



# OIL BASINS LIMITED

ABN 56 006 024 764

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19 November 2014

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

Dear Sirs

## ***DERBY BLOCK (EP 487) UPDATE***

The Directors of Oil Basins Limited (**OBL** or the **Company**, ASX code **OBL**) are pleased to make the following ASX announcement to update shareholders and investors on the Company's ongoing activities in WA Petroleum Exploration Permit EP 487, Derby Block (**Figures 1 and 2**).

### **HIGHLIGHTS:**

- WA Department of Mines and Petroleum has on 18 November 2014 advised OBL, the Operator of the Derby Block (EP 487), of the granting of a 9 month suspension and extension of the Year 1 Work Program to allow the conduct of the seismic survey to be conducted after the imminent rainy season.
- The nine month extension in EP 487 better aligns the required Year 1 work program and subsequent annual work programs with the availability of both seismic survey equipment and necessary access to firm dry pastoral properties.
- For planning purposes OBL's appointed seismic operator Terrex Seismic has formally advised OBL that the appropriate seismic equipment will first become available after 1 July 2015.

### ***EP 487 Extension Approved***

OBL wishes to advise that, further to a formal Application for Suspension and Extension on 7 October 2014, it has on 18 November 2014 attained consent and approval of DMP for the suspension and extension of the current mandatory Year 1 Work Program by a period of 9 months until the 31 December 2015 and the extension of the 6 year term until 31 December 2020 (refer to **Table 1**).

The present Derby Block participants are:

Oil Basins Limited (ASX code <b>OBL</b> )	50% and Operator
Backreef Oil Pty Limited ( <b>BOPL</b> )	50%

Given non-performance of its joint-venturer BOPL since grant of EP 487 on 14 March 2014, the Company has made a formal application to the WA State Administrative Tribunal (**SAT**) under the *Petroleum and Geothermal Energy Resources Act 1967* asking SAT to order rectification by the Minister for Mines and Petroleum of the Register and to remove BOPL from the title of EP 487 (Derby Block).

If successful, this would mean that only OBL would remain on the title.

A three hour hearing took place on 18 September 2014. OBL was given seven days leave to respond to a late legal argument by BOPL, which was duly filed on 25 September 2014. BOPL was given seven days to respond to OBL's formal response and this was duly filed on 1 October 2014.

The matter has been reserved for judgment by the SAT President based upon the documents presented and a decision is expected within 90 days of the hearing (in accordance with SAT guidelines).

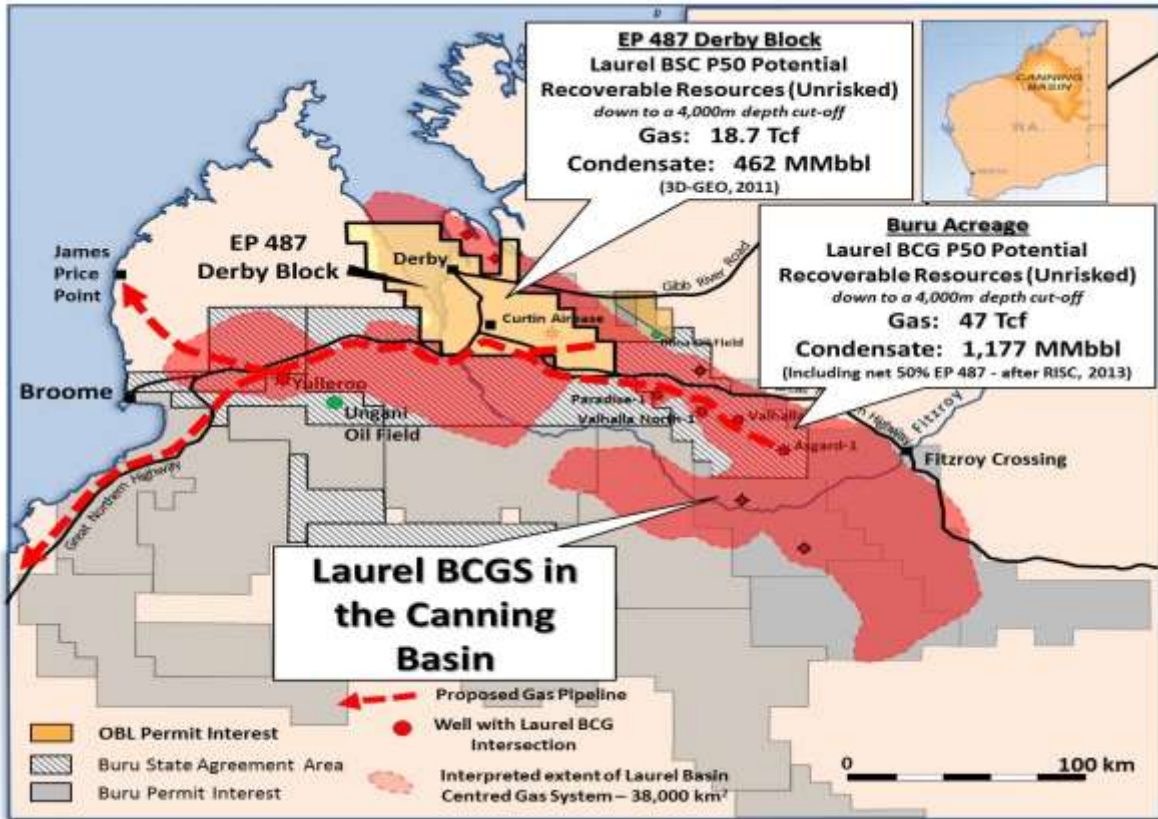
### **Revised Approved Work Program**

The revised approved EP 487 minimum work program is shown in Table 1 below and it should be noted that these minimum obligations remain comparatively modest in today's dollars.

<b>EXPLORATION PERMIT EP 487</b>			
<b>Permit Year</b>	<b>Year End</b>	<b>Minimum Work Requirements</b>	<b>Expenditure *</b>
1	13/12/15	500 km New 2D Seismic Survey	\$2,750,000
2	13/12/16	Two (2) Exploration Wells	\$3,000,000
3	13/12/17	Two (2) Exploration Wells	\$3,000,000
4	13/12/18	200 km New 2D Seismic Survey	\$1,100,000
5	13/12/19	One (1) Exploration Well	\$1,150,000
6	13/12/20	One (1) Exploration Well	\$1,150,000

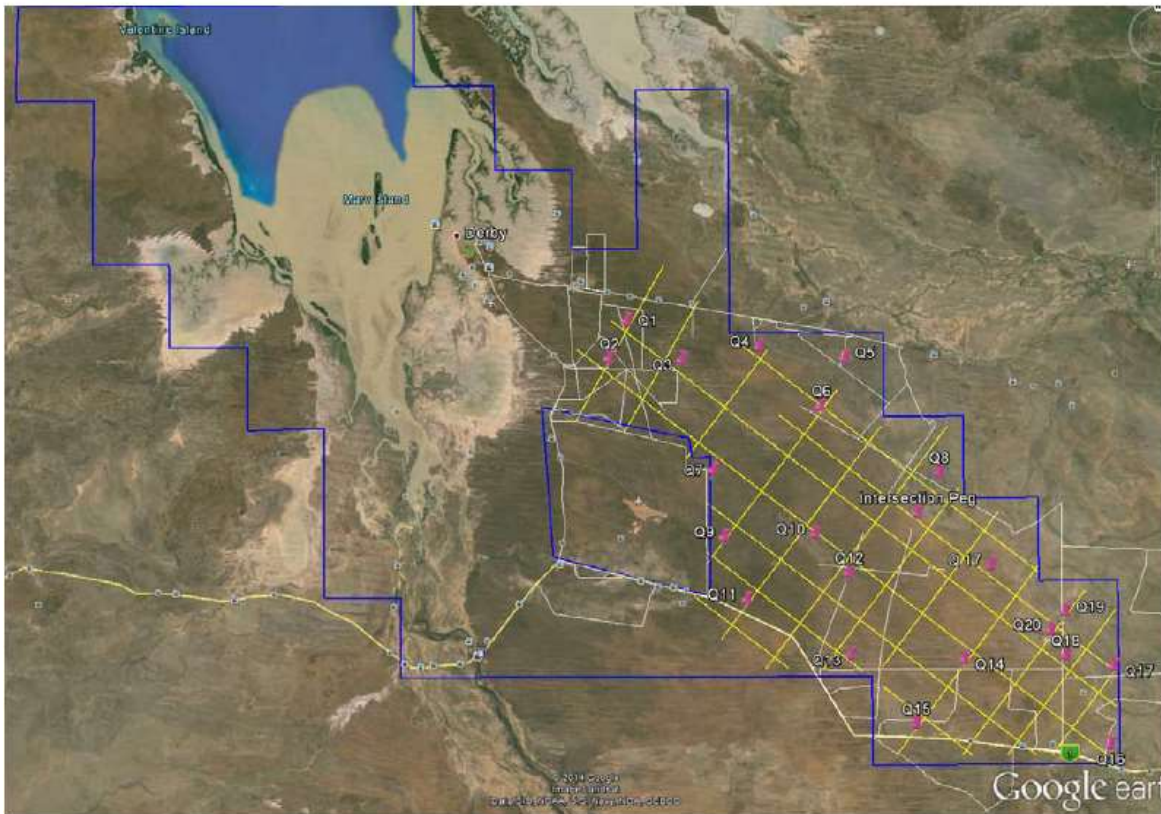
\* Estimated Expenditure Constant dollars (indicative only) \$A

**Table 1**  
Derby Block Remaining minimum work program commitments and revised dates



**Figure 1**

Company's exposure to the new Laurel Wet BCG Play is significant with up to 18.7 Tcf USG



**Figure 2**

Satellite Map of EP 487 Derby Block and Proposed Year 1 - 500 km New 2D Seismic Survey

## **Operations Update**

Oil Basins Limited (**OBL**), as a duly registered party and Operator of EP 487, reports that all field work relating to the Class 1 Flora and Fauna Survey (**F&F Survey**) was completed by its environmental consultant *ecologia* Environmental Pty Ltd (**ecologia**), a Perth based subsidiary of ASX listed Resource Development Group Ltd (ASX code **RDG**), during the week ended 20 September 2014.

With the finalisation of the field collections, and after consultation with the DMP Environmental Division in early October, the Company is pleased to advise that a **Generic Environmental Plan 2D Seismic Survey (GEP Seismic)** was prepared over the proposed route of the 500 km New 2D Seismic Survey and duly lodged with the DMP by the Company on 31 October 2014.

Yours faithfully

A handwritten signature in black ink that reads "Neil F. Doyle". The signature is written in a cursive style with a large, sweeping initial 'N'.

Neil Doyle SPE  
Director & CEO