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3D Oil Limited

QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 31 MARCH 2012

Overview

- In Bass Basin T/41P, mapping and interpretation of the Dalrymple 3D seismic survey is substantially complete and final risking and assessment of potential hydrocarbon volumes is underway.
- In Gippsland Basin VIC/P57, interpretation of the reprocessed data set continued, and revised hydrocarbon volume range estimates for Sea Lion were commenced.
- Discussions with potential partners for VIC/P57 were continued, especially since the exclusivity agreement with OEC expired on 17 February 2012.

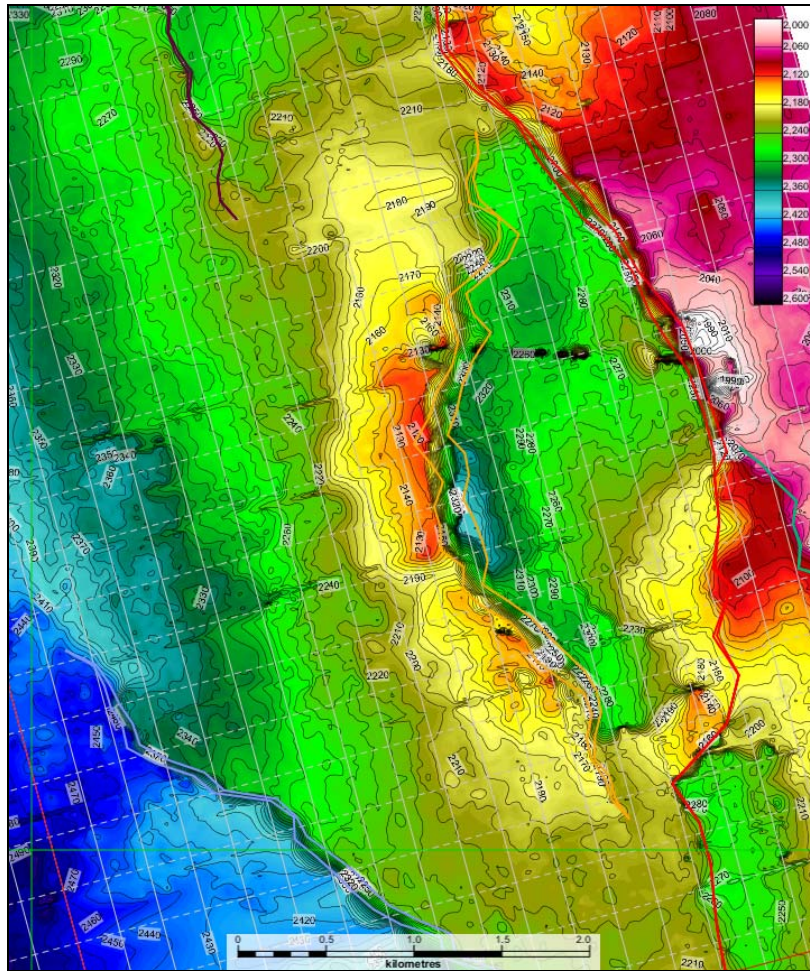


Location of 3D Oil exploration permits

T/41P, Bass Basin, offshore Tasmania

During the March quarter mapping and structural interpretation of the Dalrymple 3D seismic survey was substantially completed. Coupled with the geoscience work focusing on source, migration and reservoir, a clearer indication of the prospectivity of the previously-identified leads in this area has emerged. Final risking and assessment of the potential hydrocarbon volumes of these structures is currently underway, and will be completed within the next quarter.

Preliminary discussions were held with the new federal titles administration (NOPTA) with regard to the upcoming renewal decision for the permit, which is due in mid-June 2012. With the interpretation nearing completion 3D Oil is seeking interested farmin partners.

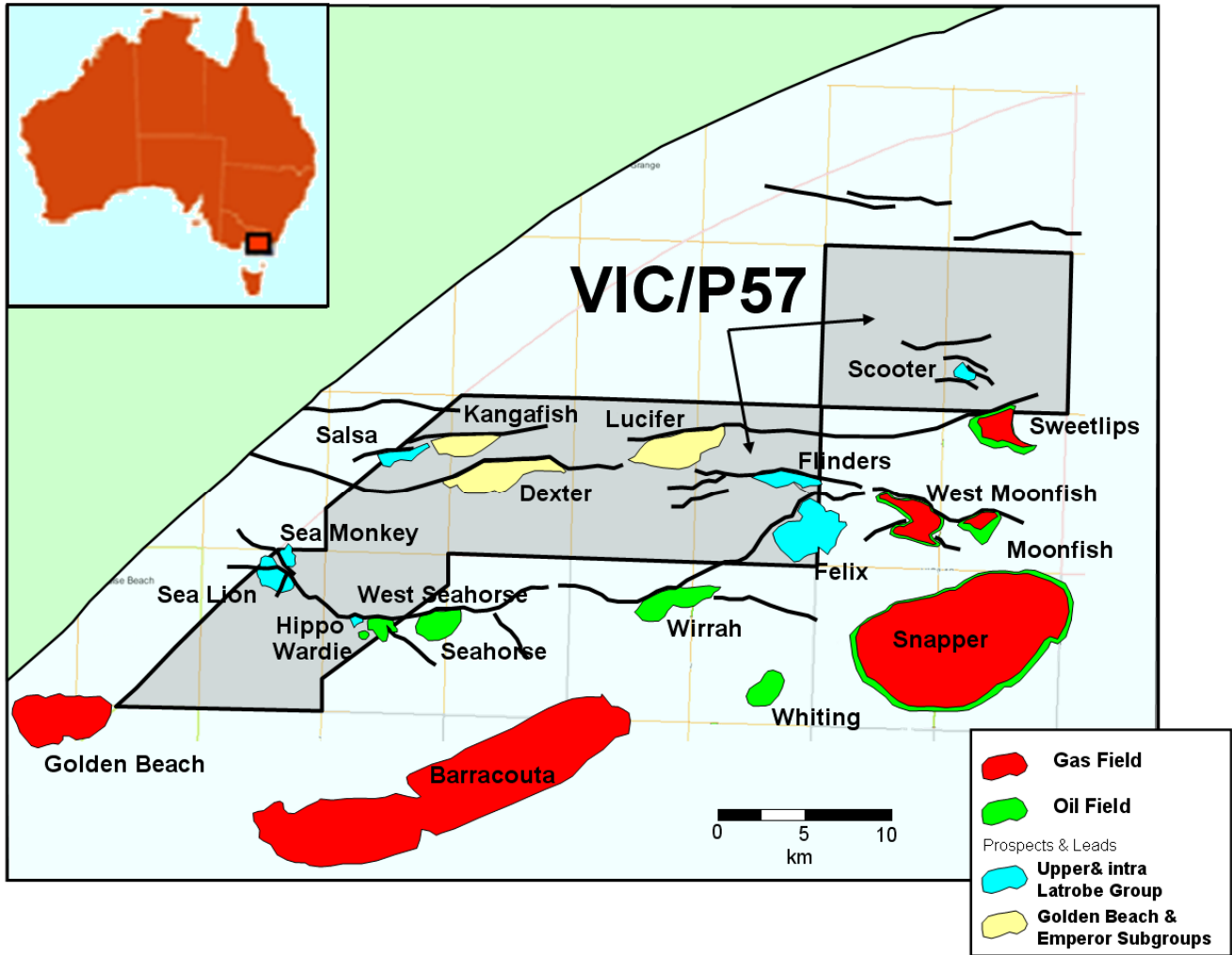


Depth Map Paleocene, Dalrymple Prospect

VIC/P57, Gippsland Basin, offshore Victoria

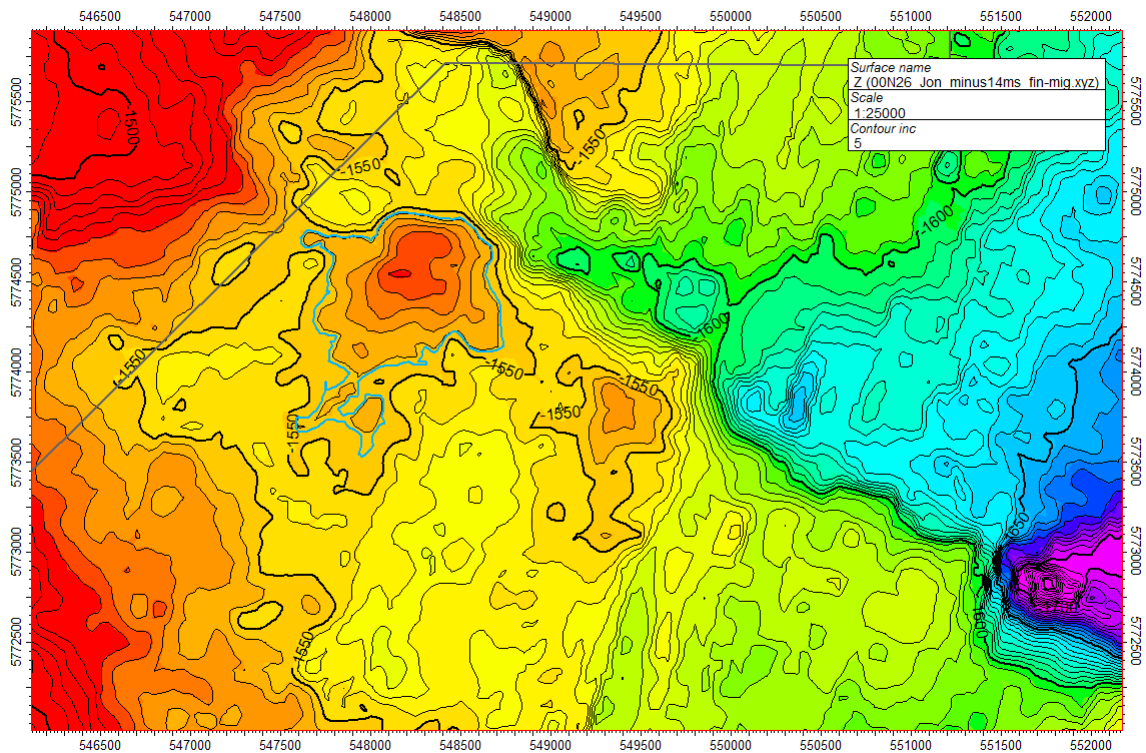
Interpretation of the reprocessed data set continued during the quarter, primarily focused on revised structural mapping and amplitude analysis of the middle and deeper levels of the Sea Lion and Felix prospects. The data is providing greater confidence in mapping and depth conversion and also deeper imaging.

A more-detailed update of the risking and potential range of hydrocarbon volumes for the Sea Lion prospect was commenced, incorporating both deterministic and probabilistic methods of estimation. The new data set has reduced risks associated with the prospect and also highlighted a deeper potential.

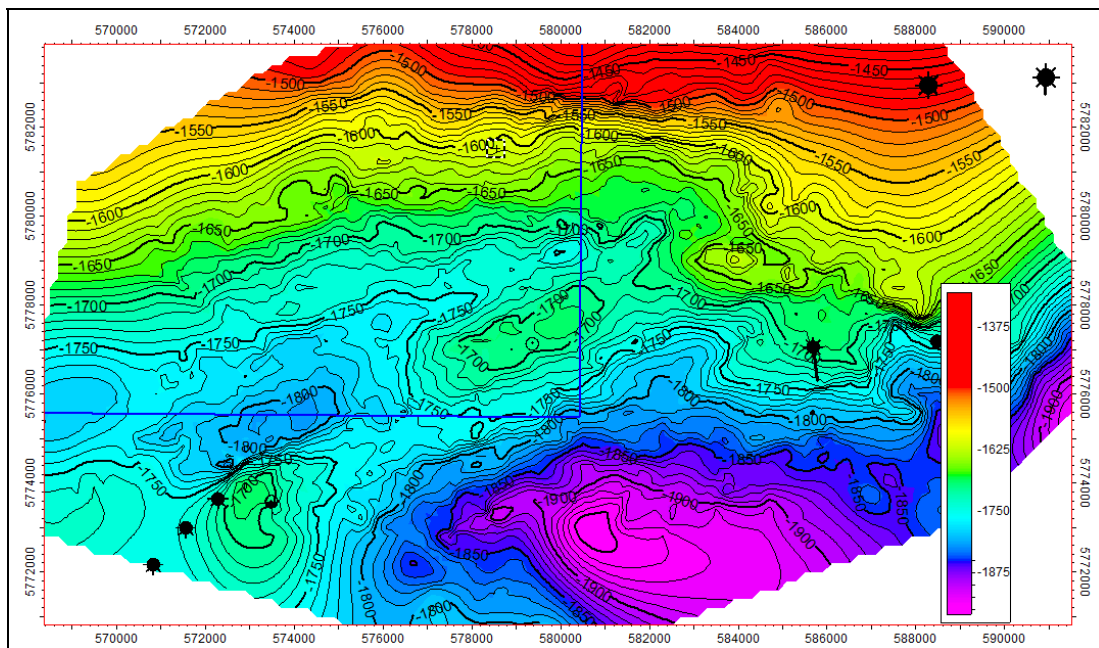


The recently-renewed VIC/P57 exploration permit showing prospects and leads.

Mapping over the Felix Prospect also continued with the new data set providing significant improved imaging at depth. This is highlighted in the map below of an horizon not previously mappable with the old data set. In the coming weeks 3D Oil will continue to review the data over the prospect to mature and derisk to provide a drilling candidate.



Latest mapping over the Sea Lion Prospect, N2.6 horizon RMS depth conversion



Preliminary mapping of the Felix Prospect, F.longus horizon TWT

Activities and discussions in pursuit of a suitable partner to join with 3D Oil in the exploration and development of VIC/P57 continued during the quarter. With the expiry of the exclusivity period with Oracle Energy on 17 February 2012, meetings and discussions have since resumed with additional interested parties.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

3D OIL LIMITED

ABN

40 105 597 279

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (9 months) \$A
1.1 Receipts from product sales and related debtors	-	11,243
1.2 Payments for		
(a) exploration and evaluation (net of refunds)	(193,067)	(614,385)
(b) development	-	-
(c) production	-	-
(d) administration	(400,566)	(1,123,588)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	21,641	98,751
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 GST Refund	-	-
1.8 Refund of exploration deposit	-	-
Net Operating Cash Flows	(571,992)	(1,627,979)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects/farmins	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(37,567)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	(37,567)
1.13 Total operating and investing cash flows (carried forward)	(571,992)	(1,665,546)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(571,992)	(1,665,546)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Capital raising costs	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(571,992)	(1,665,546)
1.20	Cash at beginning of quarter/year to date	2,759,259	3,857,995
1.21	Exchange rate adjustments to item 1.20	-	(5,182)
1.22	Cash at end of quarter	2,187,267	2,187,267

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	83,115
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director's fees and salaries paid to directors during the March 2012 quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	340
4.2 Development	-
4.3 Production	-
4.4 Administration	385
Total	725

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	206	349
5.2 Deposits at call	1,934	2,363
5.3 Bank overdraft	-	-
5.4 Other – Bank Guarantee	47	47
Total: Cash at end of quarter (item 1.22)	2,187	2,759

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	206,560,000	206,560,000	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Released from ASX restriction	- - -	- - -	- - -	- - -
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7 Options <i>(description and conversion factor)</i>	400,000 189,000 615,000 200,000 697,177	- - - - -	<i>Exercise price</i> \$0.75 \$0.25 \$0.40 \$0.40 \$0.18	<i>Expiry date</i> 31 March 2013 30 June 2014 30 November 2014 31 January 2015 17 October 2015
7.8 Issued during quarter	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -
7.9 Exercised during quarter	-	-	-	-
7.10 Expired/lapsed during quarter	-	-	<i>Exercise price</i>	<i>Expiry date</i> -
317.1 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 30 April 2012

Company Secretary

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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