



OIL BASINS LIMITED

INVESTOR PRESENTATION

Update & Future 2012 Operations in Backreef Area

ASX codes OBL , OBLOA & OBLOB

June 2012



Disclaimer

- This presentation is for the sole purpose of preliminary background information to enable recipients to review the business activities of Oil Basins Limited ABN 56 006 024 764 (ASX code OBL). The material provided to you does not constitute an invitation, solicitation, recommendation or an offer to purchase or subscribe for securities. Copies of Company announcements including this presentation may be downloaded from www.oilbasins.com.au or general enquires may be made by telephone to the Company on (613) 9692 7222.
- Oil Basins Limited (ABN 56 006 024 764) and its subsidiaries are not the legal entity / corporation of the same name registered in Bermuda ("the Bermuda Corporation") and does not dispense the BHP Billiton Petroleum-ExxonMobil Weeks Royalty pertaining to oil & gas production from Bass Strait. None of the Company or its Directors or officers are associated with the Bermuda Corporation and the Company has no interest in any such royalty.
- The information in this document will be subject to completion, verification and amendment, and should not be relied upon as a complete and accurate representation of any matters that a potential investor should consider in evaluating Oil Basins Limited. Assumed in-the ground values of unrisks prospective potential resources assets as stated in text (ignoring finding and development costs). No assumption of either commercial success or development is either implied with their adoption by either the Company and its directors and representatives in the application of these indicative values to its assets.
- Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations. Recipients should not infer that because "prospective resources" are referred to that oil and gas necessarily exist within the prospects and CSG / USG tenements. An equally valid outcome in relation to each of the Company's prospects is that no oil or gas will be discovered.
- 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 30 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 33 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.
- Specifically the Gippsland Basin technical information is sourced from previous ASX Releases by Permit Operator Bass Strait Oil Company Limited (ASX code BAS). The technical contingent resources data relating to the Carnarvon Basin R3/R1 has been independently assessed by RPS Energy – released 4 April 2011. The petroleum engineering technical data relating to the Carnarvon Basin R3/R1 was independently assessed by DU-EL Drilling Services (with principal conclusions of their Cyrano Development Scoping Study (refer to ASX Release 26 October 2011)). Specifically the Canning Basin technical information relating to CSG & USG quoted has been compiled and / or assessed by an Independent Expert Report by Mapcourt Pty Ltd released to the ASX on 8 July 2010. The Backreef Area technical assessment by an Independent Expert Report by RPS Energy Pty Ltd released to the ASX dated 23 November 2011. The potential asset valuations are as defined and assessed by Gordon Capital Pty Ltd (holder of an AFSL) and as released to the market in full via the Company's website on 19 January 2012.
- Investment in Oil Basins Limited is regarded as speculative and this presentation includes certain forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward looking statements. These factors include, among other things, commercial and other risks associated with estimation of potential hydrocarbon resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.
- Oil Basins Limited and its directors and representatives accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information and Oil Basins Limited and its directors and representatives do not endorse or take any responsibility for investments made.

Oil Basins Limited - Snapshot

Issued Shares & Market Cap

Issued Shares (ASX:OBL)

3 month trading prices

Cash (ignoring option conversion)

Market Capitalisation

Share Price @ 4 June 2012

462.389m

1.9 cps – 10.0 cps

\$4.0m

\$16.1m

3.5 cps

Listed Options

‘OBLOA’ Exercisable @1.5c 30/06/12

‘OBLOB’ Exercisable @4.0c 30/06/14

47.902m

69.040m

Directors

Kim McGrath

Neil Doyle

Nigel Harvey

Exec. Chairman

Director & CEO

Non-Exec. Director

Senior Management

Melanie Leydin

Geoff Geary

Company Secretary

Exploration Consultant

Major Shareholders

Directors & Management

Circa 4.6%



Management Team

Highly experienced team been together for past 6 years with proven skill sets covering commercial/ legal, geology & upstream engineering to deliver modern geological & geophysical technologies & engineering techniques to minimise risk & maximise development opportunities in mature & lower-risk Basins.

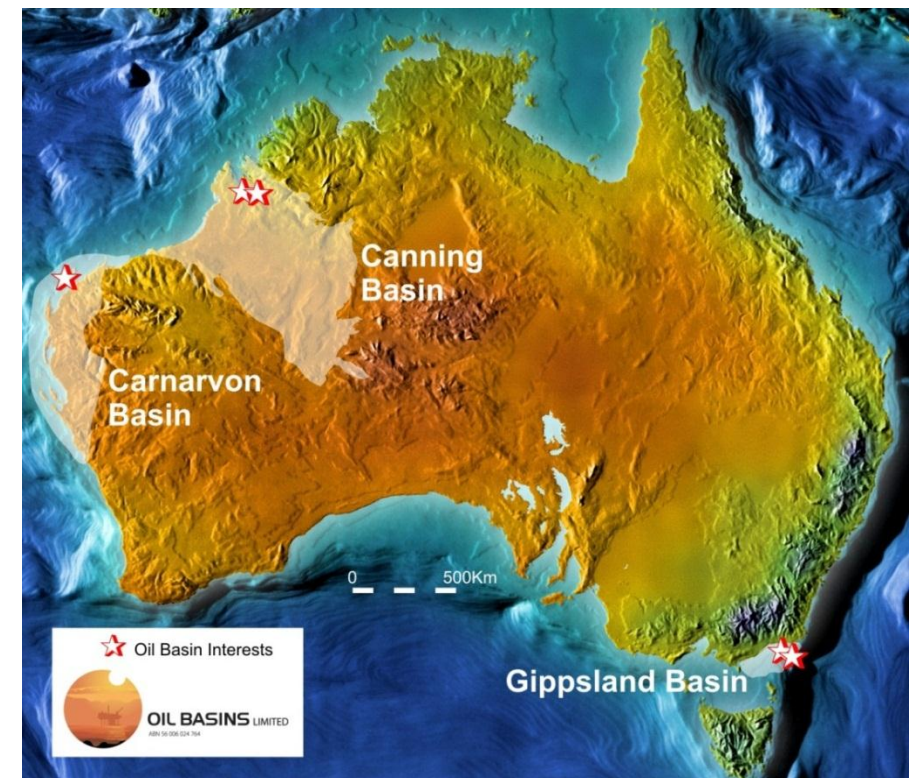
Refer to OBL website for Biographies.



Oil Basins Limited

Objective: establish strategic production hubs near known oil & gas in mature basins

- 2006 listed – 2 farmin deals
- 2010 operator – 3 assets
- 2010 drilled first exploration well – Backreef-1
- **Company operates 3 assets – onshore/offshore:**
 - Oil: offshore Carnarvon – 100% R3/R1
 - Oil: onshore Canning – 80% rights Backreef Area
 - Oil, **CSG/USG (Designated Operator)** – 50% rights exploration, & potential LNG: onshore Canning Basin
- **Two non-operated permits Eastern Gippsland Basin**
 - Oil & Gas: offshore permit Vic/P41 – 5% + 7.5% option
 - Oil & Gas: offshore permit Vic/P66 – 17%





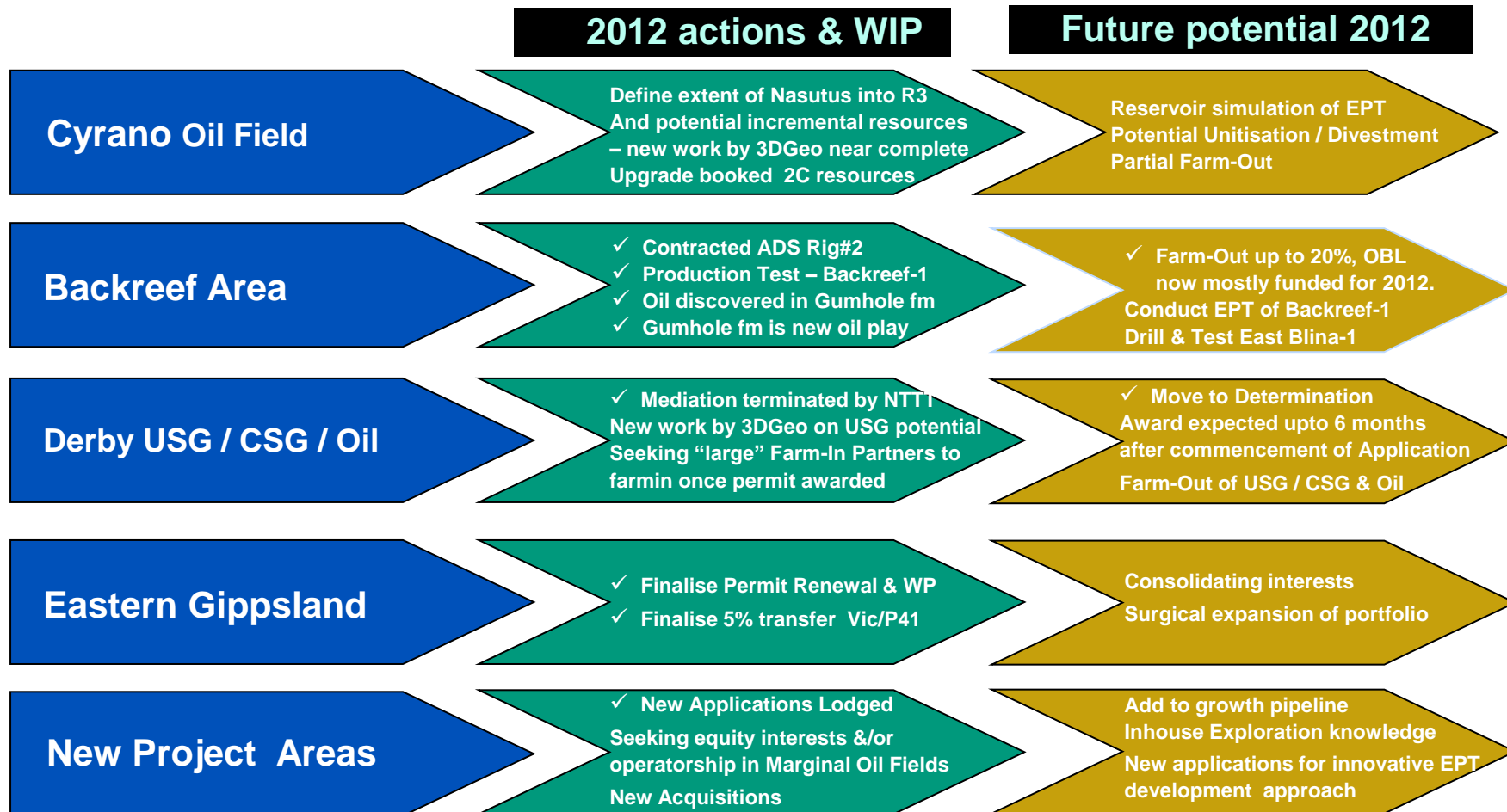
What sets Oil Basins apart?

- Listed purely as explorer, now developer with two active projects (both with large equity positions) and a present portfolio of **4 Diverse Projects** (all situated close to established hubs / markets) and that are capable of deliver shareholder near-term value during 2012.
- All are potential “**company makers**”, all in established mature basins “**all good addresses near known oil**” and all with potential to significantly re-rate the Company in the near-term.
- **Offshore** – Company owns 100% of an offshore oil development asset (potential 2 to 4 MMbbls 2C resources via an EWT). Estimated capex less than \$30m.
- **Onshore** – Company owns 80% beneficial rights of Backreef Area, where recent Backreef-1 production test delineated a New Oil Play within Devonian Gumhole dolomite formation.
- With Backreef-1 well test recovering live oil samples, test is a “**proof of play concept**”. Play has been successfully mapped in 2011 covering over 150 sqkm within Backreef Area and pre-test mid-case gross potential recoverable resources amount to 20.6MMbbls – net 16.5MMbbls.
- **Onshore** – large footprint of potential “wet” USG at a highly attractive zip code address nearby infrastructure future Kimberley LNG Hub.
- **Offshore** – strategic footprint in potentially the best remaining undrilled wet gas permit in highly prospective Gippsland Basin (6 drill ready Prospects all defined by 3D and AVOs).
- **Retained Technical Support – DU-EL** (Petroleum Engineering) & **3DGeo** (Geophysical) – Company has strengthened its operational and technical support base in 2012.



Company's 2012 Plan & Focussed Strategy

Likely 'near-term drivers of value' & re-rating opportunity



- **Company has a diverse Asset Portfolio & all Assets offer near-term potential re-rating impact.**
- **Company offers investors significant leverage/exposure to Conventional Oil & Gas, Unconventional CSG & USG all situated in attractive mature hydrocarbon prospective Basins.**
- **Potential risked values were updated by Gordon Capital – refer ASX Release 31/05/2012 (Ref#1) & website.**



Creating Wealth in 2012

Backreef Area – 80% beneficial interest*

- Production Test of Backreef-1 in May 2012
- Confirms new Oil Play in Gumhole Dolomites
- Potential New Play Area – circa >150 sqkm
- Gross recoverable potential 9 to 37 MMbbbls
- OBL interest 80% * *subject to transfers & consents*

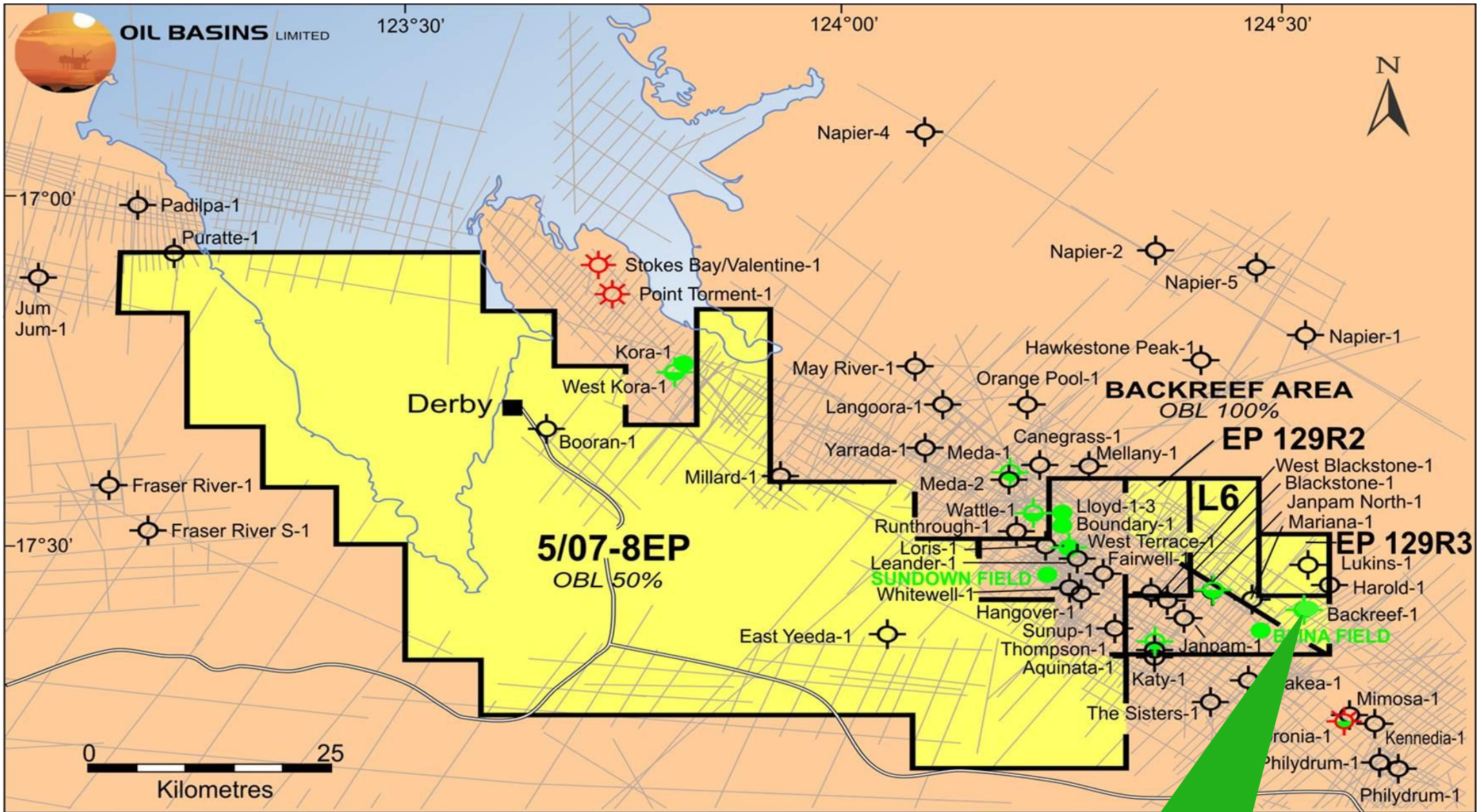
Analogues – Dolomites ‘new oil play’

- Nearby Blina Devonian Dolomites (1981)
- Backreef-1 Devonian Dolomites (2010)
- Ungani-1ST & 2 Devonian Dolomites (2011)



Backreef Area

Location of Backreef Area & Backreef-1 well



Backreef-1 Oil Pool



Backreef Area

May 2012 - Backreef-1 Production Test Operations

- The Backreef-1 exploration well was drilled in October 2010. The well was sited to intersect the deeper primary target Clanmeyer formation at circa 1200 m to 1700 mRT and drilled to 1800m mTD. Weatherford electric log assessment indicated that the well had oil potential within dolomites between 910 m to 963 mRT and was cased and suspended at 1155 mRT.
- Pre-test it was postulated that Backreef-1 was positioned off-structure at the shallower depth and may have clipped the edge of shallower “roll-over” structure and possibly at the OWC.
- In early April 2012 Oil Basins Limited farmed out a 20% interest in the Backreef Area to Green Rock Energy Limited (ASX code GRK) for \$1.1m (with \$0.9m specifically contributed to the May 2012 production tests at Backreef-1) and an additional \$2.5m free carry to OBL on future 2012 well and future Extended Production Test (EPT) operations.
- In May 2012, Oil Basins Limited as designated operator, Backreef Area conducted two separate production tests across intervals in the Gumhole and Yellow Drum dolomites.
- **Production Test 1** – Gumhole Formation[^] (**Zone 1**) – **4 m interval** from 957 m to 961 mRT – assessed on logs by both Weatherford and independently evaluated (pre-test) by RPS Energy (RPS)* as best productive interval within the delineated dolomites. [^] RPS denoted a 6m zone Yellow Drum but to be consistent with Mud Log, Electric Logs and Backreef-1 WCR it's denoted as Gumhole fm by OBL.
- **Production Test 2** – Yellow Drum Formation (**Zone 2**) – **22 m interval** from 918 m to 940 mRT – assessed on logs by Weatherford as being prospective, but very likely to be a tight dolomite upper section consistent with nearby Blina Oil Field (*Note: RPS did not include or consider Zone 2 in its pre-test evaluation*).

*Refer to OBL ASX Releases dated 24 November 2011 & 16 January 2012 relating to RPS Energy and OBL ASX Release dated 7 May 2012 relating to pre-test objectives.



Backreef Area

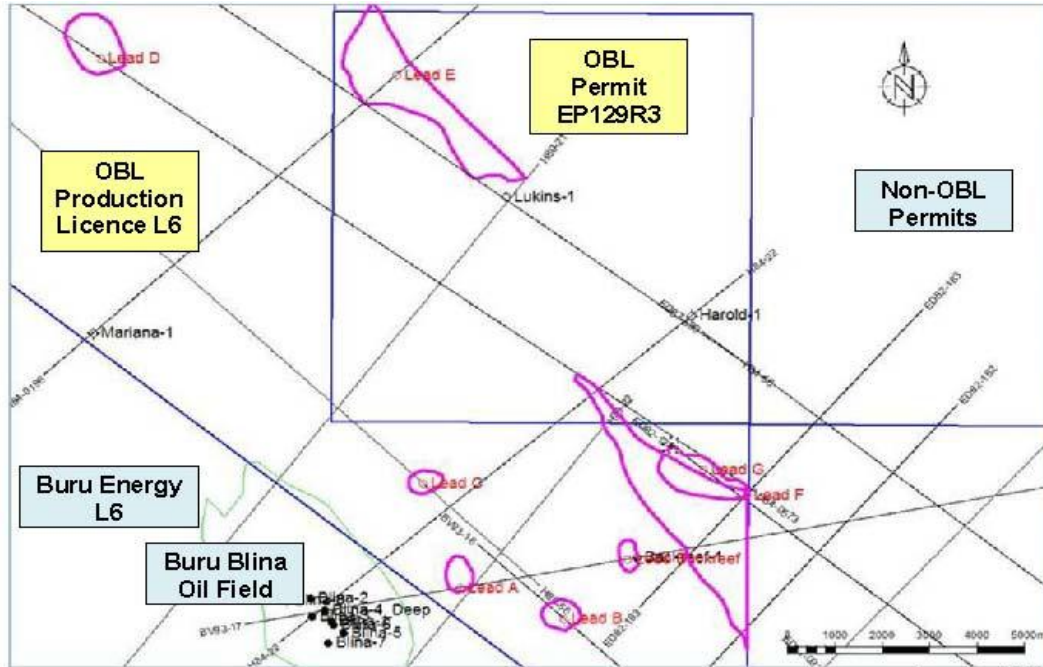
Test Results confirm that Gumhole formation is an “attractive New Oil Play.”

- Yellow Drum formation was tested underbalanced but the formation was found to be very tight of very low permeability and similar to neighbouring Blina Oil Field.
- Gumhole formation was tested underbalanced and the formation found to be a highly productive reservoir with flow influx >1000 bpd and very high permeability 750 millidarcy
- Gumhole formation recovered samples of oil to surface*, indicating (as prognosed by RPS Energy) that the Backreef-1 exploration well clipped the edge of a shallow field oil/water contact as the well was targeted at this reservoir (it was targeted at the deeper Clanmeyer formation).
- Under the DMP approved 24 hour duration test program at Backreef-1 all production influx was to be stored within onsite tankage for future disposal (ie under the DMP environmental approval for Backreef-1, specifically no influx was permitted to be discharged into the sump). Onsite storage capacity was based upon an expectation test influx of circa 60 bpd (based upon Blina-1 DST of Yellow Drum) it was evident that with further testing of the Gumhole that this storage capacity would be exceeded during any prolonged test. Consequently the test was terminated without swabbing. *Oil samples were recovered to the surface after the test packer was released and in accordance with the *WA Petroleum and Geothermal Act (1967)* – a discovery of oil was notified to the DMP.
- As the Gumhole Formation recovered hydrocarbons under test and as this highly productive reservoir Zone has been extensively mapped in Petrel™ by RPS within the Backreef Area, both the “prognosed updip” Backreef Oil Pool contingent resources estimate and the contingent prospective resource estimates of the Leads (previously determined by RPS in their November 2011 assessment) remain valid.
- OBL and the Backreef Area Joint Venture is encouraged to accelerate the exploration of this regionally expansive and attractive new Gumhole play within the Backreef Area.



Backreef Area

Gumhole formation Oil Play[^] – Gross Prospective Resources circa 9 to 37MMbbls*.



Source: RPS

- Eight (8) Leads have been independently defined by RPS within the New Oil Play in the Kimberley Downs Embayment area of the southern and south-eastern portions of the Backreef Area.
- Four (4) Leads have potential to be larger than the Blina Oil Field which has an initial OIP 5.7 MMbbls (with circa 1.8 MMbbls produced since 1981) and is the largest field so far discovered within this northern carbonate region of the Fitzroy Trough).
- Two newly mapped Leads, notably Lead E and Lead F, are potentially large with indicative areas greater than 4 km². RPS is delineating a risked gross recoverable potential resource greater than 5 MMbbls for each Lead

* Pre-test assessment assumed Backreef-1 was located in or close to OWC

Lead	Target	Undiscovered STOIP MMbbls				GPoS %
		P90	P50	P10	Mean	
East Blina (Lead A)	Yellow Drum	1.00	1.86	3.08	1.97	8
Backreef	Yellow Drum	0.63	1.17	1.94	1.24	12
B	Yellow Drum	1.18	2.18	3.61	2.31	8
C	Yellow Drum	0.81	1.49	2.47	1.58	6
D	Yellow Drum	3.44	6.37	10.6	6.75	8
E	Yellow Drum	11.5	21.3	35.4	22.6	4
F	Yellow Drum	16.7	30.9	51.2	32.7	4
G	Nullara	3.86	8.93	16.8	9.79	6
Probabilistic Total		45.6	72.8	117.0	77.7	

Source: RPS

Lead	Target	Prospective Resources MMbbls				GPoS %
		Low Estimate	Best Estimate	High Estimate	Mean Estimate	
East Blina (Lead A)	Yellow Drum	0.18	0.47	0.96	0.49	8
Backreef	Yellow Drum	0.11	0.29	0.60	0.31	12
B	Yellow Drum	0.21	0.55	1.12	0.58	8
C	Yellow Drum	0.15	0.37	0.77	0.40	6
D	Yellow Drum	0.62	1.59	3.29	1.69	8
E	Yellow Drum	2.07	5.33	11.0	5.65	4
F	Yellow Drum	3.01	7.73	15.9	8.18	4
G	Nullara	0.70	2.23	5.21	2.45	6
Probabilistic Total		8.85	17.7	35.7	20.6	

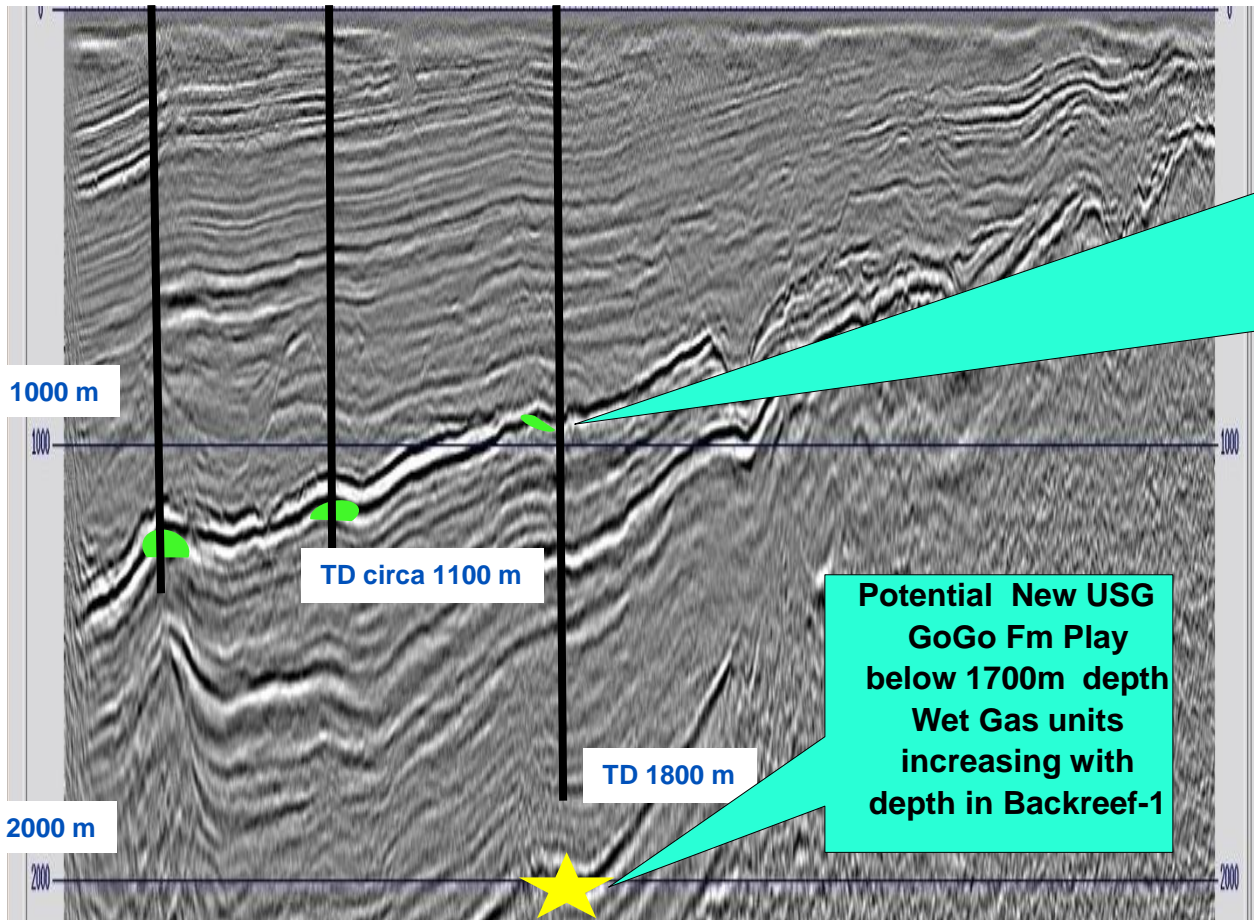
Source: RPS

[^] Note - RPS denoted a 6m zone Yellow Drum, but to be consistent with Backreef-1 Mud Log, Electric Logs and WCR it's denoted as Gumhole fm by OBL.

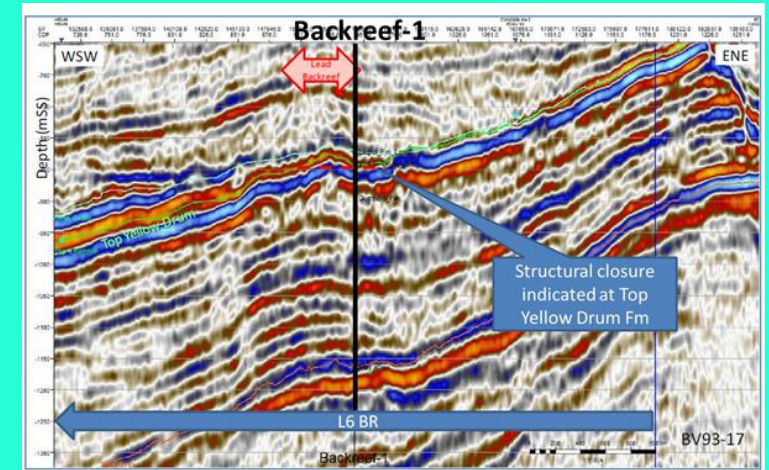


Backreef Area

Interpretation of test results and impact upon 2012 operations activities



Test confirmed Backreef-1 Wildcat exploration well was likely drilled very close to Gumhole reservoir fm OWC



Successful well test at Backreef-1 “proof of play concept”

- live oil samples recovered at surface (after packer released); and
- Excellent reservoir quality; whilst flow was primarily water, the high flow rate > 1000 bpd is an excellent reservoir, better than Blina.
- Oil collected from Backreef-1 appears to be very light and similar to oil at the nearby Blina Oilfield (7km W)
- Result much as expected as pre-test mapping by RPS (see above) indicated Backreef-1 to be on the edge of an oil pool accumulation.

PSDM BV93-17 – with schematic of ‘Gumhole Oil Play’

& other dolomite reservoirs shown - note not to scale – expanded vertical view NTS



Backreef Area

Future 2012 operations activities will focus upon further derisking the new oil play.

- Presently reviewing test results and in particular formation water and oil samples to complete new petrophysical assessment of Backreef-1 logs.
- Presently reviewing all available vintage 2D seismic of the Backreef Area with 3DGeo and aimed at derisking closures at **East Blina-1 Lead** and the **Backreef Prospect** structure and seeking locations where the attractive Gumhole reservoir at a structurally higher position than evidenced at Backreef-1 (**Backreef-2**)
- OBL will review its exclusive ADS Rig#6 option with a view to taking-up at least two slots in the near future (subject to assessment of rig suitability/timing/cost).
- Once planning has been finalised, current forward 2012 operations plan may include:
 - Re-enter Backreef-1 for a 7 day EPT (re-complete suspended well, install Tree (release drilling rig to East Blina-1) & conduct swabbing of “attic oil potential” at Backreef-1 with adequate onsite tankage
 - *If successful*, a nearby Backreef-2 updip location will be considered (*funding & approvals permitted*).
 - *If unsuccessful*, Backreef-1 will be suspended for a future re-entry for deeper drilling/coring of untested tight wet gas Virgin Hills sandstone fm and deeper Gogo USG potential (*previously assessed at gross 10 Tcf GIP within the Kimberley Downs Embayment – OBL ASX Release 8 July 2010*).
 - Drill and Test East Blina-1 (drilled to circa 1100m to 1200mTD) to complete Backreef Area Farmin.
- OBL is presently scoping for both operations to occur asap in 3Q2012 (subject to JV consents/approvals).
- As East Blina-1 is a relatively shallow well depth operation costs for both the **East Blina-1** exploration well and the possible **Backreef-1 EPT** are presently expected mostly within the \$2.5m free carry and OBL will update shareholders once planning and timing is more advanced.
- Recent independent research report assesses Backreef upside \$16.2m - \$26.2m net to OBL (Ref#1),

Cyrano Oil Field & R1/R3 – 100% interest

- Conduct new geophysical assessment potential to significantly increase present risked (P50) STOOIP ~ 10 MMbbls
- New Rapid Development Approach for Marginal Offshore Oil Fields
- Attracting Farmin interest

Analogues – all defined by wells / extensive existing 3D seismic

- Nearby Nasutus Oil Field extension (NE)
- Possible Cadell Analogue



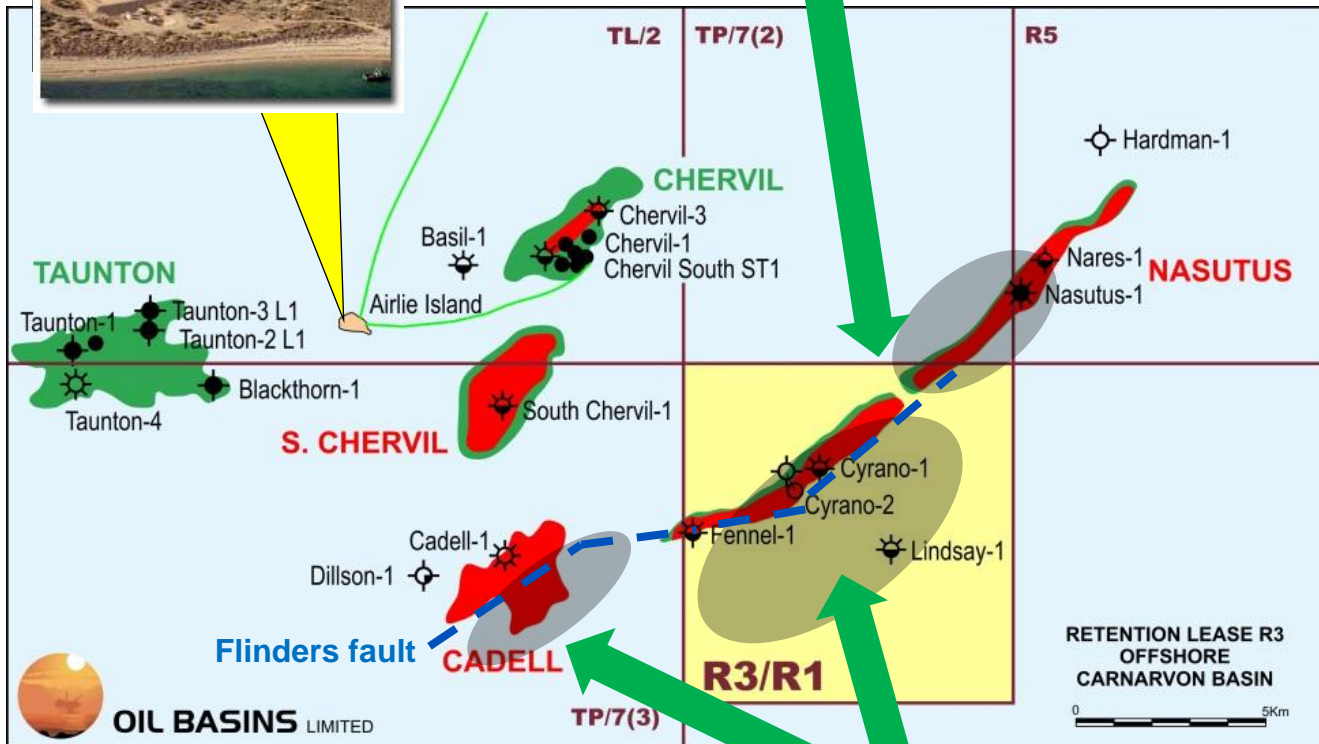
Oil Projects – Carnarvon Basin

100% Retention Lease R3/R1 (incorporating the Cyrano Oil Field)

Airlie Island Oil Hub



**New Geophysical Study Area (1)
R5 Oil Field Extension**



- OBL initially acquired 25% in 2008 and remaining 75% in October 2010
- OBL successfully renewed project as R3/R1 in October 2011
- 5 year retention lease
- Field contains 10m net heavy 22.8°API, low Sulphur oil, 21m gas cap; crude oil viscosity 3.95cp
- Water depth only 15m - 17m & TD shallow 600m
- Nearby to Airlie Island – Jetty & 2 x 150,000 storage tanks, gas lift and gas/water separation facilities

**New Geophysical Study Area (2)
New 'Cadell Analogue'**



Cyrano Oil Field Key Value Drivers

Key value drivers that may liberate value for OBL during 2012

Preferred Development – has potentially reduced Capex by over 75%

- Commissioned DU-EL to undertake scoping study covering development options & technologies
- Report changes preferred development option to feasibility of Extended Production Test (EPT/EWT) using mostly re-deployable equipment (jackup drilling vessel, jackup storage barge & FSO) – shows overall capital costs could be reduced below USD\$30m

Booked contingent 2P resources increased by 250% to 1.5 MMbbls , scope for 2C increase

- Studies completed in 2011 increased risked P50 STOOIP by 250% to 10.13MMbbls, potential to increase both P50 STOOIP & 2C resources further – application of pumps & conduct new mapping assessment of extension of R5 Nasutus Oil Field into R3 & possible Cadell Analogue
- Conduct reservoir simulation studies – potential to enhance 2C resources from 2.0 to 4.0 MMbbls using sophisticated modern electric submerged progressive cavitation (ESPCP) pumps

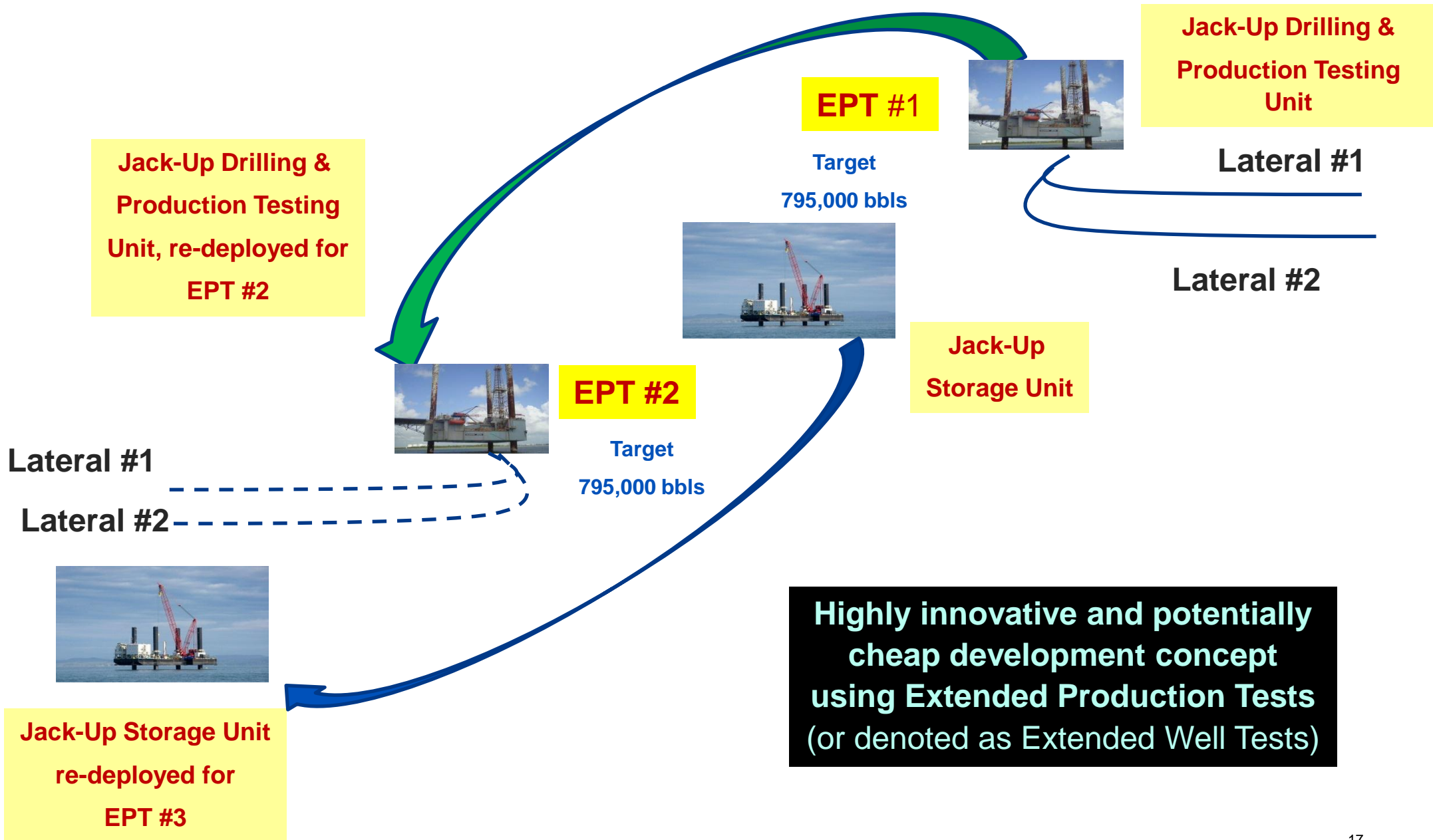
Farmout and/or seek unitisation

- Recent independent research report risked assessment Cyrano between \$2.4m - \$7.8m net to OBL (Ref#1)
- With new assessment expected in June 2012, OBL will re-seek farmin interest



Cyrano Oil Field – Development Study

Multiple EPTs (Leap-frogging along strike of Field)





Creating Wealth in 2012

USG / CSG Farmout – 50% interest

- NTTT Section 35 Determination to commence
- Potentially the best location for USG / CSG in the Canning – definitely best location for CSG – new USG mapping study by 3DGeo

- Strong Farmin Interest – large corporates

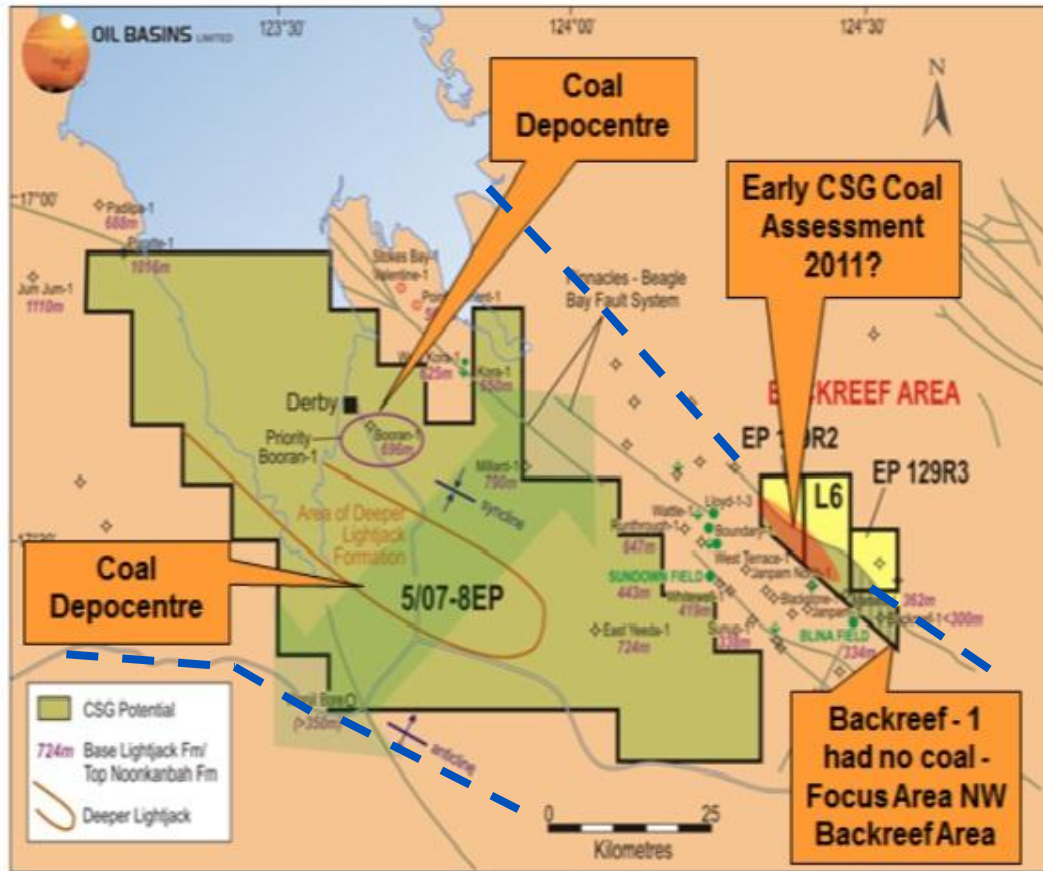
Analogues – CSG / USG permit potential

- CSG potential – Canning Basin coals similar properties to Surat Basin coals
- USG potential from Devonian GoGo fm similar to older Ordovician Goldwyer fm



CSG Projects – Canning Basin

Permit 5/07-8EP appears to be “sweet spot” for CSG – OBL 50% Designated Operator



- Independent expert coal measures study commissioned & completed assessed historic data – 51 - 118 Billion tonne coal estimated insitu within permit
- 2 coal depocentres delineated considered highly suitable for CSG – thick & deep coal, one petroleum well, Booran-1 (only 3km from Derby), max coal thickness 20m > previous perception of 4m across entire coal province
- Historic coal exploration concentrated on shallow coal near known out-crop of Permian Lightjack Formation – eg. Rey Resources
- Canning Basin Permian coals once buried deeper than present indicate overall gas saturation may be higher than occurring in Surat Basin Permian coals
- **Permit 5/07-8EP appears to be “sweet spot” – position and deposition history uniquely favourable for CSG exploration**

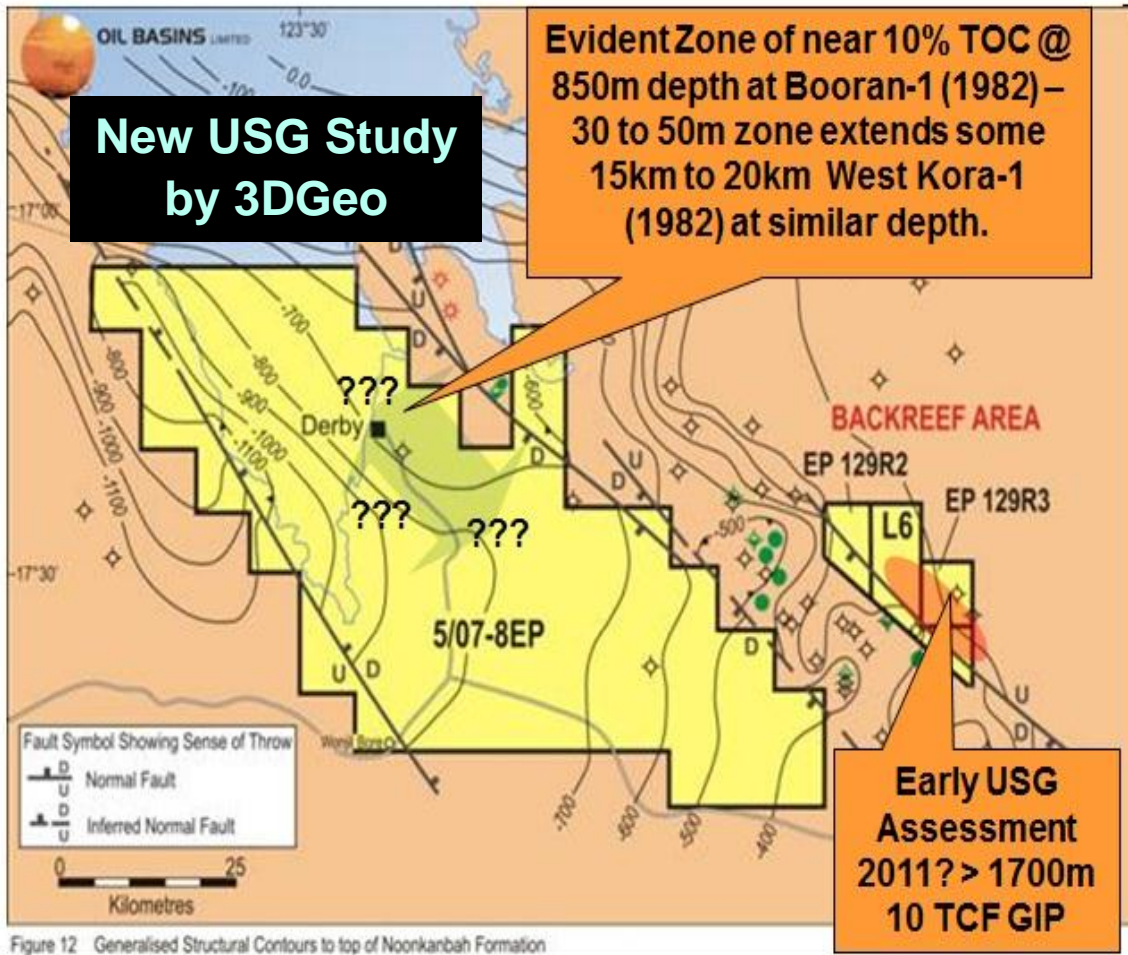
**Extent of Coal Measures bounded in north by 67 Mile Fault
Very High Ash Content >45% south of Fenton Fault
Permit is large at 5,087 km²**

Net prospective risked 2P resources assessed at between 2.2 Tcf to 5.2 Tcf



USG Projects – Canning Basin

Ind. Exp. Report concluded both Permits are highly attractive for USG



- Potential new large energy source – OBL designated operator 50%
- Independent Expert Report delineated USG prospective potential of both exploration areas
- 6 formation units ALL occurring within 5/07-8EP are ALL relevant to USG
- Evidence of high TOCs from new analysis of side wall cores previously cut in Booran-1. GoGo Shales ~1km overburden removed & prospective
- Potential also to re-enter and deepen Backreef-1 to circa 2700m, results to date encouraging for USG ~ 1700m

Although early stage exploration, very large gross potential – evident high TOCs

Shallow overlying CSG potential has ability to potentially de-risk USG exploration

OBL currently seeking USG Farminees – recent deals have benchmarked Canning USG



Canning USG comparisons & value drivers

Permit 5/07-8EP USG Attributes:

- Exploration Permit 5/07-8EP circa net 51 - 253 TCF GIP potential – likely to be from the GoGo Shale formation
- Un-risked USG prospectivity assessment based upon only 1 of 6 evident shales - **best estimate gross GIP 264 Tcf in each shale formation**
- Permit has both shallow oil & CSG prospectivity potential derisking deeper, more expensive USG wells
- Permit closer to established infrastructure & James Price Point LNG Terminal

Nearby USG Transactions – indicate Farm-out potential:

- New Standard Energy (NSE) farmed out to ConocoPhillips circa USD\$108M or circa USD\$1.1m per % point – July 2011
- NSE's assessed Goldwyer Shale Play – based upon 40 - 460 Tcf GIP potential
- Mitsubishi to carry Buru for first \$40m / \$50m USG WP
- Recent undisclosed deal Hess acquiring Kingsway Oil from Clive Palmer.

Indicative risked value of Company's USG/CSG interests assessed at circa \$4.6m - \$9.6m (Ref#1)

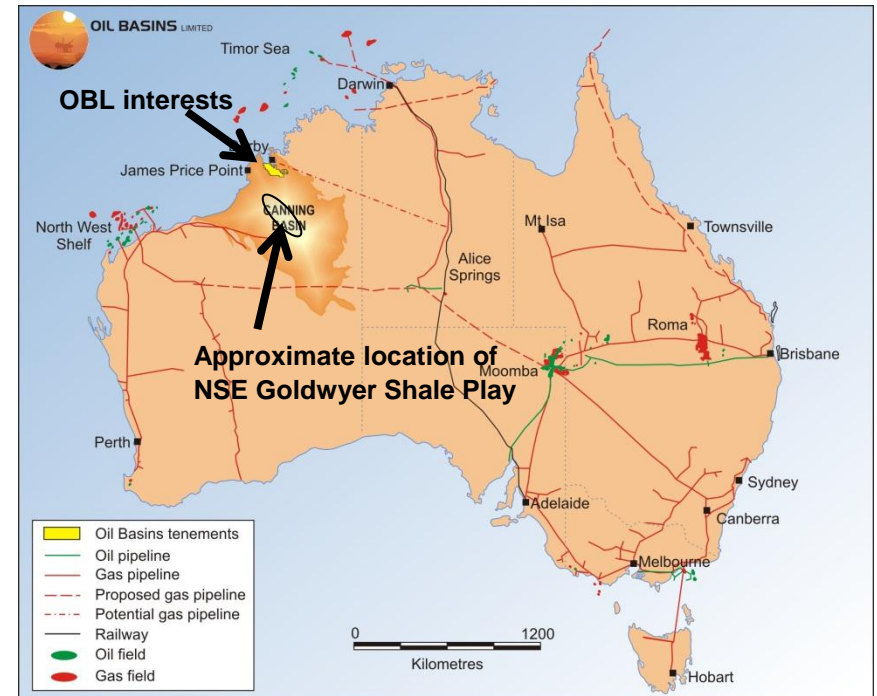
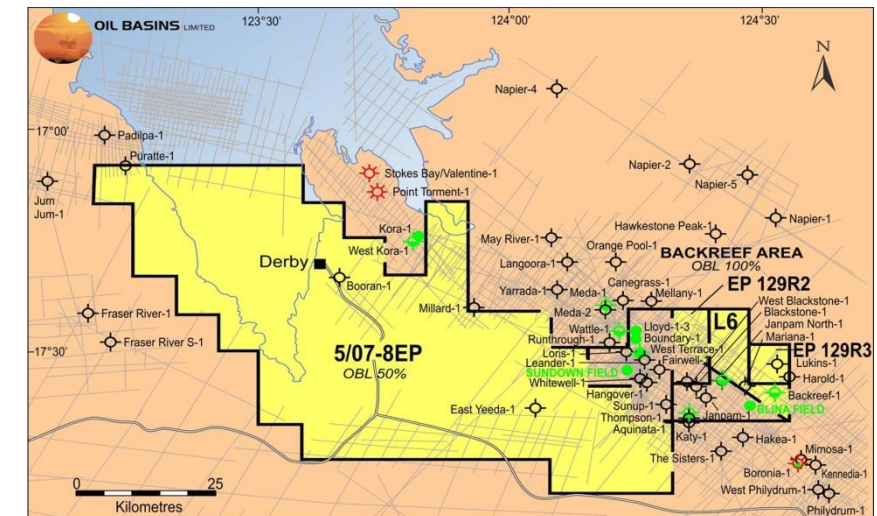


Figure 2 Oil and Gas Pipelines of Australia





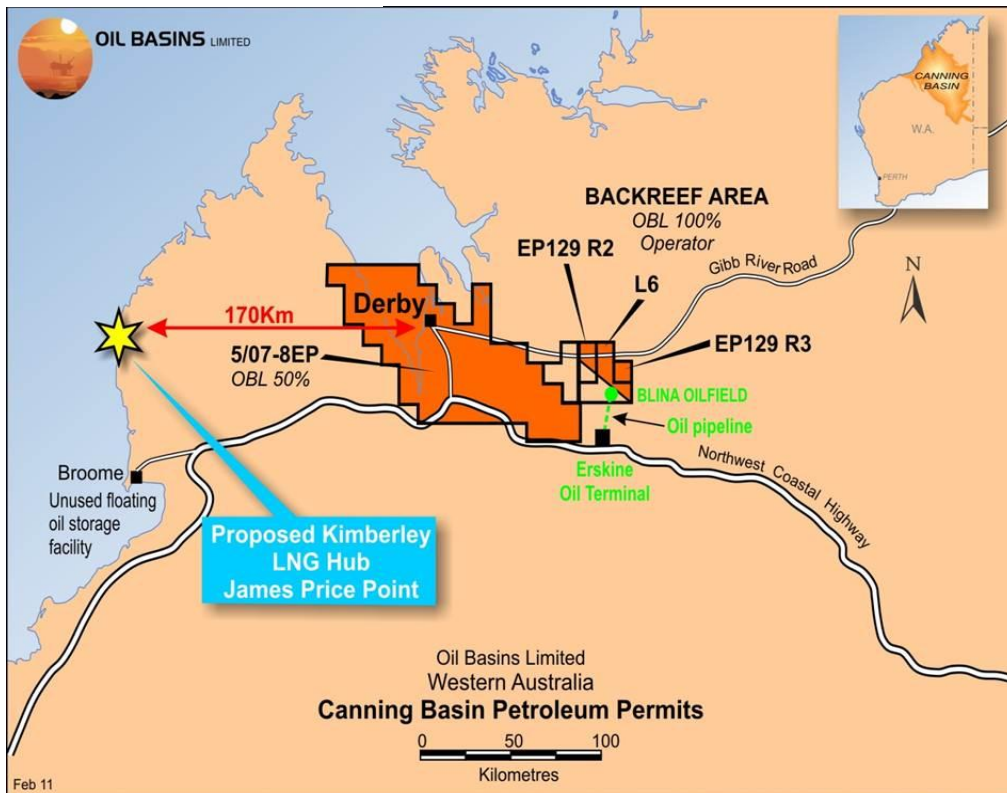
Summary – OBL offers best exposure to Canning

Backreef-1 has reduced risk for New Oil Play, CSG / USG has potential to de-risk Canning

LNG Plant Model



LNG Limited's Modular Plant technology ideally suited to moderate gas production build-up CSG / USG to LNG Projects



- OBL delineated potentially significant New Oil Play in Backreef Area – Production Test during 1HY 2012
- Strategic footprint for CSG / USG to LNG with potentially large volumes of gas attractively located close to established regional infrastructure near Derby – export CSG to LNG / USG to LNG (James Price Point)
- OBL has executed SAA to attain up to 30% of future LNG project
- OBL's SAA & ability to offer plant will potentially assist future farmouts

OBL has a non-exclusive Strategic Alliance Agreement (SAA) – USG / CSG can also supply feed gas to James Price Point LNG Hub Feedstock or Gas to Liquids

Eastern Gippsland – various interests

- Non-operated contiguous interests
- According to regulator, Vic/P41 is the best undrilled Permit in Bass Strait
- Consolidate interests further to attain critical mass – new “wet gas” strategy

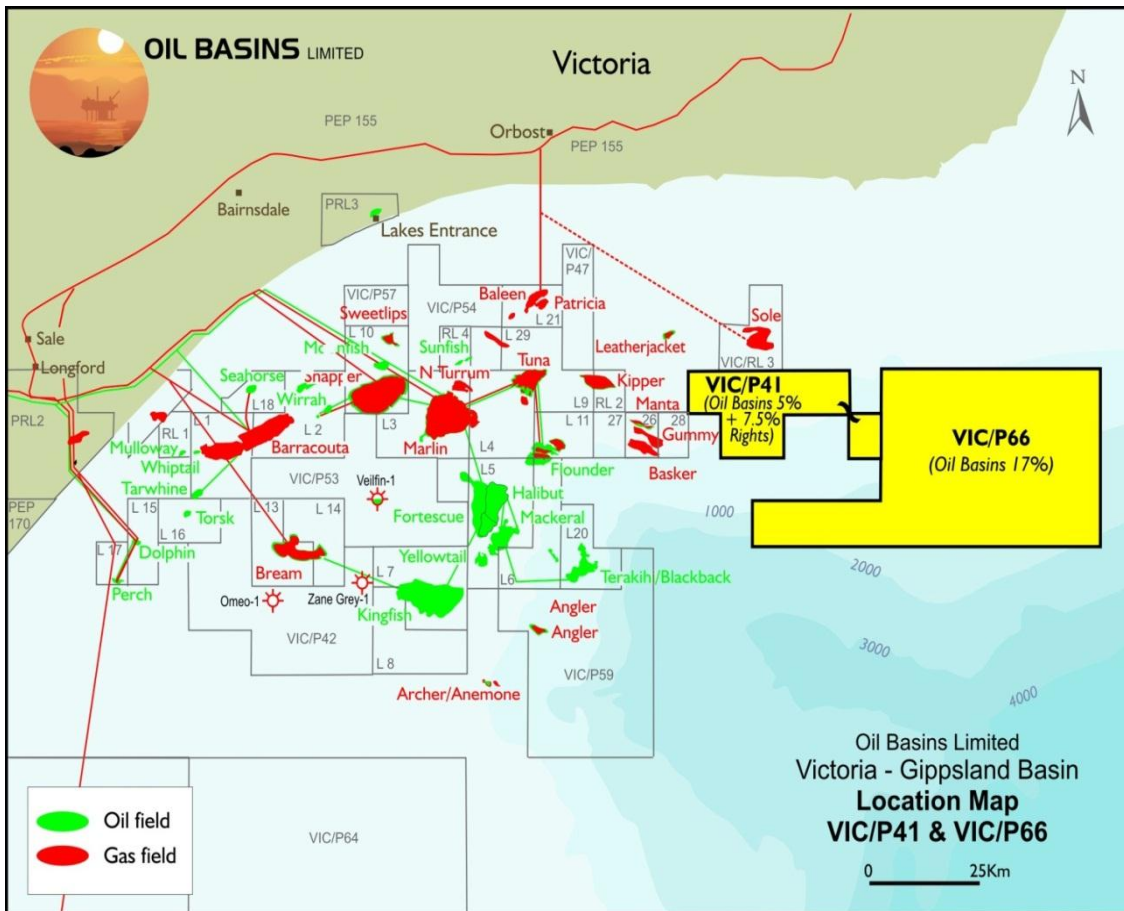
Analogues – Golden Beach fm.

- Kipper Gas Field is analogous to Kipling
- South East Remora oil discovery by ExxonMobil/BHP Billiton Petroleum confirms Golden Beach as the New Oil Play



Non-Operated Assets – Oil & NGL Projects

Eastern Gippsland Basin - Rights to 12.5% Vic / P41 & 17% Vic / P66

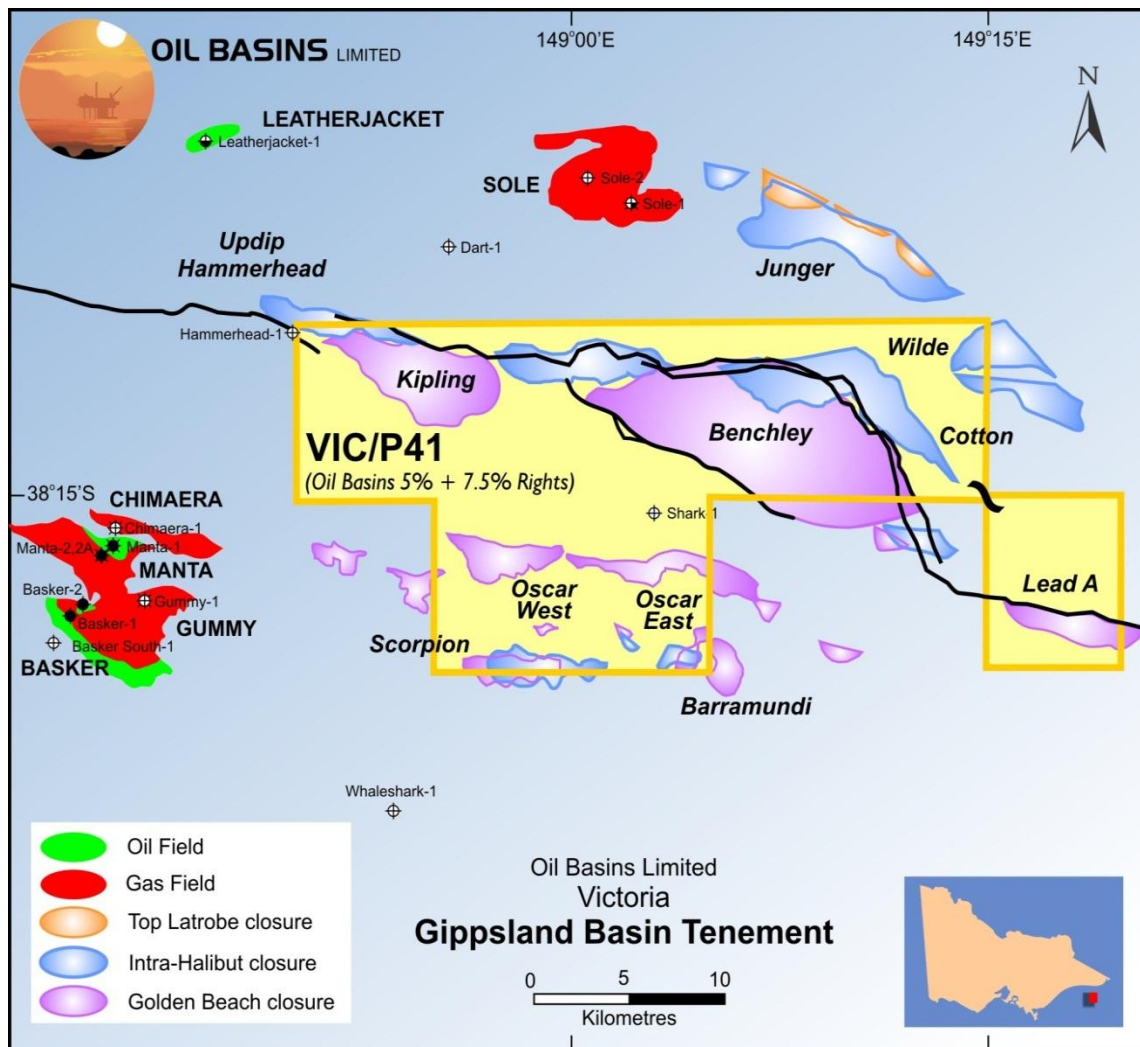


- OBL's original IPO asset – rights held & funded as to 12.5% by OBL since 2006
- Permit recently renewed (3rd Term renewal)
- Operator signed Joint Study Agreement with CNOOC on 2 August 2011
- OBL moved to protect investment in November 2011 and was recently assigned 5% of Vic/P41
- These 'gassy permits' will likely realise value with advent of CO2 Tax on 1 July 2012
- Vic/P41 is 'best undrilled Golden Beach Rosedale Fault play' in offshore Gippsland Basin with ExxonMobil & BHP Billiton Petroleum drilling South East Remora in 2010 (near Snapper)



Non-Operated Assets – Oil & NGL Projects

Eastern Gippsland Basin - Rights to 12.5% Vic / P41



- 6 undrilled 3D defined drill ready prospects
- According to Regulator Vic/P41 potentially best undrilled permit in offshore Eastern Gippsland Basin
- Gross P10 Vic/P41 upside 713 MMbbls Oil & 3.1 TCF Gas with potential for more upside – Lead A to be defined by new 3D seismic
- Oil Basins has Rights to circa net 96 MMBoe P50 prospective recoverable resources – with circa net 38 MMBoe potential now held direct
- OBL's strategic farmin in Vic/P41 has been valued on a risked basis at circa \$3.3m to \$4.1m (Ref#1)



Forward Plan 2012 – seek to liberate value

Canning Basin – Backreef Area

- Pleased to confirm that production tests at Backreef-1 confirm a new oil play within the Gumhole fm.
- Backreef-1 appears sited within the OWC (as prognosed pre-test by RPS Energy).
- Gross Prospective Resources remain at circa 9MMbbls to 37 MMbbls with gross P50 at circa 20.6 MMbbls
- OBL remains mostly funded in 2012 operations with the \$3.6m funding advanced by Green Rock Energy.
- OBL remains focussed and is presently fast-tracking a cheap re-entry of Backreef-1 for an EPT (circa 7 days) ahead of in parallel with drilling and testing East Blina-1 (cost synergies are likely to be achieved).
- Subject to rig availability and consents – EPT and drilling operations will be conducted asap 3Q2012.

Carnarvon Basin

- The Company's Cyrano Scoping Study has (using a novel Extended Production Test Concept) reduced the estimated capex for a future development from USD\$140m to below USD\$30m
- Mapping of R5 extension continues by 3DGeo and will likely significantly increase 2C resources
- Seeking Farmin interest to finalise studies & rapidly develop the oil field

Canning Basin – Application 5/07-8EP

- With Mediation terminated in early May 2012, OBL is advancing a Section 35 Determination to secure title and seeking to attract large CSG / USG Farmin partners

Eastern Gippsland Basin

- Seeking to further consolidate its Gippsland interests during 2012. Area likely to be re-rated post CO₂ tax.



Glossary & Petroleum Units

M	Thousand
MM	Million
B	Billion
bbbl	Barrel of crude oil (ie 159 litres)
PJ	Peta Joule (1,000 Tera Joules (TJ))
Bcf	Billion cubic feet
Tcf	Trillion cubic feet
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)
CSG	Coal Seam Gas
EPT	Extended Production Test (also commonly referred to as an Extended Well Test)
ESPCP	Electric Submersible Progressive Cavitation Pumps
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
GIP	Gas initially in place – also known as GIIP
OIP	Oil in place – also known as Stock Tank Oil Initially in Place (STOOIP)
fm	Formation
sst	Sandstone
OWC	Oil water contact
USG	Unconventional Shale Gas



OIL BASINS LIMITED

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

ASX: OBL, OBL0A, OBL0B

www.oilbasins.com.au