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**ASX Release**

5 November 2014

**Drilling Contracts Signed - 11 MMBBL Oil Targeted**

3D Oil Limited (ASX: TDO) is pleased to announce that drilling rig contracts for Sea Lion -1 in VIC/P57 have been signed by permit operator Carnarvon Hibiscus Pty Ltd ("CHPL").

Sea Lion is an exciting prospect on a proven oil-producing trend, and represents one of the last undrilled 4-way dip closures at the prolific 'Top Latrobe' level in the Gippsland Basin. The combination of prominent mapped depth structure and the likely presence of thick high quality reservoir sands overlain by the regional seal makes Sea Lion uniquely prospective in VIC/P57.



*The West Telesto jack-up drilling rig*

An independent report has assessed the Sea Lion most likely (P50) Prospective Resource at 11.0MMbbl of oil (combined probabilistic estimate for the three main target levels).

TDO's interest in the well will be carried to the extent of US\$7.5 million as a result of recently completed transactions with CHPL.

The drilling contracts comprise a Rig Sharing Agreement and an Assignment Agreement which provide for Seadrill's West Telesto jack-up rig to drill Sea Lion-1, currently scheduled for second quarter 2015. Origin Energy will utilize the West Telesto on its arrival in Australia, following which CHPL will take assignment of the rig for the VIC/P57 project. The Rig Sharing Agreement provides for Origin and CHPL to share certain common costs of the West Telesto's drilling programme including mobilisation and de-mobilisation.

TDO Managing Director Noel Newell commented *"Sea Lion is an excellent prospect where success could create tremendous value for TDO shareholders. Our recent deal with CHPL has reduced our cash exposure to the drilling costs while retaining a significant interest. TDO is very pleased to have secured the West Telesto and also to have completed a cost sharing arrangement with Origin."*

#### **Competent Person's Statement**

Any Petroleum Reserves, Contingent Resources and Prospective Resources information on the oil and gas in this release are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of, 3D Oil's Senior Geophysicist Dr. Chris Pike. He is a Geophysicist [Ph.D. Geophysics] with more than 25 years practising in Petroleum Geophysics. Dr. Pike 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 has consented in writing to the inclusion of the information in the form and context in which it appears.

For further information please contact:

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