



OIL BASINS LIMITED

ABN 56 006 024 764

10 June 2016

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

Dear Sirs

LISTING RULES CLARIFICATION COMPANY'S CONTINGENT & PROSPECTIVE RESOURCES

The Directors of Oil Basins Limited (ASX code **OBL**, or the Company) wish to make the following clarification on the Company's previously reported contingent and prospective potential resources 14 April in accordance with SPE PRMS (2011) and the ASX Listing Rules.

HIGHLIGHTS

- OBL's contingent and prospective potential resources has been updated to reflect the following:
 - (a) Recategorized Booked Reserves relating to OBL's 100% owned Retention Lease R3/R1 Cyrano as previously reported to the ASX on 18 May 2015 to Booked Contingent Resources reflecting the prevailing low WTI oil prices and forward pricing outlook for 2016/2017.
 - (b) Added significant uplift in Prospective Potential Resources (unconventional) relating to OBL's 50% net owned EP487 (Derby Block) as previously reported to the ASX on 15 January 2016 and further clarified in accordance with ASX Listing Rules on 17 May 2016.
- The independently assessed reserves and prospective potential resources in the attached Tables are in accordance with ASX Listing Rules 5.31 and 5.33 and SPE PRMS (2011).
- Tables presented have also been adjusted to reflect OBL operated and non-operated assets.
- Investors are also referred to the ASX Listing Rules 5.28.2 clarification on page 4.

Yours faithfully

Neil Doyle SPE
Director & CEO

UNDEVELOPED OIL & GAS FIELDS – CONTINGENT RESOURCES – SPE PRMS (2011)

Offshore Carnarvon

Retention Lease R3/R1 – OBL 100% & Operator

- Nearby to Airlie Island – Jetty & 2 x 150,000 storage tanks, gas/water separation facilities.
- Cyrano and Nasutus oil fields defined by 4 vintage wells and modern 3D seismic.
- Water depth only 15m-17m.
- Field contains 10m net heavy 22.8 API, low Sulphur oil, 21m gas cap crude oil viscosity 3.95cp and depth of reservoir is circa 600m.
- Multiple extended well tests (**EWTs**) is OBL's preferred new low cost development plan.

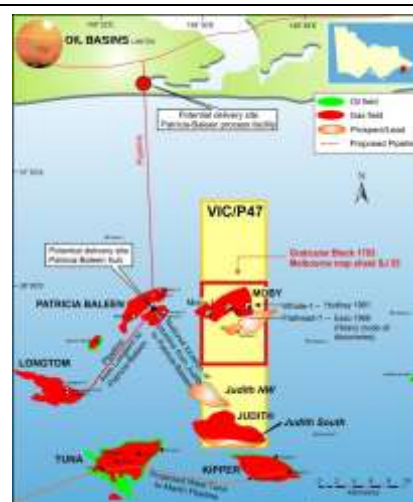


Refer to ASX Release dated 3 December 2015.

Offshore Gippsland

Permit Vic/P47 – OBL 100% & Operator

- Nearby to Kipper Subsea Hub and Patricia-Baleen Subsea Hub
- Permit contains Judith Gas Discovery (Shell 1989) and Moby Location (BAS 2004)
- OBL is undertaking new work Amplitude versus Offset and Quantitative Inversion using the newly public file ExxonMobil Northern Fields 3D seismic survey and integrating with the Moby 3D seismic survey.
- Aim is to attain a better estimate of the gas potential of the Permit over both Judith & Moby gas fields.



Refer to ASX Release dated 3 December 2015.

OIL BASINS LIMITED - OPERATED ASSETS				CONTINGENT RESOURCES					
Source OBL ASX Release 18 May 2015		CARNARVON BASIN RL R3/R1							
OBL net interest 100%		Reserves SPE PRMS							
Oil Field	Permit	1C		2C		3C			
		Gas (Bcf)	Liquids (MMbbl)	Gas (Bcf)	Liquids (MMbbl)	Gas (Bcf)	Liquids (MMbbl)		
Greater Cyrano	100% R3/R1	0.32	1.98	0.47	2.68	0.65		3.40	
Nasutus Extension	100% R3/R1	0.50	0.20	0.80	0.33	1.20		0.49	
TOTAL NET		0.82	2.18	1.27	3.01	1.85		3.89	
TOTAL NET MMBOE		2.3		3.2		4.2			
Adjusted for 2016 forward curve oil price - previous reserves now restated as contingent resources									
Source OBL ASX Release 17 November 2014		GIPPSLAND BASIN VIC / P47							
OBL net interest 100%		Contingent Resources SPE PRMS (2011)							
Gas Field	Permit	1C		2C		3C			
		Gas (Bcf)	Liquids (MMbbl)	Gas (Bcf)	Liquids (MMbbl)	Gas (Bcf)	Liquids (MMbbl)		
Judith Gas Field	100% Vic/P47	36.7	0	101	0	276		0	
TOTAL NET MMBOE		6.1		16.8		46.0			
Prior to the new WP of reprocessing seismic, modern QI / AVO (which has been successful on Vic/P41).									
NET OBL CONTINGENT RESOURCES MMBOE		8.4		20.1		50.2			
Contingent BOE per OBL Ordinary Share		0.06		0.14		0.34			

Leverage per OBL ordinary share is based upon 145,845,718 ordinary shares on issue as at 8 June 2016.

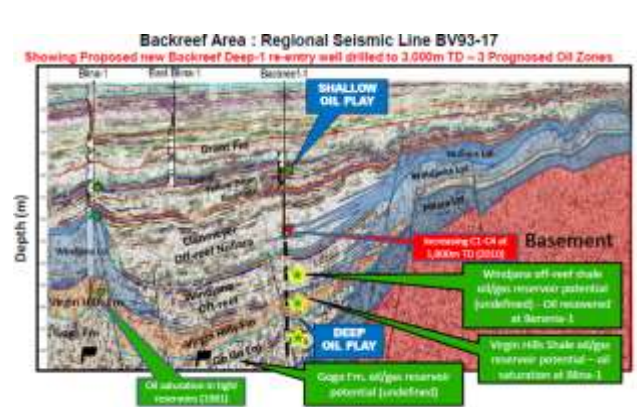
COMPANY'S EXPLORATION PORTFOLIO – PROSPECTIVE POTENTIAL RESOURCES

Onshore Canning Exploration

Backreef Area – OBL 100% & Operator

- Nearby to Blina oil terminal & pipeline.
- Backreef-1 wildcat (OBL 2010) drilled to 1800m TD discovered oil in Laurel dolomites at circa 960m – subsequent production tests (2012) confirmed the discovery as non-commercial.
- Well is cased and suspended at 1155m.
- Well could be re-used to test prognosed Virgin Hills sandstone tight oil at circa 2500m to 3000m (discovered in Blina-1)

Refer to ASX Releases dated 27 July 2013 and 3 December 2015.

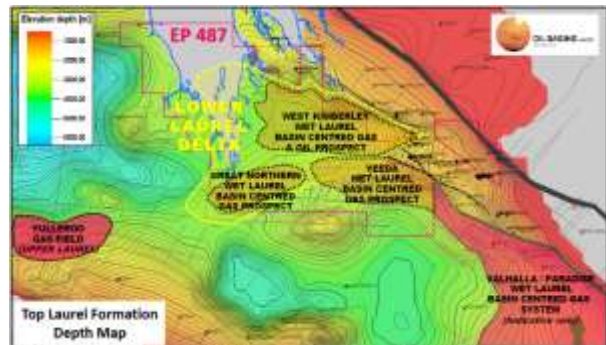


Onshore Canning Exploration

EP487 (Derby Block) – OBL 50% & Non - Operator

- Three plays delineated by OBL (2015)
- Upper Laurel (Top Laurel) Clastic Marine (analogues 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).

Refer to ASX Releases dated 30 November 2015, 15 January 2016 and 17 May 2016.

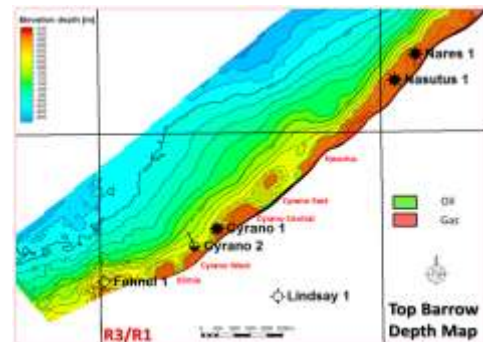


Offshore Carnarvon Exploration

Retention Lease R3/R1 – OBL 100% & Operator

- Retention Lease is one graticular block – circa 81 sqkm
- OBL (2014) has defined a new Elimia prospect to the south west of Cyrano.
- OBL (2014) has defined further smaller extensions of the Greater Cyrano Prospect namely Cyrano West and Cyrano East.

Refer to ASX Releases dated 18 May 2015 and 3 December 2015.

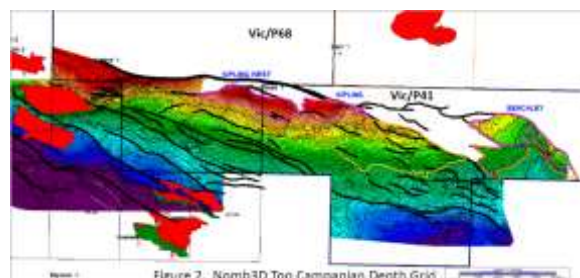


Offshore Gippsland Exploration

Permit Vic/P41 – OBL 35.345% & Non-Operator

- Operator BAS has used the QI/AVO results to define new Golden Beach prospects (2014).
- BAS is presently defining deeper Emperor sub-group prospects within the permit.

Refer to ASX Releases dated 20 October 2014 and 3 December 2015.



PROSPECTIVE POTENTIAL RESOURCES – SPE PRMS (2011)

OIL BASINS LIMITED - OPERATED ASSETS				PROSPECTIVE RESOURCES			
Source OBL ASX Release 18 May 2015		CARNARVON BASIN RL R3/R1					
OBL net interest 100%		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	0.120	0.200	0.180	0.310	0.270	0.485
Cyrano West	100% R3/R1	0.090	0.187	0.140	0.260	0.200	0.385
Cyrano East	100% R3/R1	0.010	0.125	0.020	0.358	0.090	0.625
TOTAL GROSS		0.220	0.512	0.340	0.928	0.560	1.495
TOTAL NET MMBOE		0.5		1.0		1.6	
Note - The shallow Mardie Greensand formation potential is not included in these contingent resources.							
Source OBL ASX Release 29 July 2013		CANNING BASIN BACKREEF AREA					
OBL net interest 100%		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.							
NET OPERATED PROSPECTIVE RESOURCES MMBOE		159		454		1,188	
Prospective BOE per OBL Ordinary Share		1.1		3.1		8.1	
OIL BASINS LIMITED - NON-OPERATED ASSETS							
Source OBL ASX Release 15 January 2016		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	4250	101.85	12300	307.0	35600	907.5
TOTAL NET		4250	101.85	12,300	307	35,600	908
TOTAL NET MMBOE		791.5		2289.5		6634.0	
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 NON-OPERATED PROSPECTIVE RESOURCES MMBOE		840		2,368		6,758	
Prospective BOE per OBL Ordinary Share		5.8		16.2		46.3	
NET OVERALL PROSPECTIVE RESOURCES MMBOE		999		2,822		7,946	
Prospective BOE per OBL Ordinary Share		6.9		19.3		54.5	

Leverage per OBL ordinary share is based upon 145,845,718 ordinary shares on issue as at 8 June 2016.

Under ASX Listing Rules 5.28.2 OBL is required to make the following cautionary statement of the reported "prospective resources" as defined under SPE PRMS (2011)

"The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons".

ABOUT OIL BASINS LIMITED

Oil Basins Limited (ASX code: **OBL**) is involved in exploration and development of oil and gas in the offshore Gippsland Basin, Victoria, the onshore Canning Basin of Western Australia and the offshore Carnarvon Basin, Western Australia.

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 34 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 32 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.

ABOUT 3D-GEO PTY LTD

3D-GEO Pty Ltd is a seismic and structural modeling consultancy based in Melbourne, Australia. With a collaborative mixture of petroleum industry experience and academic rigour, 3D-GEO provides innovative solutions to a broad range of clients across the Australasia region and the Middle East. 3D-GEO has extensive exploration experience in fold and thrust belt structural analysis, as well as demonstrated expertise in the extensional basins of Austral-Asia and the Sub-continent.

COMPETENT PERSON STATEMENT

Information on the Reserves and Resources in this release are based on a number of independent evaluations conducted by 3D-Geo Pty Ltd (3D-GEO) for the Company since 2012. 3D-GEO is a Melbourne-based private consultancy. The work was undertaken by a team of petroleum engineers, reservoir engineers, geoscientists and petrophysicists and is based on data supplied by OBL. The technical assessments of the Canning and the Carnarvon were performed primarily by Dr David Briguglio, Senior Geoscientist / Modelling Specialist 3D-GEO, and Mr Hadi Nourollah Director 3D-GEO respectively. Dr Briguglio holds the qualifications BSc (Hons) and PhD from Monash University and has over 5 years of experience in petroleum geoscience and is a registered independent expert for upstream petroleum asset assessments and is a member of AAPG. Mr Nourollah holds the qualification MSc (Petroleum Geoscience) from Imperial College London, has over 13 years of experience as a geophysicist and is an active Member of Society of Exploration Geophysicists (SEG). 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. We 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. 3D-GEO and Mr Nourollah 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 this release.

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 RESOURCES

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

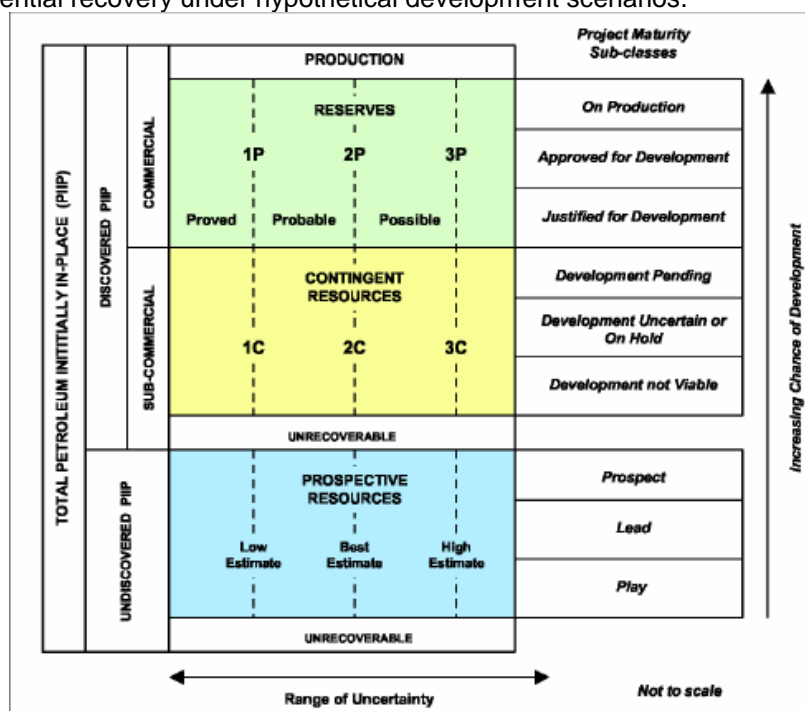
Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.

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.



GLOSSARY & PETROLEUM UNITS

M	Thousand
MM	Million
B	Billion
bbbl	Barrel of crude oil (ie 159 litres)
stb	Stock tank barrel – barrel of stabilised crude oil at atmospheric pressure
PJ	Peta Joule (1,000 Tera Joules (TJ))
Bcf	Billion cubic feet
Tcf	Trillion cubic feet (ie 1,000 Bcf)
Bscf	Billion standard cubic feet (raw gas)
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) with the recent 3D-GEO Pty Ltd independent assessment of EP487 (Derby Block) where a more conservative ratio of 6.22 Bcf of gas per MMstb of crude was assumed in the preparation of the estimates on page 4.
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
USG	Unconventional Shale Gas
STOIIP	Stock Tank Oil Initially In Place – stabilised crude at atmospheric pressure

Permit EP487 (Derby Block) Barrels of condensate conversion to barrels of oil equivalent.

Note : The Independent Expert “3D-GEO Pty Ltd” made technical assumptions in the estimation of the barrels of Condensate to Barrels of Oil Equivalent for Permit EP487 (Derby Block) based upon the Independent Expert Report of Buru Energy Limited’s (ASX code BRU) acreage dated BRU ASX Release 8 February 2013. Consequently, these assumptions did not consider the nearby production test results at Valhalla North-1 published by BRU on 18 January 2015.