



OIL BASINS LIMITED
ABN 56 006 024 764

Level 4, 100 Albert Road, South Melbourne Vic 3205 Australia
Telephone: (+61 3) 9692 7222 Facsimile: (+61 3) 9077 9233
Email: enquiries@oilbasins.com.au Website: www.oilbasins.com.au

31 October 2012

ASX Markets Announcements
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
Sydney NSW 2000

Dear Sirs

EAST BLINA-1 OPERATIONS REPORT #5

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

The Company, as designated Operator on behalf of the Backreef Area Joint Venture (OBL net 80% and Green Rock Energy Limited (ASX code **GRK**) net 20% beneficial interests respectively), wishes to make the following Operations Report #5 concerning the East Blina-1 petroleum exploration well, within Production Licence L6, Canning Basin.

Wireline logging operations were completed late on 30 October 2012 and after analysis of the Schlumberger Quadcombo data by OBL's petrophysicist, it was determined that all zones were water wet and a MDT run was not warranted.

Plug and Abandonment operations have commenced and the Dynamic Drilling Rig#17 is expected to be released on 1 November 2012.

With the drilling of East Blina-1, the Backreef Play Agreement farmin commitments are now complete.

The drilling of the East Blina-1 exploration well has provided the following valuable information:

- a) Firstly, preliminary analysis of the wireline logs has greatly increased the knowledge of the extent of the dolomitic reservoir interval (intra Yellow Drum reservoir) first encountered at Backreef-1.
- b) Preliminary correlations of formation tops have confirmed that this porous and permeable zone within the Kimberley Downs Embayment extends from the western boundary of the Backreef Area to Backreef-1 in the east (some 3.7 km distant).
- c) The Backreef Area Joint Venture has sufficient high quality stratigraphic data to enable, with further future 2D seismic, a mapping of this zone to establish future drill targets elsewhere in the Backreef Area.

- d) OBL has demonstrated that, with deployment of a 'small footprint' modern mobile drilling rig, future oil exploration wells targeting Laurel / Yellow Drum reservoirs within the Backreef Area can be drilled at a reasonable cost.
- e) This has potentially significant implications for future exploration in the Canning Basin where the Laurel is present.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Neil F. Doyle', written in a cursive style.

Neil Doyle, SPE
Director & CEO

DISCLAIMER – GENERAL

The technical information quoted has been compiled onsite by Company Director Mr Neil Doyle who is a professional engineer (BEng, MEngSc - Geomechanics) with over 31 years standing and a continuous Member of the Society of Petroleum Engineers since 1981 (SPE 30 Year Club Member) and onsite by Exploration Consultant Mr Geoff Geary who is a professional geologist (BSc – Geology) with over 28 years standing and who is also a Member of the Petroleum Exploration Society of Australia.

Both Mr Doyle and Mr Geary have consented to the inclusion in this announcement of the matters based on the information in the form and context in which they appear.