



OIL BASINS LIMITED

ABN 56 006 034 764



OBL COMPLETES NEW MAPPING OF DERBY BLOCK FOR 2016 DRILLING

HIGHLIGHTS

- **\$4M 2D SEISMIC REPLACED WITH 2016 DRILLING**
- **NEW PLAYS DELINEATED**
- **NEW PROSPECTS DEFINED**
- **MULTIPLE WELL SITES FOR 2016 WORK PROGRAM**

30 November 2015

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- 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 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 initial Derby Block USG resources statement was released to the ASX on 15 February 2013.
- The technical information quoted has been compiled and / or assessed by Company Director Mr Neil Doyle who is a professional engineer (BEng, MEngSc - Geomechanics) with over 35 years standing and has been a full and continuous member of the US Petroleum Engineers since 1981 and by Mr Geoff Geary who is a professional geologist (Bachelor Science – Geology) with over 34 years standing and who is also a Member of 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 originally appear – investors should at all times refer to appropriate ASX Releases.
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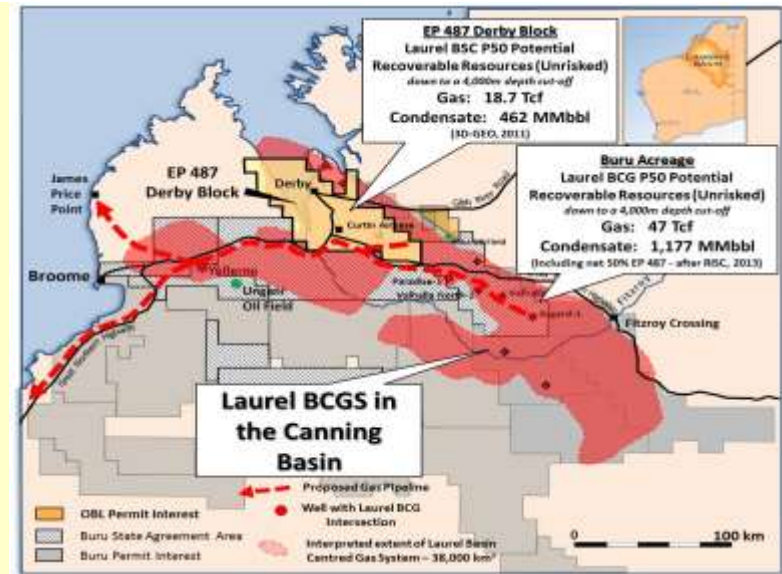
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FACT SHEET : EP487 (Derby Block) Canning Basin

OBL – 50% EP487 & Operator, 2% ORRI

- OBL was successful applicant in December 2006.
- Acting as USG operator, OBL won unique NNTT Determination on 1 February 2013. This Determination was challenged by KRED and OBL funded and won Federal Court Appeal on 23 December 2013.
- Permit awarded to OBL at 50% and operator by DMP on 14 March 2014.
- On 31 May 2015, OBL settled legal dispute with former application partner on 31 May 2015 and Rey Resources (REY) became 50% JVP. OBL reaffirmed as operator.
- OBL's Environmental Plan 2014 Year #1 533.7km 2D seismic survey was approved by DMP on 30 July 2015.
- OBL formally lodged Heritage Impact Assessment Notices with TOs on 15 June 2015. In accordance with the NNTT Determination, after 90 days the effected areas were deemed cleared. Discussions have advanced with Warrwa and Mowanjum.
- With inability to shoot seismic in 2015, OBL lodged a WP Variation with DMP on 24 September 2015 to replace 2D seismic in 2015 with 2 wells in 2016 and OBL's new technical assessment was lodged on 27 November 2015.



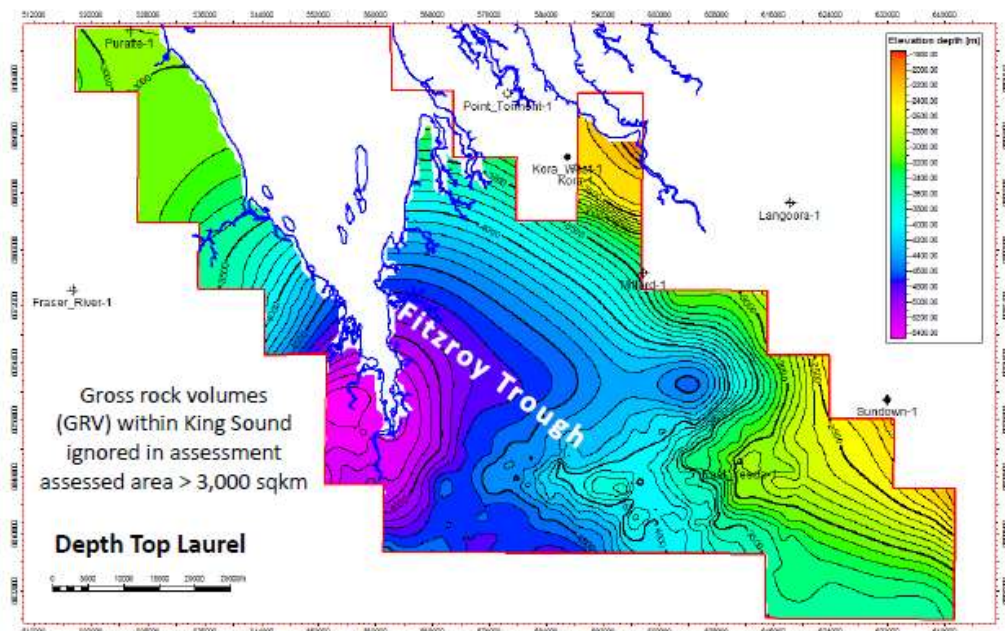
Bounded by oil discoveries in the north, Derby Block's Wet Laurel BCG is potentially the 'Sweet Spot' in the Canning for Top Laurel Wet BCG – 31.2 Tcf estimated @ 5000m *ie NORTH WEST SHELF SCALE and all within permit with following unique attributes*

- ✓ Permit has known hydrocarbon source / kitchen with marine shale sediments of right geological age (Devonian)
- ✓ Permit is nearby Derby township, airports and significant support infrastructure including base hospital, airports and local port



Previous 2013 View – Top Laurel Derby Block

Laurel Formation – Basin Centred Gas 3D-Geo mapped: In eastern / central parts of the block, the Laurel is at reasonable drillable depths (~4000 m) and is more than 500 m thick.



EP 487 (Derby Block)	Prospective Resources PRMS SPE 2011 3D-Geo Independent Expert Assessment (2013)			
Product	P90	P50	P10	Mean
Gas In-Place Tcf	31.8	107.4	357.8	164.7
Recoverable Gas Tcf	4.8	18.7	68.8	31.2
Recoverable Condensate MMstb	117.4	461.9	1,785.0	801.7

Depth to 4000m

Depth to 5000m

New Study to Support Variation

- Reprocessing of vintage 2D
- Loading into comprehensive 3D-GEO mapping of Fitzroy Trough
- WA Geological Survey (2014) along main Broome to Derby Highway and Gipp River Road

New Public Domain information recently available in 2015 (after 5 year embargo) was used in New Study

- Bunda 3D Seismic (2009)
- Well logs and reports – Yullero-3,-4, Valhalla North-1, Asgard-1 and Paradise-1 – all key BCG play wells



New Unconventional Plays Delineated in Derby Block

Three new, significant and extensively developed Laurel Unconventional reservoir plays are newly defined in EP487 (Derby Block). They are the:

- **Upper Laurel (Top Laurel) Clastic Marine (Meda-1, Yulleroo-1 to-4, East Yeeda-1, Valhalla/Paradise)**
- **Middle Laurel Carbonate and Delta (Blina, Backreef-1)**
- **Lower Laurel Clastic/Carbonate Delta (Wattle-1, Valhalla/Paradise)**

Of the three reservoir plays, the Middle and Lower Laurel Delta reservoir plays are most significant “new plays” in addition to the established “well defined Top Laurel BCG play”.

New interpretation of vintage seismic and recent new seismic by OBL suggests:

- Extensive development of deltaic cycles in the Middle and Lower Laurel, Late Devonian to Early Carboniferous sequences.
- These cycles (regressional, prograding parasequence sets) comprise classic delta topset and foreset clinoform geometries, prograding westward across Fitzroy the Graben from a re-entrant on the Lennard Shelf.

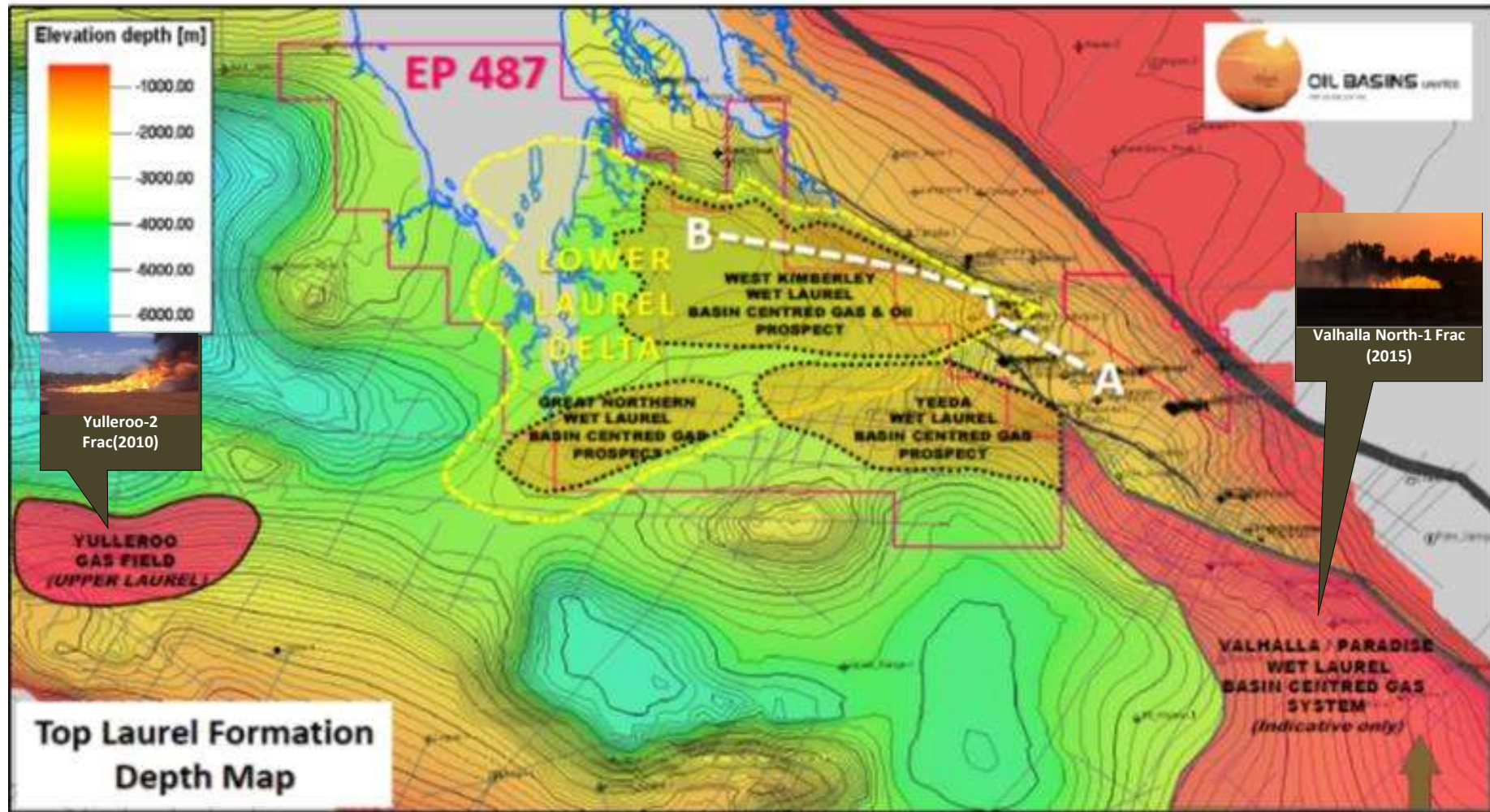
OBL has Delineated New Prospects in Derby Block

Three prospects have been delineated within EP487 (Derby Block) based on identification of the major reservoir play, thickness and depth of burial. All are Laurel plays defined as unconventional, Basin Centred Gas (**BCG**) stratigraphic plays and all have significant potential for condensate production. They are:

- **West Kimberley Wet Laurel BCG and Oil Prospect** – This prospect is defined by the newly recognized Lower Laurel delta reservoir play, principally possible reservoir sands developed in delta topset and foreset sequences. The Upper and Middle Laurel also has potential.
- **Yeeda Wet Laurel BCG Prospect** – Principally an Upper Laurel reservoir play drilled by East Yeeda-1. Deeper potential in the Middle and Lower Laurel (> 3,500 m). Similar to the Yulleroo gas discovery and prognosed as an extension of the Valhalla / Paradise Wet Laurel BCG System (Buru Energy / Mitsubishi) to the east.
- **Great Northern Wet Laurel BCG Prospect** – similar to and possibly an extension of the Yeeda Laurel BCG Prospect with similarities to the Yulleroo Gas Field to the south west.

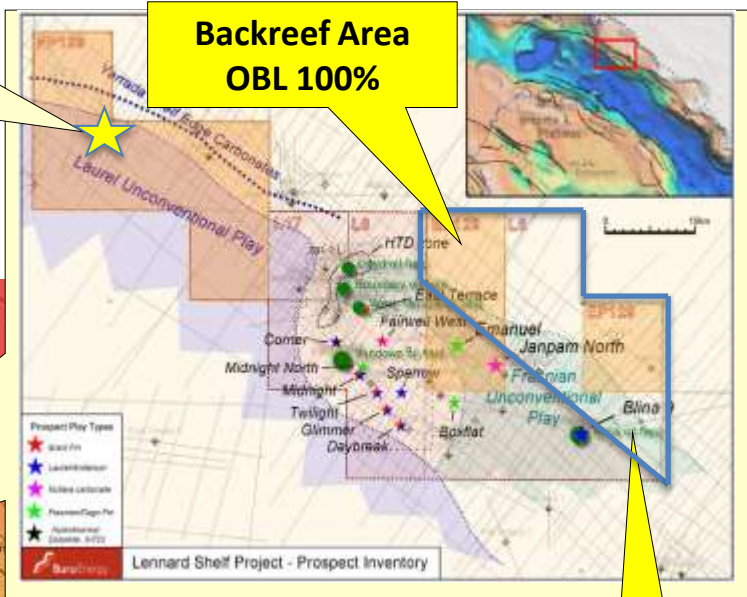


New Unconventional Prospects Delineated by OBL



New Derby Block Top Laurel Formation mapping materially changed by newly available data – 3 New “BCG Prospects” and New “Lower Laurel Delta”

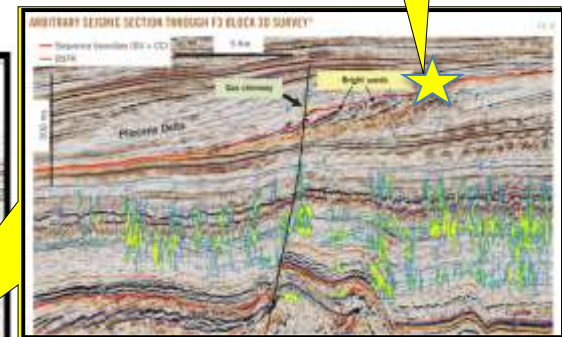
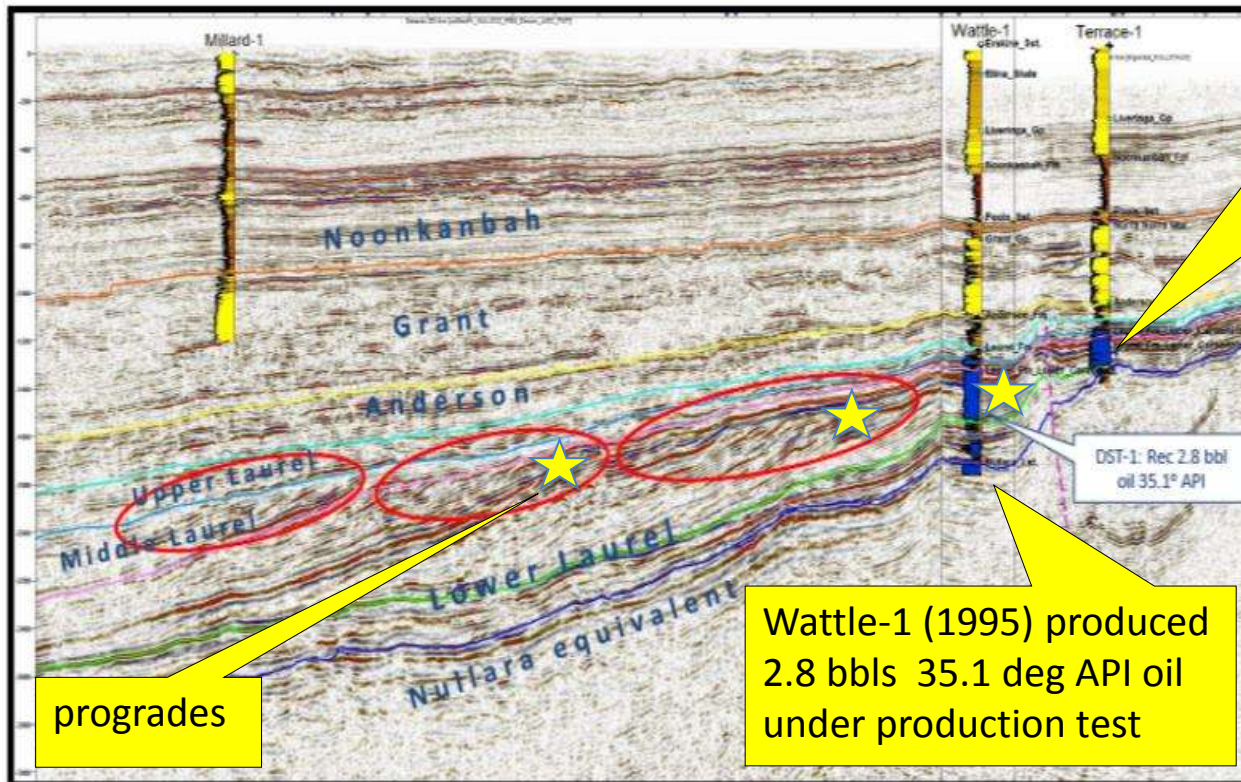
Buru Energy new Lennard BCG Play confirms probable extension of the Laurel tight gas play within EP129 * in light of results from 2015 tight gas stimulation program in ontrend EP371 (Valhalla North-1 and Asgard-1).



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Top Laurel BCG and “new Oil Target” for 2016 Drilling

Seismic cross-section A-B showing well developed Middle and Lower Laurel foreset sequences which are the main target of drilling in the proposed **2016 Variation** – which will be focused upon **West Kimberley Wet Laurel Basin Centred Oil and Gas**



NORTH SEA ANALOGUE

F3 Block (Dutch sector) of the southern North Sea showing “Bright Sands” associated with prograding foreset clinoforms that form a large stratigraphic trap sealed by transgressive marine mud and claystone

progrades

Wattle-1 (1995) produced 2.8 bbls 35.1 deg API oil under production test

Undrilled progrades are expected to be 200m to 300m thick in EP487

OBL has delineated significant new potential in Derby Block

- **Geological and geophysical assessment of these three new plays are still ongoing and is now likely to lead to a significant upward assessment of the prospective potential P50 unconventional resources within the Derby Block, when 3D-GEO completes this ongoing new work in December 2015**

In support of the Variation Application lodged recently on 27 November 2015, OBL as operator has successfully mapped and delineated new undrilled plays within EP487 (Derby Block) and has identified multiple drill sites for both Year 2 and Year 3 (and ensuing) work programs. All new drill sites are now between 2500m to 3500m TD.

- **West Kimberley Wet Laurel BCG and Oil Prospect** – multiple drill sites
- **Yeeda Wet Laurel BCG Prospect** – possibility of redrilling a East-Yeeda-2 as only intersected the upper overpressure gas zone tested in nearby Valhalla North-1
- **Great Northern Wet Laurel BCG Prospect** – multiple drill sites within Curtain Airbase perimeter (near Great Northern Highway and Broome-Derby Road north of Fitzroy River where NT is extinct).

OBL is seeking farmin interest under the terms of its Deed with REY.

Derby Block is now farmout ready



Glossary of Petroleum Terms

M	Thousand	PSTM	Pre-stack time migration – reprocessing method used with seismic
MM	Million	PSDM	Pre-stack depth migration – reprocessing method used with seismic converting time into depth
B	Billion	AVO	Amplitude versus Offset, enhancing statistical processing method used with 3D seismic
stb	Barrel of crude oil (ie 159 litres) at sea level (stock tank) atmospheric conditions	GIP	Gas initially in place – also known as GIIP
PJ	Peta Joule (1,000 Tera Joules (TJ))	OIP	Oil in place – also known as Stock Tank Oil Initially in Place (STOOIP)
Bcf	Billion cubic feet	fm	Formation
Tcf	Trillion cubic feet	sst	Sandstone
BOE	Barrel of crude oil equivalent – commonly defined as 1 TJ equates to circa 158 BOE – approximately equivalent to 1 barrel of crude equating to circa 6,000 Bcf dry methane on an energy equivalent basis)	OWC	Oil water contact
BCG	Basin Centred Gas	USG	Unconventional Shale Gas
EPT	Extended Production Test (also commonly referred to as an Extended Well Test)	USO	Unconventional Shale Oil
ESPCP	Electric Submersible Progressive Cavitation Pumps	JU	Jack-up (modified as a Production Unit)
		MD	Measured depth





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**Technically innovative
State-of-the-art seismic analysis
New play concepts
High leverage**

ASX: OBL

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