



OIL BASINS LIMITED

ABN 56 006 024 764

8 August 2016

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

Dear Sirs

FUNDING SUPPORT

The Directors of Oil Basins Limited (ASX code **OBL**, or the **Company**) wish to inform the market of the following:

OBL and Ochre Group Holdings Limited (ASX code OGH) and its subsidiary Ochre Capital Management Pty Ltd (Ochre) have on Friday 5 August 2016 entered into a mandate agreement for Ochre to provide financial accommodation and ongoing corporate advisory and capital market services for a term of six months (Term).

The agreement provides for arrangements in respect of OBL undertaking an underwritten renounceable rights issue for \$3 million and up to \$5 million with attaching options (Offer), with

- Ochre to procure a suitable underwriter for the Offer for at least \$3 million.
- The initial short term interest free unsecured loan of \$150,000, received from Ochre previously, to be converted under the Offer, either directly or as a party to the shortfall underwriting.
- The provision of a further interest free convertible loan for \$250,000 as a priority security, which will convert to shares at the earlier of:
 - (a) 180 days from the date of the mandate; or
 - (b) Ochre providing written notice to the Company that it requires the immediate conversion of the loan into shares.Conversion into shares is subject to capacity and if not sufficient will convert to shares in the Offer as a party to a shortfall underwriting, and repayable to Ochre in cash if the Offer is fulfilled to its full capacity.

Conditions precedent to Ochre's corporate advisory obligations taking effect include requirements that Ochre must procure a suitable underwriter for the Offer for at least \$3 million and that OBL and Ochre must obtain any shareholder approvals required for the Offer under the *Corporations Act 2001* (Cth) or as required by ASIC or the ASX Listing Rules.

Yours faithfully

A handwritten signature in black ink, appearing to read 'C Dumbrell', written in a cursive style.

Carl Dumbrell
Company Secretary