



OIL BASINS LIMITED

ABN 56 006 024 764

27 September 2017

Dear Shareholder

Oil Basins Limited ACN 006 024 764 - renounceable rights issue

On 25 September 2017, Oil Basins Limited (**OBL** or the **Company**) announced a renounceable rights issue to eligible shareholders, on the basis of 9 new fully paid ordinary shares for every 5 shares held at an issue price of \$0.003 per share (**New Share**) with one free attaching option exercisable at \$0.005 and expires on 31 March 2020, to raise approximately \$1,554,154.19 before costs (**Rights Issue**).

The Rights Issue is underwritten by Patersons Securities Limited.

The purpose of the Rights Issue is to raise approximately \$1,554,154.19 for the Company to:

- increase working capital to enable OBL to finalise the legacy issues relating to the previous board and management pending the renewal of petroleum permit VIC/P47as lodged in August 2017 to undertake exploration and development activities in relation to the Company's assets; and
- meeting the costs of the Rights Issue and to provide working capital.

The Prospectus in relation to the Rights Issue was lodged with the Australian Securities Exchange (**ASX**) on 27 September 2017 and is available on the ASX website and also on the Company website at <http://www.oilbasins.com.au/>.

A proposed timetable for the Rights Issue is set out in the table below:

Event	Date
Announcement of Rights Issue and Appendix 3B lodged with ASX.	25 September 2017
Prospectus Lodged with ASIC and ASX	27 September
Notice of Rights Issue sent to option holders	28 September 2017
Notice of Rights Issue sent to shareholders	28 September 2017
Shares commence trading on an ex basis	2 October 2017
Record Date for the Rights Issue (7:00pm AEDST time)	3 October 2017
Despatch Prospectus to shareholders	6 October 2017
Opening date of Rights Issue (9:00am AEDST time)	6 October 2017
Closing date of Rights Issue (5:00pm AEDST time)	20 October 2017
Advise ASX of any shortfall	25 October 2017
Allotment of New Securities under Rights Issue	27 October 2017
Despatch of holding statements for New Shares and deferred settlement	27 October 2017

Event	Date
trading ends	
Normal trading of New Shares on ASX begins	30 October 2017

This timetable is indicative only and may be subject to change subject to the requirements of the Corporations Act and the ASX Listing Rules.

In accordance with the ASX Listing Rules, OBL has considered the number of shareholders with registered addresses outside of Australia and New Zealand, the number and value of the shares held by those shareholders, and the number and value of New Shares those shareholders would be offered pursuant to the Rights Issue. Taking this into consideration, as well as taking into consideration the costs of complying with the legal requirements and the requirements of the regulatory authorities of those relevant jurisdictions outside of Australia and New Zealand, OBL believes it to be unreasonable to extend the Rights Issue to all shareholders. Accordingly, the offer pursuant to the Rights Issue will only be extended to those who are OBL shareholders as at 7.00pm (AEDST time) on 3 October 2017, and who have registered addresses in Australia and New Zealand. Entitlements to New Shares pursuant to the Rights Issue are renounceable and accordingly will not be traded on the ASX.

As you are a shareholder with a registered address outside of Australia and New Zealand, the offer pursuant to the Rights Issue will not be extended to you.

However, OBL has appointed Patersons Securities Limited (**Patersons**) to act as a nominee (**Nominee**). Accordingly, OBL must issue to Patersons rights to the New Securities that are not issued to those OBL shareholders who, as at the record date, have a registered address outside of Australia and New Zealand.

The Nominee will attend to the sale of the rights issued to it by the Company and direct the net proceeds (if any, after deduction of the costs of sale) to the Company to facilitate pro rata payments of any net proceeds to the Ineligible Shareholders.

The Nominee will have the absolute and sole discretion to determine the timing and the price at which the rights issued to it may be sold and the manner in which any sale is made. The net proceeds of the sale (if any) will be paid to those Ineligible Shareholders for whose benefit the rights are sold in proportion to their shareholdings as at the Record Date (after deducting the Issue Price, brokerage, commission and other expenses). If the proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Notwithstanding that the Nominee may sell the rights, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. Neither the Company nor the Nominee will be liable for a failure to obtain any net proceeds, or to sell the New Securities at any particular price or at any particular time.

Please contact Carl Dumbrell on +61 02 9275 8878 if you have any queries regarding the Rights Issue or your eligibility to participate in the Rights Issue.

Yours faithfully



Carl Dumbrell
Oil Basins Limited