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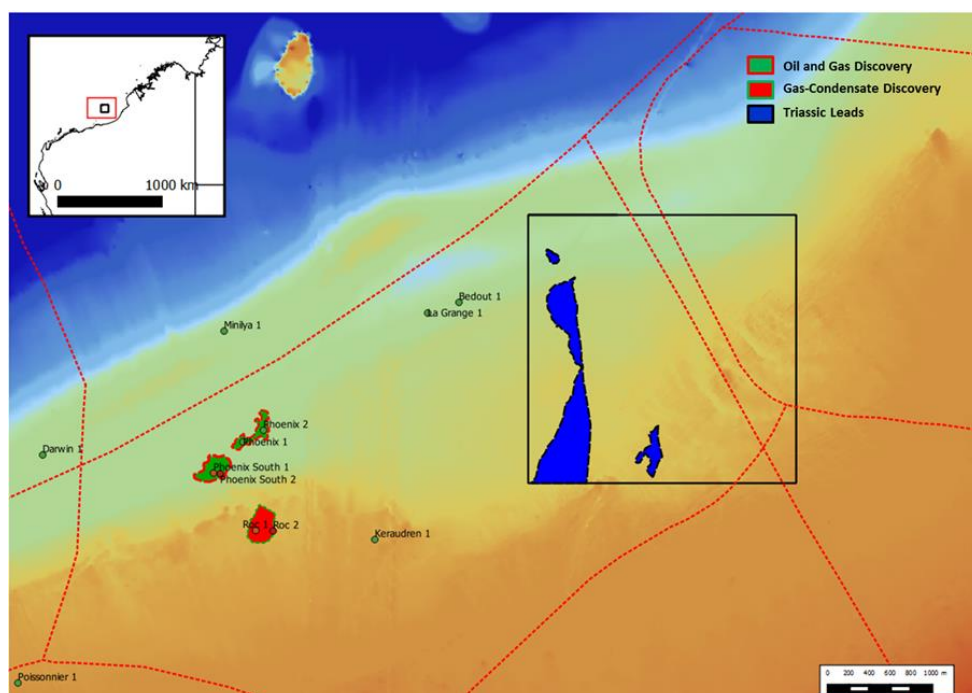
ASX Release

29 March 2017

3D Oil Awarded Permit Adjacent to Recent North West Shelf Discoveries

HIGHLIGHTS

- 3D Oil awarded WA-527-P at a 100% interest
- Large 6,590 km² area Block with relatively shallow average water depths of 120m
- Under Explored Permit with modest minimum guaranteed work programme
- Multiple leads identified by TDO
- The permit is adjacent Quadrant Energy JV's recent oil discoveries
- The permit could have access to the recently proven oil and liquids rich gas petroleum system



Location Map – WA-257-P

3D Oil Limited (ASX: **TDO**) is pleased to advise it has been awarded a new exploration permit, WA-527-P in the Roebuck Basin of Western Australia, bid on in the December 2016 Australian Offshore Gazettal round.

W-16-8 covers an area of 6,590 km² with average water depths of 120m (65-168m). The permit is lightly explored covered by a broad grid of 2D seismic data of varying vintages and has no exploration wells.

The Minimum Guaranteed Work Program is set out below. It is the intention of TDO to seek a farm-in partner to the permit.

WA-527-P is located to the east of a series of recent oil and gas discoveries uncovering a new petroleum province. These discoveries were made as result of the 2014-2016 exploration campaign led by the Quadrant joint venture. These discoveries indicated the Roebuck Basin is a significant petroleum province opening up the potential for success in nearby areas.

The exploration campaign began with the drilling of Phoenix South-1 in 2014, which discovered a series of discrete light oil zones within sands of the Lower Keraudren Formation. This was followed by the drilling of Roc-1 and Roc-2 during 2015-2016 which resulted in the discovery of gas-condensate within the stratigraphically lower Caley Sandstone. There is a significant liquids component to the hydrocarbons with a Condensate Gas Ratio of 20-40 bbls/MMscf. The reservoir has proven excellent with sustained flow testing from Roc-2 resulted in up to 11,500 Barrels of Oil Equivalent per day.

Phoenix South-2 drilled adjacent to Phoenix South-1 at the end of 2016, also resulted in a gas-condensate discovery within the Caley Sandstone. The well encountered a 39m hydrocarbon zone, however, was unable to test an additional 185m of potential hydrocarbon bearing reservoir due to elevated pressures. These elevated pressures are thought to indicate the presence of yet more hydrocarbons. Carnarvon Petroleum, in the Quadrant JV, yesterday quoted recoverable resources of 143 BOE (P mean) for the Caley Sandstone and 16.7 MMbbl for the Barret Sandstone.

The Joint venture clearly considers the area to have remaining potential as they have planned the drilling of the Dorado-1 well later this year located up dip of the Roc structure. The results of this well could have implications for WA-527-P prospectivity as 3D Oil's view is that the target could be within a similar geological setting of the identified leads.

The evaluation of WA-527-P undertaken by TDO included a review of the existing seismic data, licenced Spec Data and a full petroleum systems analysis. The petroleum system uncovered by the recent discoveries is interpreted to be active nearby and partly within to WA-527-P.

The Minimum Guaranteed Work Programme consists of studies in Years 1 and 2, and the acquisition of 510 km² of 3D seismic in Year 3.

Work Programme and indicative expenditure

Year of Term of Permit	Permit year Starts	Permit year Ends	Minimum Work Requirements	Estimated Expenditure (Constant dollars indicative only)
1-3			Geophysical and Geological Studies, including seismic interpretation, seal and reservoir studies, basin modelling and planning for 3D seismic acquisition	800,000
			Acquire and Process 510 km ² of 3D Seismic Data	3,060,000
4			Geophysical and Geological Studies and well planning	300,000
5			One (1) Exploration Well	30,000,000
6			Geophysical and Geological Studies including post well studies	500,000

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