



OIL BASINS LIMITED
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23 December 2009

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

Dear Sirs

PLACEMENT RAISES \$400,000

Oil Basins Limited (“**OBL**” or the “**Company**”; ASX codes “**OBL**” and “**OBLOA**”) is pleased to announce the successful placement of 20 million new ordinary OBL shares with ‘Sophisticated Investors’ and ‘Professional Investors’ at A\$0.02 per share to raise \$400,000.

Each OBL share placed will have a free attaching one (1) for two (2) OBLOA listed option (exercisable at 1.5 cents on or before 30 June 2012). The placement was undertaken at recent market prices, indicating support for the Company’s current plans.

Subscribers to the placement include participation from four brokers, new investors, together with additional investment from a number of current shareholders. Normal fees will be paid to holders of AFSLs who supported the issue. The share issue is within the Company’s expanded placement capacity, as approved by OBL Shareholders at the Company’s recent Annual General Meeting on 25 November 2009.

The Placement will ensure OBL is adequately funded to meet our ongoing work program and working capital commitments and to pursue additional value creating projects.

Kim W McGrath
Chairman

ABOUT OIL BASINS LIMITED:

Oil Basins Limited (**ASX codes OBL and OBLOA**) is an ASX listed E&P and leveraged-development company, quoted in mid-2006 and lead by a highly experienced team of energy professionals with a unique skills-set providing:

- Energy sector investment banking (covering all aspects of capital raising/project financing, acquisition & divestment, corporate mergers & acquisitions and oil trading).
- Comprehensive operational experience in all facets of upstream and downstream energy sectors – upstream includes all facets of offshore (platform, subsea and FPSO) and onshore oil and gas developments including CSM – downstream includes LPG, LNG, CNG and power generation.
- Key focus areas in Australia, New Zealand, Papua New Guinea and Indonesia where OBL has particular in-house strengths and the experience and skills set to conduct basins studies.
- Regular screening by OBL of new acreage and farmin opportunities.

Since mid-2006, OBL has successfully executed a number of farmin agreements with oil and gas independents and has steadily built up an attractive portfolio of assets containing over 330MMbbls of prospective potential resources with 8 drill-ready prospects, which are mostly defined by the either the latest 3D seismic (eg Gippsland) or modern reprocessed assessments of vintage 2D seismic (eg Canning Basin).

As previously advised, OBL is presently intent on farming out (and/or partial sale) a number of its forthcoming exploration interests in both the Gippsland and Canning Basins.

Websites

www.oilbasins.com.au

www.canningbasinoil.com.au