

## Research to enhance pipeline system

South Australia will play a major role in enhancing the reliability and longevity of Australia's pipeline transmission industry under a \$695,000 grant announced by the Federal Government in mid-November.

The Australian Pipeline Industry Association (APIA) has been granted the funds for a collaborative research project with Adelaide University and a number of other major Australian research institutions.

Matched dollar-for-dollar by the private sector, the three-year research

project represents an investment of more than \$1.4 million in enhancing the future performance of Australia's pipeline system.

"The knowledge and skills gained from this research program will not only benefit Australia but also the rest of the world," APIA chief executive Cheryl Cartwright said on November 15.

"We expect the program will eventually lead to Australian pipeline transmission know-how being exported to many other countries, paving the way for the delivery of natural gas and

petroleum in the most reliable and efficient manner possible," she said.

"In relation to natural gas, success in enhancing pipeline performance will help reduce transmission costs and further increase the appeal of this environmentally friendly fuel."

Ms Cartwright was commenting following the announcement of the research grant by South Australian Senator and Federal Immigration Minister, Amanda Vanstone, at a function at Adelaide University.

The research program entails seven

projects and will, at various stages, also involve Monash (Victoria) and Curtin (Western Australia) universities and research organisations, such as CSIRO and ANSTO.

The research will encompass improved quality of steel for the manufacture of pipelines; improved pipeline construction techniques and better quality control; better and longer lasting coatings and other improved techniques to prevent corrosion and leaks; and improved resistance to damage caused by excavators and earthmoving equipment. ■

## Significant oil leverage on offer

Newly listed exploration and production company Oil Basins Ltd is already pushing to immediately exploit its high leverage to strategic assets in the Gippsland and Canning basins. Both assets are in close proximity to existing oil and gas discoveries and are close to production infrastructure, presenting significant upsides for investors.

In addition, Oil Basins has a highly experienced management team covering all aspects of upstream operations and sector-related corporate investment banking/capital markets.

The company is led by two highly experienced dealmakers in the upstream and mergers and acquisitions sectors, with chairman Kim McGrath

and director Neil Doyle both former lieutenants at Robert Holmes a Court's Bell Resources Ltd.

Together with the third director, experienced commercial lawyer Graeme Menzies, the team is multidisciplinary and supported by a Technical Services Agreement provided by former ExxonMobil senior geologist Geoff Geary.

In its recent IPO, the company raised more than \$2.5 million and since listing on the Australian Stock Exchange in August 2006 has already effectively completed all its commercial undertakings.

Oil Basins' Vic/P41 is a highly prospective permit with three 3D

seismic-defined oil prospects: Kipling, Oscar West and Cotton. Nearby significant discoveries include the Basker/Manta, Kipper and Sole fields. Oil Basins' three prospects contain combined gross prospective resources potential in excess of 1,947 billion barrels (if wholly oil) or 5,208 billion cubic feet (if wholly gas).

Oil Basins holds rights to a strategic 12.5 per cent stake of Vic/P41 and can complete the farm-in by further payment of \$4.1 million.

The company's Blina Back Reef Joint Venture Area in the Canning Basin also sits alongside a number of existing oil fields and under-used infrastructure.

The exploration area covers some

354sq km, and is contained within contiguous segments of production licence L6 and exploration permits 129 and parts R2 and R3, and is near the Blina, Sundown and West Terrace oilfields.

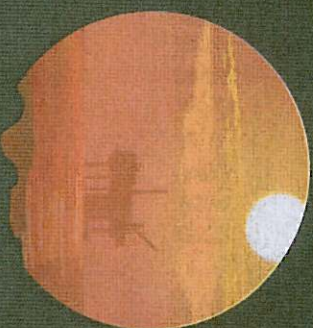
A new stratigraphic play type called the Backreef prospect has been assessed to contain gross prospective resources potential in excess of 270 million barrels and is scheduled for drilling in the second quarter of 2007.

With just 33.88 million shares on issue, Oil Basins offers investors significant leverage to oil and is now seeking farminess to extract shareholder value from its strategic assets.

For more information visit [www.oilbasins.com.au](http://www.oilbasins.com.au)

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