



OIL BASINS LIMITED

ABN 56 006 024 764

30 May 2016

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

Dear Sirs

EP 487 DERBY BLOCK

Oil Basins Limited (“OBL” or the “Company”, ASX code “OBL”) has resigned as Operator of EP 487 (Derby Block) and this role is now with Rey Lennard Shelf Pty Ltd, a subsidiary of Rey Resources Limited (REY).

OBL retains its 50% interest in EP 487 (Derby Block) and retains its position with the Joint Venture operating committee. OBL looks forward to working with the new Operator to take the work program forward.

MANAGEMENT CHANGES

Accordingly, as the day to day involvement in EP 487 (Derby Block) is expected to be less than with OBL as Operator, the OBL board has taken a number of immediate cost-cutting measures.

The board has unanimously agreed to give Notice to Executive Directors, Mr. Kim McGrath (Executive Chairman) and Mr. Neil Doyle (Executive Director and Chief Executive Officer), with respect to their Executive Services Agreements (**Agreements**). In accordance with the Agreements, the Company has provided 6 months’ written notice to each of the Executives.

The Executives will continue to serve out their notice period with the Company and then remain on the Board as Non-executive Directors.

Any termination payments owing to the executives will be paid in accordance with their Executive Services Agreements.

The Board wishes to thank each of Mr. McGrath and Mr. Doyle for their extensive efforts with the Company over the past years since their Executive appointments.

Yours faithfully

A handwritten signature in blue ink, appearing to read "C. Dumbrell", is positioned below the "Yours faithfully" text.

Carl Dumbrell
Company Secretary