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3D Oil Limited

QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 30 JUNE 2019

Highlights for the quarter:

- 3D Oil awarded permit adjacent giant Kingfish Oil Field
- WA-527-P (Bedout Sub-basin):
 - Farm-out campaign continues with technical diligence by multiple large Exploration & Production companies conducted throughout the quarter.
 - Environmental planning for the Sauropod 3D MSS seismic survey completed and submitted to government regulator NOPSEMA
 - Survey is scheduled to occur in early 2020,
 - Sauropod Environment Plan to be made available on the NOPSEMA website for a public comment period of 30 days
- VIC/P57 (Gippsland Basin):
 - Technical program has been completed and a farm-out campaign initiated.
 - Data rooms to be hosted throughout the next quarter
 - Joint Venture currently completing prospective resource update for the permit
- T/49P (Otway Basin):
 - Environment Plan awarded for the Dorriga 3D Marine Seismic Survey.
 - Procurement process is underway for a seismic vessel able to complete the survey throughout the months of September and October 2019.

3D Oil Limited ("3D Oil", ASX: TDO) is pleased to provide an update to its activities for the quarter ending 30 June 2019.

Exploration

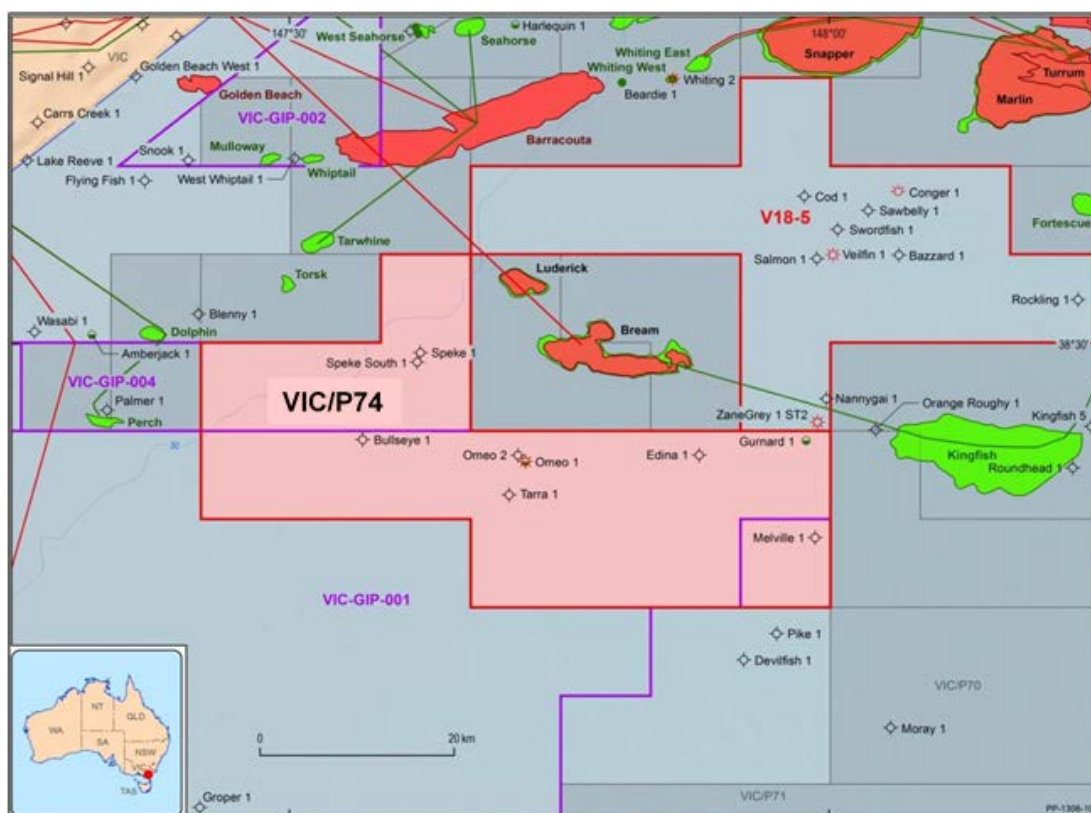
VIC/P74, Gippsland Basin, offshore Victoria

On 26 July 2019 the National Offshore Petroleum Title Administrator (“NOPTA”) awarded the 3D Oil the VIC/P74 permit in the offshore Gippsland Basin. The 1,006 km² permit is located on the southern side of the Gippsland Basin, adjacent the giant Kingfish Oil Field. The world class Kingfish Field is the largest oil field ever discovered in Australia and to date has produced over one billion barrels of oil. The primary work programme is modest and largely consists of purchase of reprocessed 3D seismic data.

The rationale for the acreage acquisition of VIC/P74 is based on the likely significant enhancement of the of 3D seismic in the basin as a result of reprocessing being undertaken by service company CGG. Exploration of this region has been previously hampered by severe depth conversion issues related to velocity complexities in the shallow section above the reservoir target. Recent advances in reprocessing techniques have made significant improvements in relation to this technical issue as evidenced in 3D Oil’s other Gippsland permit VIC/P57. 3D Oil interpret that the permit may have the potential for significant hydrocarbon accumulations as evidenced by the neighbouring Kingfish Field. The permit also contains the Omeo gas and condensate discovery.

Under the terms of a pre-bid agreement Hibiscus Petroleum Berhad can elect to enter into a Joint Venture with 3D Oil (Operator) for up to a 50% interest in VIC/P74 on a ground floor basis.

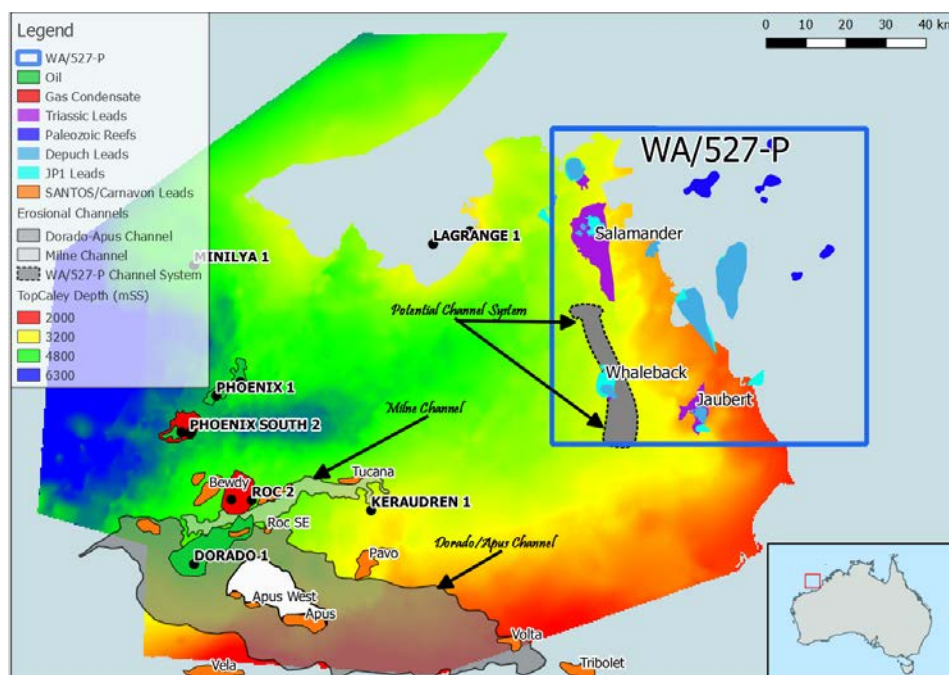
Figure 1: VIC/P74 Location



WA-527-P, Bedout Sub-basin, offshore Western Australia

3D Oil holds a 100% interest in the WA-527-P exploration permit, which covers 6,500 km² of the offshore Bedout Sub-basin. The permit is located adjacent to gas and condensate discoveries at Roc and Phoenix South and the more recent oil discovery at Dorado (Figure 2). The Company is currently hosting data rooms for multiple, large international E&P companies, and these will continue throughout the next quarter. A number of potential partners have already completed technical due diligence, including site visits to 3D Oil's office.

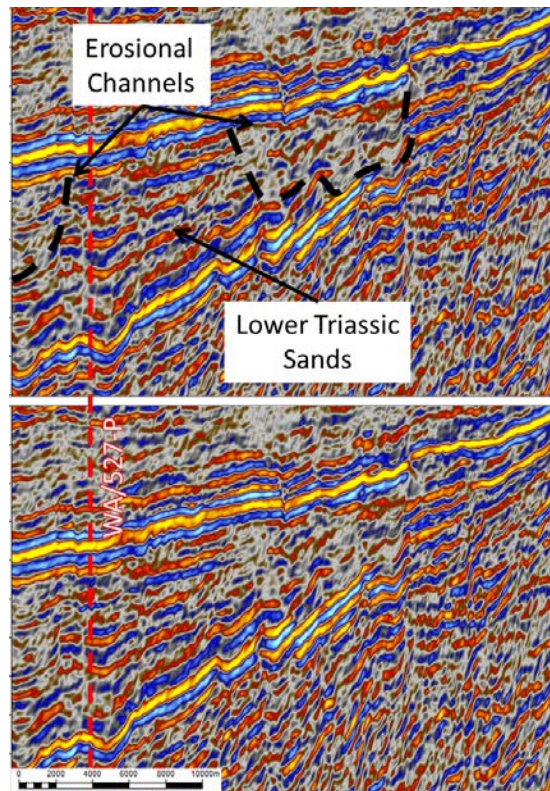
Figure 2: Map showing the Dorado-Apus, Milne Channel systems, accompanying leads and the locations of a similar channel system within WA-527-P.



Seismic Reprocessing:

During the quarter, 3D Oil completed interpretation of seven reprocessed open-file 2D seismic lines across the south-west corner of the permit, in order to better understand the Lower Triassic play system and to provide further insight on the presence of a trapping mechanism for exploration targets. Evaluation of this data has confirmed the presence of an erosional channel system, analogous to that which sets up the Dorado discovery (Figures 2 and 3).

Figure 3: Relative Acoustic Impedance Attribute of Reprocessed 2D Seismic Data JN87-18a (Lower image is without interpretation).



Sauropod 3D MSS Survey Planning:

Environmental Planning and stakeholder engagement in preparation for the Sauropod 3D Marine Seismic Survey has been completed and submitted to NOPSEMA, with a proposed acquisition window for early 2020. The survey is aimed at determining the potential for traps associated with the erosional channel system in the south-west corner of the acreage (Figure 4), but is also intended to provide further insight on the size of the Whaleback and Salamander leads and the potential of the Paleozoic petroleum system in the east of the acreage.

Once the Sauropod 3D MSS Survey has been acquired and interpreted, 3D Oil hopes to generate new prospects adjacent to the identified erosional channel system and upgrade one or more of these to 'drill-ready' status.

Figure 4: Location of Environmental Planning Area

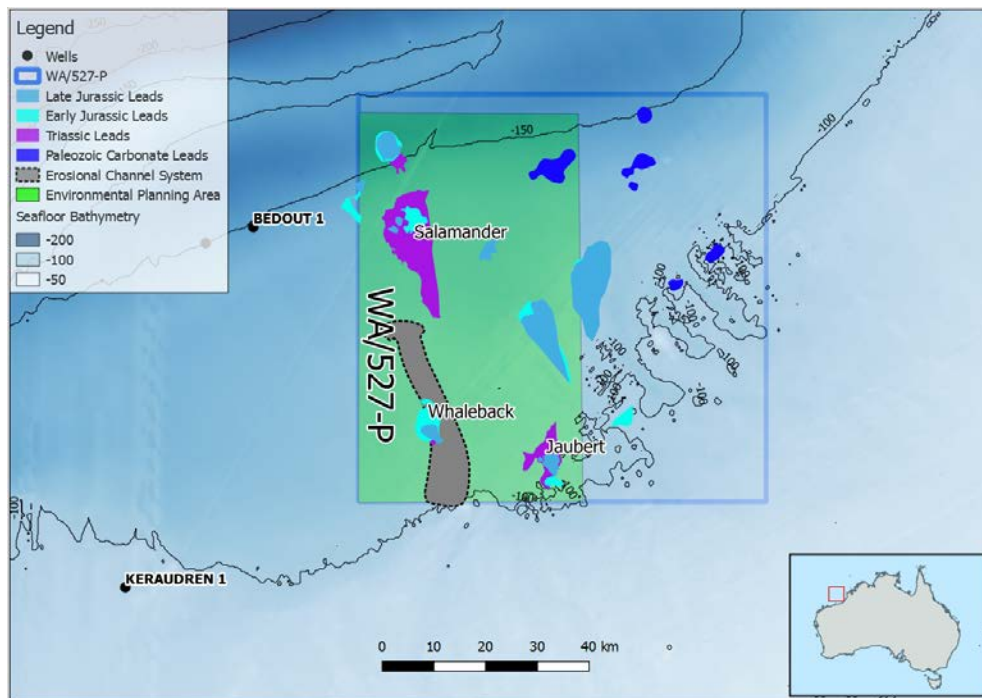


Table 1: WA-527-P Prospective Resource Estimate (MMbbls)
Recoverable Oil
 (ASX ann. 26-Feb-18)

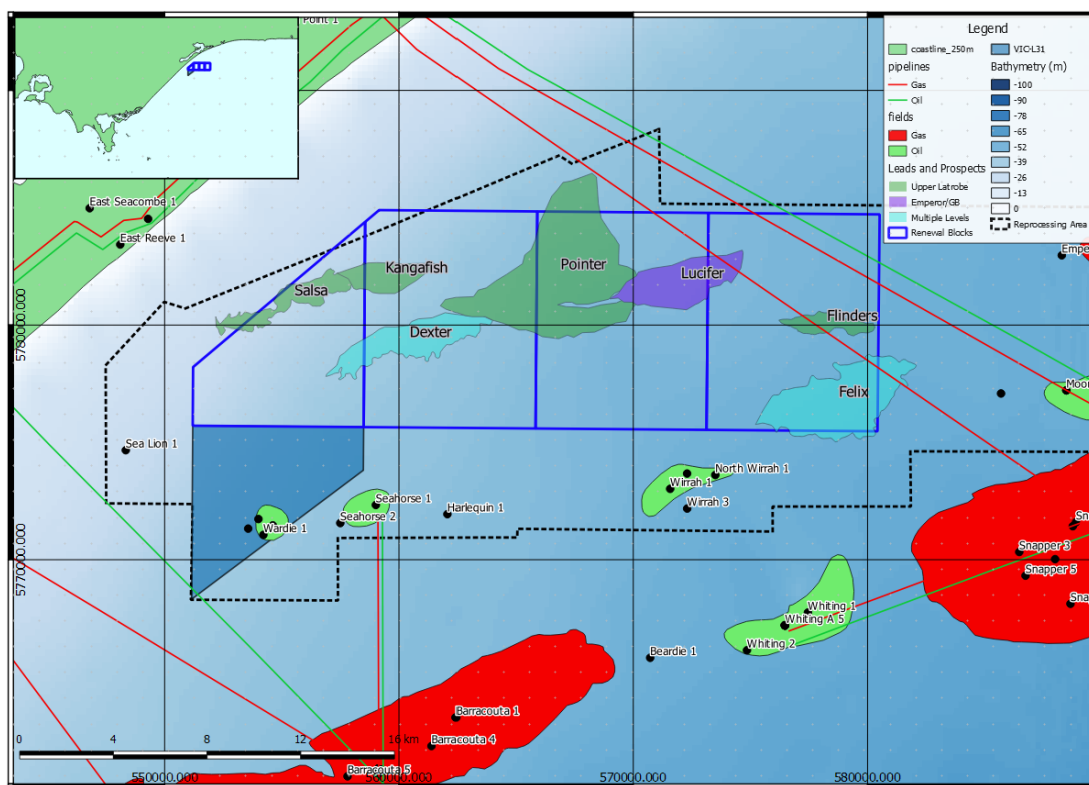
Prospect	Status	Low	Best	High
Salamander	Lead	57	191	713
Jaubert	Lead	17	72	205
Whaleback	Lead	16	87	219
WA-527-P Arithmetic Total		90	349	1,138

The estimated quantities of petroleum that may potentially 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.

VIC/P57, Gippsland Basin, offshore Victoria

TDO has a 24.9% interest in the VIC/P57 exploration permit in the offshore Gippsland Basin with joint venture (“JV”) partner and operator Hibiscus Petroleum. TDO acts as technical adviser to the JV.

Figure 5: Prospects and Leads, VIC/P57



During the quarter, 3D Oil completed high resolution structure-scale seismic interpretation of the leads and prospects using the state-of-the-art CGG Gippsland Reprocessed 3D Seismic Data. Some leads have been eliminated from the inventory, however, amplitude analysis at the Pointer Prospect shows a clear rising amplitude with offset (Figure 6), consistent with the properties of hydrocarbon fluids, while the Felix Prospect has been confirmed as a low-risk exploration target. The Dexter Lead is now considered an important lead that offers additional potential for the permit.

Figure 6: Pointer Prospect Response on Offset Stacks.

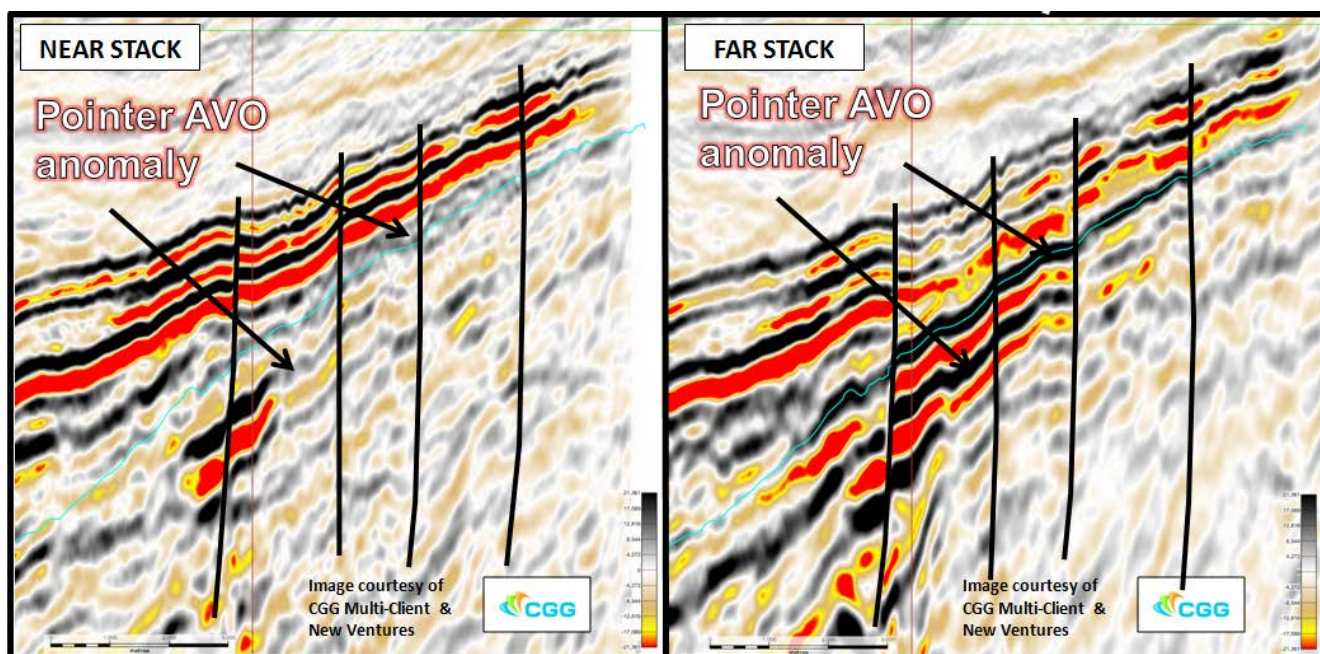


Figure 7: Pointer Prospect RMS amplitude map and fault interpretation, showing conformance of amplitude with structure.

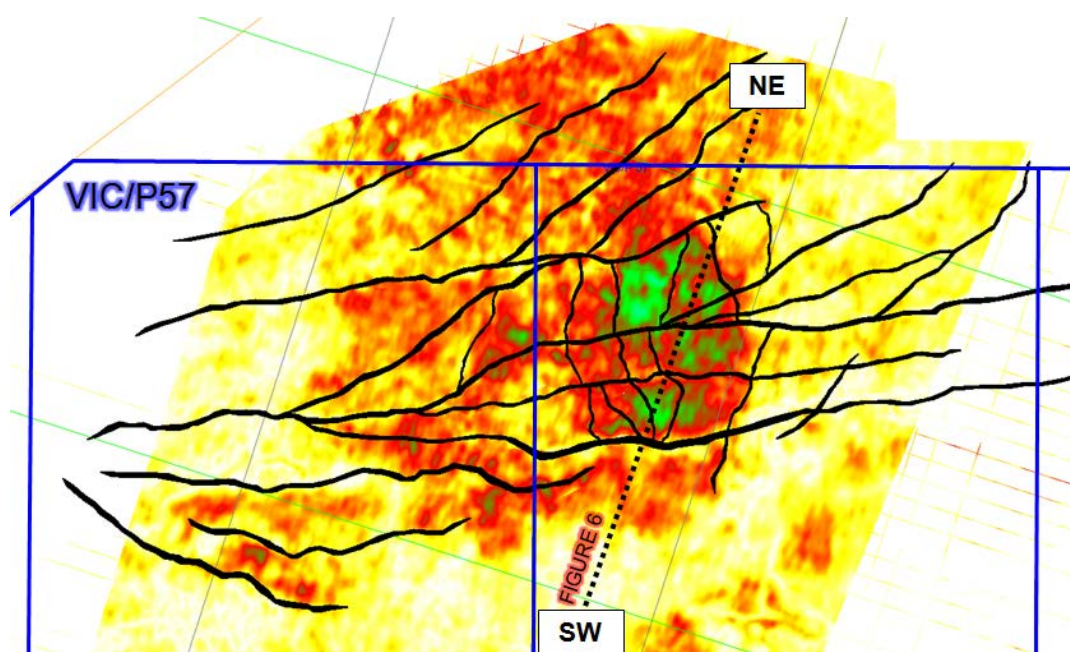


Table 2: VIC/P57 Prospective Resources Estimate (MMbbls) Recoverable Oil
(ASX ann. 27-Jul-17)

Location	Status	Low	Best	High
Felix	Prospect	6.8	15.9	26.9
Salsa	Lead	10.7	15.1	20.6
VIC/P57 Arithmetic Total		17.5	31.0	47.5

Table 3: VIC/P57 Prospective Resource Estimate (BCF) Recoverable Gas

Location	Status	Low	Best	High
Pointer	Prospect	140.1	235.3	364.9
Dexter	Lead	37.0	132.0	259.1
VIC/P57 Arithmetic Total		177.1	367.2	624.0

The estimated quantities of petroleum that may potentially 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.

T/49P, Otway Basin, offshore Tasmania

3D Oil holds a 100% interest in the T/49P exploration permit, which covers 4,960 km² of the strategic offshore Otway Basin. The permit is located adjacent to the producing Thylacine and Geographe gas fields (100% owned by Beach Energy Limited (ASX: BPT)). The Company continues discussion with companies in relation to a potential farmin.

3D Oil has received regulatory approval for the Dorrigo 3D Marine Seismic Survey. This approval demonstrates the Company's capacity to successfully navigate increasingly challenging regulatory conditions. The survey is scheduled for late 2019, depending on vessel availability, and is intended to cover remaining leads in the central and southern sections of the T/49-P acreage. 3D Oil is now in the midst of a procurement process in order to secure a seismic vessel capable of acquiring the Dorrigo survey within the parameters of the acquisition design and within the months of September and October of 2019.

During last quarter, 3D Oil was awarded a Suspension and Extension for Permit Year 5 which will now end on 21 February 2020, and therefore allows up until this time to acquire and process the Dorrigo 3D MSS.

Figure 8: Location Map of the Dorrigo 3D Marine Seismic Survey shown with Leads and Prospects

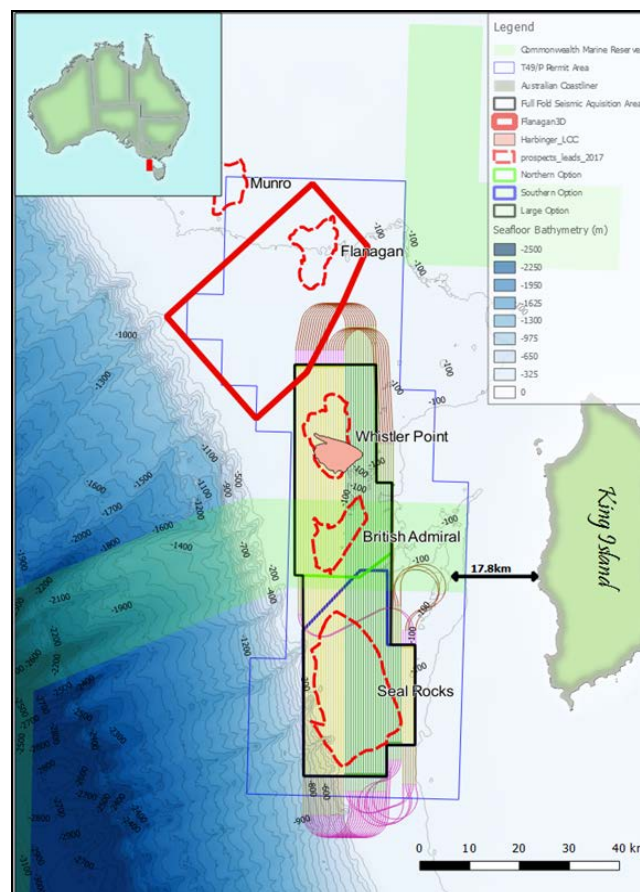


Table 3: T/49P Prospective Resource Estimate (TCF) Recoverable Gas
(ASX ann. 27-Jul-17)

Location	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 Arithmetic Total		3.04	10.03	28.77

The estimated quantities of petroleum that may potentially 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

Corporate

At the end of June the Company held cash and cash equivalents of approximately \$934,000 with a further \$1,000,000 on deposit with maturity greater than 3 months.

Petroleum Tenement Holdings

As at 30 June 2019, 3D Oil's petroleum tenement holdings were:

Tenement and Location	Beneficial interest at 31 Mar 2019	Beneficial interest acquired / (disposed)	Beneficial interest at 30 Jun 2019
VIC/P57	24.9%	nil	24.9%
Offshore Gippsland Basin, VIC			
T/49P	100%	nil	100%
Offshore Otway Basin, TAS			
WA-527-P	100%	nil	100%
Offshore Roebuck Basin, WA			

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 un-risked and have not been adjusted for both an associated chance of discovery and a chance of development. The Prospective Resources have been estimated with both probabilistic and deterministic methods.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

3D OIL LIMITED

ABN

40 105 597 279

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers	-	-	-
1.2 Payments for			
(a) exploration & evaluation	(338)	(735)	
(b) development	-	-	
(c) production	-	-	
(d) staff costs	(162)	(474)	
(e) administration and corporate costs	(144)	(650)	
1.3 Dividends received (see note 3)	-	-	
1.4 Interest received	10	28	
1.5 Interest and other costs of finance paid	-	-	
1.6 Income taxes paid	-	-	
1.7 Research and development refunds	-	-	
1.8 Other (provide details if material)	-	-	
1.9 Net cash from / (used in) operating activities	(634)	(1,831)	
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment	-	(14)	
(b) tenements (see item 10)	-	-	
(c) investments	-	-	
(d) other non-current assets	-	-	

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other: (cash on deposits ¹)	500	(1,000)
2.6	Net cash from / (used in) investing activities	500	(1,014)

¹ Included in the amount noted above is \$1.0 million of cash on deposit held with a term to maturity greater than 3 months.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	3,003
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(232)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	2,771

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,068	1,008
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(634)	(1,831)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	500	(1,014)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,771
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period ¹	934	934

¹ The cash balance above excludes \$1.0 million of cash on deposit with a maturity date greater than 3 months.

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	720	854
5.2 Call deposits	120	120
5.3 Bank overdrafts	-	-
5.4 Other – Bank Guarantee	94	94
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) ¹	934	1,068

¹ The cash balance above excludes \$1.0 million of cash on deposit with a maturity date greater than 3 months.

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	145
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Salaries, superannuation and Director's fees paid to directors and related entities during the June 2019 quarter.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	202
9.2 Development	-
9.3 Production	-
9.4 Staff costs	172
9.5 Administration and corporate costs	140
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	514

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: 30 July 2019

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.