

# ASX ANNOUNCEMENT

18 MARCH 2015

## **Update on Derby Block Acquisition**

On 28 November 2014 Rey Resources Limited “Rey” or “the Company” (ASX: REY) announced that its subsidiary company Rey Lennard Shelf Pty Ltd (“RLS”) had entered into an agreement with Backreef Oil Pty Ltd (“Backreef”) to acquire a 50% interest in petroleum exploration licence EP487, the “Derby Block”, located in the Canning Basin of Western Australia (the “Agreement”) subject to certain terms and conditions.

The Derby Block was recently granted to Backreef (50%) and Oil Basins Ltd (ASX: OBL) (50%). It occurs to the north of Rey’s existing interests in petroleum exploration licences in the Canning Basin.

As previously announced, the Agreement is subject to certain conditions precedent, including conclusion to the satisfaction of RLS of hearings in the State Administrative Tribunal (SAT) of Western Australia where Oil Basins had applied to have Backreef’s grant of title in EP487 by the WA Government overturned.

On 17 March 2015, Oil Basin’s application was dismissed by the SAT.

The Company is now considering the next steps in concluding the acquisition under the Agreement.

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