



OIL BASINS LIMITED

ABN 56 006 024 764

8 September 2008

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

Dear Sirs

UPDATE RETENTION LEASE R3 (CYRANO)

The following release provides an update with respect to Oil Basins Limited's (ASX code OBL) 25% interest in Retention Lease R3 (Cyrano) offshore Carnarvon Basin and is provided so as to fully inform the market.

On 16 June 2008, the Company announced to the ASX that it had concluded an agreement with AIM Listed Black Rock Oil & Gas Plc to acquire a direct 15% interest in petroleum exploration Retention Licence R3 (Cyrano) which contains the undeveloped Cyrano Oil Field, located in offshore Carnarvon Basin, Western Australia. The overall consideration for this transaction was \$40,000 plus 500,000 ordinary OBL shares. On 11 July, 2008, OBL announced to the ASX that the Company had concluded an agreement with the relevant Norwest Energy NL (ASX code NWE) subsidiary to acquire a direct 10% interest in petroleum exploration Retention Lease R3 which contains the undeveloped Cyrano Oil Field, located in offshore Carnarvon Basin, Western Australia. The overall consideration for this transaction was \$26,667 plus 333,333 ordinary OBL shares.

As both transfers have now attained all joint venture partner consents and formal registration with the West Australian Department of Industry and Resources is expected shortly, OBL has now finalised the agreed payments with all vendors (for an overall OBL cash expenditure will be \$66,667 and issue of 833,333 new OBL ordinary shares).

Ownership

The new R3 lease holders will be:

Tap (Shelfal) Pty Ltd, a wholly owned subsidiary of Tap Oil Limited (ASX code TAP)	75% (Operator)
Oil Basins Limited	25%

Yours faithfully

Kim McGrath
Chairman