



OIL BASINS LIMITED

ABN 56 006 024 764

1 December 2014

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

Dear Sirs

DERBY BLOCK UPDATE & BACKREEF OIL

The Directors of Oil Basins Limited (**OBL** or the **Company**, ASX code **OBL**) wish to make the following ASX announcement to update shareholders and investors on matters pertaining to WA Petroleum Exploration Permit EP487 (Derby Block).

On 28 November 2014, Rey Resources Limited (ASX code **REY**) announced that it had entered into a highly conditional potential transaction with Backreef Oil Pty Ltd (**BOPL**) for a 50% interest in the Derby Block.

The Company wishes to make the following comments:

- BOPL does not presently hold a 50% beneficial interest in the Derby Block.
- OBL has outlined its legal position in the recent OBL AGM presentation dated 25 November 2014 and is waiting for the WA State Administrative Tribunal (**SAT**) to deliberate on whether BOPL wrongfully exists on title – quite apart from whether any percentage interest is held beneficially by BOPL.
- SAT is expected to hand down its decision on or before 27 January 2015.
- The proposed REY transaction presently has no currency as it is highly conditional, and it is not clear whether it is made by BOPL with the approval of Buru Energy Limited (ASX code **BRU**).
- If the BOPL deal with REY is with BRU's approval or direction, and the BOPL deal with BRU is to expire or be varied, then OBL seeks BRU to change as soon as possible all ASX releases, presentations, maps, website and prospective potential resources relating to its claimed 50% interest in EP487 (Derby Block).

Yours faithfully

Neil Doyle SPE
Director & CEO