



# OIL BASINS LIMITED

ABN 56 006 024 764

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28 April 2017

ASX Market Announcements  
Australian Stock Exchange Limited  
10<sup>th</sup> Floor, 20 Bond Street  
Sydney NSW 2000

## March 2017 Quarterly Activities Report

### Highlights

- South East Australian Energy Market tightens significantly
- Withdrawal of OBL from the EP487 Derby Block

### South East Australian Energy Market

The company's released an investor presentation on 7 April 2017. The presentation focuses on the South Eastern Australia gas market and the structural change from coal to gas.

- Since 2014, four major coal fire power plants in Australia have closed;
- These closures have reduced electricity supply by 3760 Mega Watts (MW);
- Australia is the 2<sup>nd</sup> largest exporter of LNG in the world, with locked in long term supply contracts of Australian Gas to Asian markets;
- Federal and State governments have failed to secure Australia's domestic energy supply;
- This failure and the strong demand from Asian markets have led to strong increases in prices for gas and electricity;
- The Gippsland Basin is Australia's premier oil and gas basin;
- The Australian population and the majority of the domestic market is located in South East Australia (Vic and NSW);
- The OBL primary asset, Vic/P47, is located in the Gippsland Basin close to existing infrastructure and a hungry domestic market.

### VIC/P47

The Vic/P47 permit is located within Australia's premier oil and gas province, the offshore Gippsland Basin, Bass Strait. The Basin is home to the Patricia Baleen (gas), Longtom (gas/condensate), Kipper (gas/oil) and Tuna (gas / oil) permits.

Vic/P47 permit covers 202km<sup>2</sup> containing the Judith and Moby conventional gas fields. Two-gas discovery wells have been previously drilled within the permit.

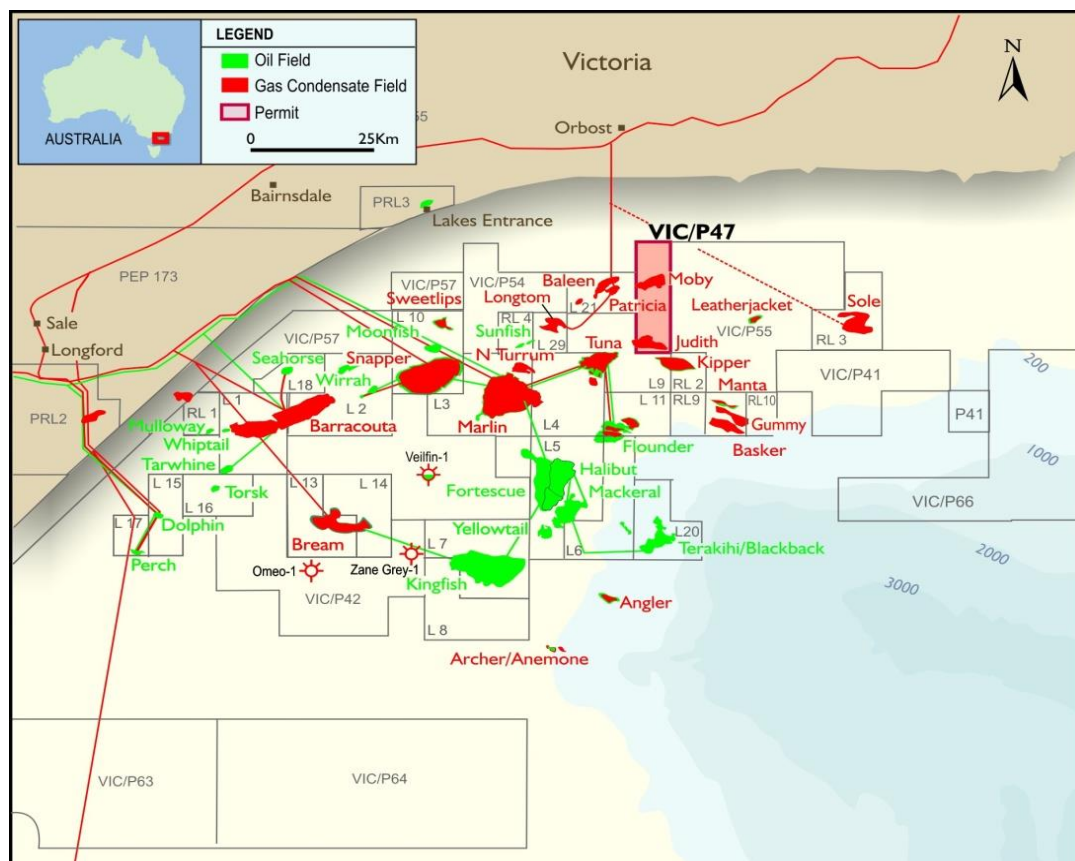
Moby-1 was drilled by Bass Strait Oil in 2004. The Judith-1 well was drilled by Shell in 1989 and discovered gas in multiple tight alluvial fan sandstones of the Admiral Formation, Emperor Subgroup.

The Judith Gas Field is located some 2 km north of the Kipper Gas Field and 15 km SSE of the Patricia/Baleen gas fields. A volumetric assessment of the Judith accumulation by Gaffney Cline and Associates in 2013 estimated the P50 contingent Gas Resource at 101 BCF.

OBL is progressing to complete the reprocessing of historic 3D Seismic data across the permit area. The seismic data was initially acquired from seismic surveys completed by Esso/BHP Billiton in 2001-02 and Bass Strait Oil in 2006.

When completed at the end of June 2017 the seismic reprocessing will;

- Further define the extent and detail of the Judith and Moby structures
- Determine the extent of sandstone reservoirs discovered in Judith-1 and Moby-1
- Provide data to attain an improved estimate of the gas resources at both Judith and Moby
- Provide data to optimize a drilling location and allow detail planning of a directionally drilled production well “flight path” to optimise gas resource recovery.



## EP487

Following an asset review the company determined that this project was no longer financially viable for a number of reasons including:

- Distance from population centres (Perth is over 2500 km's away)
- Lack of infrastructure such as pipelines, roads, rail and shipping terminal
- Changes made to the cost of the work program by the current operator
- Ongoing environmental and Native Titles issues
- Prospective Resources are largely based on an Unconventional Oil and Gas Field

Exploration and Development of EP487 requires massive capital and OBL considers that until the global majors are willing to invest such capital the likelihood of commercial success remains low. OBL is a small exploration company and is not willing to raise the capital to support this project.

## Finance

At the end of the quarter, 31 March 2017, the OBL cash balance was \$230,000. A summary of the cash flow for the quarter are attached in the Appendix 5B.

## Tenement holding summary

Below is a list of the tenements held by Oil Basins Limited as at 31 March 2017:

<b>Petroleum Tenement</b>	<b>Location</b>	<b>Beneficial Percentage held</b>
Vic/P47	Victoria	100%+
Cyrano R3/R1	Western Australia	100% +
Backreef Area	Western Australia	100% +

+ Operator

We thank shareholders for their ongoing support and welcome any questions they may have.

Yours faithfully



**Carl Dumbrell**  
**Company Secretary**

## **Corporate Directory**

### **Board of Directors**

Carl Dumbrell  
Vaz Hovanessian  
Justyn Peters

### **Company Secretary**

Carl Dumbrell

### **Geological Consultant**

Geoff Geary

### **Registered office**

Level 4, 100 Albert Road  
South Melbourne Vic 3205

### **Principle place of business**

Level 10, 65 York Street  
Sydney NSW 2000

### **Share Registry**

Automic Pty Ltd ACN 152 260 814 Trading as Automic Registry Services  
Level 3, 50 Holt Street  
Surry Hills NSW 2010  
Phone: 1300 288 664  
Overseas callers: +61 2 9698 5414  
Facsimile: +61 2 8583 3040

### **Capital Structure**

The company currently has issued capital (as at 28 April 2017) of:

Ordinary fully paid shares	(ASX: OBL)	277,441,654
Options expiring 17 November 2018 (Ex \$0.04658)	(ASX: OBLAA)	6,700,000
Options expiring 14 September 2017 (Ex \$0.232)	(ASX: OBLAK)	800,000

### **Auditors**

Deloitte  
550 Bourke St, Melbourne Vic 3000

### **For further information contact:**

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