



**OIL BASINS** LIMITED

ABN 56 006 024 764

## 2009 AGM

22<sup>nd</sup> Annual General Meeting of Shareholders

25 November 2009

ASX codes OBL & OBLOA

[www.oilbasins.com.au](http://www.oilbasins.com.au)

# Key Attributes.



- **The Company is involved in exploration for oil and gas in the offshore Gippsland Basin waters of south-eastern Australia, the onshore Canning Basin of Western Australia and more recently the offshore waters of Carnarvon Basin, all situated in good hydrocarbon addresses and nearby to existing infrastructure hubs.**
- The Company's net portfolio position of 2P prospective potential resources has, during 2009 now attained a significant leverage position of **330 MMBOE** prospective potential resources.
- **This Exploration Portfolio has been attained at a very modest cost to date of circa \$2.67 million or circa 0.8 cents per BOE (assuming all capital raised to date has been conservatively applied to attaining this portfolio).**
- This leverage has subsequently increased to circa **413 MMBOE**, should two additional highly conditional farms with Backreef Oil be successful and should "Lead A" Vic/P41 be confirmed as a drillable Prospect.
- **The Company is a very low overhead company and offers shareholders high exposure to an exploration portfolio that includes a range of high, medium and low risk exploration (mostly defined by modern 3D) and in addition exposure to a small oil field development project.**

\* Refer to Glossary for definition of BOE

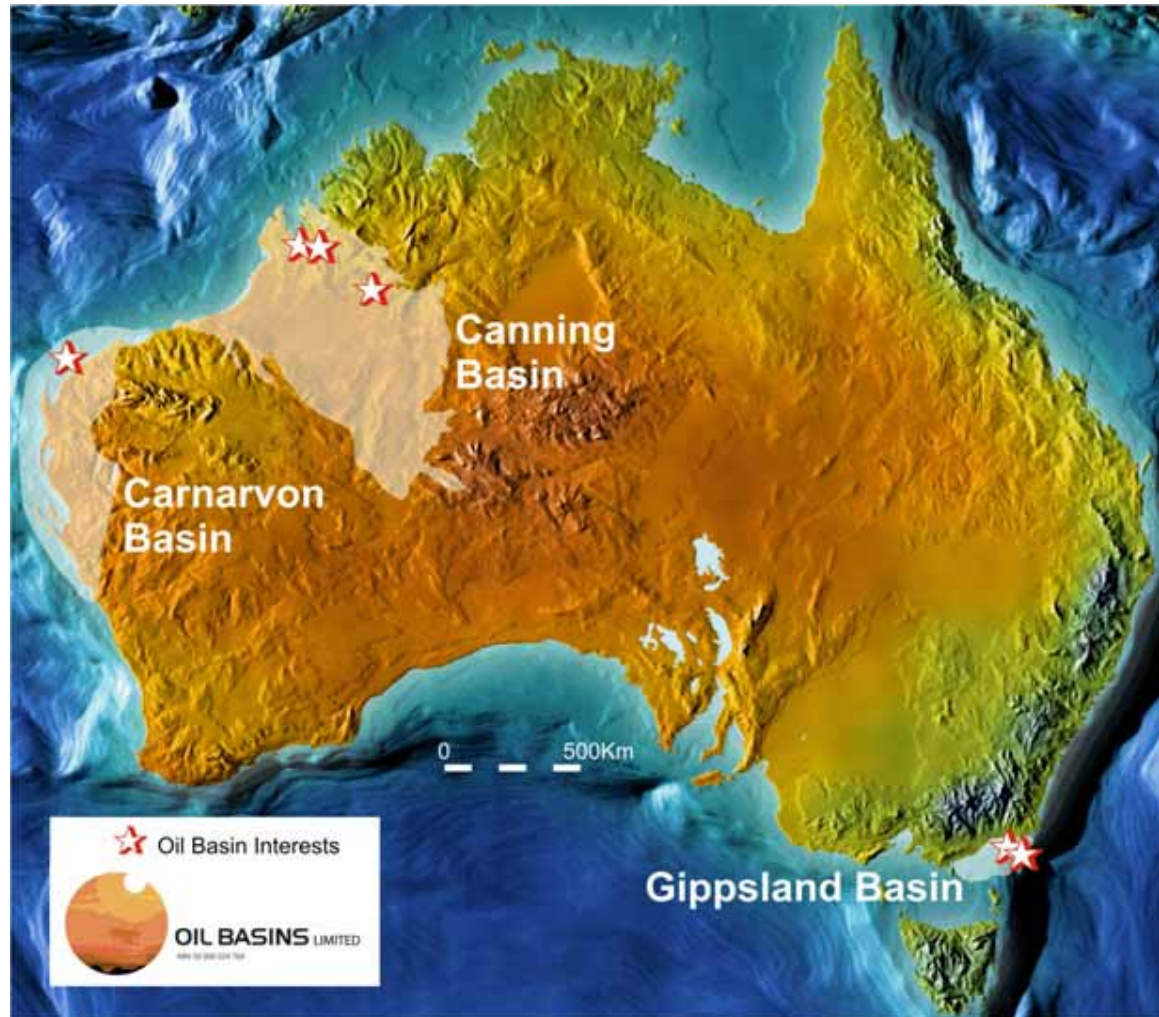
# The Company's interests.



- **12.5% Rights to Vic/P41 situated in offshore Gippsland Basin,**
- **17% Vic/P66 situated in offshore Gippsland Basin,**
- **80% Beneficial Rights to Backreef Area, onshore Canning Basin,**
- **20% Rights DR9 situated in onshore Canning Basin,**
- **50% interest in EP5/07-8 situated in onshore Canning Basin, and**
- **25% Retention Lease R3 situated in offshore Carnarvon Basin.**

**The Company has interests in 1 undeveloped offshore discovery, 6 drill-ready offshore 3D defined prospects, 2 drill-ready onshore prospects and an inventory of 4 offshore 2D mapped leads and 2 onshore mapped leads.**

# Location of the Company's interests.



# Report to Shareholders.



- The Company's core asset remains its 12.5% Rights to offshore Vic/P41 Permit situated offshore Gippsland Basin nearby to ExxonMobil's operated Kipper gasfield development, Santos' undeveloped Sole gasfield and Roc Oil's operated Basker-Manta-Gammy (**BMG**) FPSO oil and gas development;
- The Vic/P41 Permit has delineated 6 drill-ready prospects all defined by modern 3D shot in 2006 and processed in 2007 and partially funded by OBL's initial public offering prospectus. Subsequent to the 3D seismic reprocessing and assessment, OBL presently retains net rights to circa **94.3 MMBOE** prospective potential P50 resources;
- This permit has a significant gross in-place unrisks P10 gas potential is circa **3.1 TCF** and Company is seeking interest in a partial sale of its Rights in Vic/P41 Permit;
- Company believes that the potential significant gas prospectivity of Vic/P41 Permit may become strategic in a future Emmission's Trading Scheme commercial environment.
- During the reporting year, the Company was a member of a successful bidding consortium and awarded a direct interest by the Designated Authority in December 2008 of an on-Title 17% interest in Vic/P66 Permit, a rank exploration permit in offshore Gippsland Basin, contiguous to the Vic/P41 Permit.

# Report to Shareholders.



- During the reporting year the Company settled its legal dispute with Arc Energy Limited and upon Settlement, Oil Basins effectively went to an 80% beneficial interest in the Backreef Area, Canning Basin, including the Backreef-1 Prospect.
- The Company commissioned an Independent Expert Report on Backreef Area which was released to the ASX on 18 February 2009. Independent Expert assessed the drill-ready Backreef Prospect as having 270 MMbbls prospective potential median resources – with net (i.e. 80%) 216 MMbbls attributable to Company.
- The Company presently holds Rights for an additional 10% Backreef Area, via a highly conditional Heads of Agreement.
- The Company is seeking Farmin Partners and/or partial sale of its assets as a way of accelerating funded exploration – but will look at conventional funding and / or unconventional funding (**eg innovative Backreef OilCans**) to fund its wells in 2010.

# Report to Shareholders.



- Similar Independent Expert Report assessed Emika Prospect as having as having 107 MMbbls prospective potential median resources – with net (i.e. 20%) 21.4 MMbbls attributable to Company.
- During the reporting year, the Company successfully acquired a 25% interest in Retention Lease R3 (Cyrano), Carnarvon Basin, where the Cyrano oilfield discovery has already has two existing penetrations with an assessed net 1.0 MMbbls estimated recoverable contingent resources and an un-assessed gas cap.
- The Company successfully acquired this asset in September 2008 for \$66,000 plus 833,333 OBL shares issued at 11 cents per share – effectively 16 cents per barrel; and
- The Company successfully raised a gross amount of \$645,757 of working capital by way of Placement and Partially Underwritten Rights Issue to fund its continuing business and work program activities. Company now has both listed OBL and OBLOA securities.
- Company always retains the Right but **not the obligation** to fund its interests.

# Directors & Management.



## Directors :

**Kim McGrath**, Non Executive Chairman – Experienced Deal Lawyer & Investment Banker

**Nigel Harvey**, Non Executive – Experienced Oil & Gas Derivatives Trader / Energy Banker

**Neil Doyle**, Non Executive – Engineer (SPE) / Upstream Specialist & Energy Banker

## Management :

**Melanie Leydin**, Company Secretary, Chartered Accountant

**Geoff Geary**, Petroleum Geologist, Exploration Consultant, former ExxonMobil geologist

**The Company's team is highly experienced across all oil & gas disciplines**

# Capital Structure.



## Capital Structure

**Ordinary Shares (OBL):** **99.293 million**

**Listed Options (OBLOA):** **55.127 million**

Exercisable @ 1.5 cents 30 June 2012

**Fully Diluted:** **154.420 million**

**Note: OBLO 20 cent IPO options expired on 30 June 2009 – in addition the unlisted IPO incentive options issued to Geoff Geary expired on 30 September 2009**

# Shareholders & Market Capitalisation.



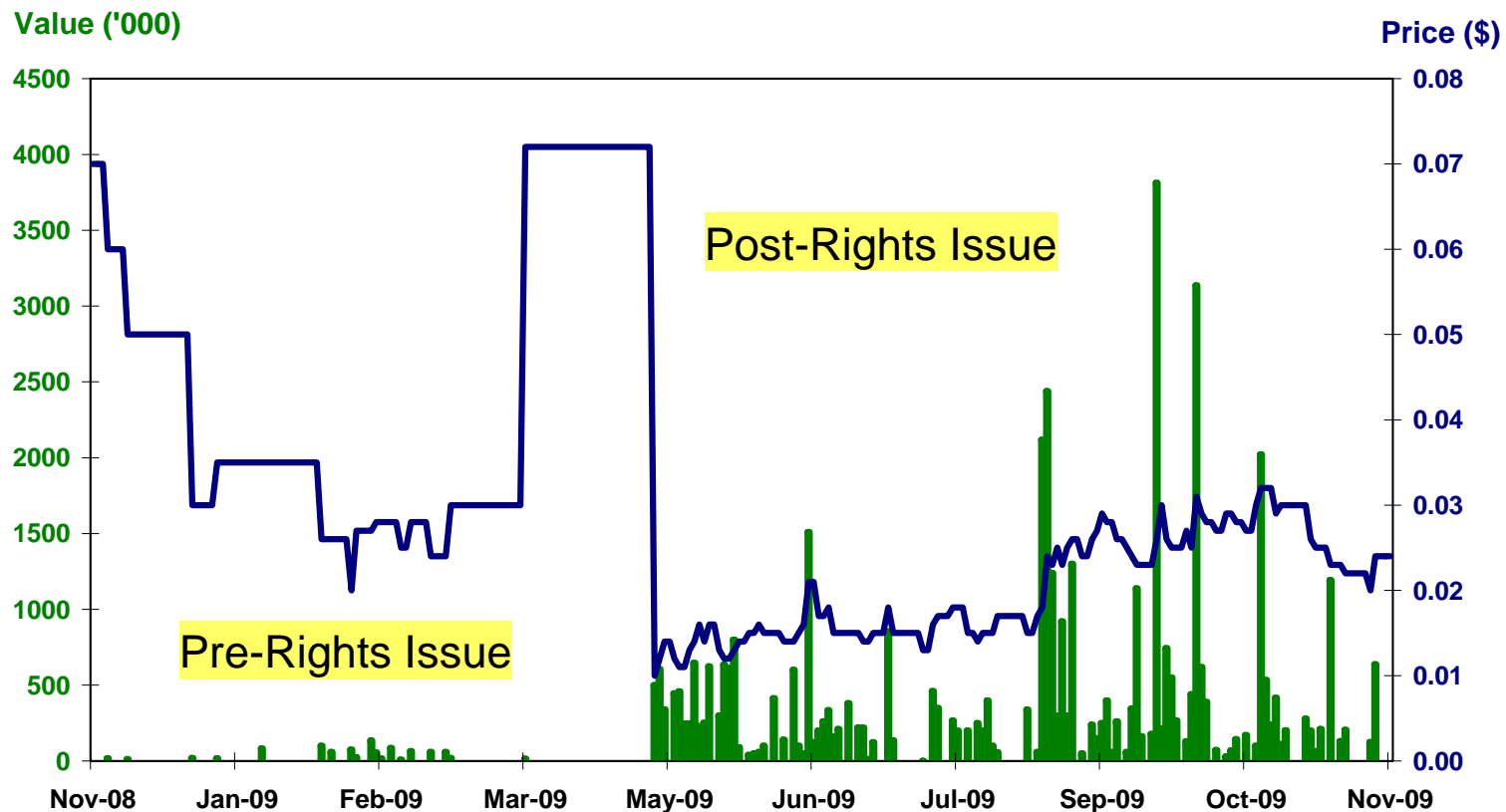
<b>Directors interests :</b>	<b>10.78%</b> (combined ordinary OBL shares)
<b>Kim McGrath, Chairman</b>	<b>4.49%</b> (4.454m OBL & 4.445m OBLOA)
<b>Nigel Harvey , Non-Exec</b>	<b>0.75%</b> (0.745m OBL)
<b>Neil Doyle, Non-Exec</b>	<b>5.54%</b> (5.0m OBL & 4.5m OBLOA)
<b>Top 20 :</b>	<b>circa 47%</b>
<b>Total Shareholders :</b>	<b>849</b> (with 526 holding a marketable parcel)
<b>12 month Trading Range :</b>	<b>High – 7.2 cents</b> (pre-Rights) <b>Low – 1.0 cent</b> (@ 30 April 2009)
<b>Market Capitalisation :</b>	<b>\$2.4 million OBL @ 2.4 cents close 19 November</b>
<b>Cash position :</b>	<b>\$0.215 million @ 30 September</b> (G&A \$35kpcm av)

**With no significant outgoings, OBL remains one of the lowest overhead ASX Listed energy companies.**

# Shareprice Performance.



OBL Share Price Performance and Volume



**Oil price recovery commenced in mid-April 2009 having fallen to circa US\$33/bbl pre-Xmas 2008 – presently circa US\$77/bbl**

# Company's Projects & Brief Overview.



- **Gippsland Basin** – 12.5% Rights Vic/P41 Permit – 6 drill-ready 3D and AVO defined Prospects, shot 295 sqkm of new 2D seismic during 2008 in the under-explored eastern section. This data has been reprocessed and integrated into Oscar 3D. Potential for further significant leads in this deeper water section (Lead A 135 MMbbls). **Work program obligation well now deferred until 10 September 2011.** Permit is in very good standing.
- **Gippsland Basin** – 17% Vic/P66 Permit, a newly awarded rank exploration permit, pipeline for future growth – Vic/P41 Lead A likely to extend into Permit). Modest costs during 2010.
- **Canning Basin** – 80% Beneficial Rights to Backreef Area. Backreef Prospect is drill-ready and potentially a new play type for the Canning. No obligation to drill but must be completed by 31 October 2010 (**effectively drill or drop**). Company is presently exploring ways to bring this forward including Farmouts, a conditional HoA for a further 10% and Canning Basin Oil Limited (**“Backreef OilCans”**). Company will also look at conventional funding.
- **Canning Basin** – 20% Rights Drilling Reservation 9, Emika-1 Prospect is drill-ready and is a conventional 4-way dip closure. Company is presently exploring ways to bring this forward including a conditional HoA to attain upto 53%. Company has the right but not the obligation to proceed and will reassess its overall exposure in early 2010.

**Company is pleased that it has been able to substantially retain its portfolio during 2009 at modest cost in difficult market conditions.**

# Company's Projects & Brief Overview.



- **Canning Basin** – 50% Permit 5/07-8EP – rank exploration (pipeline for future growth) but may become more Prospective should the Backreef Prospect be successful. No significant costs have been booked to date – work program doesn't commence until all stakeholder approvals in place.
- **Carnarvon Basin** – 25% Retention Lease R3 (new low cost portfolio addition with potential for medium term appraisal/development should oil prices stay at current levels). Modest holding costs while the operator conducts geological and geophysical studies.

**Company continues to explore Farmouts and Partial Sale of its interests.**

# The Assets - Rights to 12.5% Vic / P41 An attractive hydrocarbon address.

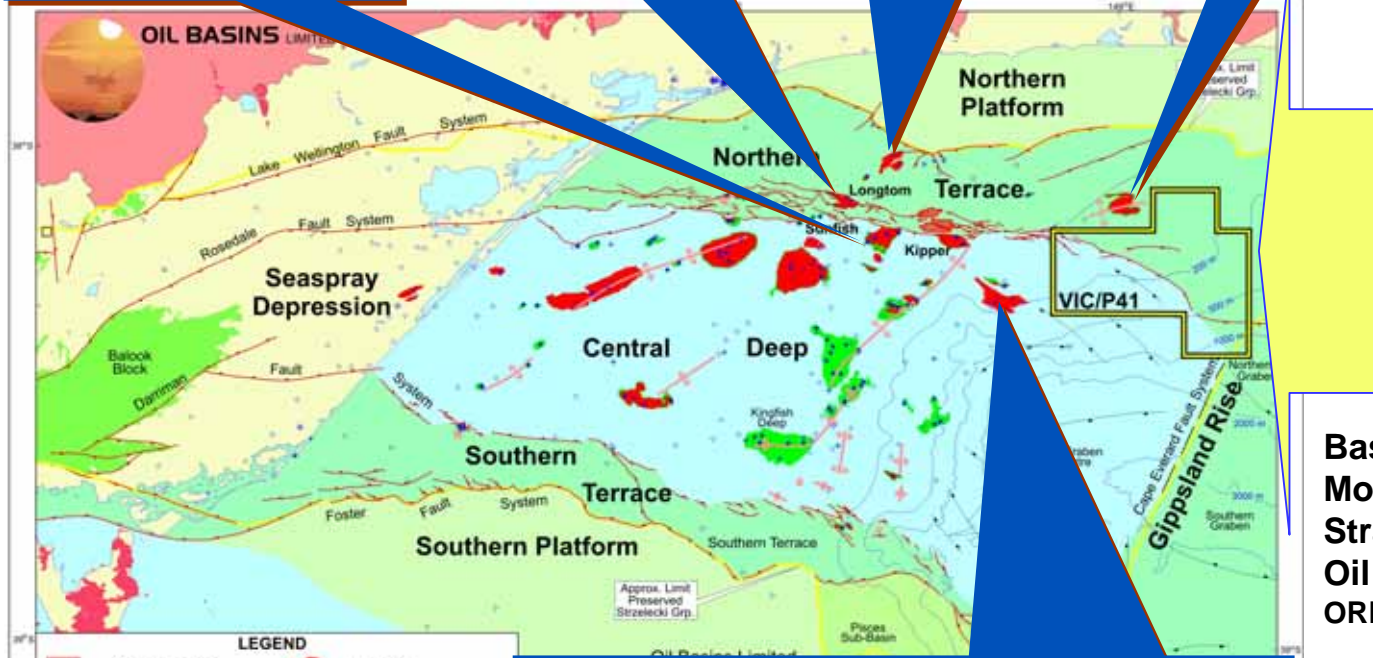


**KIPPER**  
660 Bcf & 17 MMbbls  
Esso/BHP/STO \$1.2BN

**LONGTOM**  
350 Bcf & 4 MMbbls  
NXS 100% est.\$350M+

**PATRICIA/BALEEN GAS HUB**  
STO 100%

**SOLE**  
200 Bcf  
STO 100%



**BASKER / MANTA / GUMMY FPSO**  
Oil & Gas Hub – rem. 31 MMbbls & 249 Bcf\*\*

<b>Bass Strait Oil Company</b>	<b>45% Operator</b>
<b>Moby Oil &amp; Gas</b>	<b>30%* <u>red</u> 25%</b>
<b>Strategic Energy Resources</b>	<b>25%* <u>red</u> 18.5%</b>
<b>Oil Basins</b>	<b>*Rights 12.5%</b>
<b>ORRI</b>	<b>Nil</b>

**Permit Area** **1,079sqkm**  
\*\*Anzon Australia Scheme Booklet Amendment 19 August 2008  
+ Nexus Investors Presentation 11 November 2008

**Vic / P41 Gippsland Permit is situated in a highly attractive location nearby infrastructure. Operator has now effectively turned high risk 2D defined leads into lower risk 3D defined Prospects – 6 of which are now drill-ready.**

# Vic/P41 3D has delineated some of the largest undrilled Prospects in the Gippsland Basin.



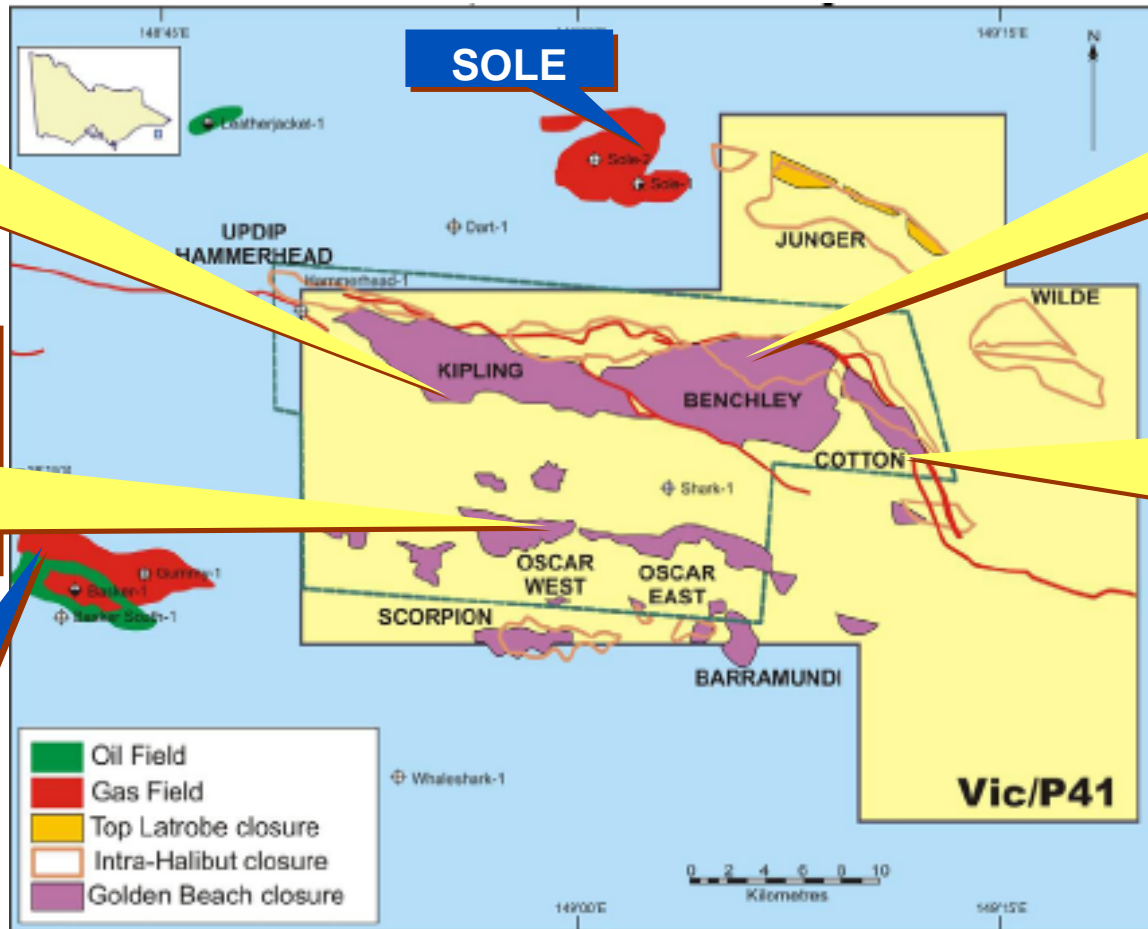
## Kipling Prospect

AVO	MMbbls	Bcf
P90	66	388
P50	124	620
P10	205	944

## Oscar Prospects

3D def.	MMbbls	Bcf
P90	nil	nil
P50	38	30
P10	83	75

**BMG FPSO**



## Benchley Prospect

AVO	MMbbls	Bcf
P90	89	921
P50	184	1,463
P10	319	2,087

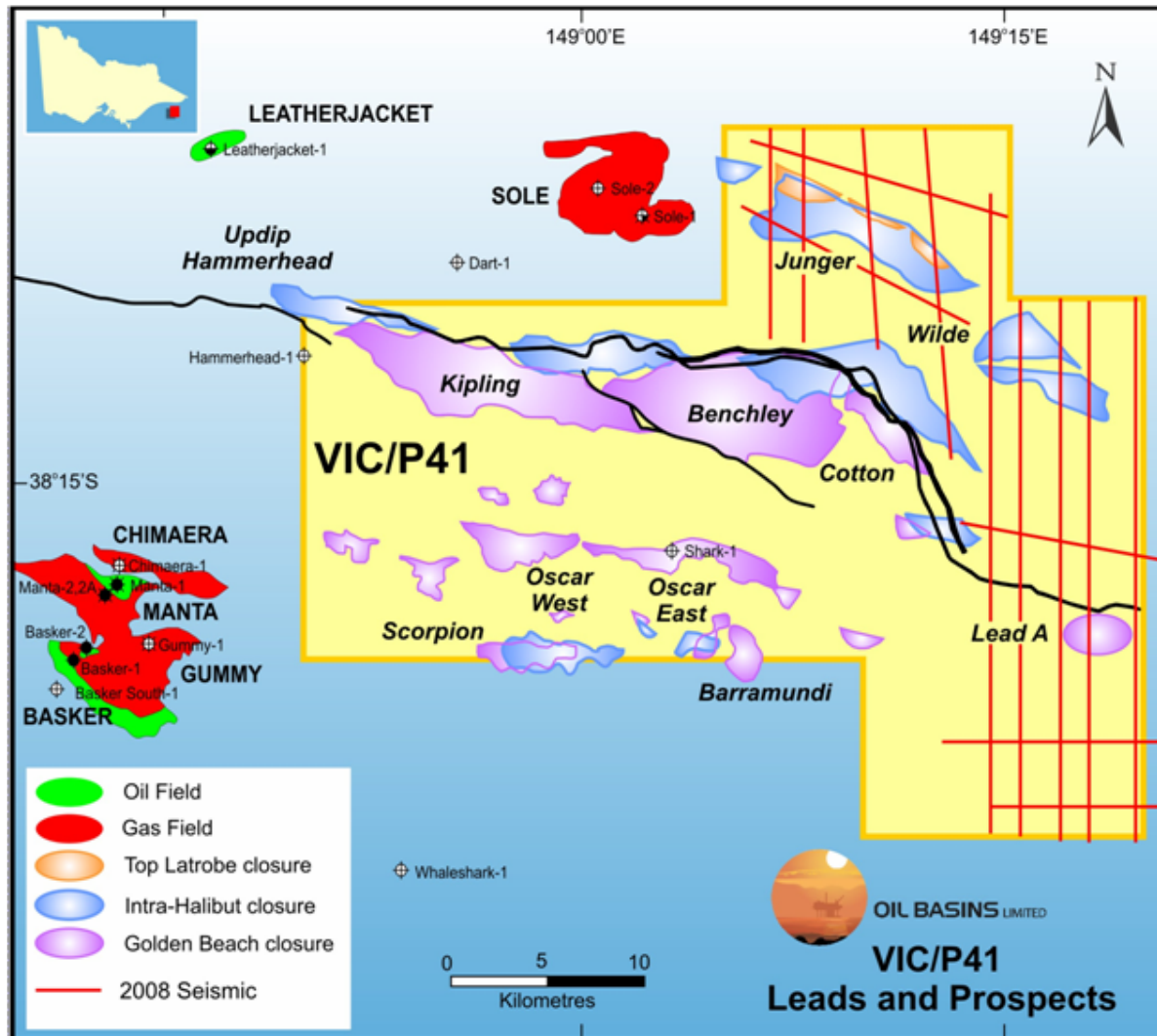
## Cotton Prospect

AVO	MMbbls	Bcf
P90	47	nil
P50	73	1
P10	106	4

**Gross P10 Vic/P41 Upside is 713 MMbbls Oil & 3.1 Tcf Gas**

**Oil Basins has Rights to an assessed 94.3 MMBoe P50 Prospective recoverable resources**

# Seismic Survey has delineated Lead A in the unexplored east of the permit.



- Vic/P41 offshore 2D seismic survey was successfully completed in June 2008.
- Majority of the Vic/P41 Year 3 work program commitment, (which calls for a 250 km 2D seismic survey by September 2009) is now essentially complete and funded.
- Year 4 well commitment now deferred to Year 5 ie 20 September 2011.
- Lead A has been delineated by Operator at 135 MMbbls oil (but situated in a water depth 660m).

# Estimated Recoverable Resources Potential.



3D Defined Drill-Ready Prospect Defined by AVO	Comments / Target Reservoir	POS (AVO defined)		Gross Stochastic Undiscovered Petroleum (In-Place) Mean Static Volume		Stochastic Prospective Resources (Recoverable)					
						P90		P50		P10	
						OIL MMbbbls	GAS Bcf	OIL MMbbbls	GAS Bcf	OIL MMbbbls	GAS Bcf
<b>Kipling</b>	<i>Within Vic/P41 only</i>	<b>Gas</b> 22%		338	946	66	388	124	620	205	944
		<b>Oil</b> 15%									
<b>Benchley</b>	<i>Golden Beach sst</i>	<b>Gas</b> 17%		397	2,046	76	863	145	1,366	245	1,992
		<b>Oil</b> 13%									
<b>Benchley</b>	<i>Halibut Sub-group sst</i>	<b>Gas</b> 24%		88	111	13	58	39	75	74	95
		<b>Oil</b> 16%									
<b>Cotton</b>	<i>Golden Beach sst</i>	<b>Oil / Gas</b> 4%		160	2	38	-	60	1	87	4
<b>Cotton</b>	<i>Halibut Sub-group sst</i>	<b>Oil</b> 16%		31	-	9	-	13	-	19	-
<b>Oscar West</b>	<i>Intra-Latrobe sst</i>	<b>Oil / Gas</b> 25%		72	21	-	-	19	12	41	30
<b>Oscar East</b>	<i>Intra-Latrobe sst</i>	<b>Oil / Gas</b> 19%		75	32	-	-	19	18	42	45
		<b>Totals</b>		<b>1,161</b>	<b>3,158</b>	<b>202</b>	<b>1,309</b>	<b>419</b>	<b>2,092</b>	<b>713</b>	<b>3,110</b>

Courtesy Bass  
Strait Oil Company

**Highly attractive permit – 6 Drill-ready 3D / AVO defined Prospects.  
Significantly AVO work – Gross P10 Upside is 713MMbbbls Oil & 3.1 TCF Gas.**

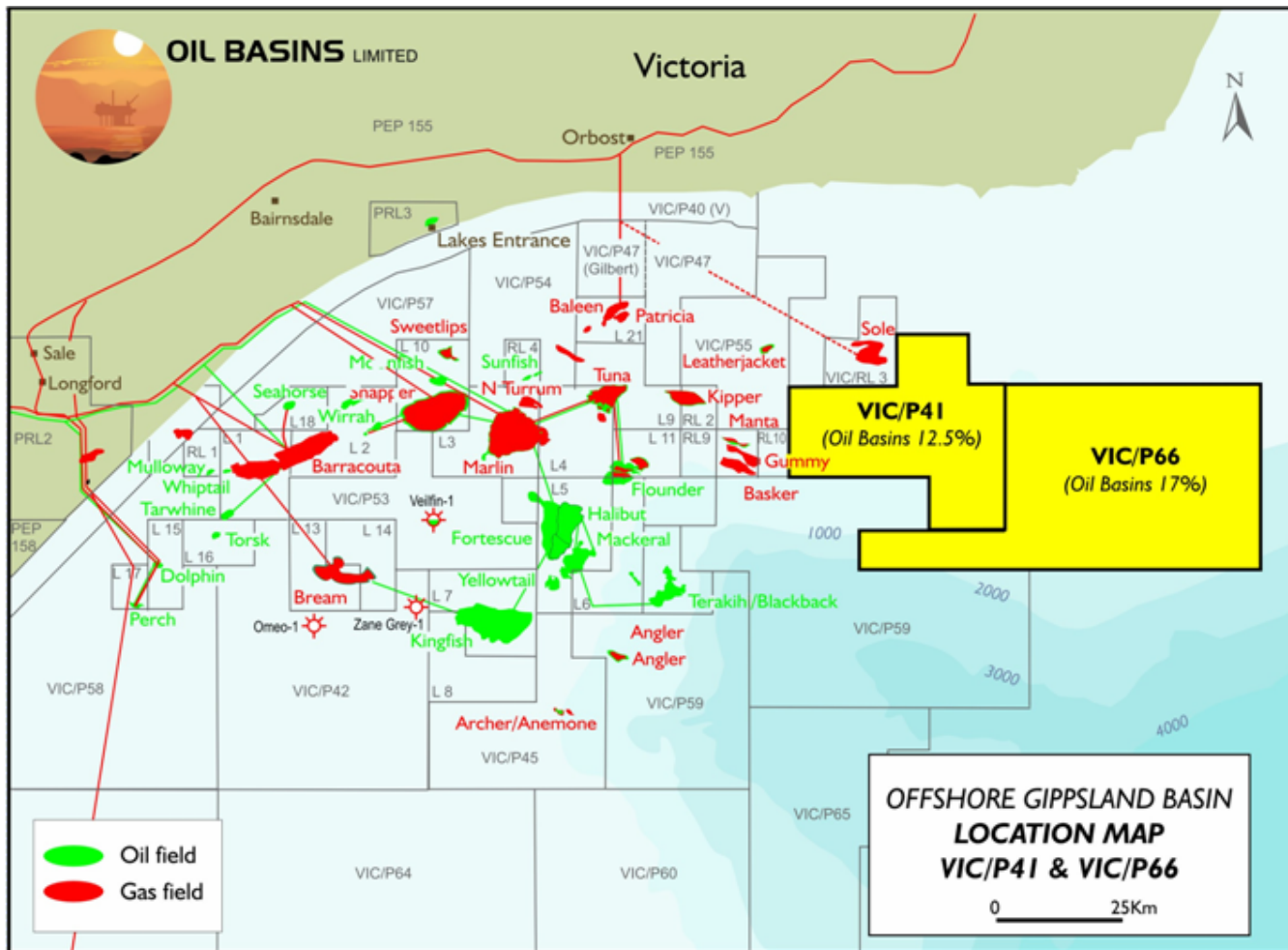
# Summary – attributes of Vic/P41.



- MULTIPLE PLAY TYPES, WITH 3D DEFINED PROSPECTS. WITH FIELD ANALOGUES
- LARGE OIL & GAS VOLUME POTENTIAL, PLUS FOLLOW UP 2D LEADS
- 3D DEFINED, HIGH IMPACT PROSPECTS, READY TO DRILL, e.g.
- **“Oscar trend”** – Basker / Manta analogue - Upside scope 80+ MMbbls recoverable
- Kipling – **Kipper analogue**, Upside scope 200+ MMbbls, 950+ Bcf recoverable + Benchley (prognosed nearly twice as large as Kipling with a strong AVO).
- 2D DEFINED LEADS, e.g.
  - **Lead A**, circa 135MMbbls unrisks oil in place (defined by 2008 2D seismic)
  - **Scorpion Lead**, circa 90MMbbls unrisks oil in place (straddles permit to South)
- **EMPEROR PLAY FAIRWAY** (Longtom / Judith will enhance these Leads)
- Located along downthrown side of Rosedale Fault system
- Enhances Benchley & Cotton potential, Large volume potential

# Permit 17% Vic / P66 awarded December 2008

## No exploration well commitment until Yr 5 - 2013.



Vic/P66 formerly V07-3

<b>Bass Strait Oil Co.</b>	<b>60%</b>
<b>Strategic Energy</b>	<b>23%</b>
<b>Oil Basins</b>	<b>17%</b>

Very modest outlays (by industry standards) for the first 3 year work program.

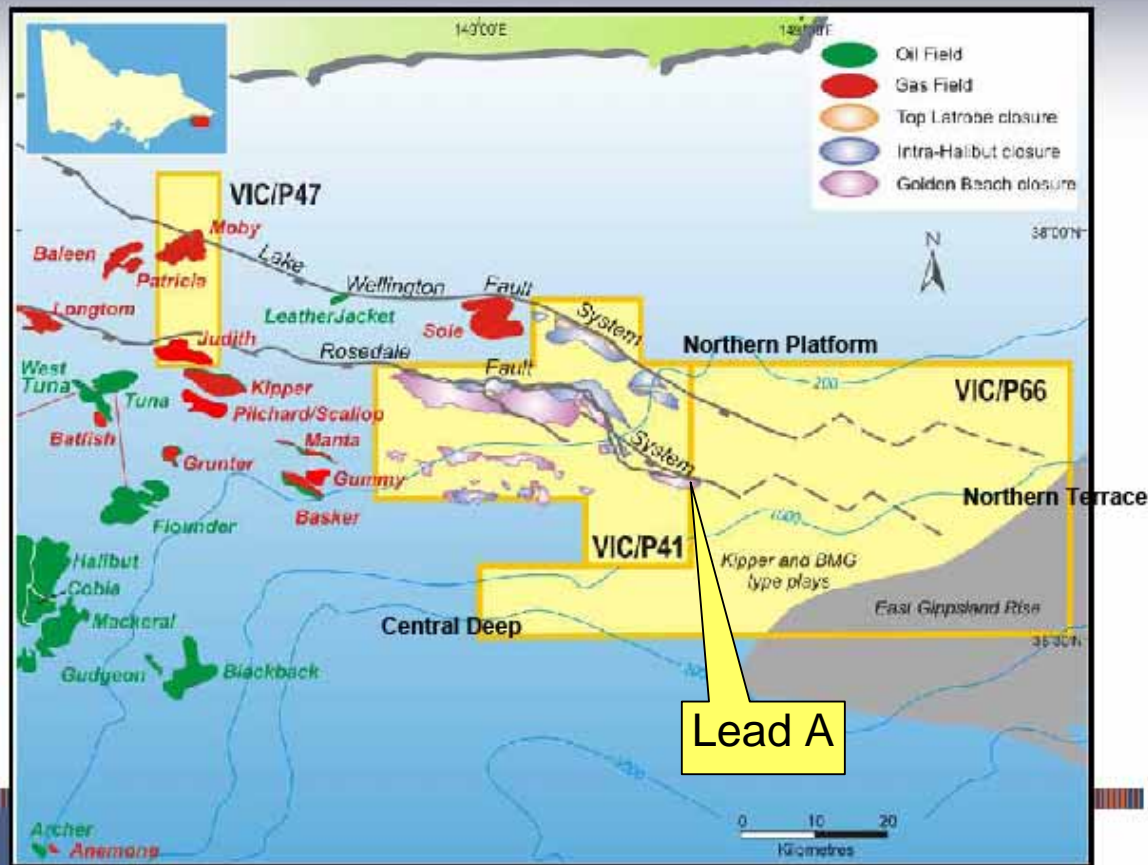
JV Agreement finalised in October 2009.

Permit in good standing.

# Vic/P66 - Play Concepts.

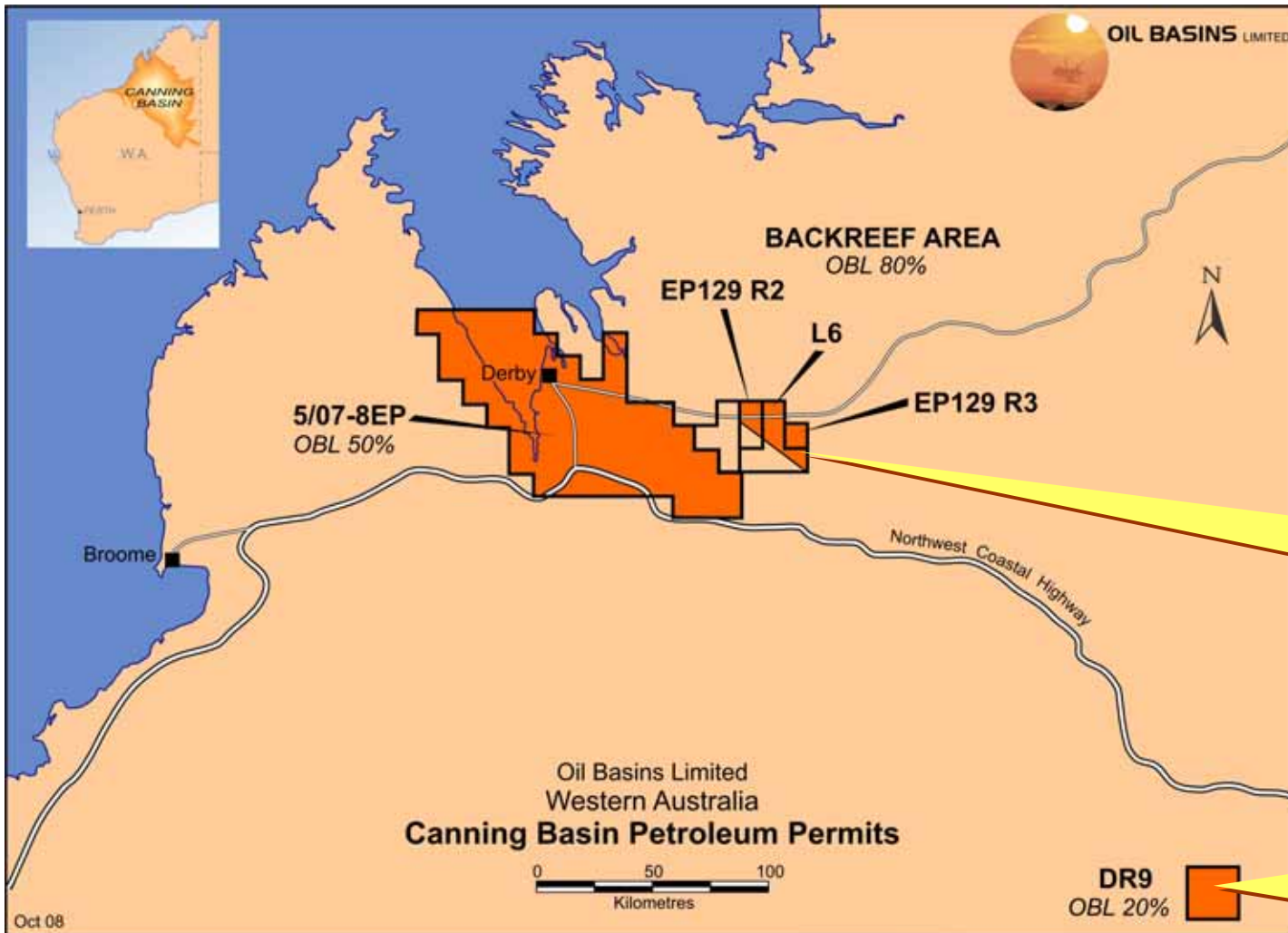


## VIC/P66: G&G UPDATE - PLAY CONCEPTS MAP



Courtesy Bass Strait Oil Company

# Oil Basins' Canning Basin Interests.



Potential Estimates\*  
quoted are "Potential  
Prospective 2P  
Resources" – refer to  
Independent Expert  
Geological Assessment  
– ASX Release 18  
February 2009.

Backreef Prospect  
Potential Est\* MMbbls  
**Most Likely\* 270**

Emika Prospect  
Potential Est\* MMbbls  
**Most Likely\* 107**

OBL's established Canning Basin "footprint" is circa 5,812 gross sqkm

# OBL Group 80% Beneficial Interest.

## Post - Arc Energy Settlement announced 31 October 2008.



<b>Oil Basins Limited (ASX code OBL) *</b>	Notes 1 & 2	<b>50%</b> subject to 30% back-in rights (Note 3)
<b>OBL Backreef No.5 Pty Ltd</b>	Notes 1 & 2	<b>5%</b>
<b>OBL Backreef No.10 Pty Ltd</b>	Notes 1 & 2	<b>10%</b>
<b>Canning Basin Oil Limited</b>	Notes 1 & 2	<b>15%</b>
<b>Backreef Oil Limited</b>	Notes 1 & 2	<b>20% (Operator)</b>

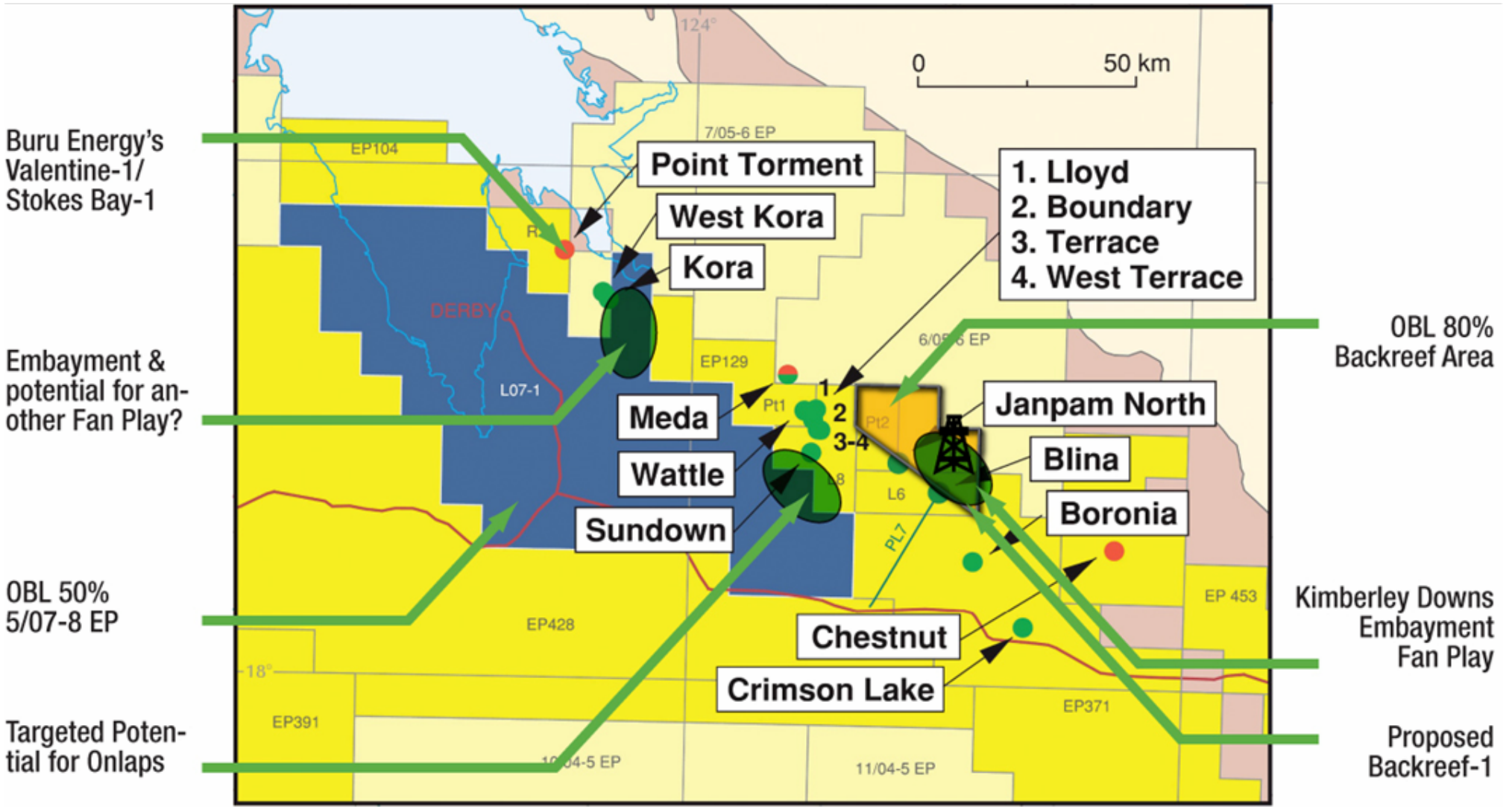
### \* Or Nominee

- Note 1 TSX Listed Columbus Energy Ltd (*formerly Golden Dynasty Resources Ltd*) retains owns a 2% ORRI payable by Backreef Area JVP's
- Note 2 European Gas Limited owns a 3% ORRI payable by Backreef Area JVP's and Budside Pty Ltd owns a 1% ORRI over EP129, but excluding L6 & L8 – these royalties are payable by Backreef Area JVP's.
- Note 3 The Titleholder of L6, EP129, Canning Basin, Buru Energy Limited is entitled to a once only 30% back-in right from OBL to the Backreef Area (exercisable within 90 days of completion of Backreef-1 by payment to OBL of 90% of the Backreef-1 well cost).

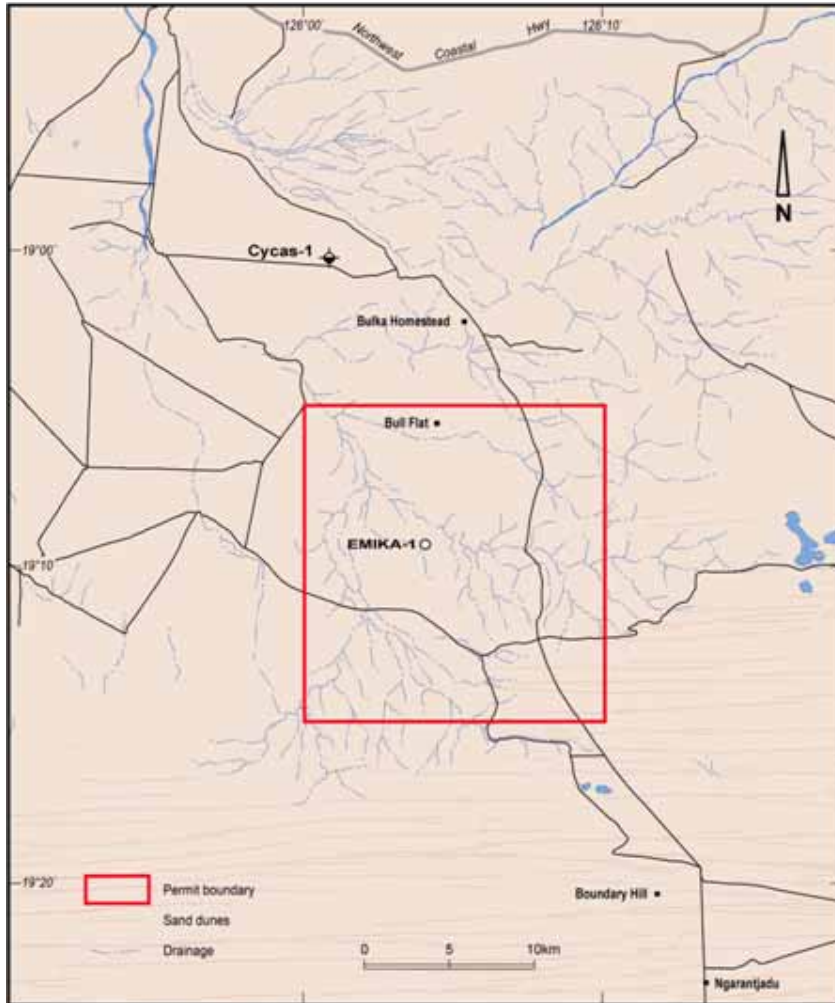
**OBL has right to drill and fund Backreef-1 to earn 80% Beneficial Interest by 30 October 2010, (subject to once only - backin rights). Well cost estimated at \$2.5 million**

# Backreef Area – OBL 80% Beneficial Rights

## An attractive hydrocarbon address.

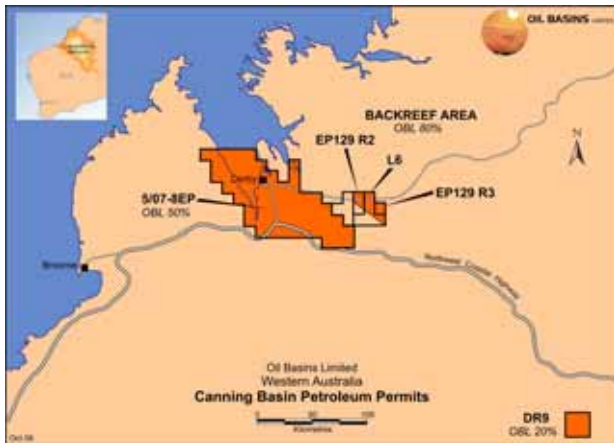


# Emika Prospect.



- The Emika Prospect is an anticlinal rollover on the downthrown side of the Pinnacle Fault System. The Prospect is 20 km south southwest of Cycas-1 which encountered 70% green yellow fluorescence with cut beneath a shale-anhydrite seal in the Anderson Formation.
- The Emika Prospect is a robust, large four way dip anticline with closure from the Poole Sandstone to the base Grant Formation.
- Primary objective are prognosed sands in the Betty Formation – mapped at 107 MMbbls.
- Expected TD 1,500m.
- Expected well cost circa \$2.5 million. OBL has a conditional Right to attain 53%.

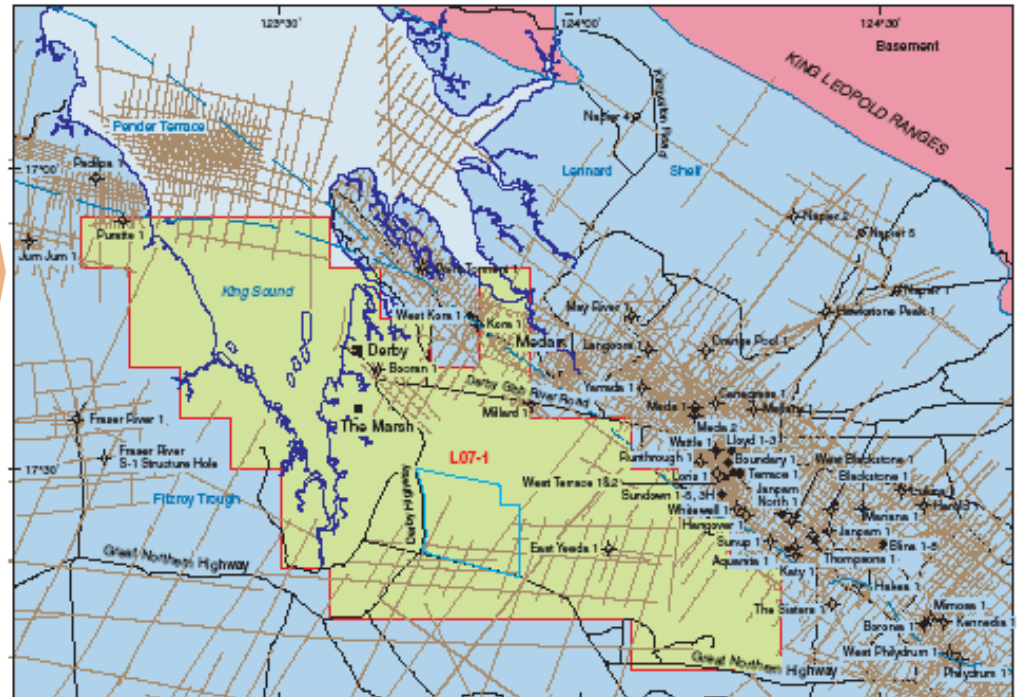
# Canning Basin – 50% Permit 5/07-8EP An attractive hydrocarbon address.



**Oil Basins 50%**  
**Backreef Oil 50% Operator**

Both Operator and OBL regard the permit as attractive and Prospective – and will be considerably enhanced if the Backreef Prospect (within the nearby Backreef Area) is successful.

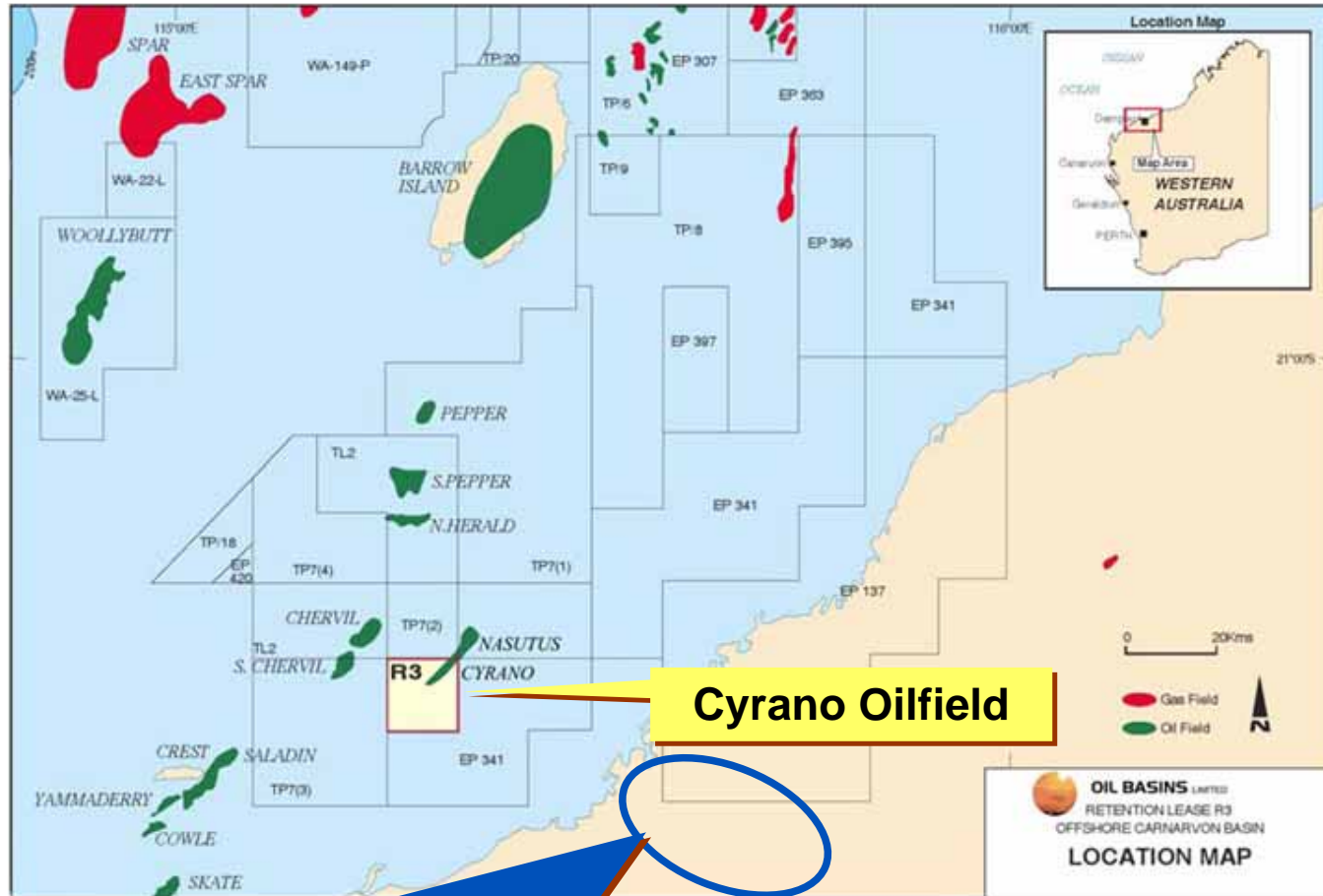
KLC negotiations continue. No significant work program obligations are likely to occur until late 2010



- 50 km
- ⊕ Petroleum well, significant oil show
  - ⊕ Petroleum well, significant gas show
  - ⊕ Petroleum well, dry
  - Oilfield
  - ⊖ Oil, suspended
  - ⊕ Gas, suspended
  - ⊗ Stratigraphic hole
  - Major road
  - Minor road
  - Basin subdivision
  - Seismic line
  - Coast
  - Locality
  - L07-1 Acreage release area
  - RAAF Curtin Defence Area

# 25% Retention Lease R3 (Cyrano) Carnarvon Basin

## An attractive hydrocarbon address.



**Oil Basins 25%**  
**Tap Oil 75% Operator**

Acquired in September 2008  
 – 16 cents per barrel.

P10 Resources est. 4 MMbbls\*

One exploration well and one  
 Appraisal well drilled to date.

- 17m WD.
- 600m TD.
- heavy biodegraded  
 22.8°API oil, associated  
 gas constrained.
- net work program costs  
 very modest.

Ontrend to Nasutus discovery  
 – 50% / 50% Apache / OMV  
 (possible future Unitisation?)

Citic / Mineralogy / RSI DSI Projects (nearby 30km onshore bulk gas customers)

**Low-cost entry & Hub-Potential & Proximity to nearby Direct Shipped Iron Developments.**

# Summary of Corporate Strategy.



- Company is primarily a Non-Operator.
- Company will look at “Strategic Assets” – both exploration and production.
- Above all else the key focus is “Absolute Leverage” yielding investors returns whether by success or monetising assets – basic Rules of Thumb.
- First move advantage = CHEAPEST ENTRY.
- Leverage – always aim wherever possible for multiple points of leverage:
  - (a) – off permit prospectivity ‘Position’ (ie the best place to find oil is next to known oilfields – substantially increases POS)
  - (b) – off nearby ‘Explorers Activity’ – adds value “gold rush” / land grab.
  - (c) – off nearby ‘Hubs / Infrastructure’ – adds significant strategic value.
- Finally ‘**Sweat the Assets**’ whether by drilling “prospect” and/or Farmout / trade = EXIT.

# Investment Case - Summary

## Highly Leveraged Oil Exploration Company.



- Company has 8 drill ready prospects – **6 defined by very modern 3D seismic (part-funded by Company's IPO)** – full suite of analysis PSTM & AVO response and two in Canning defined by modern 3D techniques (PSDM and inversion) applied to vintage reprocessed 2D seismic data.
- Company's leverage is very large ie net P50 potential prospective resources assessed at 94.3 MMBOE (Gippsland) and net P50 potential prospective resources MMbbls (Canning) –for very modest entry costs – OR expressed in another way:
- Company presently offers Investors a **Net 330 MMBoe exposure** representing circa 3.3 Boe P50 potential prospective resources per individual ordinary share.
- **Company is poised to Farm-out both Canning & Gippsland interests so as to facilitate (a) drilling prospects inventory as soon as possible, (b) monetise assets (ie implied via Farm-out Valuations) and (c) create wealth for shareholders as part of the trading / drilling process.**

**Company continually screens additional E&P opportunities.**

# With 8 Drill-Ready Prospects, Company's Assessed Potential Leverage Per Share is large.

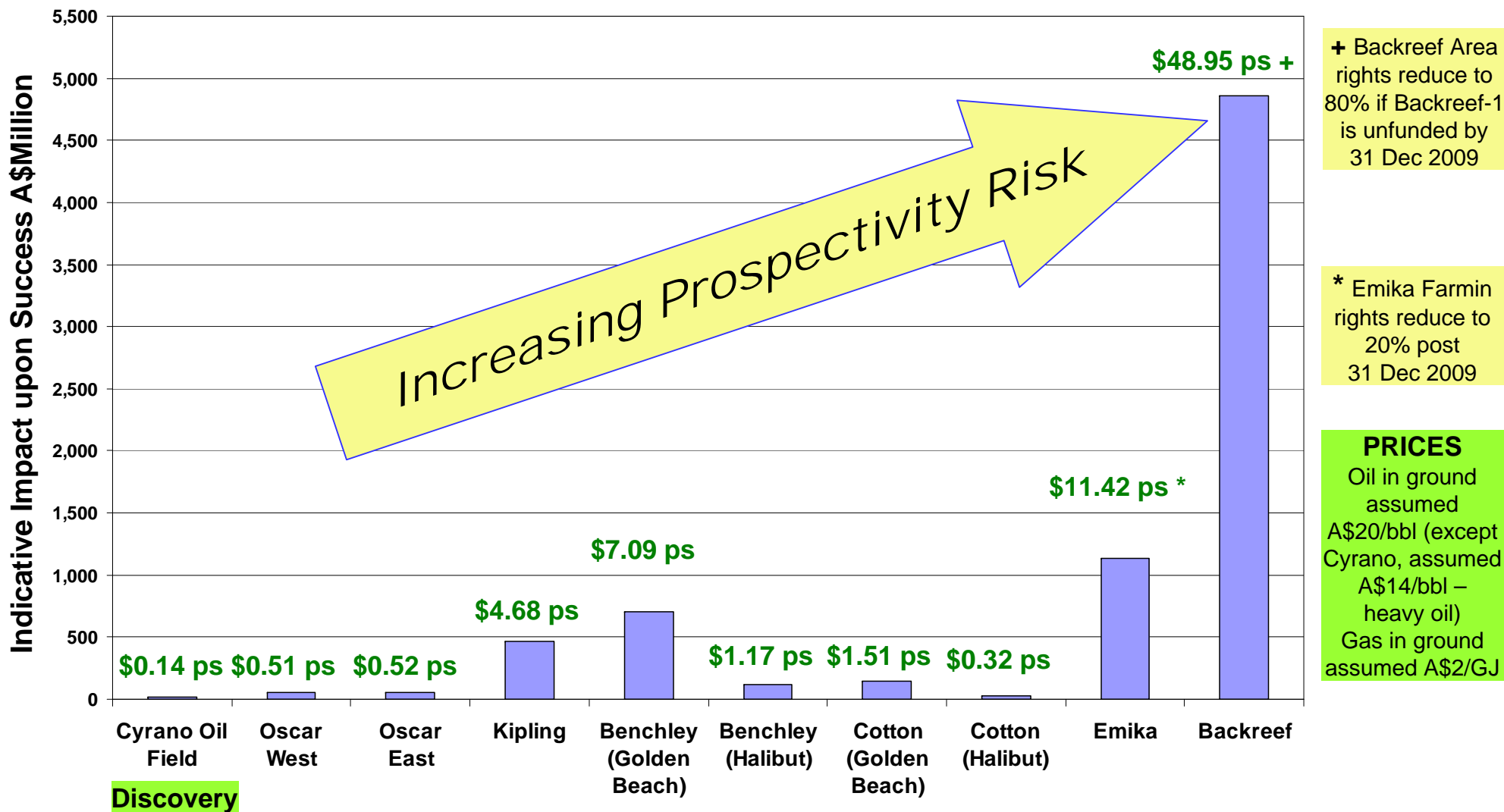


BASIN Permit / Net Interest Drill-Ready Prospects		PROSPECT SIZES Gross P50		Oil Basins Net P50			VALUATION ASSUMPTIONS		LEVERAGE
		(Unrisked)		(Unrisked)			Oil 20.00 A\$/bbl Gas 2.00 A\$/GJ	Oil Basins Unrisked Valn. A\$Million	Oil Basins Unrisked Valn. \$ps
		OIL	GAS	OIL	GAS	Combined			
		MMbbbls	Bcf	Million bbls	Bcf	Net BOE			
<b>Offshore Gippsland Basin Vic/P41 - Rights 12.5%</b>									
Kipling	Within Vic/P41 only	124	620	15.5	77.5	28.4	465		\$4.68
Benchley	Golden Beach sst	145	1,366	18.1	170.8	46.6	704		\$7.09
Benchley	Halibut Sub-group sst	39	75	4.9	9.4	6.4	116		\$1.17
Cotton	Golden Beach sst	60	1	7.5	0.1	7.5	150		\$1.51
Cotton	Halibut Sub-group sst	13	-	1.6	-	1.6	32		\$0.32
Oscar West	Intra-Latrobe sst	19	12	2.4	1.5	2.6	51		\$0.51
Oscar East	Intra-Latrobe sst	19	18	2.4	2.3	2.8	52		\$0.52
Six Drill-Ready Prospects	P50 3D Assessment 3D 2005 Oscar Survey	419	2,092	52.4	261.5	95.9	1,570		\$15.81
Lead A	2D Defined Only (660m WD) Within Vic/P41 only	135	-	16.9	-	16.9	NA		NA
<b>Offshore Gippsland Basin Vic/P66 - 17%</b>									
Lead A	No 2D but expected to extend Within Vic/P41 only	??	??	??	??	??	NA		NA
<b>Offshore Carnarvon Basin R3 - 25%</b>									
Cyrano Oil Field	2 discovery wells Heavy Oil - 2C 3D defined (Flinders Survey)	4	??	1.0	??	1.0	14		\$0.14
<b>Onshore Canning Basin</b>									
<b>Backreef Area - Rights to 90% *</b>									
Backreef	Fan within Submarine Channel *10% until 31/12/09 Reprocessed 2D - PSDM & Inversion	270	-	243.0	-	243.0	4,860		\$48.95
<b>Drilling Reservation DR9 - Rights to 53% *</b>									
Emika	4 way dip closure Anderson fm *33% until 31/12/09 Reprocessed 2D - PSDM	107	-	56.71	-	56.7	1,134		\$11.42
<b>Overall Net Oil Basins Leverage</b>				<b>353.1</b>	<b>261.5</b>	<b>413.5</b>	<b>7,564</b>		<b>\$76.32</b>

# Balanced Portfolio & Significant Leverage to High Impact Wells with Farm-Out Potential.



Indicative Unrisked Leverage Impact in \$ps - One discovery + 8 Prospects (ignoring Lead A)



# Value Proposition.

## Compelling value gap with near term catalyst.



Oil Basins E&P Portfolio	Share Price	Value	Remarks
		A\$m	
<b>Issued Capital – 99.3m ordinary</b>	<b>\$0.024</b>	<b>\$2.4m</b>	<b>Closing price 23 Nov</b>
Less Cash	n.a.	n.a.	
<b>Gippsland</b> Vic/P41 Rights 12.5% (6 prospects overall prospectivity)		A\$152m	Assumes modest 10% recovery & pre-payment of \$4.44m drilling option by mid-2011
Vic/P66		\$nil	Rank exploration
<b>Canning</b> Backreef Rights 80%		\$145m	<b>Risked at modest 3%</b> (ie Historical Average POS) ditto
Emika Rights 53%		\$34m	
<b>Carnarvon</b> 25% Cyrano Oilfield		\$10m	Development Risked 70% Heavy Oilfield assumed Unitised “Cornea look-a-like”

# GLOSSARY & PETROLEUM UNITS.



- M**      **Thousand.**
- MM**    **Million.**
- B**      **Billion.**
- bbbl**   **Barrel of crude oil (ie 159 litres).**
- PJ**    **Peta Joule (1,000 Tera Joules (TJ)).**
- Bcf**   **Billion cubic feet.**
- Tcf**   **Trillion cubic feet.**
- BOE**   **Barrel of crude oil equivalent – commonly defined as 1 TJ equates to circa 158 BOE – approximately equivalent to 1 barrel of crude equating to circa 6,000 Bcf dry methane on an energy equivalent basis).**
- PSTM** **Pre-stack time migration – reprocessing method used with seismic.**
- PSDM** **Pre-stack depth migration – reprocessing method used with seismic converting time into depth.**
- AVO**   **Amplitude versus Offset, enhancing statistical processing method used with 3D seismic.**

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