



**3D Oil Limited**

Level 5, 164 Flinders Lane  
Melbourne VIC 3000  
Tel: +61 3 9650 9866  
Fax: +61 3 9639 1960  
[www.3doil.com.au](http://www.3doil.com.au)

# 3D Oil Limited

## QUARTERLY ACTIVITIES REPORT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2009

### HIGHLIGHTS

- **The Felix Prospect emerges with significant upside of potential over 100 MMbbl of recoverable oil**
- **3D Oil announced implementation of an Accelerated Growth Strategy to formalise the process of attracting a joint venture partner**
- **3D Oil in conjunction with WorleyParsons updated all costing on the company's two preferred West Seahorse development options**

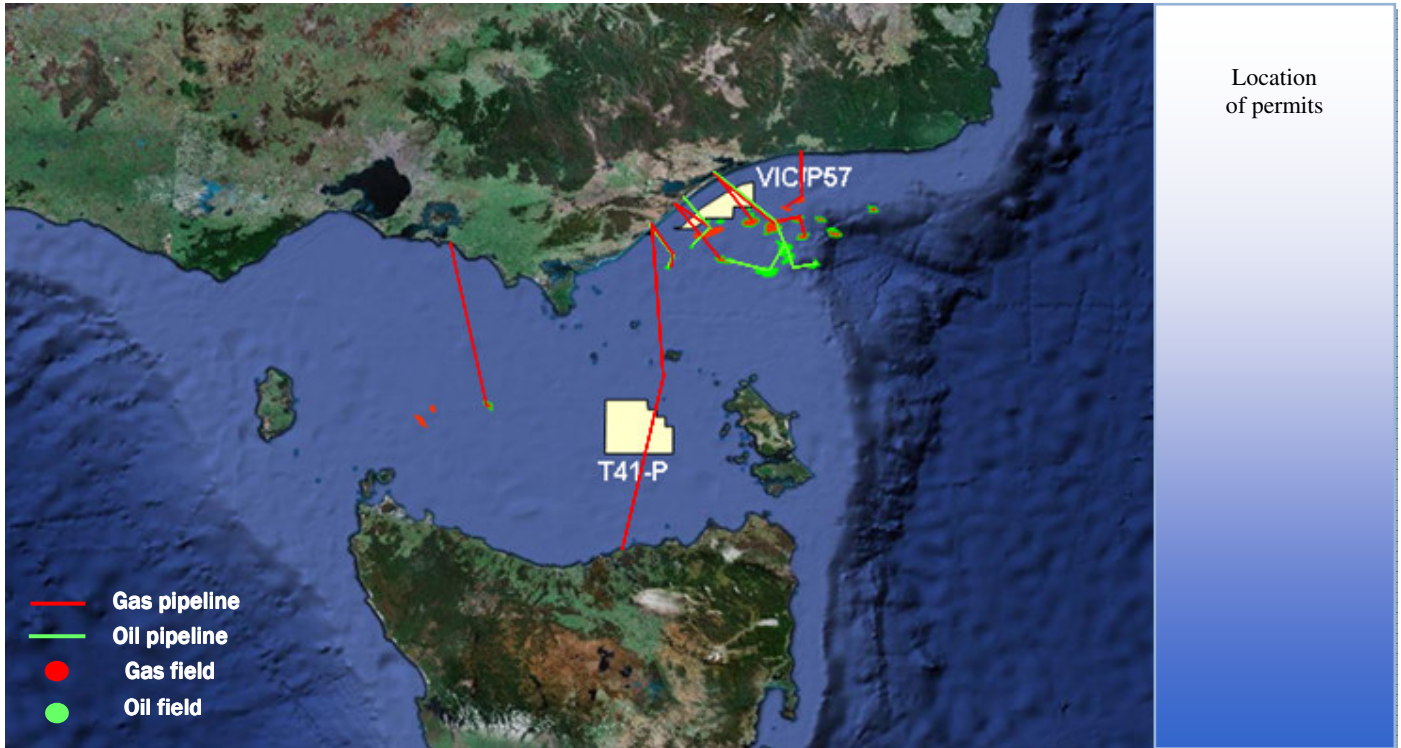
### Overview

During the September quarter 3D Oil Limited initiated the implementation of an accelerated growth strategy focused on its core Gippsland and Bass basin interests, to maximise shareholder value and leverage off its planned exploration and development program through the 2009 to 2011 period.

To optimise the exploitation of the company's assets, particularly the West Seahorse Oil Field, 3D Oil has initiated a formal process to attract a joint venture partner and this will be a key step to underpin the Accelerated Growth Strategy. The company has appointed Core Energy Group, to assist with this process.

## Operational Review

3D Oil Limited is the operator and 100% equity holder of two permits in Bass Strait, Vic/P57 in the Gippsland basin, Victoria and T41-P in the Bass basin, Tasmania.

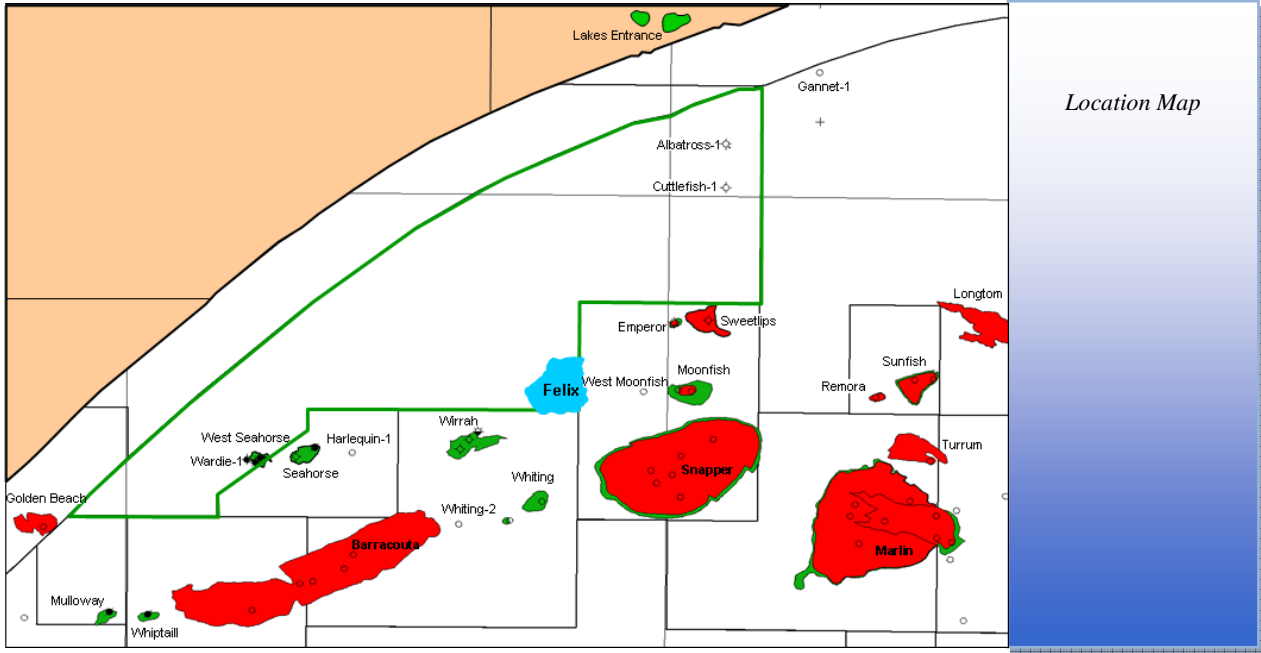


### ***Vic/P57, Gippsland Basin offshore Victoria***

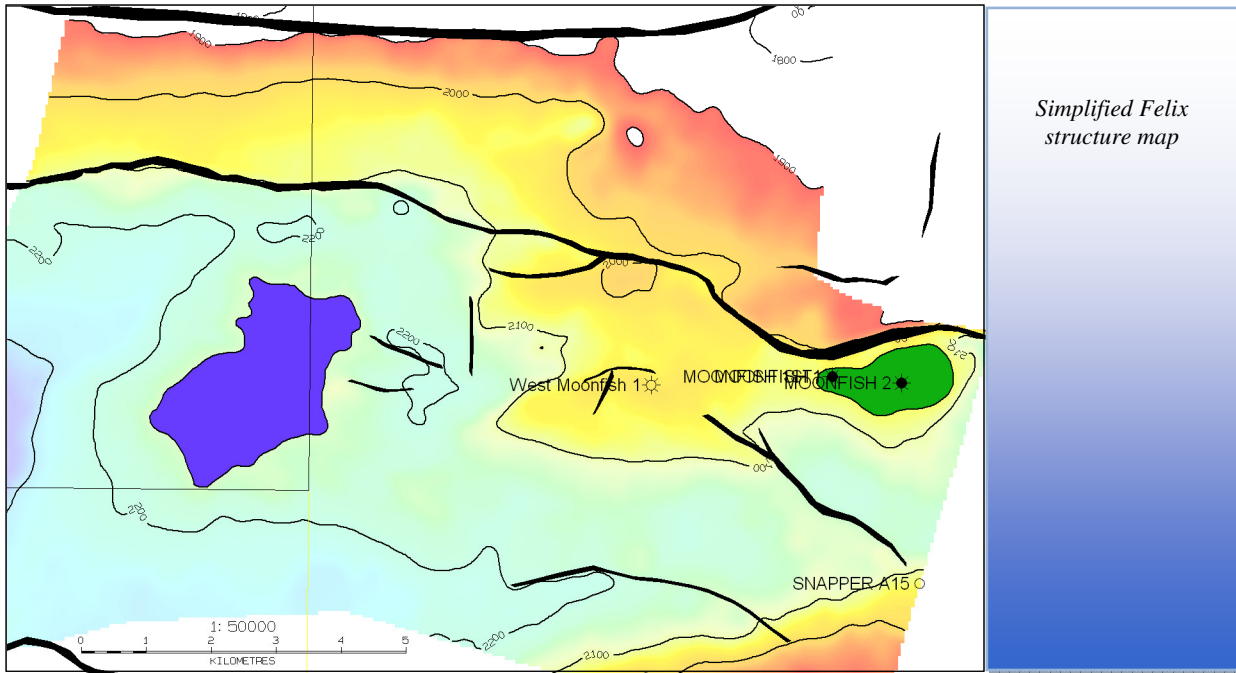
During the September quarter the company focused on the completion of mapping and geological model of the Felix Prospect. This work indicated the prospect had the potential to contain over 100 MMbbl of recoverable oil. The prospect is located within an established oil production fairway on trend with, and approximately 7 km to the west of the producing Moonfish Oil Field.

The Felix prospect is anticipated to contain the same productive horizons currently being exploited in the nearby Moonfish Field. The same zones are oil-bearing in the Wirrah discovery on-trend with both Felix and Moonfish. The recent mapping has also identified secondary targets below the primary objective with the potential to contain an additional 60 MMbbls of oil resource equivalent. Deeper potential has not been identified previously in this immediate area but has been proven to be prospective at the nearby Longtom and Kipper fields.

The combination of location and 3d seismic definition of the prospect provide a low to medium risk exploration target and as such is mature for drilling.



*Location Map*



*Simplified Felix structure map*

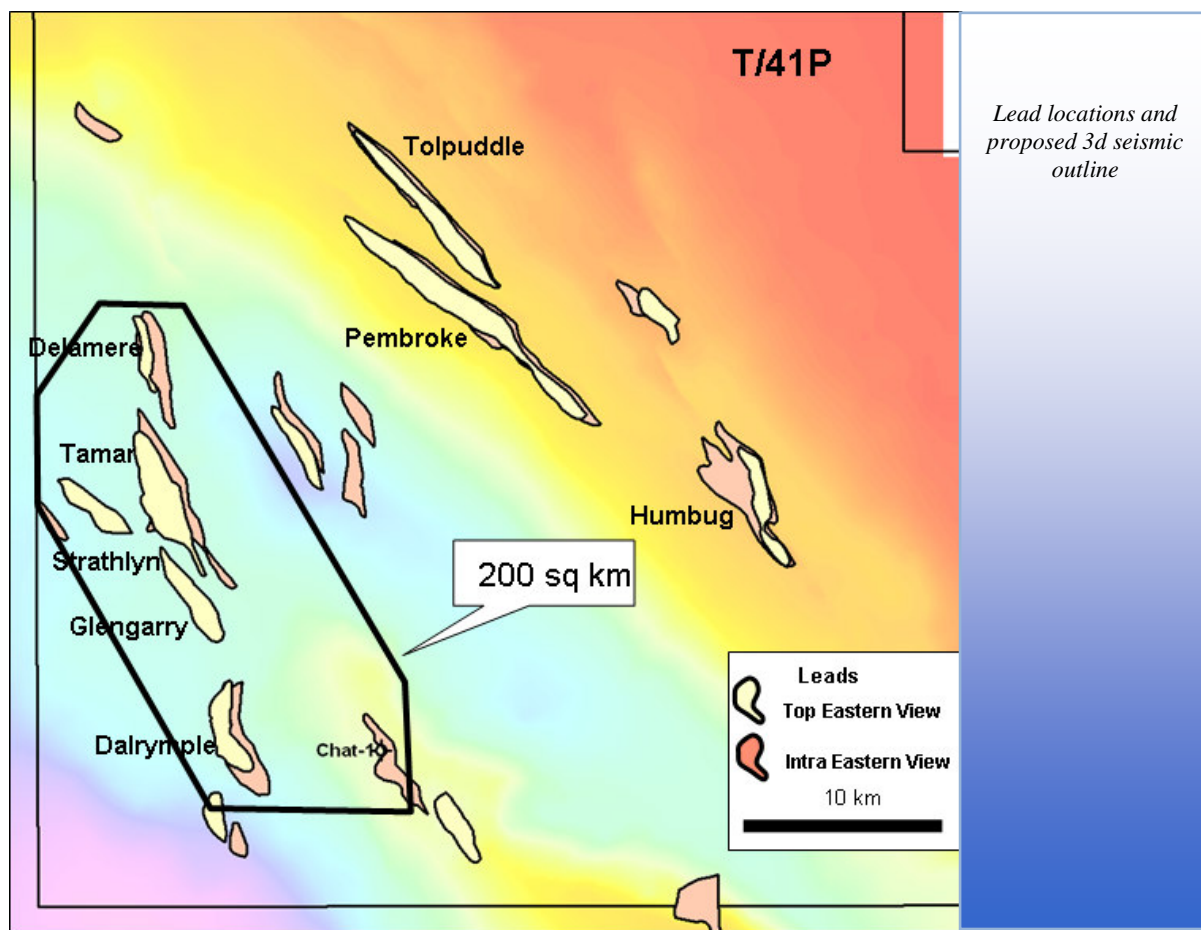
3D Oil also undertook a detailed update, in conjunction with WorleyParsons, of all costings associated with the two development models for the West Seahorse Field. These two options are a stand alone using a Mobile Offshore Production Unit (MOPU) with oil exported to shore and a Sub-sea tie-back to third party facilities. New economic simulations were performed with the capital costs which provided very strong NPV outcomes at current oil prices.

### ***T41/P, Bass Basin offshore Tasmania***

A 3D seismic survey is planned for early in 2010, focusing on the SW of the permit area where the best prospectivity occurs. 3D Oil intends to drill a well in the 2010 - 2011 period, based on the outcome of the seismic interpretation.

The current prospect and lead inventory consists of fifteen leads with the potential to contain over 800 MMbbl of recoverable oil, on an unrisksed basis. The largest individual leads have the potential to contain over 100 MMbbl of recoverable oil.

A drilling campaign in the Bass Basin is underway with the drilling of Rockhopper and an appraisal well on the Trefoil discovery. 3D Oil is well positioned with 100% of a highly prospective permit and is actively investigating farmout opportunities.



Noel Newell  
Managing Director  
3D Oil Limited  
T 03 650 9866

Media inquiries  
Ian Howarth  
Collins Street Media  
T 03 9223 2465

# Appendix 5B

## Mining exploration entity quarterly report

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

Name of entity

3D OIL LIMITED

ABN

40 105 597 279

Quarter ended ("current quarter")

30 SEPTEMBER 2009

### Consolidated statement of cash flows

	Current quarter \$A	Year to date (3 months) \$A
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	3,089	3,089
1.2 Payments for		
(a) exploration and evaluation (net of refunds)	(621,965)	(621,965)
(b) development	-	-
(c) production	-	-
(d) administration <sup>(1)</sup>	(720,823)	(720,823)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	119,390	119,390
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 GST Refund	166,944	166,944
1.8 Refund of exploration deposits	-	-
<b>Net Operating Cash Flows</b>	<b>(1,053,365)</b>	<b>(1,053,365)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects/farmins	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
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)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,053,365)</b>	<b>(1,053,365)</b>

**Notes**

<sup>(1)</sup> Includes costs for the defense and rejection of a hostile script only take over bid.

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,053,365)	(1,053,365)
	<b>Cash flows related to financing activities</b>		
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	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(1,053,365)	(1,053,365)
1.20	Cash at beginning of quarter/year to date	8,469,223	8,469,223
1.21	Exchange rate adjustments to item 1.20	(15,057)	(15,057)
1.22	<b>Cash at end of quarter</b>	7,400,801	7,400,801

**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	81,696
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, salaries and fees paid to related entities during the September 2009 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	150
4.2 Development	-
<b>Total</b>	<b>150</b>

**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	286	247
5.2 Deposits at call	7,114	8,222
5.3 Bank overdraft	-	-
5.4 Other – Bank Guarantee	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>7,400</b>	<b>8,469</b>

**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 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	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	- - -	- - 36,661,450	- - -	- - -
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	10,100,000 6,330,00 400,000 189,000	- - - -	<i>Exercise price</i> \$0.50 \$0.60 \$0.75 \$0.25	<i>Expiry date</i> 31 January 2011 31 January 2011 31 March 2013 30 June 2014
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired/lapsed during quarter				
317.1 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <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: 29 October 2009

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.

== == == == ==