



OIL BASINS LIMITED

ABN 56 006 024 764

8 January 2015

ASX Markets Announcements
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
Sydney NSW 2000

Dear Sirs

OBL ATTAINS 2% ROYALTY OVER OFFSHORE PERMIT VIC/P47 (JUDITH & MOBY GASFIELDS)

The Directors of Oil Basins Limited (**OBL**, ASX code **OBL**) are pleased to make the following announcement to keep the market fully informed.

Further to our the ASX Release dated 3 December 2014, yesterday OBL received formal approval and registration from the National Offshore Petroleum Titles Administrator (**NOPTA**) consenting to OBL's wholly owned subsidiary Oil Basins Royalties Pty Limited attaining a 2.0% over-riding royalty interest (**ORRI**) on all hydrocarbons produced within the three graticular blocks comprising offshore Gippsland Basin Permit Vic/P47 and in particular the undeveloped Judith and Moby Gasfields.

The Vic/P47 Joint Venture stakeholders are now:

Oil Basins Limited (ASX code OBL)	50% and Operator
Shelf Oil Pty Ltd (a wholly owned subsidiary of OBL)	50%
Oil Basins Royalties Pty Ltd (a wholly owned subsidiary of OBL)	2.0% ORRI

Since acquiring the entire Vic/P41 permit interest in early November 2014, OBL as the new permit operator has achieved the following:

- As previously announced on 15 December 2014, OBL successfully obtained a Variation and Extension from NOPTA whereby the previous mandatory Vic/P47 Year 5 Work Program which included the drilling of a minimum A\$35 million exploration well by 15 November 2015 has now been successfully replaced by with a more modest \$581,000 of new and highly focused modern geophysical and geological (**G&G**) studies specifically designed to enhance the overall gas prospectivity of the permit.
- A NOPTA ruling that if Vic/P47 is renewed, NOPTA will require a replacement mandatory well during the primary term (ie effectively the well deferred by up to 3 years, being now prior to 15 November 2018).
- A 2% ORRI in Permit Vic/P47 (as announced today).

- 3D-GEO Pty Ltd to commence the reprocessing and interpreting of 187 sqkm of vintage ExxonMobil Northern Area 3D and Moby 3D Seismic Survey data with the new geotechnical studies including QI / AVO, fault seal analysis and well planning.
- A payment arrangement with 3D-GEO whereby circa 50% of the costs will be deferred until OBL successfully farmouts/divests a portion of Vic/P47 (under the proposed transaction promote whereby Shelf Oil Pty Ltd will likely be divested).
- Advancing discussions with qualified parties to divest Shelf Oil to interested parties for a conventional payment and promote.

Yours faithfully



Neil Doyle SPE
Director & CEO

About Oil Basins Limited (OBL)

Oil Basins Limited (ASX code: **OBL**) is involved in exploration and development of oil and gas in the offshore Gippsland Basin, Victoria, the onshore Canning Basin of Western Australia and the offshore Carnarvon Basin, Western Australia.

During the past calendar year the focus has been on increasing Company's leverage by:

- Operating Derby Block (EP 487) and completing field work and lodging the new Environmental Plan in November 2014 prior to successfully obtaining a 9 month suspension extension of the work program.
- Seeking to maximise exposure to Wet Laurel Basin Centred Gas (BCG)
- Seeking to maximise exposure to East Coast Gas Market

Presently, the Company's exploration and investment portfolio includes:

- Offshore Carnarvon Basin (100% & Operator + 2% ORRI) – undeveloped Cyrano Oil Field
- Canning Basin (100% & Operator) Backreef Area Deep Tight Oil / Deep USO
- Canning Basin (50%** & Operator) EP 487 Derby Block USG Domgas & future LNG Export
- Offshore Gippsland Basin (100% & Operator) Vic/P47 (two undeveloped gas fields – Judith and Moby Location) and OBL Group 35.395% Vic/P41

** seeking to increase to 100% as a result of an application to the WA State Administrative Tribunal

About 3D-GEO Pty Ltd

3D-GEO Pty Ltd, an Australia based geoscience consultancy, has been supplying quality geotechnical evaluations to the Petroleum and Minerals sectors for over a decade. With a collaborative mixture of petroleum, minerals and geothermal industry experience, 3D-GEO provides innovative solutions to a broad range of clients across the Australasia region and the Middle East. 3D-GEO has demonstrated expertise in seismic processing/ interpretation, structural analysis, sequence stratigraphy, and basin modeling/geochemistry. Our global projects range from the extensional basins of Australia, SE Asia and South America to the complex foldbelts of Oman, Iran, New Zealand, Papua New Guinea and Pakistan. 3D-GEO has recently compiled a series of Speculative Reports and Databases covering key onshore basins of Australia, including the Gippsland Basin.