

OIL BASINS LIMITED

ACN 006 024 764

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27 June 2006

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

Dear Sirs,

Oil Basins Limited Prospectus

Extension of Closing Date of Offer to 5.00 p.m. AEST on Thursday 20 July 2006

Following delays in despatch of the Company's Prospectus to members which resulted from the lodgement of a Supplementary Prospectus and which meant that the Prospectus is now only being received by the Company's members, the Board of Oil Basins Limited has resolved to **extend the closing date of the offer to 5.00 p.m. AEST on Thursday 20 July 2006.**

Each of the Company's joint venture partners, Eagle Bay Resources NL, Backreef Oil Limited and Golden Dynasty Resources Limited have agreed to modifications of the farm-in arrangements to permit the offer to close by 31 July 2006 in lieu of 30 June 2006 to facilitate this extension. The underwriter has likewise consented to this extension.

Important key dates are now:

Closing Date:	5.00 p.m. Thursday, 20 July 2006
Anticipated Date for despatch of Transaction Confirmation Statements	31 July 2006

The prospectus is available on the Companies website www.oilbasins.com.au and also on Patersons Securities Limited website www.psl.com.au.

Members of the public may apply for shares (and options) using the application form set out in the Prospectus in accordance with the instructions set out on that form.

Applications from the public must be made on the Application Form attached to the Prospectus and must be for a minimum of 10,000 Shares (and associated Options) and must thereafter in multiples of 500 Shares (and associated Options).

Potential investors should read the entire Prospectus and, in particular, carefully consider the matters and risk factors raised in the Prospectus in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from an accountant, stockbroker, lawyer or other professional adviser.

An investment in the Company's securities should be considered speculative.

Extension of Closing Date to 20 July 2006

Shares (and Options) in the Company will only be issued on the basis of an Application form which either forms part of the Prospectus, or which comprises an Entitlement and Acceptance Form which was despatched with the Prospectus to those members who were entitled as at the Record Date.

The Directors in consultation with the Lead Manager may reject any application made under the Shortfall Offer or allocate fewer Shares (and Options) than the Applicant has applied for.

The Act prohibits any person from passing onto another person an Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus and any supplementary prospectus that may be issued (whether in paper or electronic form). A person may obtain a hard copy of the Prospectus (and the supplementary prospectus) free of charge by contacting the Company. The Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of the Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Shares or the Offer, or otherwise permit a public offering of the Shares, in any jurisdiction outside Australia.

Shares (and Options) will only be able to be subscribed for on an Application Form set out in the Prospectus and an Application Form accompanying a Prospectus may only be distributed attached to a complete and unaltered copy of the Prospectus. Accordingly an Application Form contained in the Prospectus may not be handed on unless it is attached to a complete and unaltered copy of the Prospectus.

Yours faithfully,



Graeme Menzies
Director