



OIL BASINS LIMITED

ABN 56 006 024 764

29 September 2016

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

LETTER FROM AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION

The Board of Oil Basins Limited (OBL or Company) advises that it has received a letter from the Australian Securities & Investments Commission (ASIC) in relation to the conduct of the then Chairman (Mr. K.M. McGrath) at the 2015 Annual General Meeting (AGM) held in Melbourne on 30 November 2015.

ASIC letter dated 27 September 2016 stated "We are aware that the resolution at the Oil Basins Limited's Annual General Meeting of 30 November 2015 were passed on a show of hand. This was in the circumstances where 43.20% of the proxy votes received prior to the meeting voted against the adoption of the resolution to adopt the Remuneration Report for the year ended 30 June 2015"

It is a requirement to record as a "strike" in the event that over 25% of the shareholders vote against the adoption of the remuneration report. If a company receives two "strikes" at consecutive AGMs the board of directors are removed from all positions of office and must stand for re-election if they wish to continue as directors.

The decision of the Chairman to pass the resolution on a show of hands avoided the recording the first "strike". ASIC is concerned that the Chairman has failed in his duty to record the true result of the members of Oil Basins Limited at the 2015 AGM.

It should be noted that since then three of the four Board members (including the Chairman) are no longer on the Board and the new board will be conducting a review of the voting and actions of the Chairman at the 2015 AGM. The company will be reporting its findings to ASIC.

Yours faithfully

Carl Dumbrell
Company Secretary