

ASX ANNOUNCEMENT

15 JANUARY 2016

Derby Block update

Rey Resources Limited (“Rey” or “the Company”) (ASX: REY) refers to the announcement made by Oil Basins Limited (ASX: OBL) on 14 January 2016 with respect to petroleum exploration licence EP487, the “Derby Block”.

Rey completely refutes the matters raised in OBL's announcement. In particular, Rey refutes:

- that it is in default under the terms of the joint operating agreement between Rey, Rey Lennard Shelf Pty Ltd (“RLS”) and OBL (“JOA”); and
- all of the allegations with respect to the ability of Rey and its subsidiary RLS to meet any requirements to perform as Operator of the Derby Block that might exist under the JOA or otherwise.

Rey will inform the market in due course of the action it proposes to take in response to these allegations.

For further information please contact:

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