

3D OIL LIMITED

Capital raising presentation



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**SEPTEMBER 2018
ASX: TDO**



3D Oil has built a portfolio high potential, frontier offshore exploration permits in Australia including offshore Western Australia (Bedout Sub-basin) and offshore Tasmania (Otway Basin)

Corporate overview

- Portfolio of high potential exploration permits including the offshore permits in the Bedout Sub-basin and Otway Basins
- 100% ownership of WA-527-P, located adjacent to the significant Carnarvon/Quadrant oil discoveries (Dorado-1)
- T/49P contains one of the largest conventional prospective gas resources on the east coast (10TCF Best Estimate¹)
- 3D Oil is financially prudent and maintains a highly efficient capital structure

Share price performance (last 6 months)

Share price (Acps)



Financial information

Share price (31-Aug-2018)	A\$0.130
Number of shares	239.1m
Market capitalisation	A\$31.1m
Cash (30-Jun-2018)	A\$1.0m
Debt (30-Jun-2018)	Nil
Enterprise value	A\$30.1m

Top shareholders

Noel Newell (<i>Executive Chairman</i>)	18.3%
Oceania Hibiscus (<i>joint venture partner</i>)	12.9%
Top 20 holders	~64%

Source: IRESS

Notes:

- ¹ Refer to ASX announcement dated 27 July 2017 for details on T/49P Prospective Resource estimate



3D Oil is raising A\$2.5m via a placement and A\$0.5m via a share purchase plan

Offer structure

- **A\$2.5m placement** to sophisticated and institutional investors (“Placement”)
 - New shares to be issued at an offer price of A\$0.115 per share, representing a
 - 11.5% discount to the last closing price A\$0.130
 - 10.2% discount to the 5 day VWAP of A\$0.128
 - 15.7% discount to the 10 day VWAP of A\$0.136
 - New shares to be fully paid and rank equally with existing 3D Oil shares
 - Directors and management expect to participate in the Placement with A\$0.1m to be completed in Tranche 2 with shareholder approval
 - Placement will utilise 3D Oil’s existing placement capacity pursuant to ASX Listing Rule 7.1
- A fully underwritten share purchase plan (“SPP”) will be offered to existing shareholders, targeting to raise A\$0.5m at the same price

Use of funds

1	WA-527-P seismic purchase and comprehensive prospectivity update	A\$1.5m
2	WA-527-P seismic planning	A\$0.8m
	Ongoing working capital	A\$0.5m
	Costs of the Placement & SPP	A\$0.2m
	Total use of funds	A\$3.0m

- 1 **A\$1.5m to be applied to purchasing seismic data and a comprehensive prospectivity update across WA-527-P**
 - New seismic data aiming to potentially identify Dorado-1 style leads across 3D Oil’s 100% owned WA-527-P
- 2 **A\$0.8m applied towards planning for 3D seismic and continued permit progress**
 - Seismic planning to be undertaken in 2H CY18

CAPITAL RAISING TIMETABLE



An indicative timetable for the capital raising is provided below

3D Oil trading halt (“Trading Halt”)	Monday, 3 September 2018
Record date for SPP	Tuesday, 4 September 2018
Transaction announced and 3D Oil resumes trading	Wednesday, 5 September 2018
Settlement of Tranche 1 placement	Monday, 10 September 2018
Dispatch SPP booklet to shareholders	Wednesday, 12 September 2018
Closing date for SPP	Wednesday, 26 September 2018
Notification of shortfall to the ASX	Friday, 28 September 2018
Allotment date for SPP shares	Wednesday, 3 October 2018
Commencement of trading of SPP shares on ASX	Thursday, 4 October 2018
AGM authorising Tranche 2 placement	Thursday, 1 November 2018
Settlement of Tranche 2 New Shares (subject to AGM approval)	Tuesday, 6 November 2018
Allotment of Tranche 2 New Shares (subject to AGM approval)	Wednesday, 7 November 2018

*The timetable above is indicative only and may be varied subject to the ASX Listing Rules



Board and its advisors have significant oil and gas experience (former Director of BHP, Woodside) having led some of Australia's largest corporates

Proven success of 3D Oil Board and management team

- **Noel Newell**, current Executive Chairman, is the Founder of 3D Oil and has a **track record of exploration success at 3D Oil** (West Seahorse) and BHP Petroleum

Noel Newell – Executive Chairman

- Founder and Managing Director of 3D Oil Limited since 2003
- Over 25 years oil and gas experience including Principal Geoscientist at BHP Petroleum

Ian Tchacos - Non-Executive Director

- Over 30 years international oil and gas experience
- Former Managing Director of Nexus Energy (ASX: NXS) from 2004 to 2009
 - Took Nexus from A\$2m micro-explorer to an ASX200 offshore producer (market cap >A\$900m)
- Current Executive Chairman of ADX Energy (ASX: ADX) and Non-Executive Director of Xstate Resources (ASX: XST)

Leo De Maria – Non-Executive Director

- Extensive accounting and corporate finance experience
- Chartered Accountant qualified

Melanie Leydin – Company Secretary

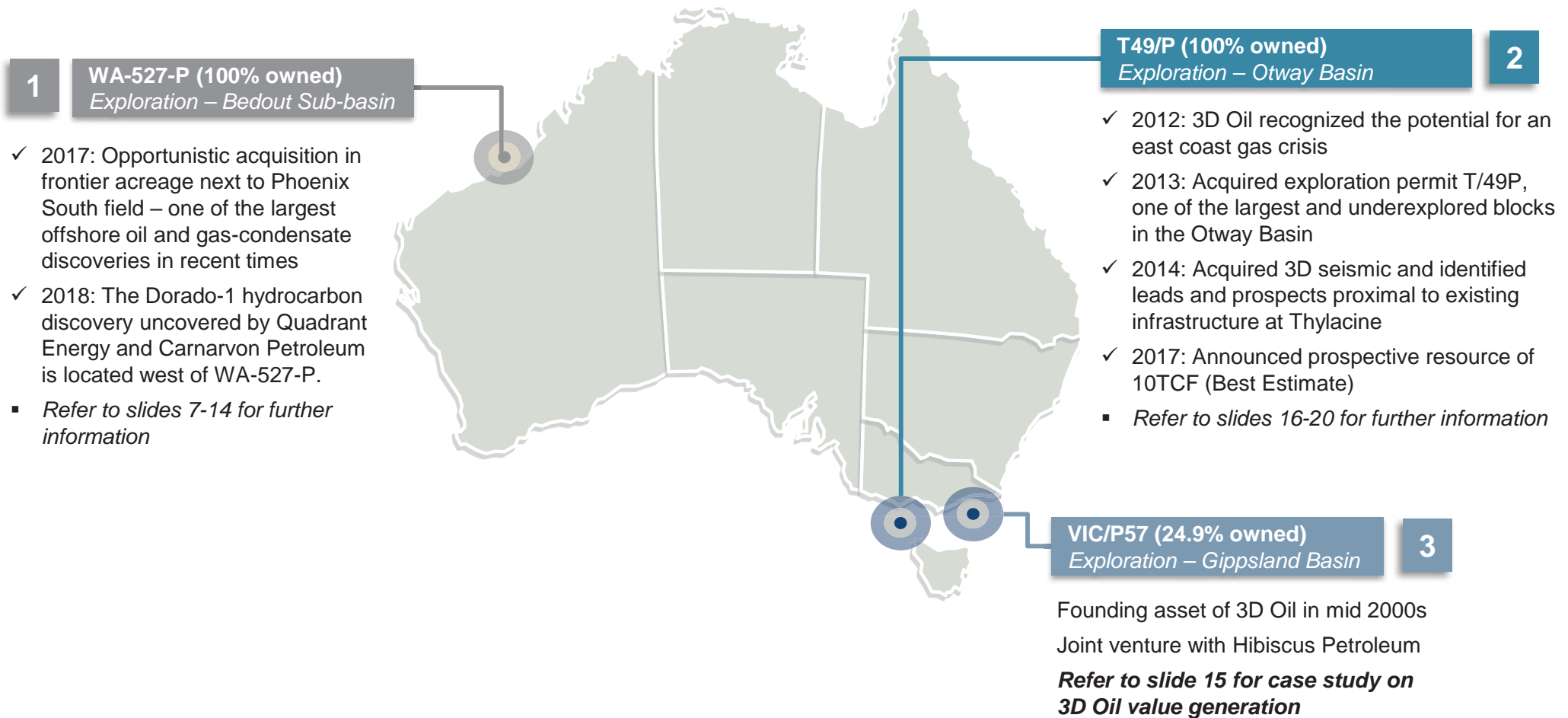
- Principal of the Chartered Accounting firm Leydin Freyer
- Over 25 years experience in the accounting profession and has extensive experience in relation to public company responsibilities

Peter Willcox – Board advisor

- Former Board member of Australia's largest businesses including BHP Billiton, Woodside Petroleum, Telstra, CSIRO, CVC Asia-Pacific, North Limited, James Hardie and Lend Lease
- Former Chairman of AMP Limited, MAYNE and CSIRO
- Significant oil and gas experience as former CEO of BHP Petroleum



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

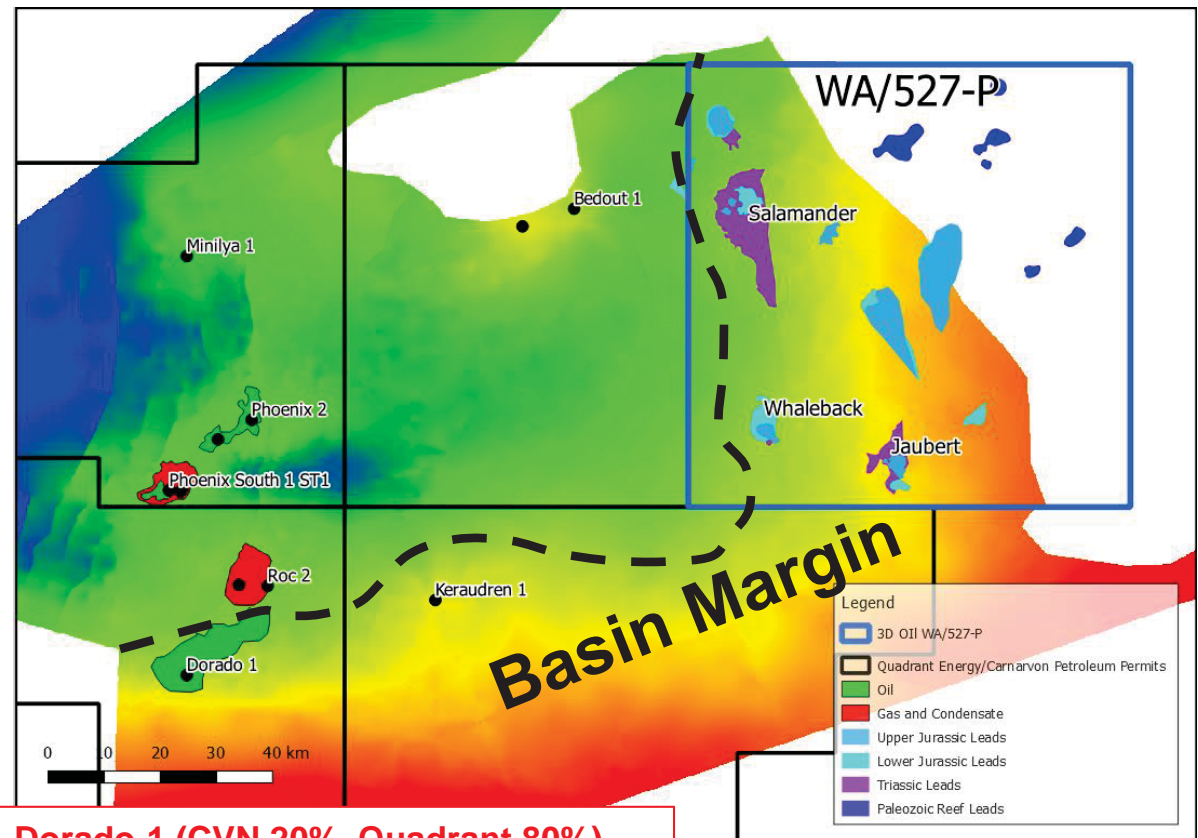




The WA-527-P permit covers a large underexplored area that is situated next to the significant Dorado-1 hydrocarbon discovery in the Bedout Sub-basin

- Located in the offshore Bedout Sub-basin of Western Australia, and covers **6,580km²**
- 3D Oil granted **100%-interest** of the exploration permit in March 2017
- Bedout Sub-basin was seen to have prolific potential but remains underexplored
 - BHP targeted the Bedout Sub-basin in their earliest offshore wells in the 1970s
- WA-527-P is **located north east of the Dorado-1 hydrocarbon discovery** uncovered by a Joint Venture of Quadrant Energy, Carnarvon Petroleum in July 2018
 - Discoveries considered to be in an **analogous geological setting to 3D Oil's 100%-owned WA-527-P**
- Work program will aim to comprehensively assess the value of WA-527-P over the next 3 years
- 3D Oil has identified 3 major leads including **Salamander, Whaleback** and **Jaubert** after completing a detailed technical assessment in March 2018

Permit locations and early Triassic TWT Structure



Dorado-1 (CVN 20%, Quadrant 80%)

- Aggregated net pay thickness of 132m within the Caley, Baxter, Crespin and Milne members

1 SIGNIFICANCE OF DORADO-1 (CVN 20% / Quadrant 80%)



Quadrant group executive, Fred Wehr, has called the Dorado-1 oil discovery a game changer for Quadrant and Carnarvon, and the best discovery he has seen in 35 years

- In July 2018, Quadrant and Carnarvon (ASX: CVN) made a significant oil and gas discovery in their Dorado-1 well
 - CVN has traded up +267% since then (adding ~A\$300m to their market capitalisation for their 20% ownership)
 - 3D Oil has increased in share price ~100% since the discovery
- Subsequent reports have highlighted how significant the Dorado-1 discovery is for the Australian oil and gas industry, some have made claim this is Australia's most exciting discovery in decades
- New reports have emerged highlighting the fact that 3D Oil hold the permit north east and it is 100%-owned

Just what the industry needed

"A big oil discovery at Dorado-1 is just reward for Quadrant"

"In fact, given the industry's extended exploration malaise, it's not difficult to make a case for it being one of our most significant and needed finds ever."

*"Dorado-1 is guaranteed to stimulate new exploration and appraisal. Ever-alert Carnarvon snapped up WA-521-P north of WA-435-P, and more **recently 3D Oil was awarded WA-527-P to the east (how much easier should it be now to attract farm-in interest to these permits post-Dorado)?**"*

- Oil and Gas Radar, 20 July 2018

Quadrant, Carnarvon tap Bedout Basin 'game changer'

"Carnarvon Petroleum and Quadrant Energy have made a "staggering" oil discovery at their Dorado-1 well being drilled in the Bedout Basin, according to operator Quadrant."

*"I'll tell you that the low case is solidly commercial, the mid-case is awesome and the upside is staggering," Mr Wehr said when asked about the size of the prospect. **"I hope I'm not overstating this or overselling it, but this is something I've never seen in a 35-year career."***

- The West Australian, 18 July 2018

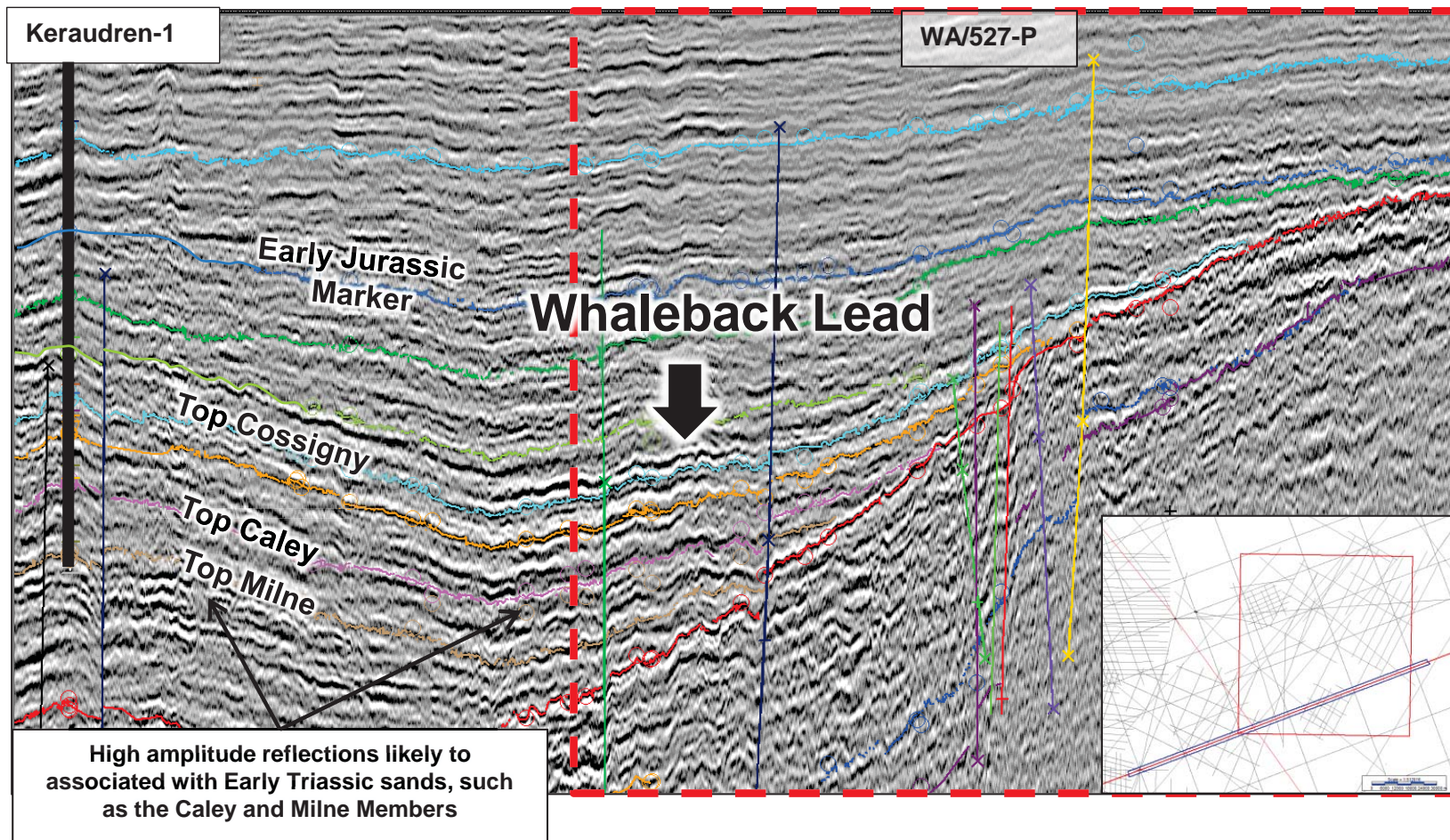
1 WA-527-P: GEOLOGICAL PROFILE



In addition to the prospective Lower Triassic play, 3D Oil has identified multiple leads within other play levels

Seismic interpretation across WA/527-P

(line JN87-20)



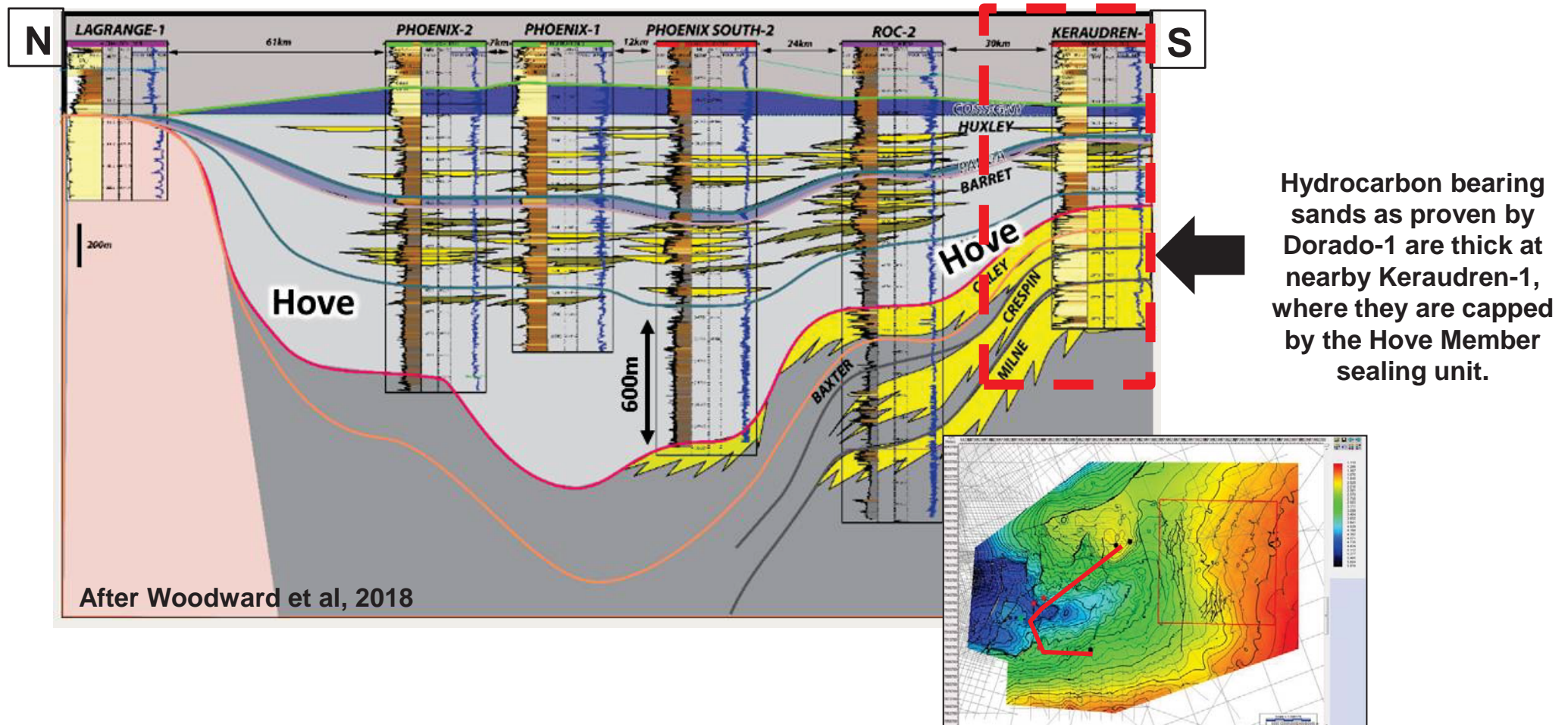
1 BEDOUT BASIN GEOLOGICAL INTERPRETATION



Results from the Dorado-1 have proven the presence of hydrocarbon bearing sands in not only the Caley member but also the deeper Baxter, Crespin and Milne sands

Geological interpretation of Bedout Basin

Section analogous to WA/527-P

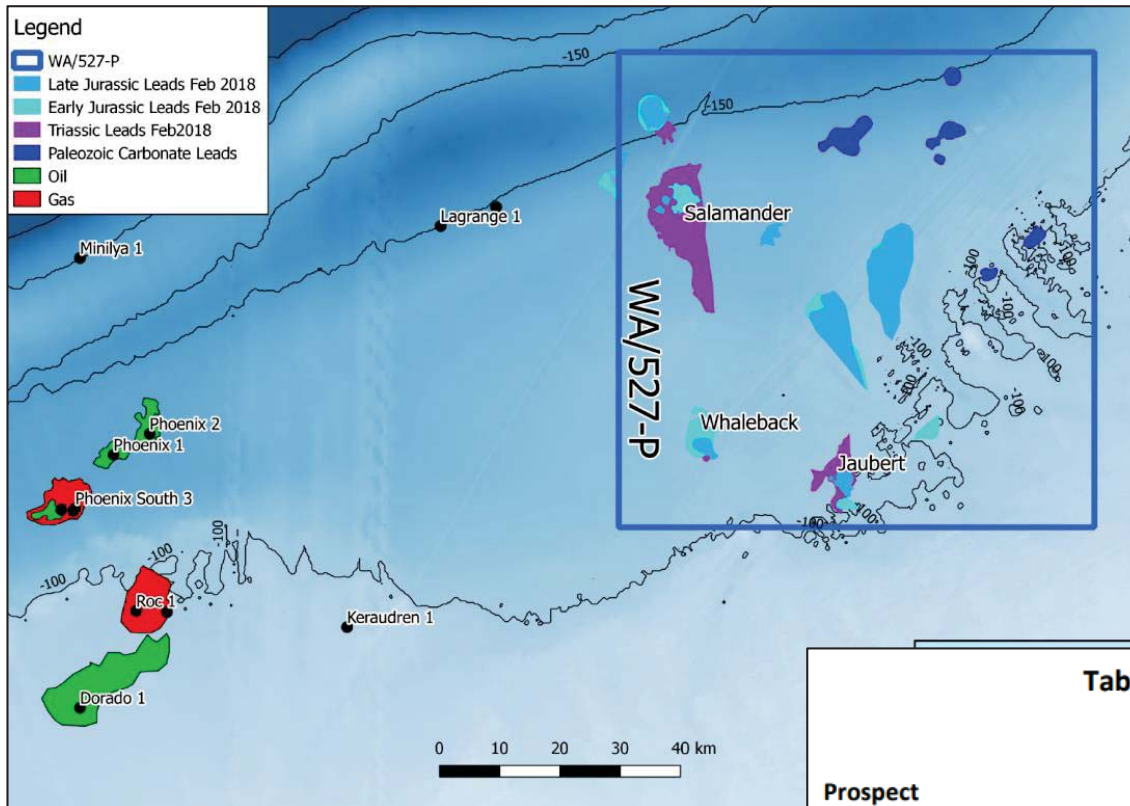


Hydrocarbon bearing sands as proven by Dorado-1 are thick at nearby Keraudren-1, where they are capped by the Hove Member sealing unit.



Prospectivity of WA-527-P has been significantly upgraded as neighbouring Dorado-1 demonstrates a high quality reservoir, competent seal and a prolific, working petroleum system

Leads identified in prospectivity optimisation



- In February 2018, 3D Oil completed a thorough prospectivity review
- Multiple leads have been generated;
 - All are considered prospective for oil
- The generation of oil-rich leads and detailed analysis provides the platform for 3D Oil to launch a targeted farm-out campaign
- 3D Oil has identified over 15 leads across the permit
 - Generated using a combination of open-file 2D seismic data and the Searcher Seismic Multi-client Bilby 2D seismic survey
- Subsequent Dorado-1 discovery greatly upgraded the prospectivity of the leads

**Table 1: WA/527-P Prospective Resource Estimate (MMbbls)
Recoverable Oil**

Prospect	Status	Low	Best	High
Salamander	Lead	57	191	713
Jaubert	Lead	17	72	205
Whaleback	Lead	16	87	219
WA/527-P Arithmetic Total		90	349	1,138

The estimated quantities of petroleum that may be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

1 WA-527-P: WORK PROGRAM



3D Oil is pursuing an accelerated exploration program at WA-527-P following the exploration success at Dorado-1 and the industry interest this permit is receiving

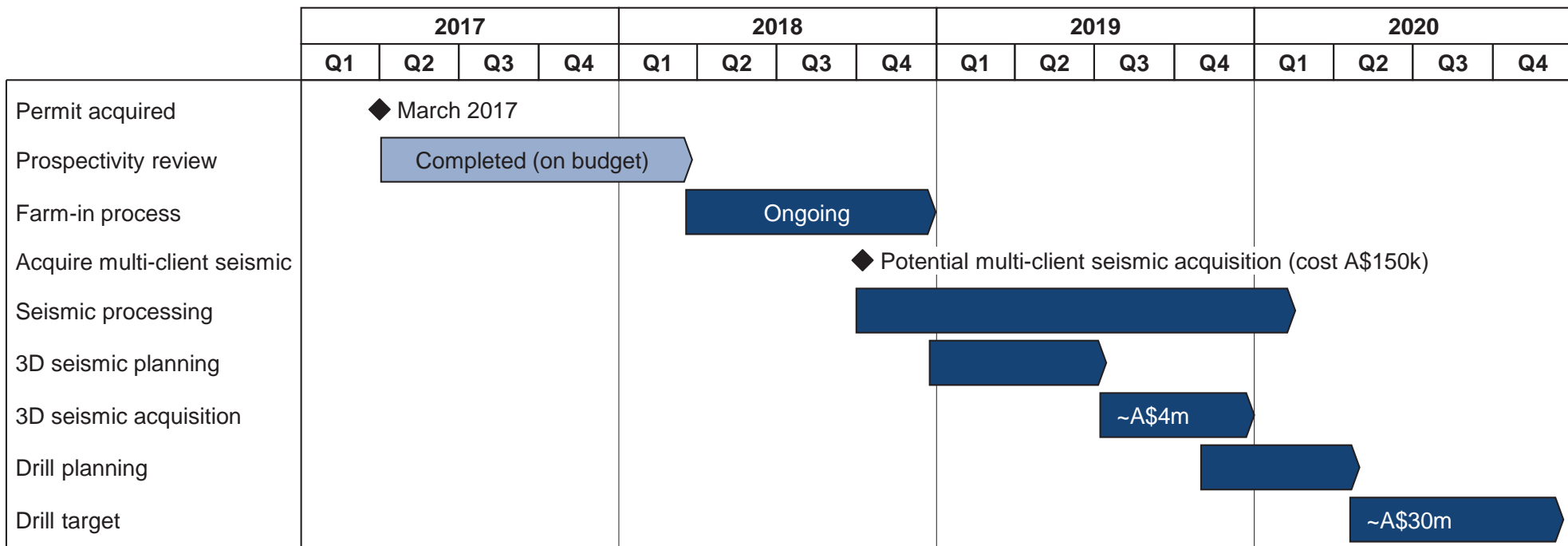
– Awarded in March 2017 for a nominal three year exploration program including:

- **Year 1-2:** Geological and geophysical studies and seismic planning
- **Year 3:** Acquire process and interpret 510km² 3D seismic data and assess results

Expected acceleration due to prospectivity increase

– 3D Oil is now seeking a farminee to finance the initial stage of exploration which will include 3D seismic acquisition

Illustrative work program for WA-527-P



1 WA-527-P: UPCOMING CATALYSTS



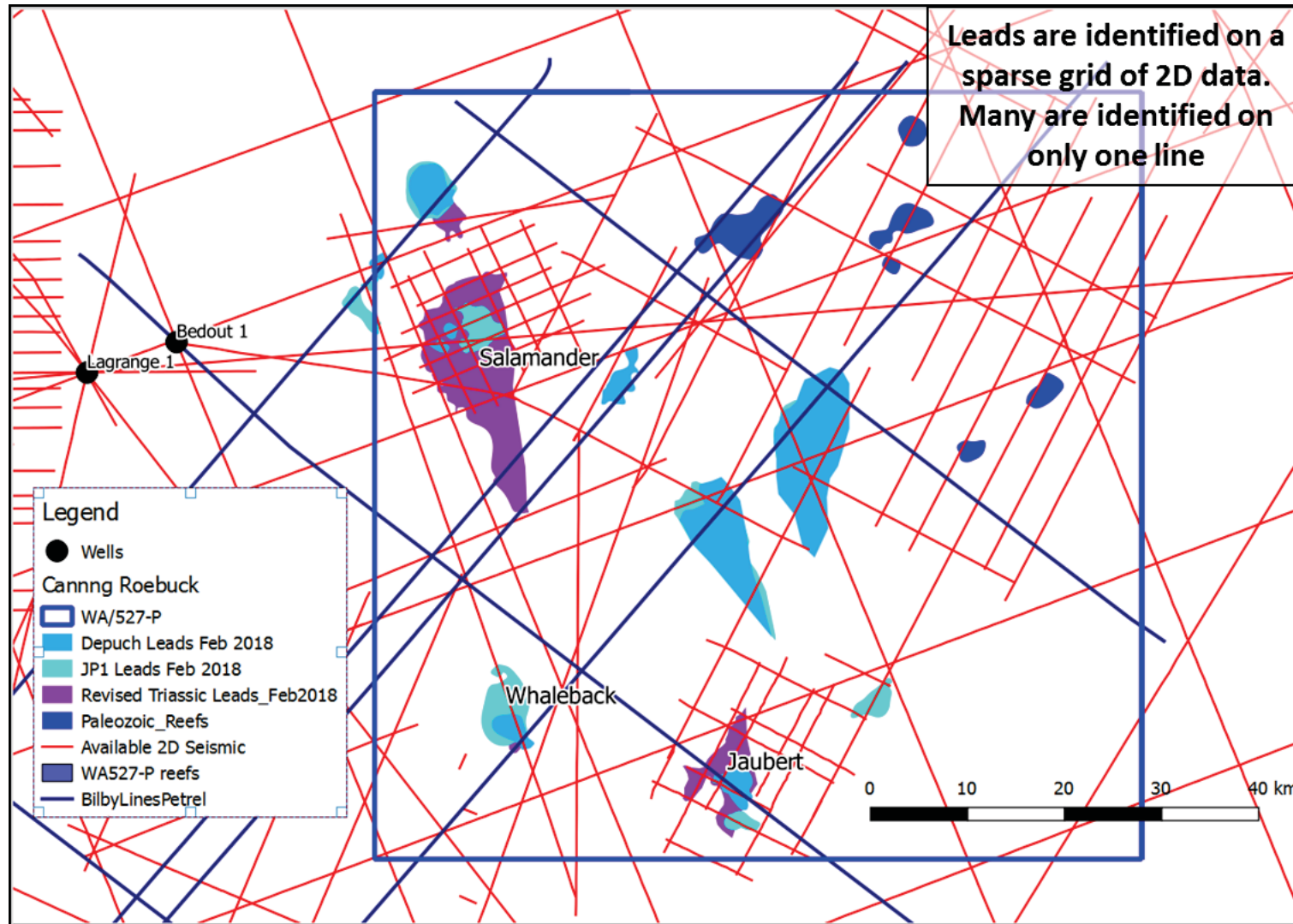
There are a number of key catalysts that could increase the prospectivity of 3D Oil's 100%-owned WA-527-P in the short and medium term

- 3Q 2018:** Review Phoenix South-3 and final Dorado-1 results (CVN/Quadrant permits)
- 2H 2018:** Secure farm-in partner
- 2H 2018:** Licencing of additional multi-client seismic data within WA-527-P
- 4Q 2018:** Potentially mature leads to prospect status through seismic interpretation
- 2019:** Results from potential follow-up wells for Dorado-1 (CVN/Quadrant permits)
- 1H 2019:** Obtain regulatory approval to acquire new 3D seismic data
- 2H 2019:** Shoot 3D seismic and process to generate drill-ready targets
- 2020:** Drilling exploration well

1 WA-527-P: Existing seismic data set



3D Oil is planning 3D seismic acquisition to mature the leads it has identified with the current 2D data set





The West Seahorse transaction demonstrates 3D Oil's ability to recognise opportunities and crystallise value

*Acquisition
April 2004*



In 2004, 3D Oil was granted the VIC/P57 Exploration Permit, including **West Seahorse**

*Further exploration
2007-2011*



3D Oil listed on the ASX in 2007 and raised funds to progress VIC/P57

Exploration included resource upgrades and booking reserves of 4.6MMstb (2P) in 2008

*Establish joint venture
August 2012*



A\$27m placement and farm-in

3D Oil de-risked the development with execution of a farm-in agreement with Hibiscus Petroleum

Transaction included a A\$27m placement to Hibiscus Petroleum to fund operations

*Monetise value
August 2014*



US\$14m sale of interest

3D Oil monetised its remaining interest in West Seahorse to Carnarvon Hibiscus for US\$14m and retains an equity interest of 24.9% in the VIC/P57 exploration permit

Current management have previously:

- ✓ Successfully appraised exploration prospects
 - ✓ Booked maiden resource and reserves
 - ✓ Secured a farm-in with an industry partner
 - ✓ Completed an asset sale to monetise value
- ...all within their experiences at 3D Oil

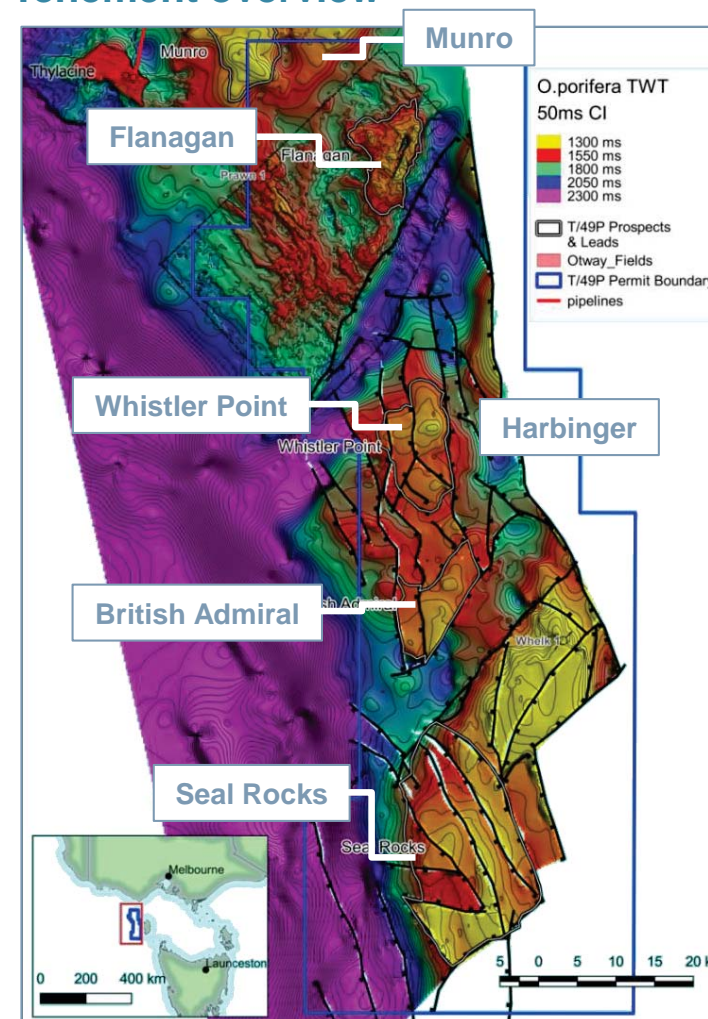
Current near term objectives for WA-527-P and T/49P

Vast frontier acreage with recently announced 10TCF Prospective Resource (Best Estimate)¹ in shallow water in the Otway Basin

Asset overview

- T/49P was acquired by 3D Oil in 2013 through its bid in the 2012 Australian Offshore Gazettal round
 - **Large frontier permit (4,960 km²) and relatively shallow water (primarily ~100m)**
 - **Opportunistic acquisition by 3D Oil at the time**
 - Permit contains 1 prospect and 5 leads
- 3D Oil has 100%-ownership of exploration permit
 - **Currently in active discussions with potential major farm-in partners** to support and de-risk exploration
- Prospects are interpreted to contain **all the geological elements required for economic accumulations** of hydrocarbons
- Located adjacent to significant infrastructure and major production wells including Thylacine-1 and Geographe-1 (Beach Energy)
 - **Beach Energy announced a regional program** to extend the field lives with potential for up to five wells
- Otway Basin has been a **prolific gas-producing province** since the late 1980s
 - The latest fields developed in the early 2000s include Thylacine, Casino, Minerva and Henry

Tenement overview



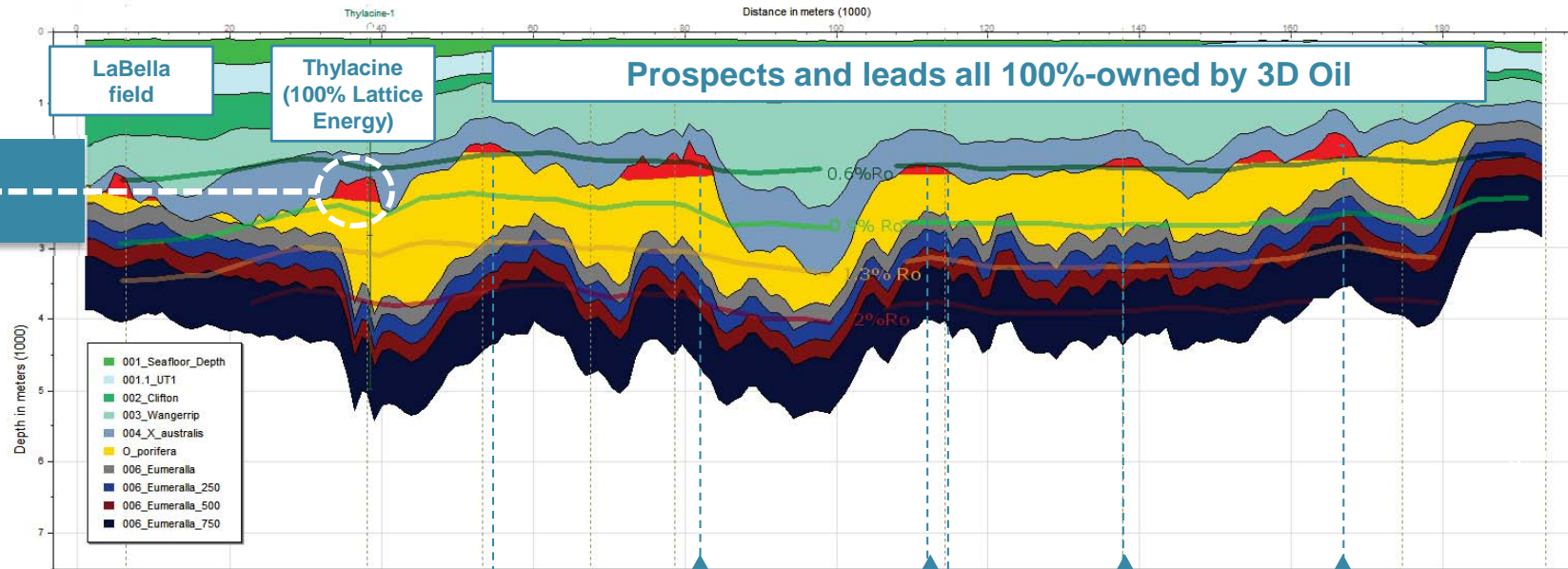
Notes:

- 1 Refer to ASX announcement dated 27 July 2017 for details on T/49P Prospective Resource estimate

2 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



Thylacine is "full to spill"

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
British Admiral	Lead	0.37	1.03	4.45
Seal Rocks	Lead	0.95	4.64	10.64
Harbinger	Lead	0.33	0.79	1.43
T/49P Total (Arithmetic)		3.04	10.03	28.77



10TCF (Best Estimate) equivalent to 1,781 billion barrels oil²

Notes:

- 1 Refer to ASX announcement dated 27 July 2017 for details on T/49P Prospective Resource estimate
- 2 Converted from boe to cubic feet using SPE conversion factor of 5.66

2 T/49P – LOCATION



T/49P is located next to existing domestic gas infrastructure owned by Lattice Energy, BHP, AWE, Mitsui and Cooper Energy

Nearby operations

Halladale
Black Watch
Speculant

FY17 production: 22PJ
2P Reserves: 37PJ
2C Resources: 29PJ



Casino
Henry
Netherby

FY17 production: 7PJ
2P Reserves: 112PJ
2C Resources: n/a



Minerva

FY17 production: 8PJ
End of field life expected in FY18

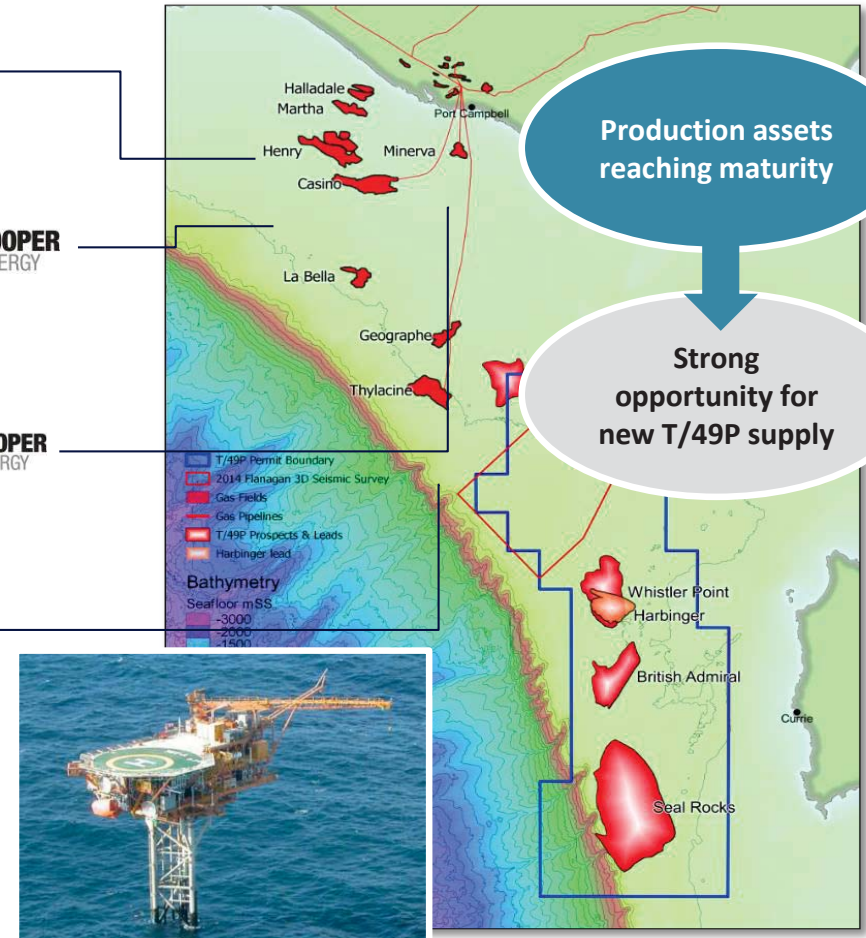


Thylacine
Geographe

FY17 production: 26PJ
2P Reserves: 132PJ
2C Resources: 94PJ



Over 63PJ production in FY17
(Equivalent to A\$630m @ A\$10/GJ)
2P Reserves reaching maturity



Production assets reaching maturity

Strong opportunity for new T/49P supply

Thylacine topside platform
100% Beach Energy

2 T/49P – POTENTIAL FLANAGAN DEVELOPMENT

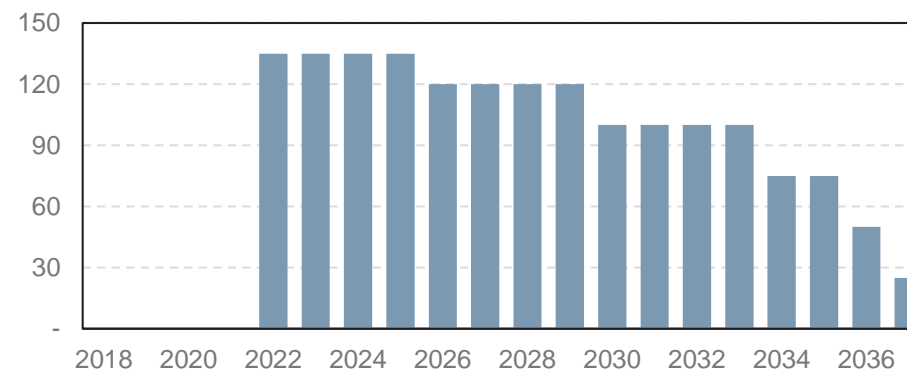


A potential development at Flanagan could be highly economic based on Worley Parsons analysis, even with conservative development and pricing scenarios

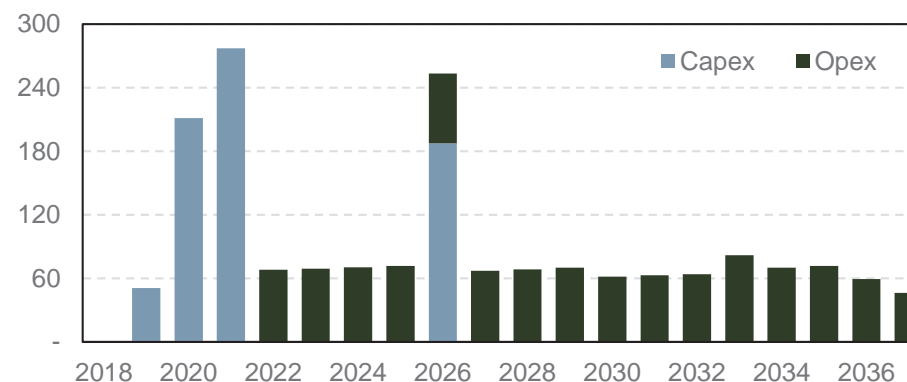
Flanagan NPV assessment

- 3D Oil commissioned an economic study by Worley Parsons in 2017 to assess a development at Flanagan
 - Best Estimate Prospective Resources at Flanagan are 1.34TCF (or 237mboe¹)
 - Flanagan is a small proportion of total T/49P prospective resources of 10TCF (Best Estimate)
- Economic assessment highlighted significant upside:
 - NPV = A\$541m (at 10% discount rate, pre-tax)
 - IRR = 33.4% (pre-tax)
 - From only 600BCF recovered and at a conservative sale price of A\$6/MCF
- A tie-in development was considered where a subsea well at Flanagan is tied in to Lattice Energy's Thylacine-Geographe infrastructure
 - Total pre-production capex estimate of A\$539m
 - Conservative economic analysis based on stand alone development and excluding condensate

Production forecast (mmcf/d)



Expenditure forecast (A\$m)



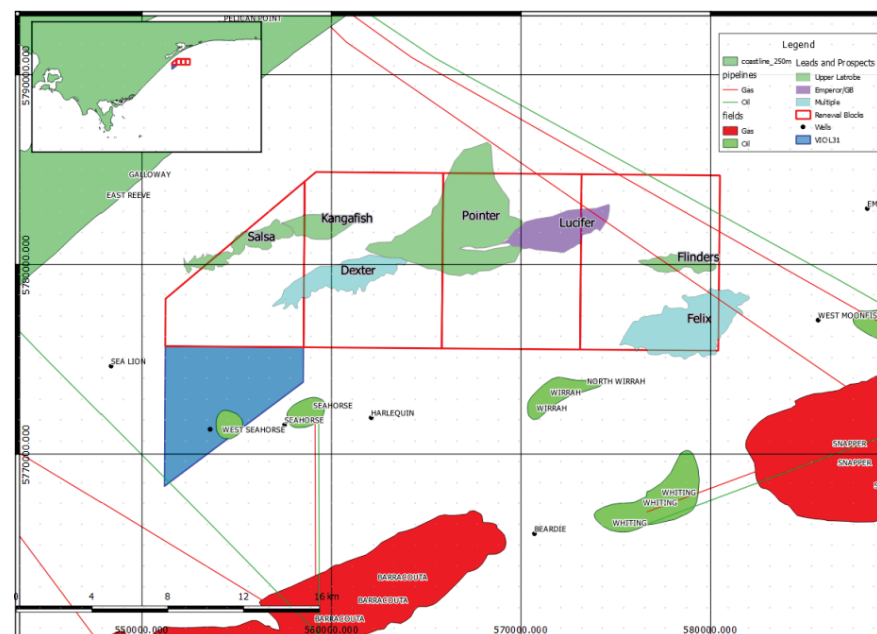
Notes:

1 Converted from boe to cubic feet using SPE conversion factor of 5.66



VIC/P57 has 6 prospects and leads located along Australia’s most prolific oil and gas producing basin that are defined by state of the art reprocessed 3D seismic data

- Located in the Gippsland Basin, which had initial reserves estimated at **4 billion barrels of oil** and **11.5 trillion cubic feet of gas**
- 3D Oil has a 24.9% interest in VIC/P57 with Joint Venture partner Hibiscus Petroleum
 - 3D Oil to remain technical advisor to the operator of the permit
 - JV has been awarded the permit for a further 5 year tenure which includes a work programme carefully designed to mature Prospects to drill ready, and potentially identify additional gas targets.
- **6 prospects and leads identified** across the permit
- All prospects and leads defined by **state of the art reprocessed 3D seismic data**



Oil - Prospective resource (MMbbls)²

Location	Status	Low	Best	High
Felix	Prospect	6.84	15.94	26.94
Salsa	Lead	10.65	15.09	20.57
VIC/P57 Total¹		17.51	31.03	47.54

Gas - Prospective resource (BCF)²

Location	Status	Low	Best	High
Pointer	Prospect	140.10	235.26	364.91
Dexter	Lead	36.96	131.98	259.14
VIC/P57 Total¹		177.06	367.24	624.05

Note:

- 1 Arithmetic total
- 2 Refer to ASX announcement dated 27 July 2017 for details on VIC/P57 Prospective Resource estimate



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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 David Briguglio, who is employed full-time by 3D Oil Limited as Exploration Manager. He holds a BSc.Hons and PhD in Petroleum Geoscience and has been practicing as a Petroleum Geoscientist for 8 years. Dr Briguglio 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 volumes. The estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development. The Prospective Resources have been estimated probalistically.



Primary risks are related to exploration, which relies on the interpretation of complex and uncertain data and information which cannot be relied upon to lead to a successful outcome in any particular case. Petroleum drilling activities are also inherently risky. Drilling may be curtailed, delayed or cancelled. Petroleum exploration is inherently uncertain and may involve significant risk of failure.

The estimates of 3D Oil's oil and gas prospective resources are based on standard industry practice, experience and judgements that carry inherent uncertainty. There is a material chance that future exploration programs will alter the current prospective resource estimations. Other risks may affect the resource estimate, for example, commodity price movements.

With respect to prospective resource estimates, these estimates relate to undiscovered accumulations which have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation will be required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Political and sovereign risks in Australia include regulatory, environmental and native title.