



OIL BASINS LIMITED

ABN 56 006 024 764

12 October 2011

Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
Sydney NSW 2000

Dear Sirs

AWARD OF RETENTION LEASE R3 / R1 (CYRANO OIL FIELD)

The Directors of Oil Basins Limited (**OBL**, ASX codes **OBL**, **OBLOA** and **OBLOB**, or the **Company**) are pleased to make the following ASX announcement relating to the award of the Retention Lease R3, newly designated as R3 / R1 containing the undeveloped Cyrano Oil Field, offshore Carnarvon Basin, Western Australia (**WA**) so as to keep the market fully informed.

As a matter of record, on 11 October 2011, the Designated Authority on the authority of the WA Minister of Mines and Petroleum has formally awarded the Company Retention Lease R3 / R1 for 5 years until 10 October 2016 – which the Company holds as to 100%.

As previously stated to the ASX on 5 October 2011, OBL is very pleased with this award and notes that Cyrano is integral to its strategic focus in assessing the potential commercial viability of shallow water, previously considered stranded, sub-marginal oil reservoir hub developments. The Company is examining the use at Cyrano of a combination of the latest 3D seismic interpretation, advances in reservoir completion and pump technologies, and low cost proven re-deployable surface equipment.

Yours faithfully

Neil F. Doyle SPE
Director & CEO