



OIL BASINS LIMITED

ABN 56 006 024 764

17 November 2014

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

Dear Sirs

OBL ATTAINS 100% OF TWO UNDEVELOPED OFFSHORE GIPPSLAND GASFIELDS

Further to the ASX Release dated 14 November 2014, the Directors of Oil Basins Limited (ASX code **OBL**, or the **Company**) are pleased to make the following update on the Company's ongoing activities in Vic/P47 which was recently acquired from the Albers Group.

HIGHLIGHTS:

- OBL Group has moved (subject to National Offshore Petroleum Titles Administrator (**NOPTA**) approval) to 100% of Vic/P47 which hosts the undeveloped Judith Gas Field and the undeveloped Moby Location (Figures 1, 2 and 3).
- Consideration paid was \$nil.
- Upon approval OBL Group immediately books 101 Bcf 2C Contingent Recoverable Resources with 3C Contingent Recoverable Resources estimated at over 275 Bcf (Judith Gas Field only) – refer to Table 1.
- OBL fundamentals are backed by significant exposure to 3 shallow water discoveries, all with close proximity to existing under-utilised surface and subsea infrastructure:
 - 100% & Operator Retention Lease R3/R1 (Cyrano Oil Field), offshore Carnarvon Basin (nearby Airlie Island) with 2C assessed at over 2 MMbbls oil, and
 - 100% & Operator Permit Vic/P47 (Judith Gas Field and Moby Gas Field Location), offshore Gippsland Basin (nearby Patricia-Baleen Subsea Gas Hub), where the 2C assessment of Judith is 16.8 MMBOE alone.

Vic/P47 Variation Application

On 15 October 2014 the former Vic/P47 Joint Venture Partners lodged a formal application with NOPTA to vary the Vic/P47 Year 5 work program to comprise reprocessing 200 sqkm of the Northern Fields 3D over the southern part of Vic/P47 and conducting a seismic inversion and AVO of the new reprocessed 3D so as to improve/upscale the previous Operator's contingent resources with the application of modern geophysics (similar to what has occurred in OBL Group's Vic/P41 Permit – refer to earlier ASX Release dated 29 October 2014) and to seek to de-risk a future well site in lieu of drilling an exploration well (in Year 5).

As the surviving participant in the Vic/P47 Joint Venture, the OBL Group will benefit from any decision by NOPTA as to the Variation (a decision is pending).

As of 14 November 2014, the Vic/P47 Joint Venture Participants (subject to NOPTA approval and registration) are:

Oil Basins Limited (ASX code OBL)	50% and Operator
Shelf Oil Pty Ltd (OBL's 100% owned subsidiary)	50%

Shelf Oil

So as to further assist funding and liberating value to shareholders, OBL also offers Shelf Oil Pty Ltd (**Shelf Oil**) as an immediate entry platform for a Third Party into the now high priced East Coast Gas Market.

In addition to owning net 17.5% of Exploration Permit Vic/P41 (highly prospective for wet gas), Shelf Oil, subject to NOPTA approval will increase its net 12.5% interest to 50% of nearby Exploration Permit Vic/P47 which hosts the undeveloped Judith Gas Field and the undeveloped Moby Location (all defined in 3D seismic).

Data has been exchanged and confidential discussions continue with a number of interested parties and OBL is seeking Farmin/Acquisition interest for both permits.

Yours faithfully



Neil Doyle SPE
Director & CEO

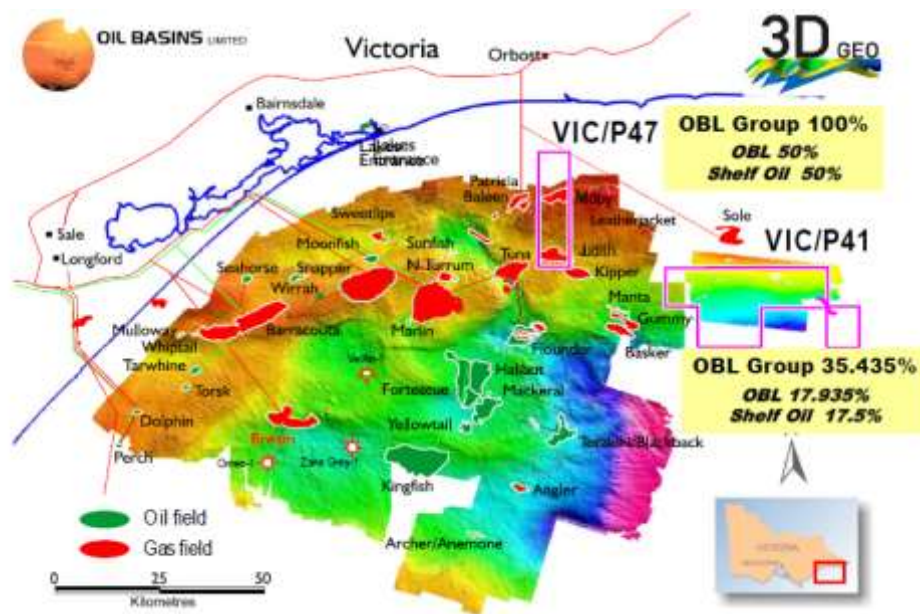


Figure 1
OBL Group interests in Gippsland Basin
Vic/P47 interests are subject to NOPTA approval and registration

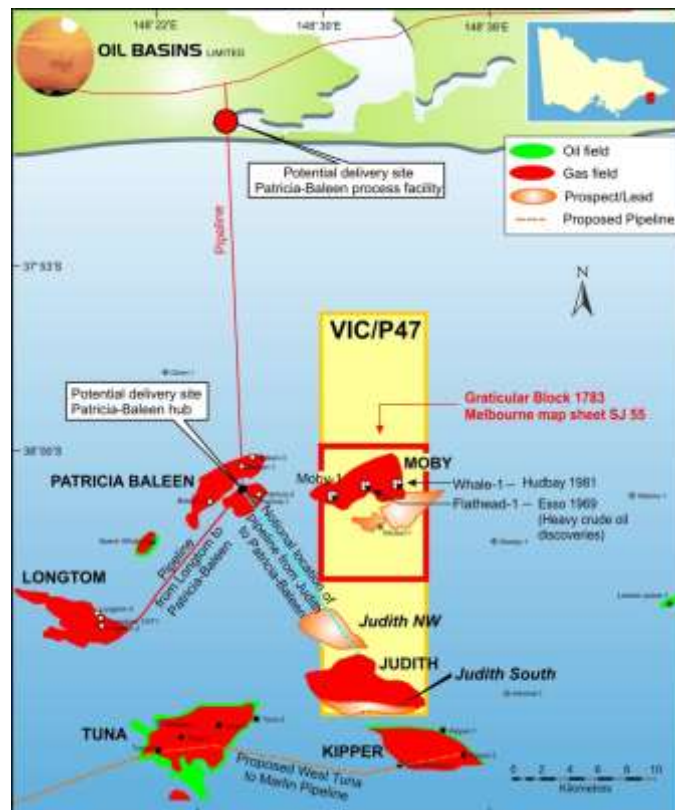


Figure 2
Permit Vic/P47 hosts the Moby Gas Field Location and the Judith Gas Discovery
All defined in 3D seismic – OBL Group net 100%
Vic/P47 interests are subject to NOPTA approval and registration

Contingent Resources – Judith Gas Field

The Judith-1 gas discovery drilled by Shell in 1989 is considered analogous to the Longtom gas field, located 22 km to the west. At both Longtom and Judith, gas is reservoirized within multiple sands of the Emperor Subgroup in fault related traps. The Judith-1 discovery well discovered a 290m gross gas column, 135m net in Judith-1. The well was untested and plugged and abandoned.

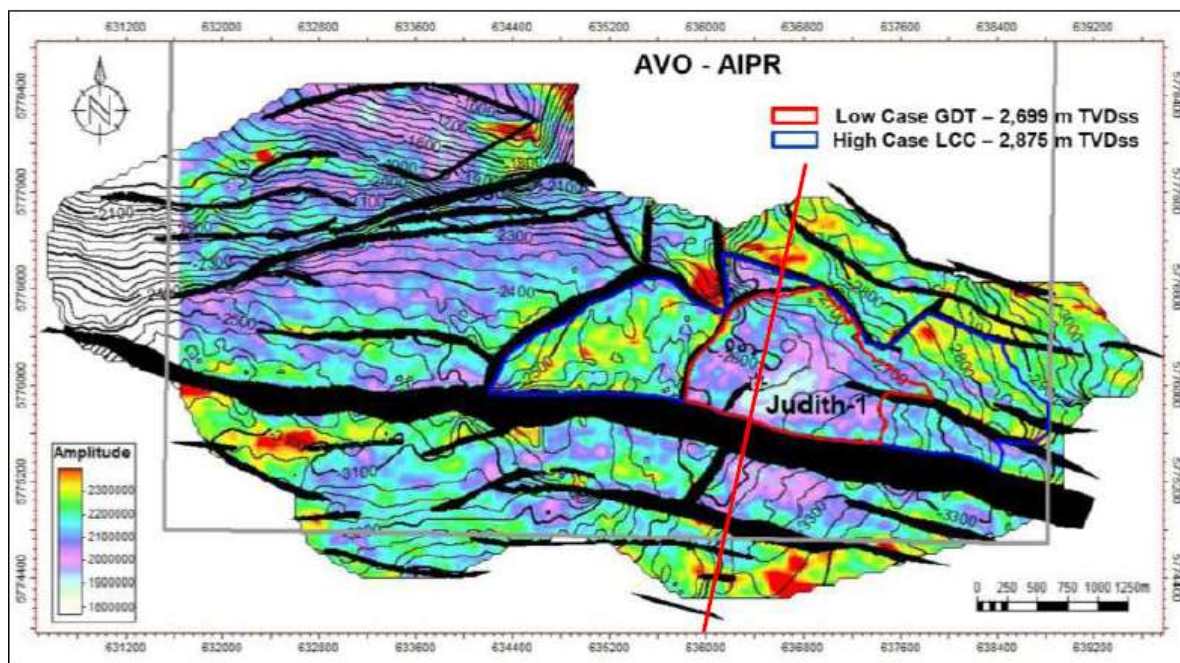


Figure 3
Judith Gas Discovery

The previous Operator commissioned an independent expert report (**IER**) in 2013 to examine the Judith Gas Field as follows:

Judith Gas Field OBL Group 100%	Gross Contingent Resources PRMS SPE GC&A Independent Expert Assessment (2013)		
Product	1C	2C	3C
Gas-in-Place Bcf	66.7	155.4	368
Recoverable Gas (Contingent) Bcf	36.7	101	276

Table 1
OBL Group 100% Contingent Resources (Judith Gas Field only)
According to Gaffney Cline & Associates IER May 2013
Vic/P47 interests are subject to NOPTA approval and registration

GLOSSARY & PETROLEUM UNITS

M	Thousand
MM	Million
B	Billion
bbl	Barrel of crude oil (ie 159 litres)
PJ	Peta Joule (1,000 Tera Joules (TJ))
Bcf	Billion cubic feet
Tcf	Trillion cubic feet (ie 1,000 Bcf)
BOE6	Barrel of crude oil equivalent – commonly defined as 1 TJ equates to circa 158 BOE – approximately equivalent to 1 barrel of crude equating to 6,000 Bcf dry methane on an energy equivalent basis
PSTM	Pre-stack time migration – reprocessing method used with seismic.
PSDM	Pre-stack depth migration – reprocessing method used with seismic converting time into depth.
AVO	Amplitude versus Offset, enhancing statistical processing method used with 3D seismic.
TWT	Two-way time
FMT	Formation testing (pressure & sampling) tool, also known as a MDT
TD	Total depth
GIP	Gas in Place
USG	Unconventional shale gas
USO	Unconventional shale oil
STOIIP	Stock tank oil in place (stabilised crude at atmospheric conditions) – also commonly referred to as Oil in Place (OIP)
BCGA	Basin Centred Gas Asset
L6	Production Licence 6

DISCLAIMER – GENERAL

Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations. Investors should not infer that because “prospective resources” are referred to that oil and gas necessarily exist within the prospects. An equally valid outcome in relation to each of the Company’s prospects is that no oil or gas will be discovered.

Technical Reserves in this preliminary assessment are considered similar to the definition of Contingent Resources (ie Low Estimate and High Estimate) with the following important caveat - it must be appreciated that the risked volumes as reported in terms of undeveloped Contingent Resources and Prospective Resources are risk assessed only in the context of applying ‘Geological Chance of Success’. This degree of risk assessment does not incorporate the considerations of economic uncertainty and commerciality and consequently no future development as such can be assured.

The technical information quoted has been compiled and/or assessed by Company Director Mr Neil Doyle (from a number of sources) who is a professional engineer (BEng, MEngSc - Geomechanics) with over 33 years standing and a continuous Member of the Society of Petroleum Engineers since 1981 (SPE 30 Year Club Member) and by Mr Geoff Geary who is a professional geologist (BSc – Geology) with over 30 years standing and who is also a Member of the Petroleum Exploration Society of Australia. Both Mr Doyle and Mr Geary have consented to the inclusion in this announcement of the matters based on the information in the form and context in which they appear. Investors should review the ASX materials and independent expert reports previously quoted and the important definitions and disclaimers attached.

APPLICABLE RESERVES & RESOURCES REPORTING GUIDELINES & DEFINED TERMS

In the determination and classification of Reserves and Resources, Oil Basins Limited applies the Society of Petroleum Engineers Petroleum Resources Management System (“**PRMS Guidelines**”). The terms “Contingent Resources” and “Prospective Resources” used in this release are as defined by the PRMS Guidelines (relevant extracts as provided below):

PROVED RESERVES

Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.

If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate. The area of the reservoir considered as Proved includes:

- the area delineated by drilling and defined by fluid contacts, if any, and

- adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive on the basis of available geoscience and engineering data.

Often referred to a P1, sometime referred to as “proven”.

PROBABLE RESERVES

Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.

It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate. Probable Reserves may be assigned to areas of a reservoir adjacent to Proved where data control or interpretations of available data are less certain. The interpreted reservoir continuity may not meet the reasonable certainty criteria. Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.

POSSIBLE RESERVES

Possible Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves

The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate. Possible Reserves may be assigned to areas of a reservoir adjacent to Probable where data control and interpretations of available data are progressively less certain. Frequently, this may be in areas where geoscience and engineering data are unable to clearly define the area and vertical reservoir limits of commercial production from the reservoir by a defined project. Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.

CONTINGENT RESOURCES

Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources are a class of discovered recoverable resources.

Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

PROSPECTIVE RESOURCES

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.

Prospect – A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target. Project activities are focused on assessing the chance of discovery and, assuming discovery, the range of potential recoverable quantities under a commercial development program.

Lead – A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect. Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to confirm whether or not the lead can be matured into a prospect. Such evaluation includes the assessment of the chance of discovery and, assuming discovery, the range of potential recovery under feasible development scenarios.

Play – A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects. Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to define specific leads or prospects for more detailed analysis of their chance of discovery and, assuming discovery, the range of potential recovery under hypothetical development scenarios.