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ARBITRATION AWARD BY NATIONAL NATIVE TITLE TRIBUNAL

DERBY BLOCK - CANNING BASIN

Octanex N.L. (ASX Code: OXX) (Octanex) is pleased to announce that it has been advised by Oil Basins Limited (OBL) that the National Native Title Tribunal has determined the petroleum exploration permit 5/07-8 EP, known as the Derby Block, may be granted. Relevant details are contained in the attached announcement made to ASX by OBL.

On 24 January 2013, Octanex announced that, once the permit had been granted and various conditions precedent satisfied or waived, it had agreed to acquire a 25% interest in the Derby Block from OBL.

The Derby Block comprises an area of approximately 5,063 km² (approximately 1,251,095 acres) in the onshore Canning Basin south east of Derby - see Figure 1.

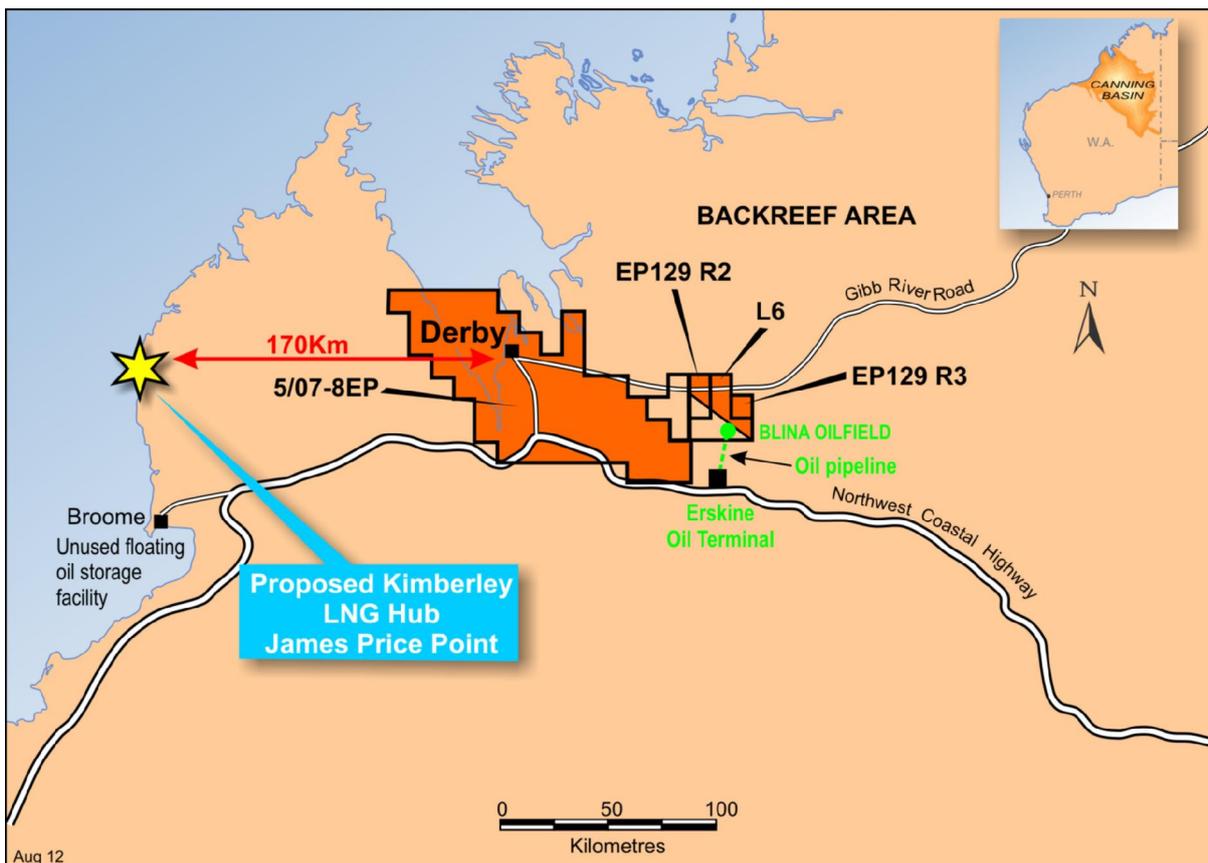


Figure 1: Derby Block Location and Infrastructure Map

By Order of the Board

A handwritten signature in black ink, appearing to read 'J G Tuohy', written in a cursive style.

J G Tuohy
Company Secretary

4 February 2013



OIL BASINS LIMITED

ABN 56 006 024 764

4 February 2013

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

Dear Sirs

5/07-8 EP DERBY BLOCK UPDATE ARBITRATION AWARD BY NATIVE TITLE TRIBUNAL

The Directors of Oil Basins Limited (**OBL**, ASX codes **OBL** and **OBLOB**, or the **Company**) are pleased to make the following ASX announcement.

The Company advises that late on Friday 1 February 2013 it received the formal arbitration determination of the future act, namely allowing the grant of petroleum exploration permit 5/07-8 EP (**Derby Block**, refer to **Figure 1**), under the *Native Title Act 1993* (Cth) from the National Native Title Tribunal (NNTT).

OBL is very pleased to advise that the NNTT has confirmed that the Minister for Mines and Petroleum may grant petroleum exploration permit 5/07-8 EP to the Company and its joint applicant subject to the formal conditions outlined by the government and also subject to the Aboriginal Heritage Conditions proposed by the Company, which on grant will form a contract with the Nyikina and Mangala native title party for undertaking heritage surveys.

Commenting on this 'landmark decision', Kim McGrath, Executive Chairman of OBL, stated:

- "Oil Basins Limited is pleased that the National Native Title Tribunal has decided to allow the Derby Block to be granted. This has been a long-running 5 year process and the determination has resulted in significant long-term benefits to the Company compared with the normal process for land clearance access in the region."
- "The Company now awaits an offer of formal grant and will review any conditions before making further comment."

The anticipated grant is likely during this 1Q2013.

Yours faithfully

Neil F. Doyle SPE
Director & CEO

GLOSSARY & PETROLEUM UNITS

- CSG** Coal seam gas (CSG) or alternatively known as coal seam methane (CSM) is natural gas sourced from coal. Methane (CH₄), which is the same as: conventional gas, landfill gas, peat gas. CSM is produced during the creation of coal from peat. The methane in CSM is adsorbed onto the surface of micropores in the coal. The amount of methane adsorbed increases with pressure. CSM is expelled from the seam over geologic time because coal has the capacity to hold only about a tenth of the methane it produces. Apart from power station applications, high quality methane can be used as a valuable feedstock for petrochemical plants such as urea, ammonia, ammonium nitrate, gas to liquids (diesel) and LNG production.
- USG** Unconventional Shale Gas.
- USO** Unconventional Shale Oil.
- 2D** Modern 'low – level impact' two dimensional seismic survey shot with air guns.
- BCGA** Basin Centred Gas Asset.

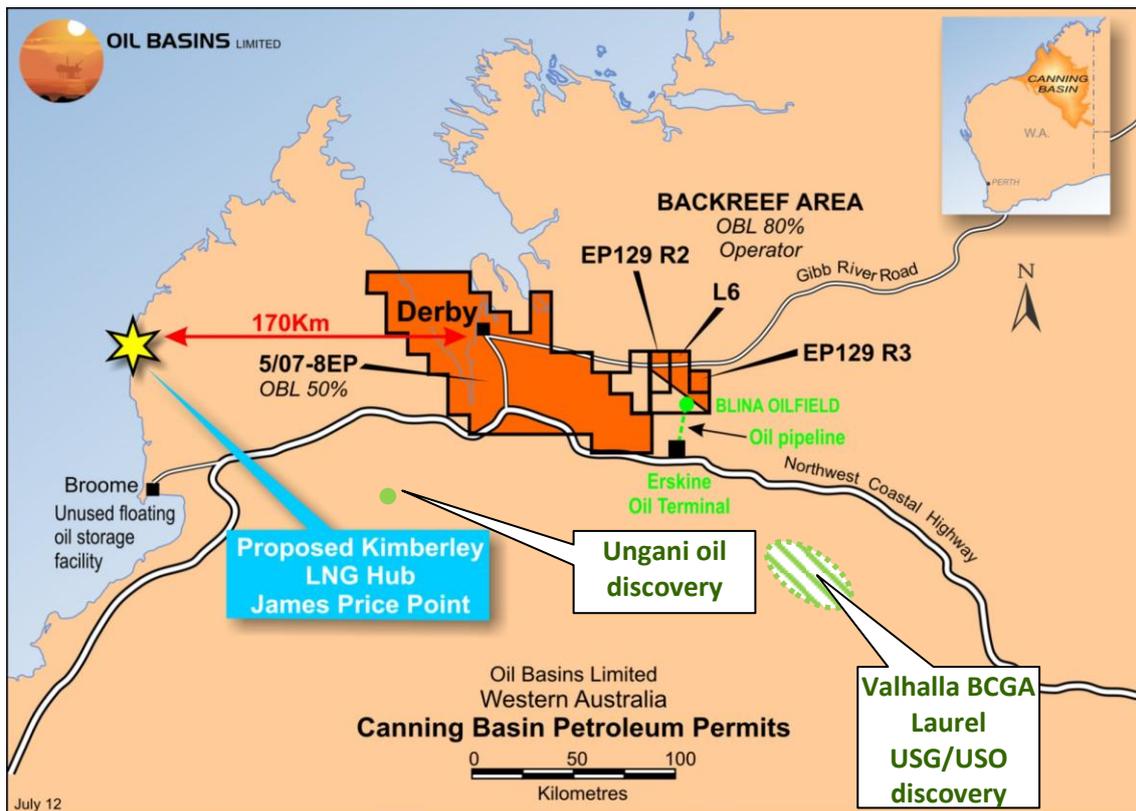


Figure 1
Oil Basins Limited's Canning Basin Interests