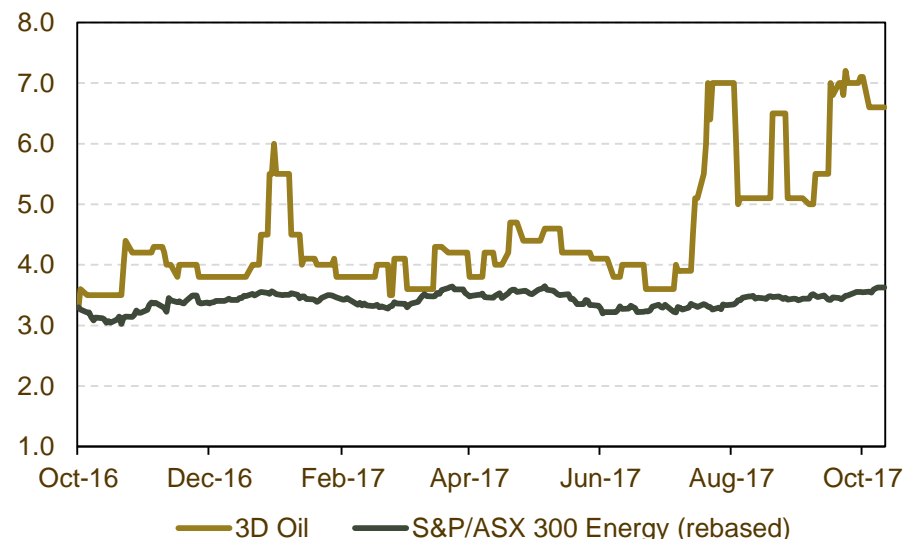
- Flagship asset is the 100%-owned T/49P offshore exploration permit located in the Otway Basin
- T/49P contains **one of the largest conventional prospective gas resources** on the east coast
- Significant **leverage to the east coast gas market crisis** and increasing domestic gas prices
- Operation progress over last 12 months has resulted in **substantial share price gains (+106%)**
- 3D Oil has **not raised equity capital since 2008**

Financial information

Share price (27-Oct-17)	A\$0.066
Number of shares	237.5m
Market capitalisation	A\$15.7m
Cash (30-Sep-17)	A\$2.0m
Debt (30-Sep-17)	Nil
Enterprise value	A\$13.7m

Share price performance (since Oct-2016)

Share price (Acps)



Top shareholders

Noel Newell (<i>Executive Chairman</i>)	17.9%
Oceania Hibiscus (<i>joint venture partner</i>)	13.0%
Top 20 holders	63.6%

Portfolio overview

3D Oil has opportunistically built a portfolio of significant positions in some of Australia's most prospective offshore exploration basins

Asset locations

WA-527-P (100% owned)
Exploration – Roebuck Basin

- Large permit adjacent recent discoveries
- Emerging significant petroleum province

T49/P (100% owned)
Exploration - Otway Basin

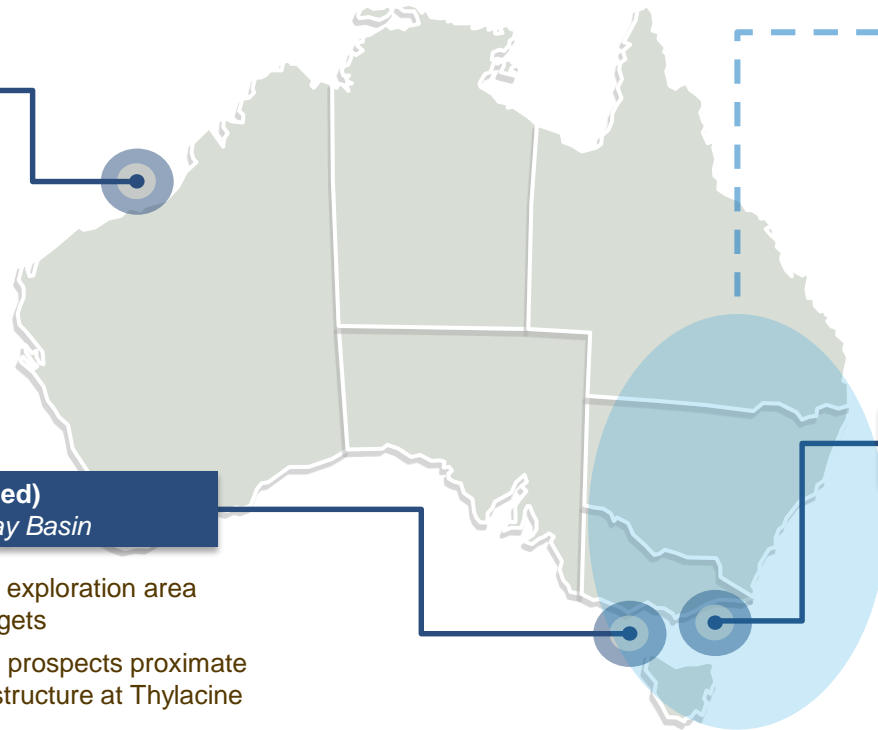
- World class gas exploration area with multiple targets
- Major leads and prospects proximate to existing infrastructure at Thylacine

VIC/P57 (24.9% owned)
Exploration – Gippsland Basin

- Located near shore in prolific production basin
- Joint venture with Hibiscus Petroleum (75%)
- Major prospects are the Felix Oil and Pointer Gas prospects

East coast gas exposure

- Significant shortage of gas supply emerging on the eastern seaboard of Australia
- Shortage driven by major LNG projects dominating demand and sending gas offshore
- Domestic gas prices set to increase with supply shortage



East Coast Gas Market – *the place to be*

The supply crunch on the east coast of Australia has resulted in a sharp increase in wholesale gas prices across 2017

Shortfall of supply...

- Post 2017 there is a forecast growing imbalance of gas supply/demand on east coast
- The completion of significant gas supply contracts is exacerbating the supply issue
- 3D Oil is set to benefit from increasing east coast gas prices

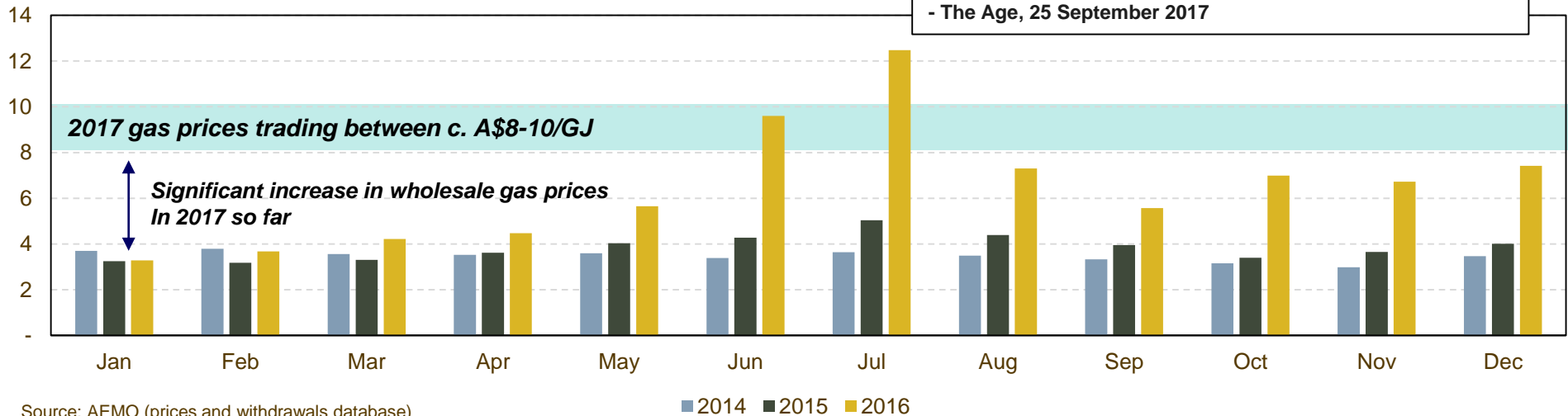
...and high political focus...

Gas crisis ‘three times bigger’ than thought, Malcolm Turnbull says

The looming gas crisis is three times worse than previously thought, according to Prime Minister Malcolm Turnbull, who has ordered gas giants and state governments to shore up gas supplies to east coast consumers or face strict export limits.

- The Age, 25 September 2017

...resulting in higher wholesale gas prices (A\$/GJ)



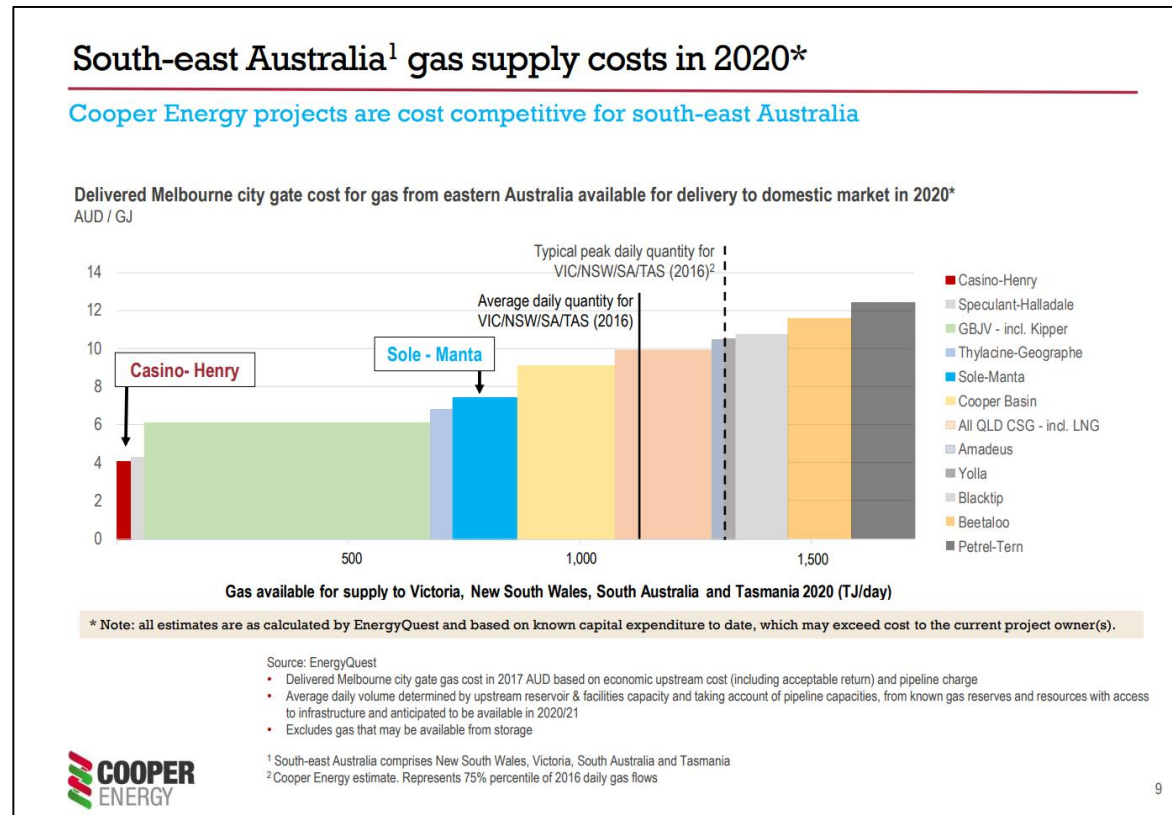
East Coast Gas Market – *competitive positioning*



Compared to the upstream gas fields in Queensland and New South Wales, the domestic gas projects in Victoria and Tasmania carry a significant cost advantage to deliver to Melbourne

Competitive dynamics

- The largest gas supplier to the Melbourne market is the Gippsland Basin Joint Venture with a low delivered cost of c. A\$6/GJ
- Other low cost producers include the Casino-Henry fields and the Sole-Manta fields
- The Thylacine-Geographe fields, located next to 3D Oil's 100%-owned T/49P permit, are also low cost producers
- The QLD coal-seam-gas fields are significantly higher cost suppliers to Melbourne with an delivered cost closer to A\$10/GJ
- **3D Oil's offshore Tasmania and Victoria exploration prospects may benefit from the lower delivered costs and higher margins**



Source: Cooper Energy (October 2017)



2. Exploration T/49P

T/49P – potential world class gas province



Vast frontier acreage with recently announced 10 TCF Prospective Resource (Best Estimate) in shallow water in the Otway Basin

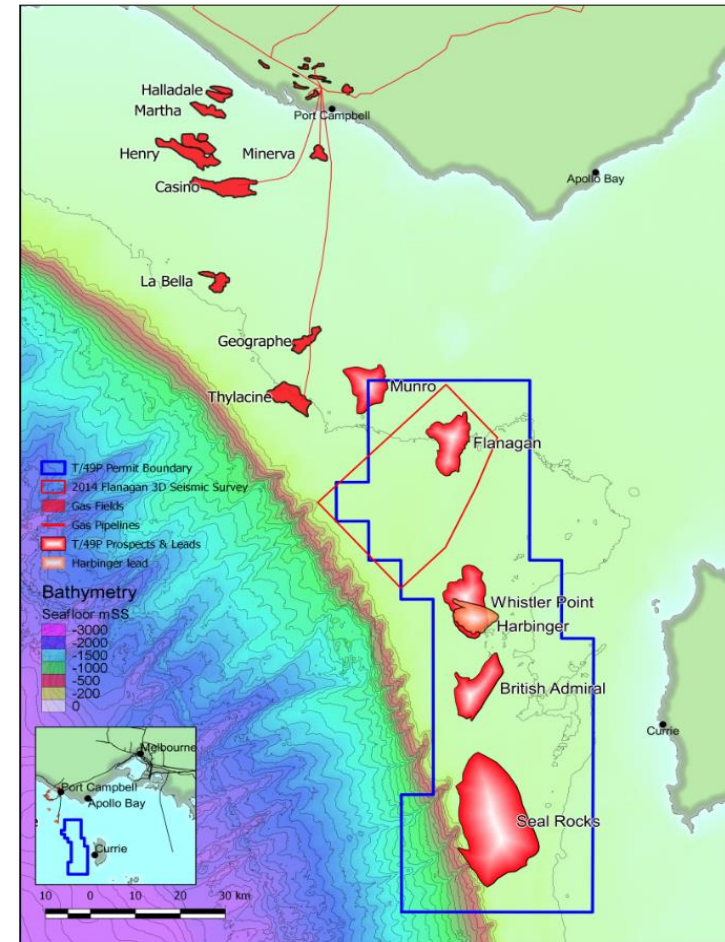
Asset overview

- 100% owned by 3D Oil
- **Located adjacent to major production wells** including:
 - Thylacine (1.5 TCF GIP, 95% owned Beach Energy)
 - Geographe (0.5 TCF GIP, 95% owned Beach Energy)
- **Large frontier permit (4,960 km²) and relatively shallow water (~100m)**
- Interpreted to contain all the geological elements required for sizeable accumulations of hydrocarbons
- Flanagan Prospect 3D defined **ready to drill large gas target**
- Best Estimate Prospective Resource 10 TCF in entire permit
- 1 TCF has a wholesale value¹ of A\$4.6 billion in Victoria

A potentially significant Australian gas province adjacent infrastructure

Note:

1. Based on AEMO data and wholesale market prices of ~A\$4.6/mmcf

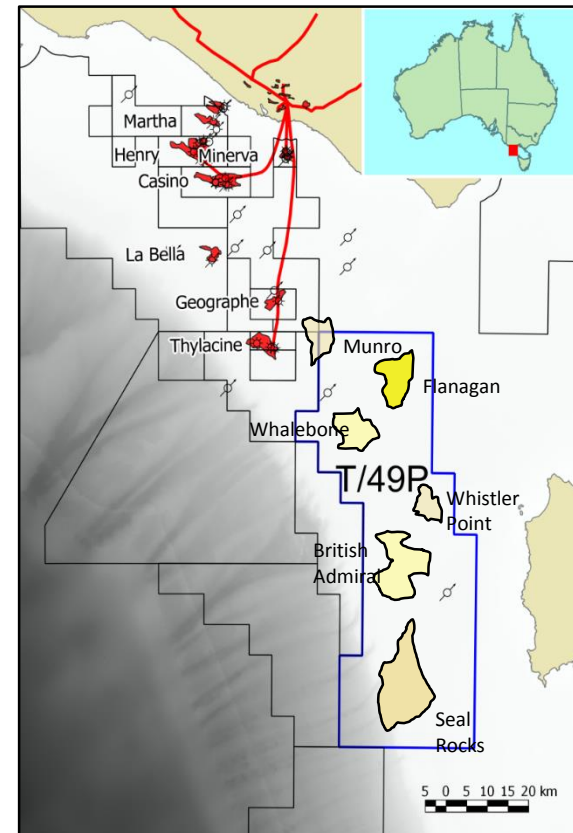


T/49P – *indicative economics*

The prospectivity and attractive economics of T/49P has resulted in a number of large international E&P companies engaging with 3D Oil to acquire a portion of the permit

Indicative economics are strong

- Robust project for field sizes **greater than 400 BCF @ A\$6/GJ gas price**
- Flanagan Best Estimate of Prospective Resource of **1,380 BCF would be very valuable**
- At A\$8/GJ gas price the analysis indicates NPVs of approximately:
 - A\$450 million for field sizes of 800 BCF
 - A\$1.3 billion for field sizes 1400 BCF
- 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 of Benaris' 30% equity in Thylacine and Geographe by Origin for A\$190 million



Otway Basin - offshore fields and pipelines



T/49P – world class Flanagan Prospect

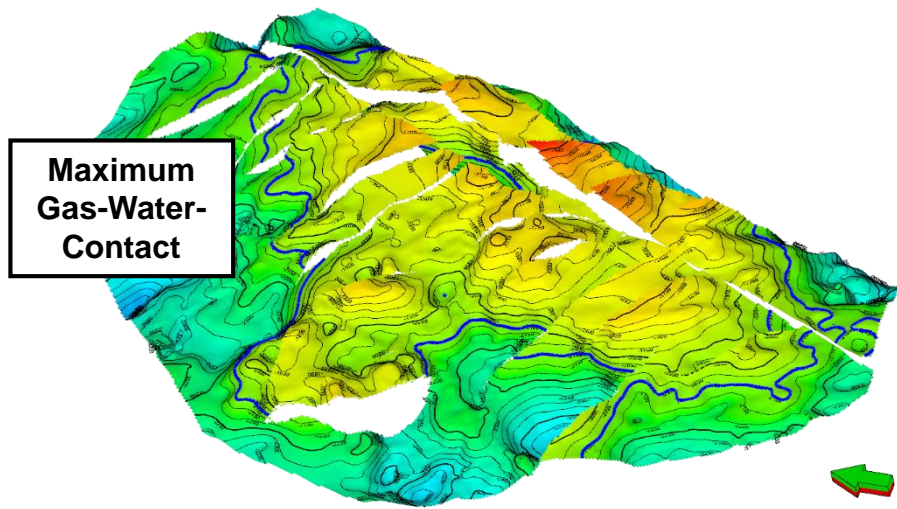


The Flanagan Prospect – potentially transformational

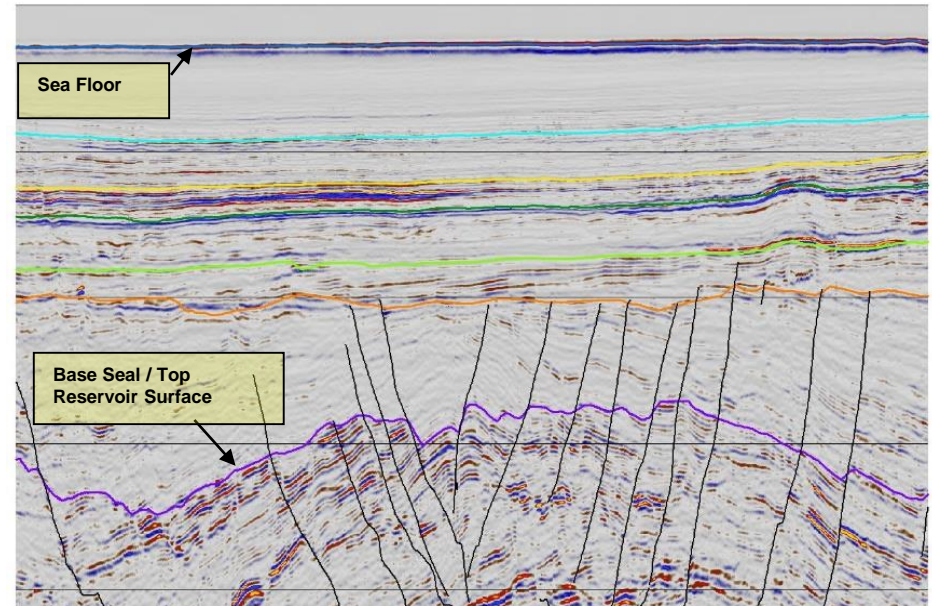
Flanagan Prospect overview

- Flanagan is now a ready to drill prospect
- 3D seismic strongly indicative of good seal over the prospect
- Amplitude anomalies (AVO Type II) conformable with structure
- Analogous to nearby Thylacine Field albeit larger

3D visualization of Flanagan



3D seismic through Flanagan



Prospect resource	Low	Best	High
Flanagan Prospect ¹ (Recoverable TCF)	0.41	1.38	2.68

1. Refer ASX announcement 27th July 2017

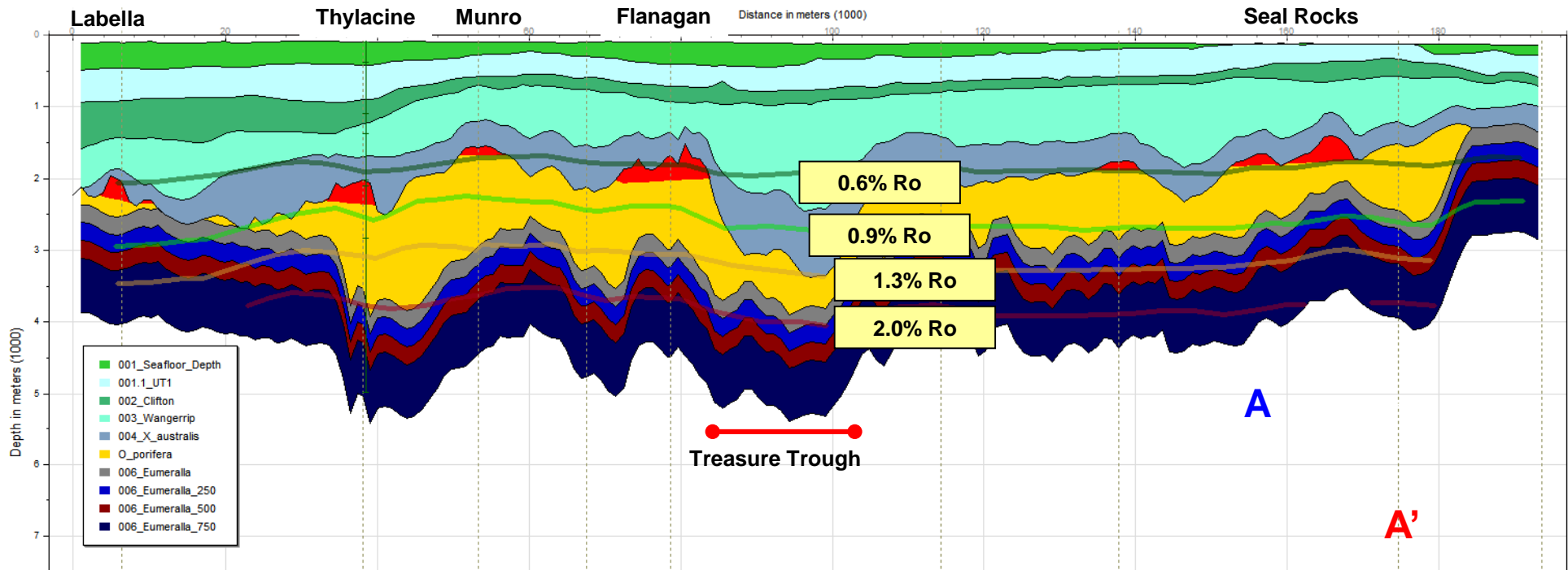
T/49P – prospectivity across the permit



With numerous large leads and the necessary geological elements present the region has the potential to be a significant new hydrocarbon province

Flanagan prospect overview

- 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



T/49P – Prospective Resource Estimates



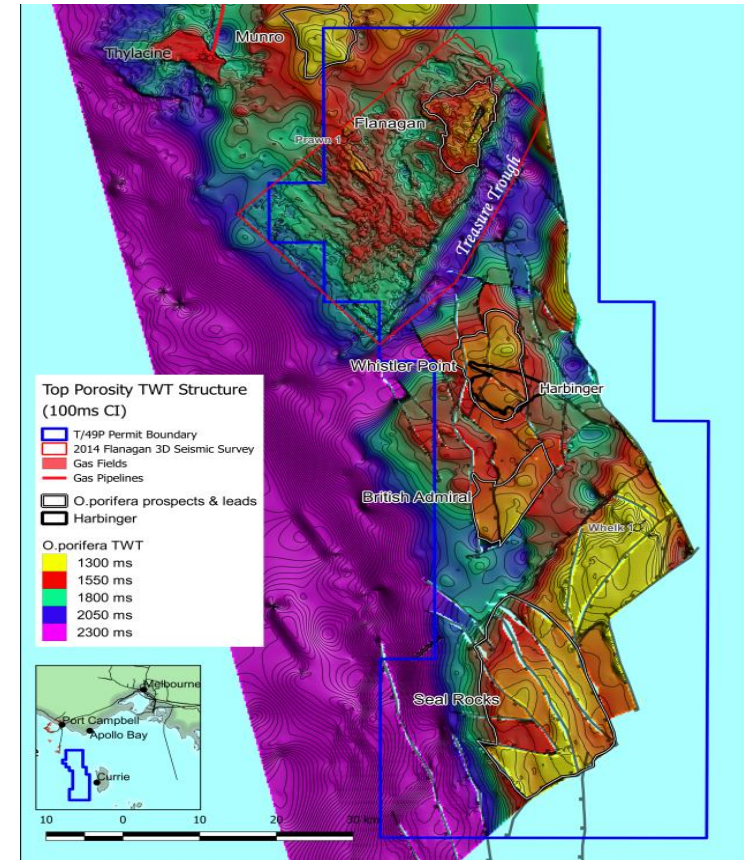
In addition to the Flanagan Prospect at least 5 leads have been identified from a broad grid of 2D seismic data

T/49P prospectivity

- 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**

Prospective Resource Estimates (TCF)

Resource ¹	Status	Low	Best	High
Flanagan	Prospect	0.53	1.34	2.74
Munro (T/49P Part)	Lead	0.04	0.19	0.57
Whistler Point	Lead	0.82	2.04	8.95
<i>British Admiral</i>	Lead	0.37	1.03	4.45
<i>Seal Rocks</i>	Lead	0.95	4.64	10.64
<i>Harbinger</i>	Lead	0.33	0.79	1.43
T/49P Total		3.04	10.03	28.77



Prospect locations and TWT Top porosity

1. Refer ASX announcement 27th July 2017

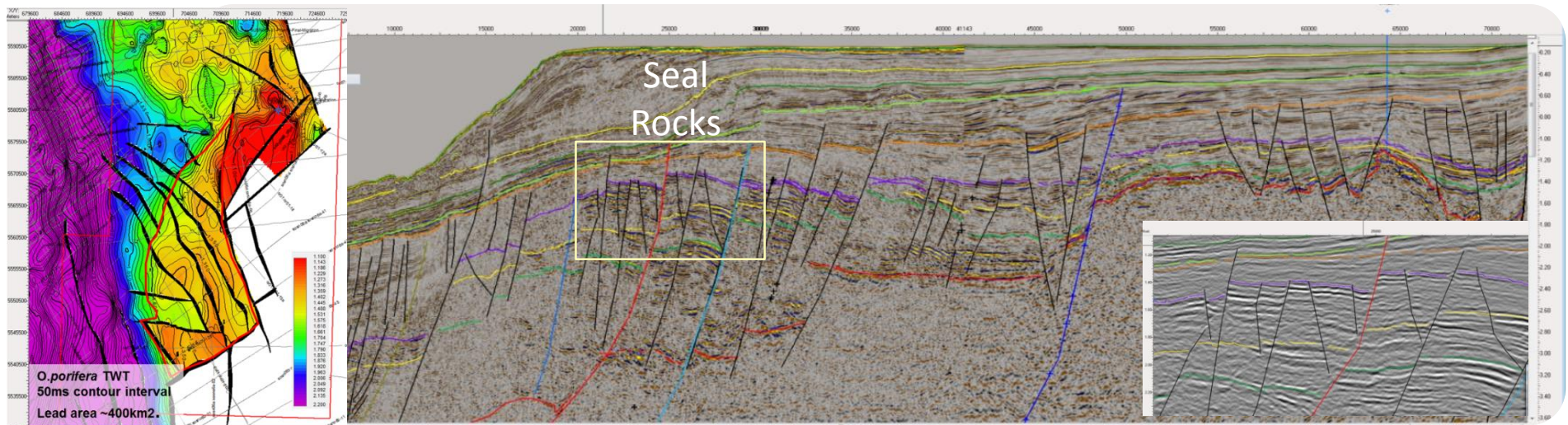
T/49P – Seal Rocks Lead

Seal Rocks has potentially all the elements necessary to make it a world class prospect

Seal Rocks overview

- The Seal Rocks lead, in the south of T/49P, is a series of fault blocks covering an area of c.400km²
- **The lead is optimally located for hydrocarbon charge** from Late Tertiary burial
- Displays bland zone indicative of seal over bright amplitudes **possibly indicating gas**
- Requires 3D seismic to adequately delineate

Regional Seismic Line through southern part T/49P



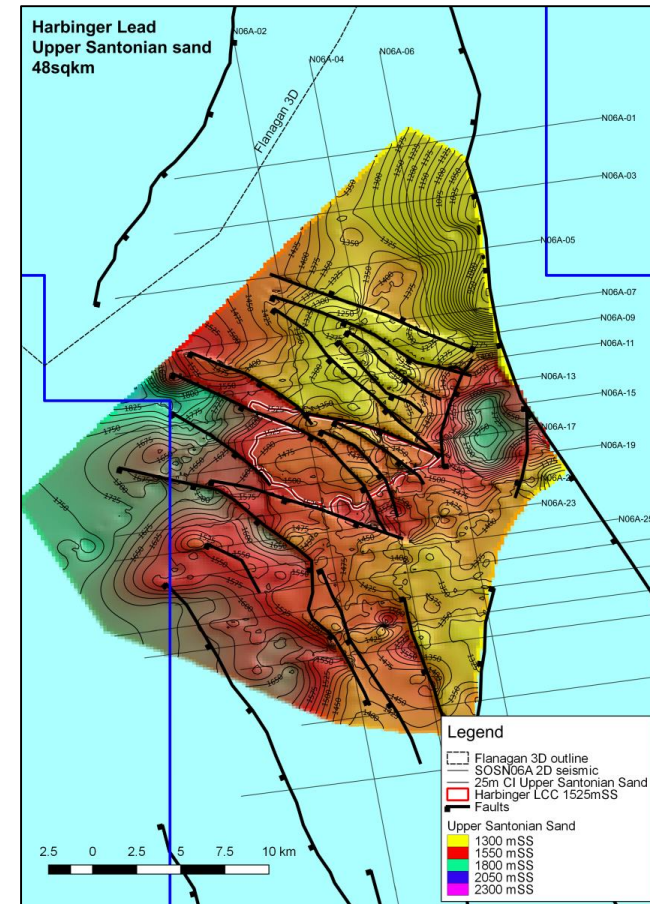
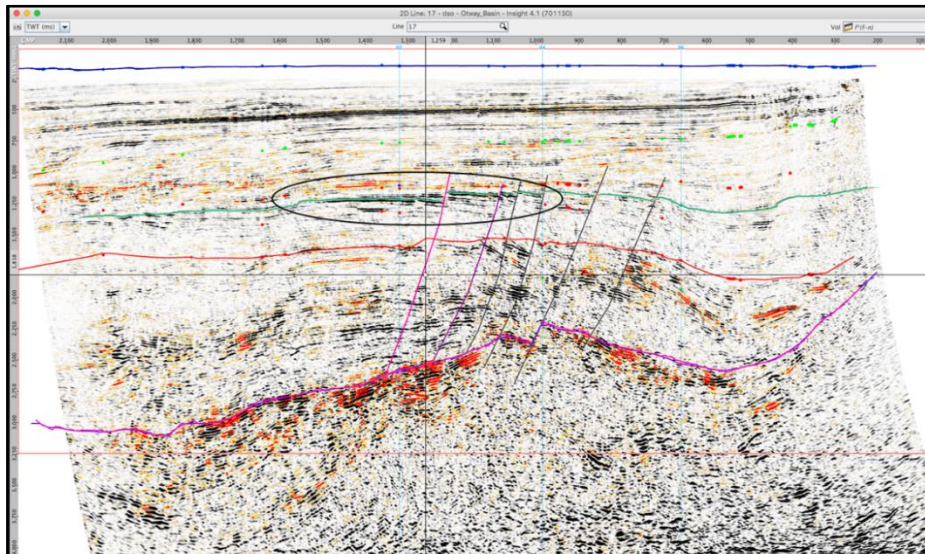
T/49P – Harbinger Lead



The AVO analysis highlights the Harbinger lead as one of the most promising leads in the T/49P permit

- The Harbinger Lead offers further promising potential for the permit
- Amplitude Analysis clearly indicates the presence of a Type III AVO within the Paaratte equivalent section
- Requires 3D seismic to adequately delineate

Harbinger Lead seismic





3. Exploration WA-527-P

The emergence of a new rich petroleum system is extremely rare in this day and age and 3D Oil is well exposed

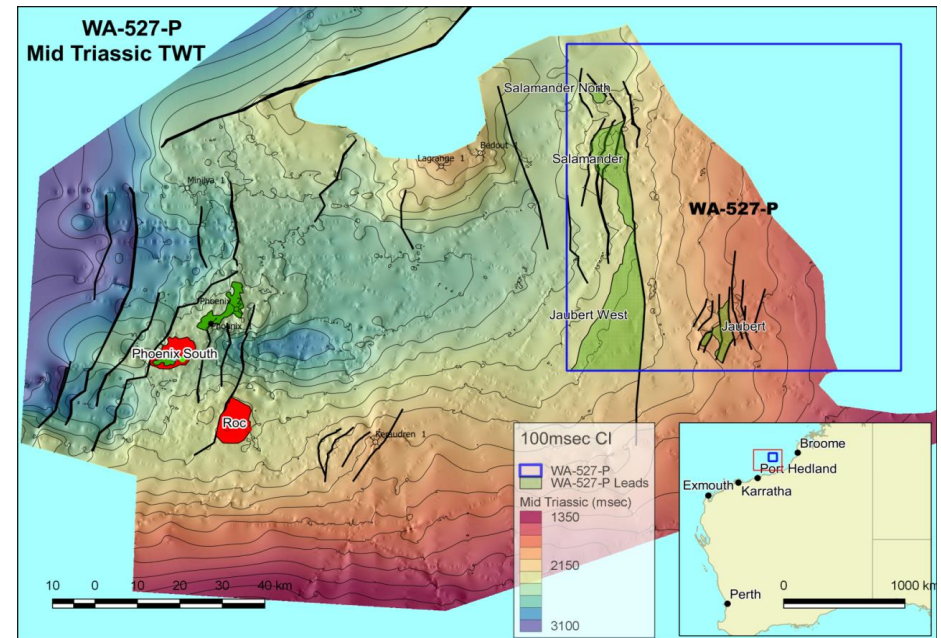
WA-527-P – prospectivity of the Roebuck Basin



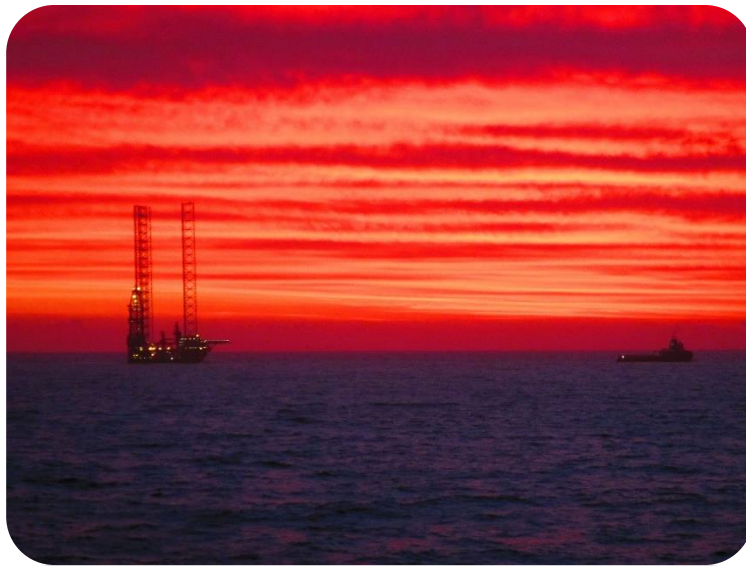
The WA-527-P permit is located east of some of Australia's most exciting recent oil and gas discoveries including Phoenix South-1, Roc-1 and Roc-2 (11,500bopd flow testing)

Permit overview

- 3D Oil opportunistically applied for and was granted 100% interest of the exploration permit WA-527-P in March 2017
- It is a very large permit, covering **6,580km²**
- The permit is located immediately adjacent to a newly discovered hydrocarbon province
- **Adjacent discoveries of Roc and South Phoenix** by Quadrant Energy are in pre-FEED phase of development
 - Roc Field has a 2C 332 BSCF Gas, 19.6 MMBBL cond, 77.8 MMBBL Oil
 - The planned Dorado-1 by Quadrant has **direct implication for WA-527-P**
- WA-527-P primary work programme very light with a acquiring and processing a small 3D seismic programme in Year 3 (510km²)
- 3D Oil has completed a technical assessment including interpretation of all open-file well and seismic in addition to a portion of licensed proprietary seismic data



Permit location and TWT structure



4. Exploration VIC/P57

The Gippsland Basin is experiencing an exploration renaissance with the East Coast Gas Crisis

VIC/P57 – tenement overview



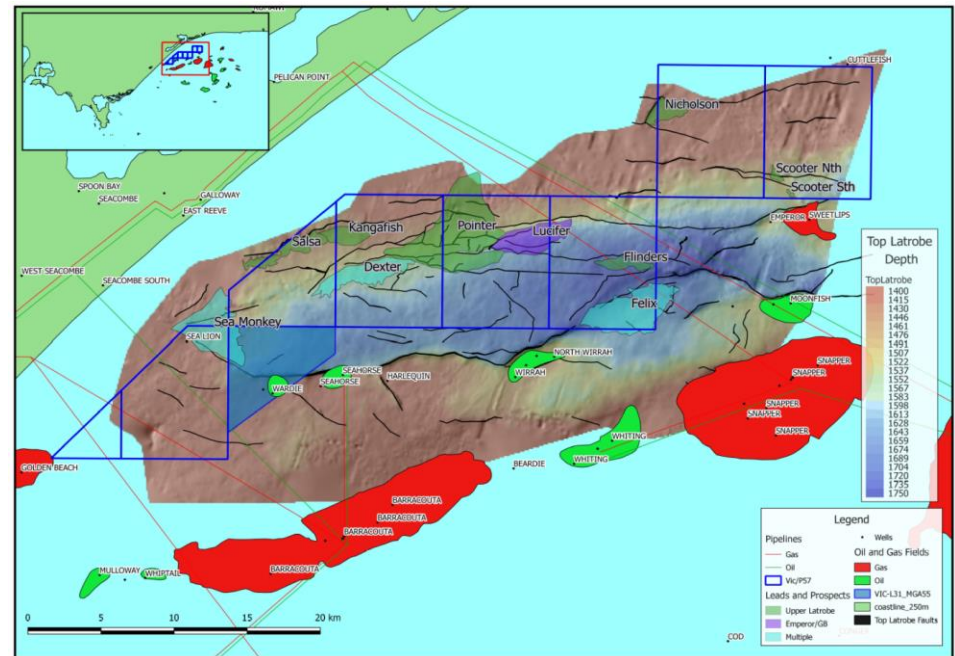
VIC/P57 has 8 prospects and leads defined by state of the art reprocessed 3D seismic and identified along the northern edge of the Rosedale Fault System

Permit overview

- Joint venture with Hibiscus Petroleum (75.1% / 24.9% TDO)
- 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
- JV has made application to renew the permit for another 5 year term with a minimal work programme in first 3 years

Oil - Prospective Resource¹ (MMbbls)

Location	Status	Low	Best	High
Felix	Status	6.84	15.94	26.94
Salsa	Prospect	10.65	15.09	20.57
Nicholson	Lead	3.40	7.86	14.68
Scoter	Lead	0.54	1.24	2.27
VIC/P57 Total		21.43	40.13	64.46



Gas - Prospective resource¹ (Bcf)

Location	Status	Low	Best	High
Pointer	Prospect	140.10	235.26	364.91
Dexter	Lead	36.96	131.98	259.14
VIC/P57 Total		177.06	367.24	624.05

1. Refer ASX announcement 27th July 2017

VIC/P57 – Felix Prospect



An exciting large feature which has been overlooked in the basin largely due to the poor quality seismic

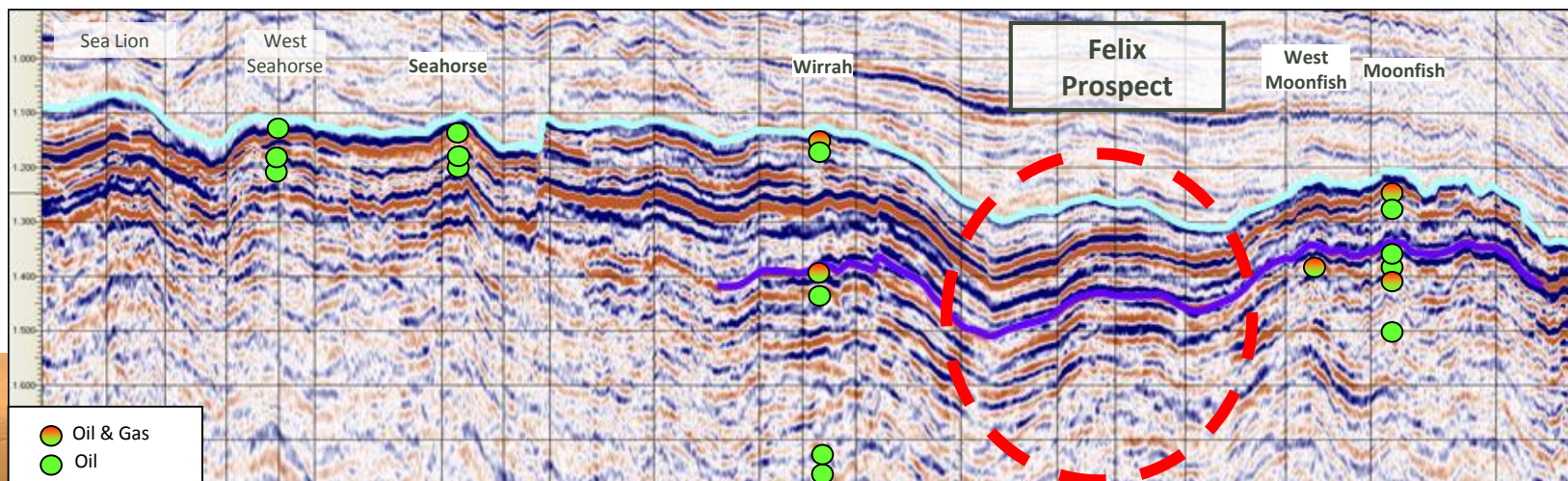
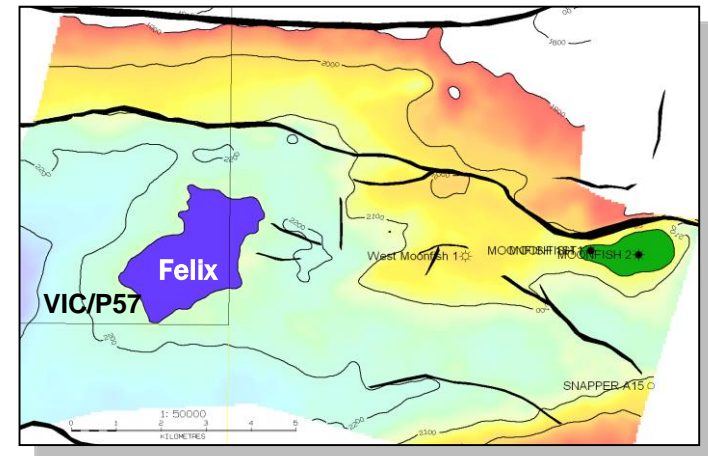
Prospect overview

- Located between two oil fields (Wirrah and Moonfish) with closure at the sub-volcanic level which contains oil in both fields
 - Rare to uncover such a large prospect in a mature prolific basin between two oil fields
- Dual targets with potential deep gas prospect together with the shallow oil prospect

We are optimistic that the new reprocessing being undertaken by basin wide by CGG will improve the imaging of this prospect

Felix prospect seismic cross-section

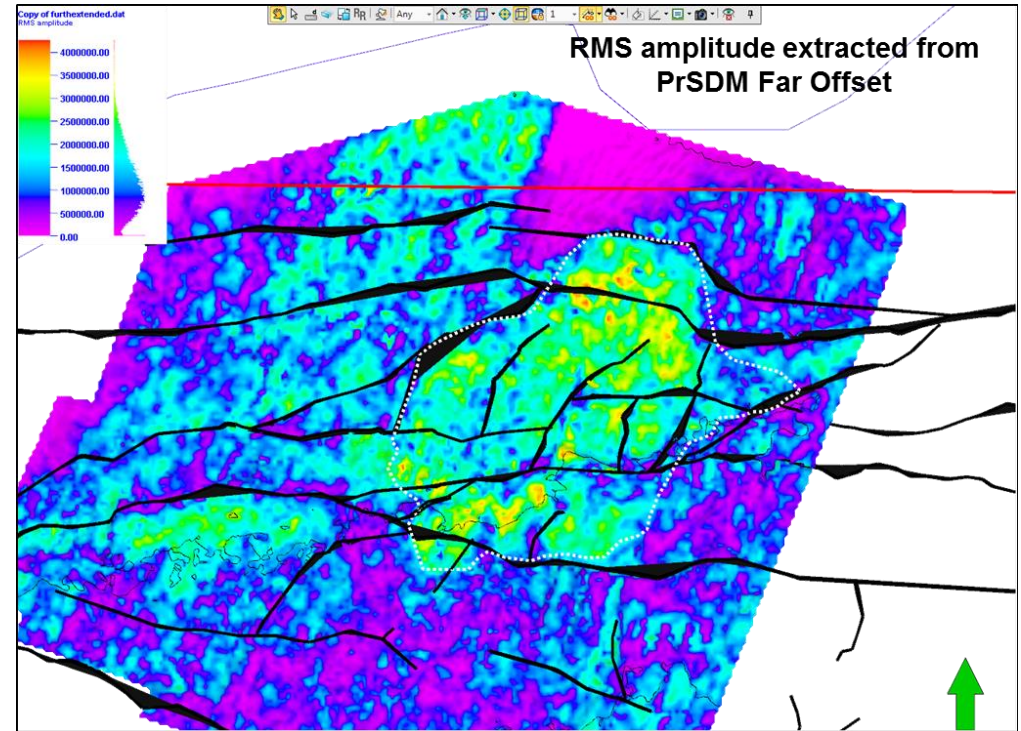
Location



Point has a best estimate prospective resource of c. 250BCF recoverable gas, which in its location markets it a very attractive target

Pointer prospect overview

- Newly identified gas prospect within the excellent reservoirs of the Upper Latrobe Group
- Identified as a result of amplitude analysis conducted using the JV's Pre Stack Depth Migration ("PrSDM") subset of the Northern Fields 3D Seismic Survey
- The Point Prospect has been determined as the lowest risk gas target in VIC/P57, with volumetric calculations resulting in a Best Estimate¹ of 250 BCF recoverable gas (235 BCF within VIC/P57)
- Prospect is of medium size prospect of up to 27 km² in area
- Exhibits Type II AVO anomaly
- JV has had industry approaches to review Pointer



Amplitude extraction of Pointer prospect from the PrSDM Far Offset

1. Refer ASX announcement 27th July 2017



5. Conclusions

Upcoming activities

3D Oil is primarily focused on progressing its potential world class T/49P gas prospects and capitalising on the favourable east coast domestic gas dynamics

T/49P *Farm-out*

- Discussions advancing with a number of parties
- Farm-out of T/49P a priority for 3D Oil

T/49P *Seismic preparations*

- Expected to undertake a detailed seismic program in 2018 to mature leads

VIC/P57 and WA-257-P *Farm-out*

- Commence farm-out process for WA-257-P
- Renew tenement with JV partner

CORPORATE DEVELOPMENTS

- Prudently and diligently review new applications
- Capitalise on east coast gas market opportunity

3D Oil is beginning to pick up speed

3D Oil has navigated through the difficult oil and gas exploration period and is primed to capitalise on its portfolio of potential world class exploration projects

- ✓ **Perfectly poised to take advantage of gas crisis** *Large prospective resources and a significant equity position
3D Oil is in the box seat*
- ✓ **Identified a new significant gas prospect and lead** *Continued state of the art geophysics provides 3 AVO supported gas structures in SE Australia*
- ✓ **Significant increase in Prospective Resources** *3D Oil continues to diligently review and improve exploration acreage*
- ✓ **Agility and counter cyclical** *3D Oil picked up large exciting new area on NW Shelf while industry takes it's eye off the ball*
- ✓ **Lean and Mean** *Last capital raising in 2008 and a tight capital structure*



Noel Newell

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