



OIL BASINS LIMITED

Future Energy & Finance Asia

Hong Kong 5-7 April 2017

South East Australia Energy Shortage

Gas Exploration Opportunity

OBL Right Time, Right Place

Strong Gas Market



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Key Points

- **Electricity shortfall occurring on East Coast of Australia**
- **Closure of Coal Fired Power Stations has reduced generating capacity**
- **Increased reliance on gas for baseload electricity generation**
- **East Coast domestic gas shortfall occurring due to demand driven by Queensland LNG plants**
- **Oil Basins Limited (OBL) has a strategic Oil and Gas Exploration Permit in Bass Strait**
- **Existing 3D seismic data is currently being reprocessed to identify targets within the permit**
- **OBL has commenced scoping study of the resource and market opportunities**



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The information in this document will be subject to completion, verification and amendment, and should not be relied upon as a complete and accurate representation of any matters that a potential investor should consider in evaluating Oil Basins Limited. Assumed in-the ground values of unrisks prospective potential resources assets as stated in text (ignoring finding and development costs). No assumption of either commercial success or development is either implied with their adoption by either the Company and its directors and representatives in the application of these indicative values to its assets.

Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations. Recipients should not infer that because "prospective resources" are referred to that oil and gas necessarily exist within the prospects and USG tenements. An equally valid outcome in relation to each of the Company's prospects is that no oil or gas will be discovered. Under PRMS Classification used in this study, it represents those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. Potential accumulations are evaluated according to their chance of discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analogue developments in the earlier phases of exploration

Information on the Reserves and Resources on the Company's operated assets in this release are based on an independent evaluations conducted by 3D-Geo Pty Ltd (3D-Geo). 3D-Geo is a independent geoscience consultancy specialising in petroleum. The technical work was undertaken by a team of geoscientists and petrophysicists and is based on open-file seismic and well data and data supplied by OBL. The technical assessment was performed primarily by, or under the supervision of Dr Jeff Keetley, Director 3D-Geo. Dr Keetley holds the qualification BSc (Petroleum Geoscience) & PhD from Melbourne University, has over 16 years of experience as a geophysicist and is a Member of Society of Exploration Geophysicists (SEG) and the American Association of Petroleum Geologists. 3D-Geo's approach has been to review the data supplied by OBL for reasonableness and then independently estimate ranges of in-place and recoverable volumes using Petrel™. 3D-Geo have estimated the degree of uncertainty inherent in the measurements and interpretation of the data and have calculated a range of recoverable volumes, based on predicted field performance for the property. The modelling and Monte Carlo risk assessment of prospective potential resources has been completed using Petrel™, Trinity 3D and Lithotect software with resources assessed using PRMS. 3D-Geo and Dr Keetley have given their consent at the date of the release to the inclusion of this statement and the information in the form and context in which they appear in the OBL Presentation. The Retention Lease R3/R1 reserves statement was released to the ASX on 18 May 2015.

The technical information quoted has been compiled and / or assessed by Mr Geoff Geary who is a professional geologist (Bachelor Science – Geology) with over 34 years standing and who is a Member of Petroleum Exploration Society of Australia. Mr Geary has consented to the inclusion in this announcement of the matters based on the information in the form and context in which they originally appear – investors should at all times refer to appropriate ASX Releases. Other data presented on Gippsland Permits Vic/P47 relies on the former operator ASX Releases and disclosures.

Investment in Oil Basins Limited is regarded as speculative and this presentation includes certain forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward looking statements. These factors include, among other things, commercial and other risks associated with estimation of potential hydrocarbon resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.

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Company Directors and Management



Carl Dumbrell
Director & Secretary



Justyn Peters
Director



Vaz Hovanessian,
Director

Geoff Geary
Consultant

Phil McNamara
Consultant



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Corporate Overview

Shares on issue: 277 Million
Market Capitalisation: \$1.1M

Top 20 Shareholders: 63%
Management: 17%

Cash as at 31 December 2016: \$333K

Share Registry: Automic

Principle place of Business: Level 10, 65 York St, Sydney NSW

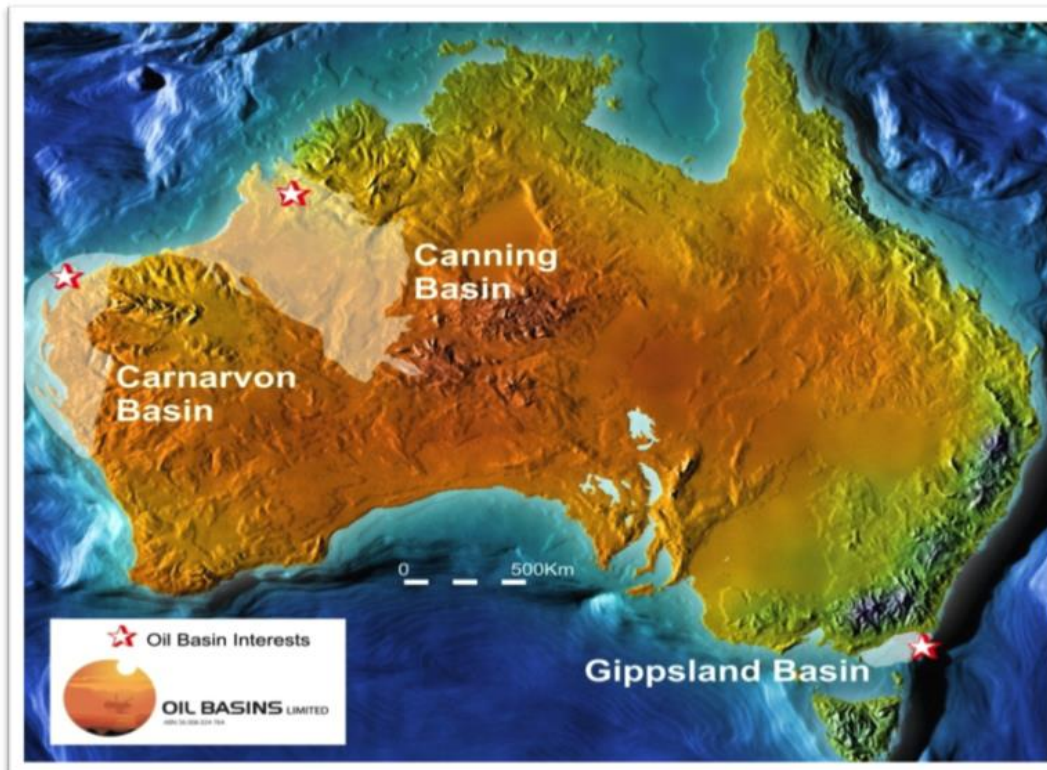
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Schedule of Tenements

Permit	Type	Location	Ownership
Vic/P47	Exploration Permit	Offshore Gippsland Basin	100%
Backreef	Exploration Permit	Onshore Canning Basin	100%
R1/R3	Retention Lease	Offshore Carnarvon Basin	100%





Australian Energy Shortage

- Structural change in the Australian energy market
 - Transition away from coal.
- Reduction of 3760 Mega Watts (MW) generating capacity due to closure of old coal fired power plants
 - **Hazelwood**, Victoria
 - 2000MW, Closed March 2017
 - **Playford B**, South Australia
 - 240 MW, Closed 2016
 - **Northern Power Station**, South Australia
 - 520MW, Closed 2016
 - **Wallerawang**, NSW
 - 1000MW, Closed 2014



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Australian Domestic Gas Shortfall

- A projected decline in gas production could result in a shortfall of gas-powered electricity generation (GPG) impacting New South Wales, Victoria and South Australia from the summer of 2018-19, according to information provided in the Australian Energy Market Operator's (AEMO) 2017 Gas Statement of Opportunities.
- An assessment from the AEMO is warning that, without a swift response, Australia could face a difficult choice — keeping the power on versus cutting gas supplies to residential and business customers.
- "If we do nothing, we're going to see shortfalls in gas, we're going to see shortfalls in electricity," AEMO chief operating officer Mike Cleary said.



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What has caused the Gas shortage

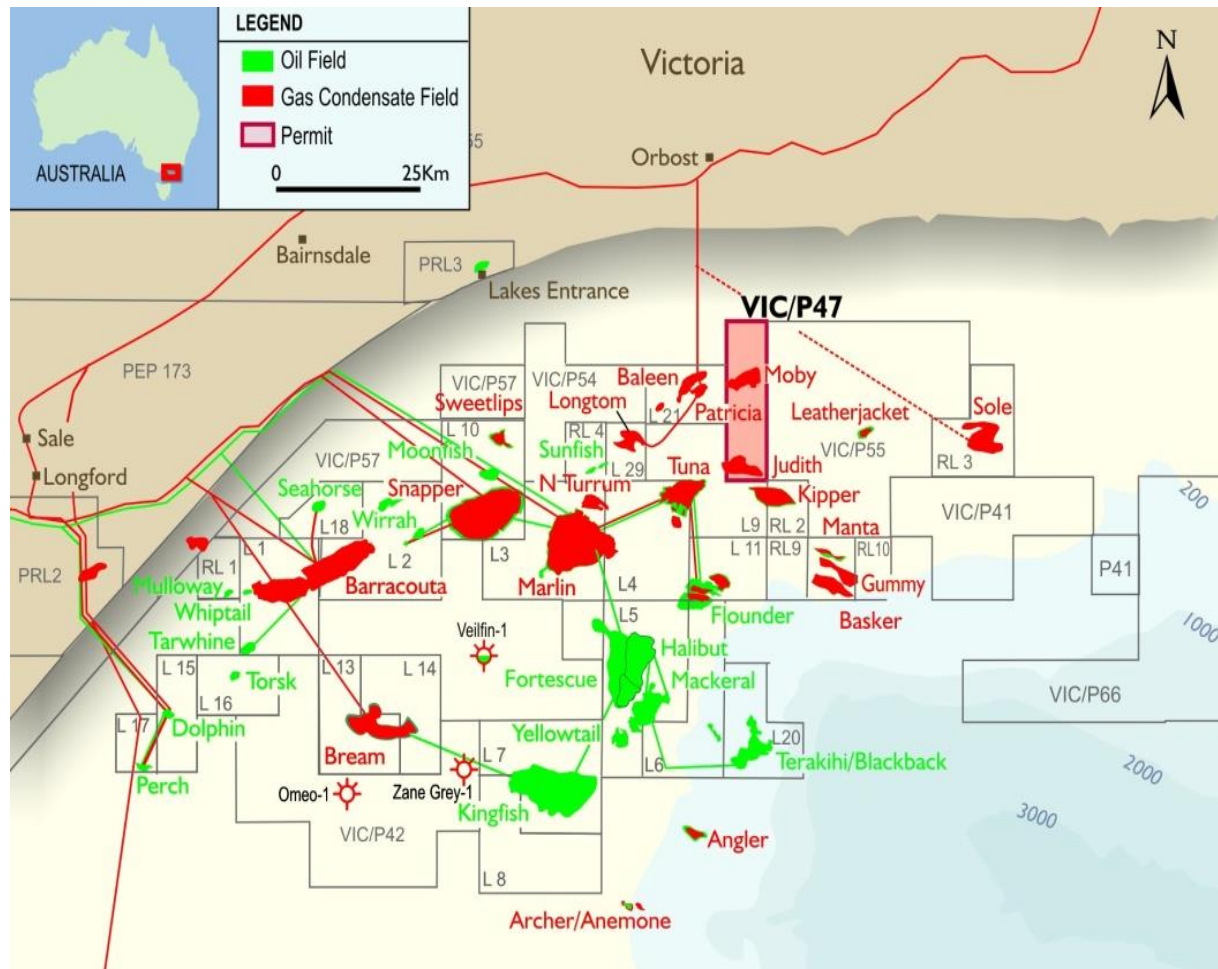
- Australia has become the worlds second largest exporter of Liquefied Natural Gas (LNG) after Qatar.
- Australian capacity continues to expand with new LNG capacity coming on line at Gladstone.
- Queensland Coal Seam Gas well production rates are struggling to meet expectations.
- Australian governments have failed to lock in domestic supply arrangements
- Major LNG producers have secured long term export agreements with markets in Asia



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OBL – Right time, right place Exploration Permit Vic/P47

- Vic/P47 - Significant gas exploration project in Bass Strait
- Offshore Gippsland Basin, South East Australia
- Australia's premier oil and gas province.
- Esso/BHP are developing a gas field adjacent to Vic/P47
- Onshore gas development in Victoria is hindered by State Government policy
- Very Strong Domestic gas demand in South East Australia
- Recent Exploration Permit transactions in the area





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Vic/P47 - Bass Strait, Victoria

- OBL holds 100% of Vic/P47
- OBL is Operator of the 202km² Permit
- Two-gas discovery wells have been drilled within the permit
 - Judith-1 was drilled by Shell in 1989
 - Moby-1 was drilled by Bass Strait Oil in 2004
- Judith is located some 2 km north of the Kipper Gas Field currently under development by Esso / BHP.
- Seismic images at Moby show a significant gas chimney.
 - This provides further evidence of major gas generation in the area



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Seismic Reprocessing Judith and Moby Gas Fields

- Separate 3D Seismic Surveys previously shot across Vic/P47
- OBL is combining and reprocessing this 3D Seismic Data using modern analysis techniques to:
 - Further define the Judith and Moby structures
 - Determine the extent of sandstone reservoirs
 - Better understand reservoir connectivity
 - Provide data for an improved estimate of the gas resources
- Gaffney Cline and Associates assessed Judith as a Gross Contingent Resource of 101.0 Bcf in 2013.
- Seismic reprocessing work will assess upside potential of reservoirs in the fault blocks adjacent to Judith.



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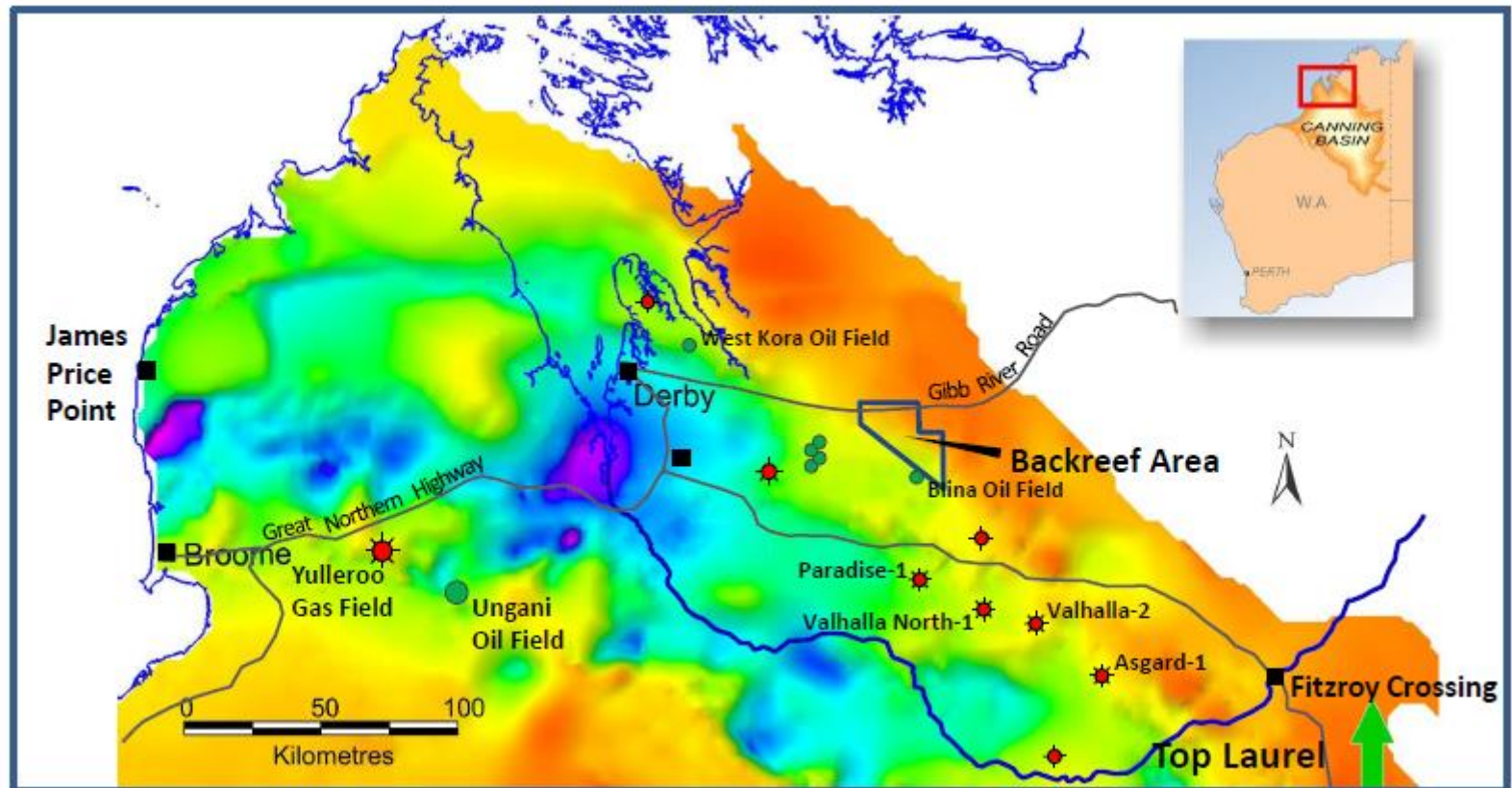
Vic/P47 – Next Steps

- Complete reprocessing of 3D Seismic Data - May 2017
- Assess outcomes of the reprocessing – June 2017
- Revise the VIC/P47 Resource Assessment
- Complete Exploration Project Scoping Study
- Apply for Advance Finding of R&D tax offset
- Finalise Work Program – 5 year Permit Renewal – August 2017 for National Offshore Petroleum Titles Administrator (NOPTA)



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Canning Basin, Western Australia Backreef Block





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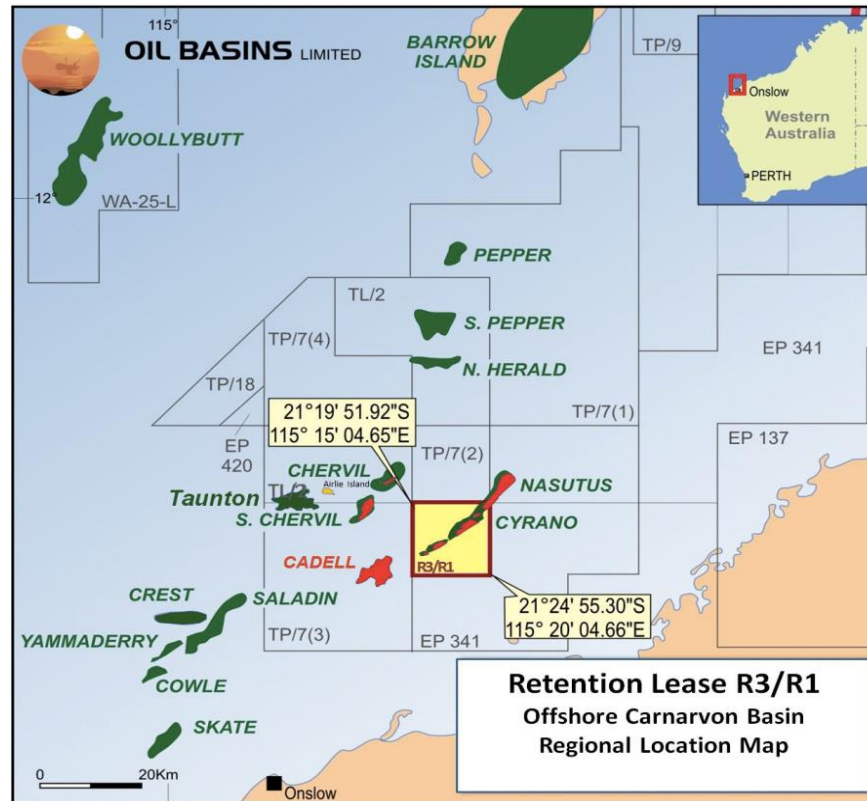
Canning Basin, Western Australia Backreef Block

- OBL owns 100% of the Backreef Block and is Operator
- Backreef-1 was drilled in October 2010 to a depth of 1800m
- Oil was discovered in porous and permeable Laurel dolomites
- Production tests confirmed the discovery as non-commercial
- The well is currently cased and suspended at 1155 m.
- Plans are being considered to deepen the well to test the underlying Virgin Hills Formation where oil was discovered in tight sandstones at Blina-1 (6.5 km to the SW)
- Additional Laurel Formation targets in the block are also being assessed.



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Carnarvon Basin, Western Australia Retention Lease R3 / R1 (Cyrano)



- Cyrano has Contingent Resource (2C) of 3.01 MM bbl of Oil.
- Additional Prospective Resources (P50) estimated at 0.928 MM bbl.



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Carnarvon Basin, Western Australia Retention Lease R3 / R1 (Cyrano)

- OBL is Operator and holds 100% of R3/R1
- Permit Area - 81km²
- The Cyrano Oil Field was discovered in 2003
- The field is defined by 4 vintage wells and 3D seismic
- The field is located in 17m of water.
- Productive reservoirs commence at 600m depth.
- OBL has completed the following work
 - Geological and Geophysical Studies
 - Reserves and Resources Studies
 - Petroleum engineering facilities study
 - Reservoir engineering assessment of the Cyrano Oil Pool



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Progress since AGM 29 November 2016

- Disposal of EP 487 - Considered a non core asset
 - Provides financial relief for OBL from the high costs of the work program associated with EP 487
- Confirmation of Permit Extension for Vic/P47
 - Continued progress with work program and associated reporting to NOPTA in preparation for Permit Renewal
- Low cost financial settlement with former CEO
- Confirmation of Retention Lease Renewal of R1/R3
- Commencement of Scoping Study for Vic/P47



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Company Outlook

- Finalise Vic/P47 Seismic Reprocessing / Resource Assessment
- Progress VIC/P47 Scoping Study
 - Preliminary exploration and development costings
 - Market position in current gas shortage
 - Leading into Pre- Feasibility Study
- Secure Vic/P47 permit renewal and five year work program
- Recapitalise the Company / Relaunch under new name
- Engage with upstream gas companies, explorers and investors
- Assessment and Due Diligence on other Australian downstream energy assets



Glossary

AEMO	Australian Energy Market Operator's
Bbl	Oil Barrel
Bcf	Billion cubic feet
LNG	Liquefied Natural Gas
m	Meters
MW	Mega Watts (MW)
MM	Million
OBL	Oil Basins Limited
R&D	Research & Development
2C	Best estimate of contingent resources.
P50	50% of estimates exceed the P50 estimate