



OIL BASINS LIMITED

ABN 56 006 024 764

18 November 2014

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

Dear Sirs

COMPANY UPDATE **CONTINGENT RECOVERABLE & PROSPECTIVE RECOVERABLE RESOURCES**

The Directors of Oil Basins Limited (ASX code **OBL**, or the **Company**) are pleased to make the following update on the Company's booked contingent and prospective resources (in accordance with SPE PRMS) across all assets, where the Company is now operator in all but Vic/P41.

HIGHLIGHTS:

- Subject to regulator approval (for the transfer of 75% of Vic/P47 and operatorship to OBL), OBL's 2C Booked Contingent Recoverable Resources increases from circa 2 MMbbls to 18.9 MMBOE: refer to Table 1.
- OBL Group's overall Booked Prospective Potential Recoverable Resources across all assets are summarised in Table 2.
- OBL has an estimated 2C contingent recoverable resource of 18.9 MMBOE (pre-Mardie assessment of Greater Cyrano) and a significant P50 prospective potential recoverable resource of in excess of 2 billion BOE (mostly situated in the Canning Wet Laurel BCG prognosed in the Derby Block where OBL presently holds 50% and operatorship).
- Based upon 928.887 million ordinary shares on issue, the Company now holds circa 2.5 BOE P50 prospective potential recoverable resources backing per share.

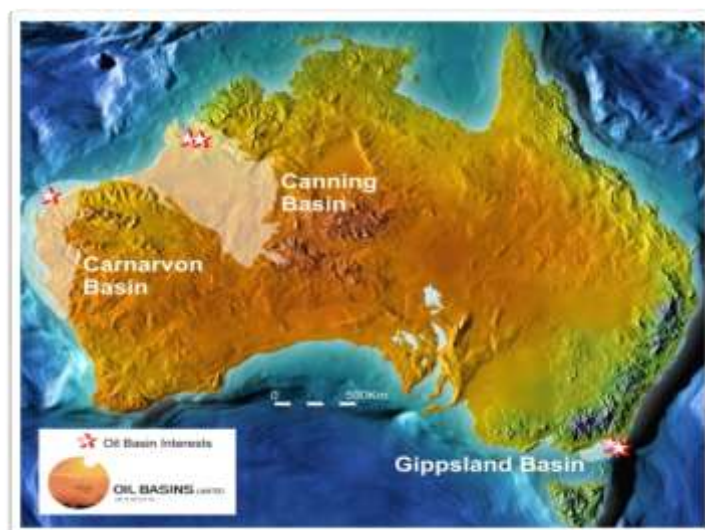
Yours faithfully

Neil Doyle SPE
Director & CEO

OBL Exploration Assets

Petroleum Permit	Location	Beneficial Percentage held & + denotes Operator
Vic/P47	Victoria	100% +
Vic/P41	Victoria	35.435%
Cyrano R3/R1	Western Australia	100% +
Backreef Area	Western Australia	100% +
EP 487	Western Australia	50% +

Location



Booked Contingent Recoverable Resources:

OIL BASINS LIMITED - OPERATED ASSETS										
Source OBL ASX Release 18 December 2012					CARNARVON BASIN RL R3/R1					
Gross Resources		Contingent Resources SPE PRMS								
Oil Field	Permit	1C			2C			3C		
		Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)
Greater Cyrano (Barrow)	100% R3/R1	0.42		0.79	0.63		1.38	0.94		2.01
Nasutus Ext (Barrow)	100% R3/R2	0.50		0.20	0.80		0.33	1.20		0.49
TOTAL NET		0.92		0.99	1.43		1.71	2.14		2.50
TOTAL NET		MMBOE 1.1			1.9			2.9		
Note - The shallow Mardie Greensand formation is presently being assessed and is not included in these contingent resources.										
Source OBL ASX Release 17 November 2014					GIPPSLAND BASIN VIC / P47					
Gross Resources		Contingent Resources SPE PRMS								
Gas Field	Permit	1C			2C			3C		
		Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)
Judith	100% Vic/P47	36.7		0	101		0	276		0
TOTAL NET		MMBOE 6.1			16.8			46.0		
In the Variation OBL has proposed new work including reprocessing seismic, modern QI/AVO which have been successful on Vic/P41.										
NET OBL CONTINGENT RESOURCES MMBOE		7.3			18.8			48.9		

Table 1

Prospective Potential Resources:

OIL BASINS LIMITED - OPERATED ASSETS										
Source OBL ASX Release 18 December 2012										
CARNARVON BASIN RL R3/R1										
Gross Resources		Recoverable Prospective Resources SPE PRMS								
Prospect	Permit	P90			P50			P10		
		Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)
Elimia (Barrow Fm)	100% R3/R1	0.01		0.13	0.02		0.36	0.09		0.6
TOTAL NET	MMBOE	0.1			0.4			0.6		
Note - The shallow Mardie Greensand formation is presently being assessed and is not included in these contingent resources.										
Source OBL ASX Release 29 July 2013										
CANNING BASIN BACKREEF AREA										
Gross Resources		Recoverable Prospective Resources SPE PRMS								
Prospect	Permit	P90			P50			P10		
		Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)
USO / Tight Oil Only										
Deep Oil Case	100% Backreef Area	119		139	370		391	1073		1008
TOTAL NET	MMBOE	158.8			452.7			1186.8		
Note - The shallow oil (dolomite) case as defined by the Backreef-1 Oil Pool Discovery is not included in the Deep Oil Case.										
Source OBL ASX Release 14 February 2013										
CANNING BASIN EP 487 (DERBY BLOCK)										
OBL net interest 50%		Recoverable Prospective Resources SPE PRMS								
Prospect	Permit	P90			P50			P10		
		Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)
Wet Laurel USG BCG										
Deep Wet USG	50% EP 487	2400		58.7	9350		231.0	34400		892.5
TOTAL NET	MMBOE	458.7			1789.3			6625.8		
Note - Assumes OBL's net interest in the Derby Block is the present 50% & operator.										
OIL BASINS LIMITED - NON-OPERATED ASSETS										
Source BAS ASX Release 29 October 2014										
GIPPSLAND BASIN VIC / P41 ONLY										
OBL net interest 35.435%		Recoverable Prospective Resources SPE PRMS								
Prospect	Permit	P90			P50			P10		
		Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)	Gas (Bcf)		Liquids (MMbbl)
Kipling	100% Vic/P41	85.8		3.2	145.3		7.1	228.2		10.6
Kipling West*	Vic/P41 net 50%	43.2		1.9	57.1		2.7	105.4		5.1
Benchley	100% Vic/P41	87.5		4.3	146.3		6.7	220.8		10.6
Stanton	100% Vic/P41	14.5		0.7	18.4		1.1	23.4		1.1
TOTAL NET OBL		231.0		10.1	367.1		17.5	577.8		27.5
TOTAL NET OBL	MMBOE	48.6			78.7			123.8		
Note - Assumed split of 50% / 50% of Kipling West between Exploration Permits Vic/P41 and Vic/P68										
NET OBL PROSPECTIVE RESOURCES MMBOE										
		666			2,321			7,937		

Table 2

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.