



OIL BASINS LIMITED

ABN 56 006 024 764

10 July 2017

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

June 2017 Quarterly Activities Report

Highlights

- Completion of Oil Basins Royalties Pty Ltd sale
- Completion of EP487 sale
- Completion of 3D Seismic reprocessing – Vic/P47

A year of transition

Following the change in management in September 2016, the company completed an internal review of its projects, suppliers, people and finances.

The new management has changed the culture of the company from a “lifestyle company” to a company focused on development of its resources for the benefit of all shareholders.

The change has been difficult; management has held many meetings with industry and government stakeholders whom have expressed their concerns with the behavior of the company under previous management. Overall our engagement with government agencies (DMP and NOPTA) along with industry associations (APPEA) and other resources companies has been very positive. We believe the difficult decisions, which we have made, has set the foundations of a very strong company and gas project for shareholders.

Oil Basins Royalties Pty Ltd

The company is pleased to confirm that it has finalized the sale of Oil Basins Royalties Pty Ltd to Ochre Group Holdings Limited (ASX; OGH).

EP487

The company confirms that settlement of the sale of EP487 occurred on 16 June 2017 to Rey Resources Limited (ASX: REY). Following an asset review the company determined that this project was no longer financially viable for Oil Basins for a number of reasons, including:

- Distance from population centers (Perth is over 2500 km's away)
- Lack of infrastructure such as pipelines, roads, rail and shipping terminals
- Changes made to the cost of the work program by the current operator, which substantially increased work commitments beyond Oil Basin's capacity.
- Ongoing environmental and Native Title issues
- Prospective Resources are largely based on an Unconventional Oil and Gas Field
- Lack of support for the region by the global majors

APPEA

The Australian Petroleum Production & Exploration Association (APPEA) has accepted the company's application for full membership status. OBL is very pleased to become a member of Australia's leading Oil and Gas association.

South East Australian Energy (Vic/P47)

The company has completed the 3D seismic reprocessing work. Final results are due in July 2017 and look quite promising.

The company recently met with NOPTA to review the current work program and discuss the up coming renewal.

Vic/P47

The Vic/P47 permit is located within Australia's premier oil and gas province, the offshore Gippsland Basin, Bass Strait. The Basin is home to the Patricia Baleen (gas), Longtom (gas/condensate), Kipper (gas/oil) and Tuna (gas/oil) permits.

Vic/P47 permit covers 202km² containing the Judith and Moby conventional gas fields. Two-gas discovery wells have been previously drilled within the permit.

Moby-1 was drilled by Bass Strait Oil in 2004. The Judith-1 well was drilled by Shell in 1989 and discovered gas in multiple tight alluvial fan sandstones of the Admiral Formation, Emperor Subgroup.

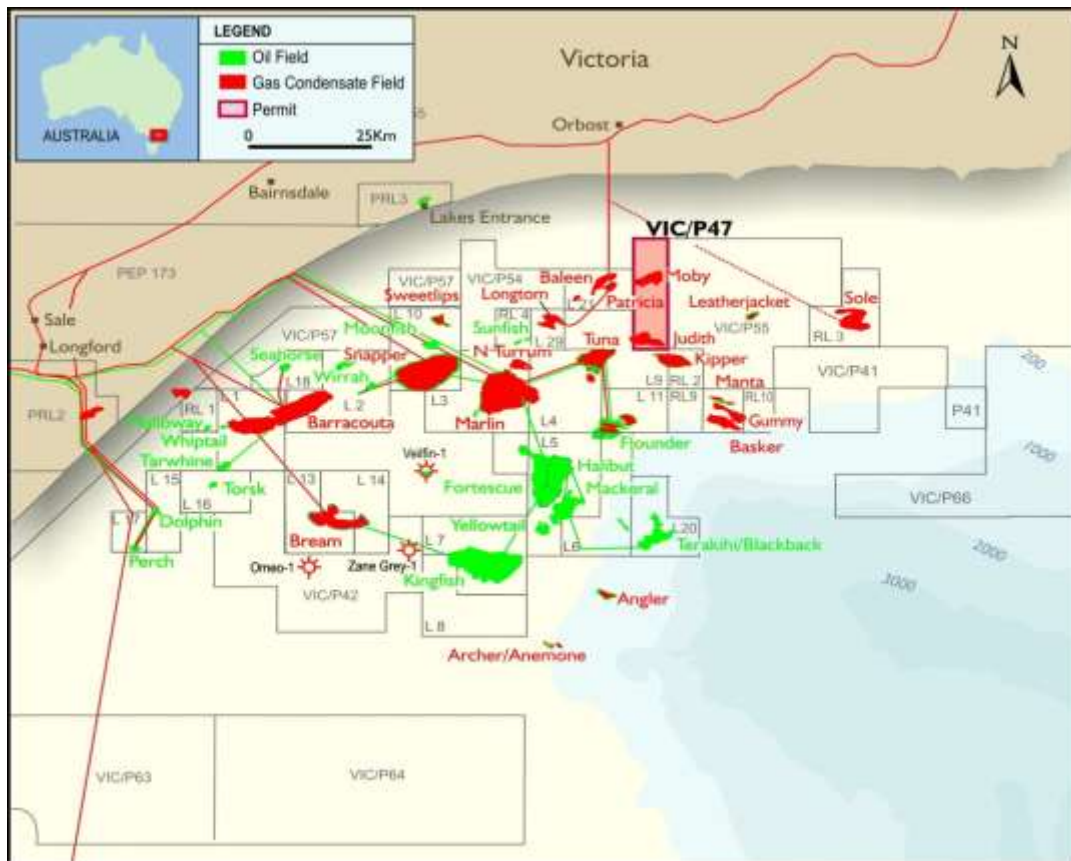
The Judith Gas Field is located some 2 km north of the Kipper Gas Field and 15 km SSE of the Patricia/Baleen gas fields. A volumetric assessment of the Judith accumulation by Gaffney Cline and Associates in 2013 estimated the P50 contingent Gas Resource at 101 BCF.

OBL has finalized the reprocessing of historic 3D Seismic data across the permit area. The seismic data was initially acquired from seismic surveys completed by Esso/BHP Billiton in 2001-02 and Bass Strait Oil in 2006.

The seismic reprocessing will;

- Further define the extent and detail of the Judith and Moby structures
- Determine the extent of sandstone reservoirs discovered in Judith-1 and Moby-1
- Provide data to attain an improved estimate of the gas resources at both Judith and Moby

Provide data to optimize a drilling location and allow detail planning of a directionally drilled production well "flight path" to optimise gas resource recovery.

**Zeecol International**

We refer to the company announcement 13 April 2017 in relation to the notice received from Zeecol International (Zeecol) (AMOO:OTC) of its intent to acquire a controlling interest in the company, subject to legal and accounting due diligence.

Following due diligence, the board believes this opportunity does not represent value for shareholders and will not be proceeding.

Principle place of business

The company's principle place of business changed on 30 June 2017 to Level 32, 1 Market Street, Sydney NSW 2000.

Finance

At the end of the quarter, 30 June 2017 OBL cash balance was \$58,000. A summary of the cash flow for the quarter are attached in the Appendix 5B.

Legal

We refer to our market announcement on 30 June 2017 in relation to the Statement of Claim received by the company former Executive Chairman Kim McGrath. The company has filed its Defence to the claim and believes that even if many of Mr. McGrath's allegations (which are disputed) are concluded by the court to be accurate, any amount likely to be payable to Mr. McGrath will be substantially less than the amount that he has sought.

The Full Federal Court handed down its decision on 6 July 2017 and dismissed the appeal by OBL of the decision to dismiss OBL's application for a review of taxation in the Nyikina

Mangala proceedings. The Court did not make any orders as to costs in the appeal. The Company expects that monies held in controlled monies account with its solicitors will now be required to be paid to parties awarded costs against OBL in previous Nyikina Mangala proceedings. The Company also expects that an additional approximately \$90,000 which has been awarded in costs against OBL in the Nyikina Mangala proceedings will be taxed and will become payable.

This case was one of the many cases which the previous management had invested significant amounts of shareholders monies with little chance of success.

Tenement holding summary

Below is a list of the tenements held by Oil Basins Limited as at 31 March 2017:

Petroleum Tenement	Location	Beneficial Percentage held
Vic/P47	Victoria	100%+
Cyrano R3/R1	Western Australia	100% +
Backreef Area	Western Australia	100% +

+ Operator

We thank shareholders for their ongoing support and welcome any questions they may have.

Yours faithfully



Carl Dumbrell
Company Secretary

Corporate Directory

Board of Directors

Carl Dumbrell
Vaz Hovanessian
Justyn Peters

Company Secretary

Carl Dumbrell

Geological Consultant

Geoff Geary

Registered office

Level 4, 100 Albert Road
South Melbourne Vic 3205

Principle place of business

Level 32, 1 Market Street
Sydney NSW 2000

Share Registry

Automic Pty Ltd ACN 152 260 814 Trading as Automic Registry Services
Level 3, 50 Holt Street
Surry Hills NSW 2010
Phone: 1300 288 664
Overseas callers: +61 2 9698 5414
Facsimile: +61 2 8583 3040

Capital Structure

The company currently has issued capital (as at 7 July 2017) of:

Ordinary fully paid shares	(ASX: OBL)	277,806,332
Options expiring 17 November 2018 (Ex \$0.04658)	(ASX: OBLAA)	6,700,000
Options expiring 14 September 2017 (Ex \$0.232)	(ASX: OBLAK)	800,000

Auditors

Deloitte
550 Bourke St, Melbourne Vic 3000

Lawyers

Hopgood Ganim
Level 27, Allendale Square
77 St Georges Tce, Perth WA 6000

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