

INVESTOR GUIDE

PLUS: MARKET INSIGHTS | 20+ COMPANIES TO WATCH

NOVEMBER 2022

ENERGY SHIFT

POWER TO THE PEOPLE

The new global energy mix keeping the economy humming



The leading ESG reporting software for micro to small caps

Helping over 70 ASX companies with fast, affordable and trusted ESG software.

Access capital | Manage Reputation | Compliance & Risk

socialsuitehq.com

 **SOCIALSUITE**



NOEL NEWELL
MANAGING DIRECTOR

3D OIL (ASX:TDO)

- **Company Name:** 3D Oil
- **Company ASX code:** TDO
- **Key areas:** Natural gas
- **Key Personnel:** Noel Newell, Managing Director | Dr Daniel Thompson, Chief Geoscientist
- **Locations:** Australia
- **Market Cap as of 15/10/22:** \$15.38M
- **52 Week share price as of 15/10/22:** \$0.042 - \$0.073
- **Company Website:** www.3doil.com.au

COMPANY PROFILE

The Australian Energy Market Operator has flagged the possibility of gas shortfalls during extreme weather conditions from winter 2023 – a significant concern given it expects natural gas to remain an important part of the Australian energy mix until at least 2040.

As such, finding and developing new sources of gas has taken on greater urgency – especially after years of underinvestment.

3D Oil is exquisitely positioned to meet this expected demand, with a sizeable package of tenements located in the offshore Otway Basin which have

the potential to address these concerns. Highlighting just how prospective its assets are, the company has managed to attract the attention of ConocoPhillips – the world's fifth-largest oil and gas company by market capitalisation.

The resulting farm-in agreements, which carry with them funding commitments totalling US\$65 million (A\$103.5 million), are arguably some of the best of their type seen in the sector for almost two decades – testament to the ability of the company's management to negotiate deals.

Under the agreement for VIC/P79 offshore Victoria, which was awarded to 3D Oil in February, the supermajor paid the company US\$3 million in cash and committed to pay US\$35 million for an exploration well in return for an 80% interest.

It follows the June 2020 farm-out of 80% in T/49P – just across the border into Tasmanian waters – to ConocoPhillips for \$5 million in cash, the acquisition of at least 1580km² of 3D seismic, and the option to pay for up to US\$30 million of costs for an exploration well.

Over at VIC/P79, 3D Oil has already identified the Vanguard prospect, with a best estimate prospective resource of 160 billion cubic feet of gas, as a potential drill target.

Vanguard has associated seismic amplitude anomalies which are comparable to anomalies encountered in fields drilled in the Otway basin that have achieved a 100% success rate over almost two decades, while additional amplitude supported features are a clear sign that there's more to find in the permit.

Likewise, the company noted that while it is still too early to map prospects on the data from the Sequoia 3D seismic survey completed in

November last year, all signs are very encouraging.

Other permits in the portfolio include VIC/P74 in the Gippsland Basin and WA-527-P, which is adjacent to the third-party Pavo oil discovery in the Bedout Sub-Basin offshore Western Australia.

Looking before gas exploration, 3D Oil has also secured a gas storage exploration licence in South Australia's Otway Basin, which contains the depleted and abandoned Caroline gas reservoir close to existing infrastructure.

This depleted reservoir will be assessed for storage of hydrogen, natural gas or carbon dioxide and is part of the company's emerging broader energy strategy.



KEY INVESTMENT HIGHLIGHTS

- 3D Oil is focused on finding and developing a major gas resource in the offshore Otway Basin to ease the expected gas shortage on the east coast.
- Giant energy company ConocoPhillips has committed to free carrying the company for the drilling of two offshore wells.
- Farm-out being sought for offshore WA permit while work is underway on energy transition strategies.