



23 November 2010

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

Dear Sirs

***BACKREEF AREA – INCREASE IN BENEFICIAL
INTEREST OWNERSHIP TO 100%***

Oil Basins Limited (OBL, ASX codes **OBL**, **OBLOA** & **OBLOB** or the **Company**) wishes to make the following ASX Announcement, so as to keep the market fully informed.

As provided for in the Backreef Play Agreement (**Agreement**) of October 2008:

- The Backreef-1 well was drilled to at least 1500m by 31 October 2010 and accordingly a 100% beneficial interest in the Backreef Area, Canning Basin, Western Australia has been earned.
- OBL, the OBL subsidiaries and Backreef Oil Pty Limited (**BOPL**) may vary interests ahead of a formal Joint Venture Agreement being formally executed.
- OBL and the OBL subsidiaries do not presently elect to relinquish their beneficial interest in the Backreef Area .

Rather, OBL has agreed to allot and issue 2 million fully paid ordinary shares to BOPL in return for its agreement that it has no further beneficial interest in the Backreef Area and that OBL and the OBL subsidiaries will hold an aggregate 100% beneficial interest in the Backreef Area, Canning Basin, Western Australia following the drilling of the Backreef-1 well.

OBL has advised the permit titleholder Buru Energy Limited (ASX Code **BRU**) of this transaction.

Neil Doyle, SPE
Director