



NATURAL GAS IN THE WORLD'S FASTEST GROWING ECONOMY

OILEX LTD

AUGUST 2017



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IMPORTANT INFORMATION

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Resource estimates

The resources assessment follows guidelines set forth by the Society of Petroleum Engineers - Petroleum Resource Management System. The Cambay Field resource estimates within this presentation are based on information and data contained within Oilex's market release dated 24 June 2016. Oilex confirms that it is not aware of new information or data that materially affects the information included in the market release dated 24 June 2016 and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

OIL AND GAS FOCUS IN INDIA

- 1) India fastest growing large country by GDP: World's third largest petroleum consumer
- 2) Government recognises criticality of energy supply: Oil and gas a key contributor to MAKE IN INDIA
- 3) Government proactively promoting oil and gas opportunities and foreign investment
- 4) Domestic production declining and LNG imports increasing
- 5) Opportunity to apply North American tight gas technology in India
- 6) Oilex operates Multi-TCF gas resource at Cambay PSC in India



A MAJOR NATIONAL INITIATIVE. DESIGNED TO FACILITATE INVESTMENT. FOSTER INNOVATION. ENHANCE SKILL DEVELOPMENT. PROTECT INTELLECTUAL PROPERTY. AND BUILD BEST-IN-CLASS MANUFACTURING INFRASTRUCTURE. THERE HAS NEVER BEEN A BETTER TIME TO MAKE IN INDIA.

<http://www.makeinindia.com/home>

SETTING THE SCENE



OILEX

BACKGROUND

Head office in Perth, Western Australia

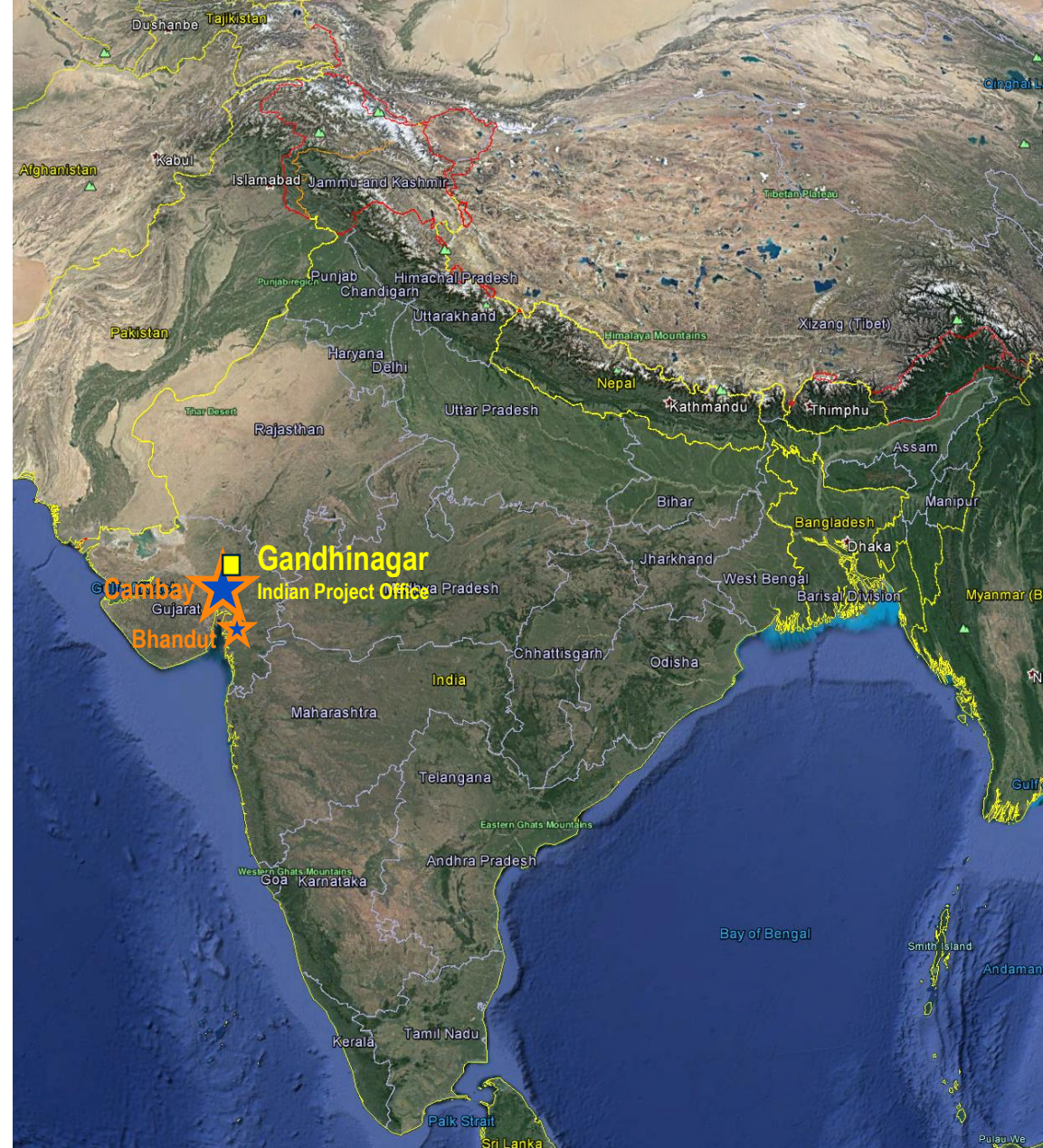
Project office in Gandhinagar, Gujarat, India

Operating in India for approximately 10 years; nine wells drilled

One of very few foreign companies in the sector

Dual listed ASX & AIM

CAPITAL STRUCTURE		
OEX	AIM	ASX
Share price (23 August 2017)	£0.0024	\$0.004
Market capitalisation (million)	£4.0	\$6.7
Ordinary shares (million)	1,684	
Unlisted options (million)	287	
Substantial Shareholders:		
Magna Energy Limited	7.20%	
Zeta Resources Limited	6.80%	



COMPANY PROFILE

REVITALISED TEAM

Revitalised board and senior management in 2016

Appointed UK domiciled NED in May 2017

Recent successful capital raising in UK

Focus on realising the value inherent in Indian projects – particularly Cambay project

Actively seeking out new opportunities to broaden portfolio



BOARD & MANAGEMENT

Brad Lingo

Non-executive Chairman

Over 30 years of oil and gas leadership roles, a recognised oil and gas industry leader. SMH/East Coles S&P/ASX 200 Energy Best CEO of the Year 2014.

Joe Salomon

Managing Director

Over 30 years experience in the upstream industry in senior management and technical positions in small and large companies. Experience in the Indian oil and gas industry over 20 years.

Max Cozijn

Non-executive Director

Over 35 years experience in administration of listed companies.

Paul Haywood

Non-executive Director

Over 14 years international experience in delivering value for his investment network through a blended skill-set of corporate and operational experience, including six years in the Middle East. Domiciled in the UK.

Mark Bolton

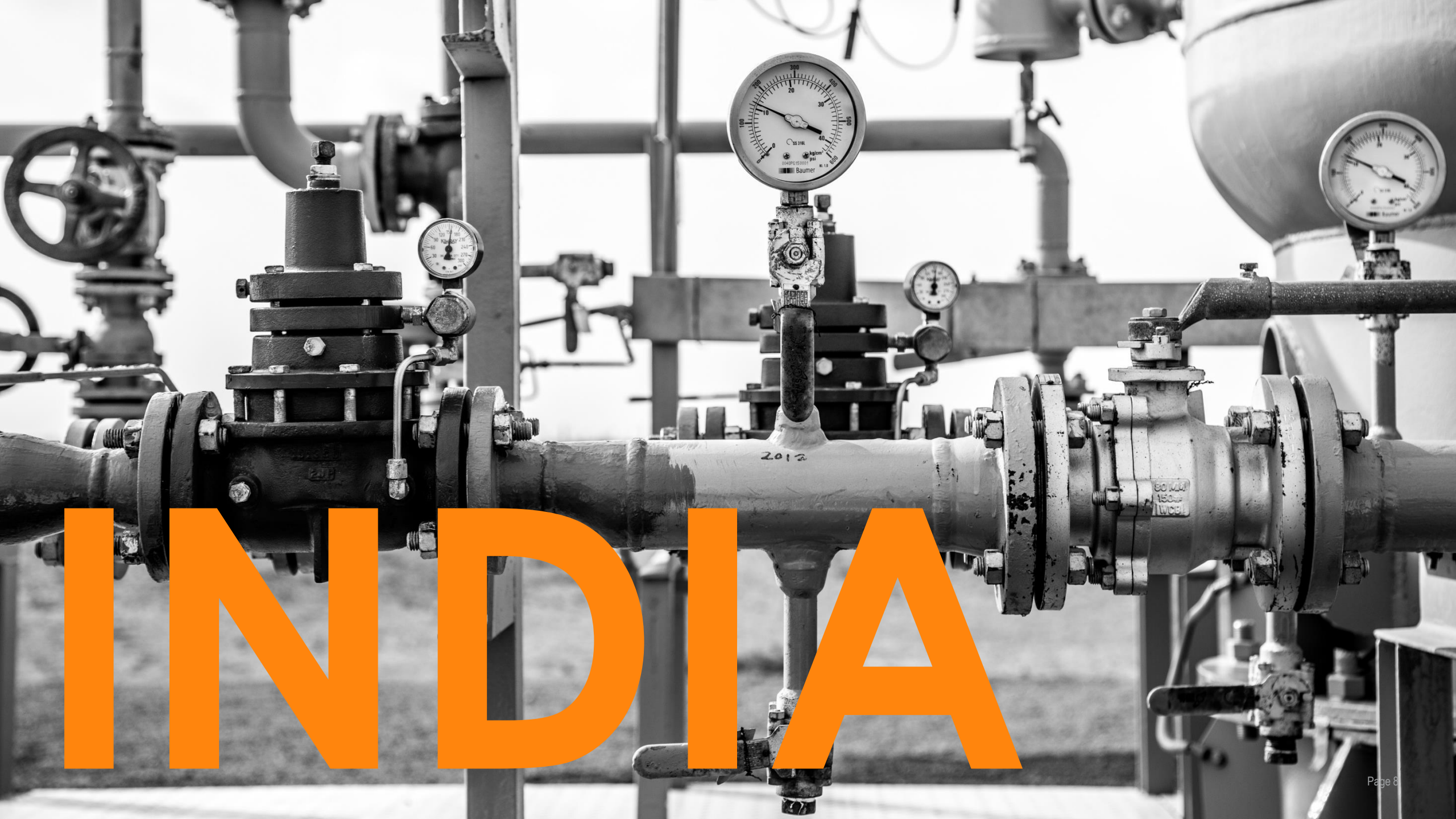
Chief Financial Officer

Over 25 years experience in the resources sector. Specialist in financing resource projects internationally with extensive experience in debt and equity markets in a number of jurisdictions including ASX, AIM, LSE and TSX.

Ashish Khare

Head of India Assets

Over 20 years experience in the petroleum Industry in upstream, midstream and downstream project implementation and operation. Experience working for Indian companies including Reliance Petroleum, Enron and Cairn India.



INDIA

WHY INDIA

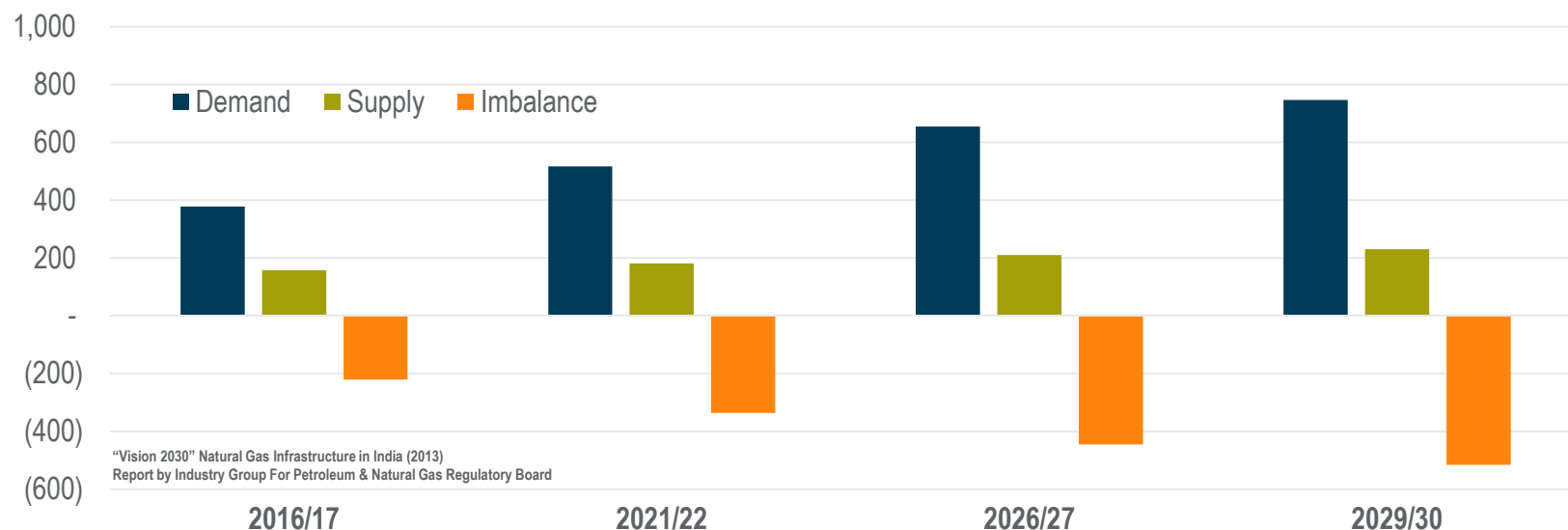
STRONG ENERGY FUNDAMENTALS

BP Energy Outlook for
India to 2035

Indian energy consumption growth faster than all major economies
India overtakes China as largest growth market for energy
India remains import dependent with LNG doubling
Demand for gas increase by 162%



INDIA DOMESTIC NATURAL GAS IMBALANCE



Primary energy consumption in India
grew by 5.2% in 2015

80% of oil and 40% of gas needs met
through imports

Domestic natural gas production fell
4% in 2015

LNG imports increased by 15% in
2015

Indian plan to double LNG imports in
next few years

Gap between production and consumption forecast to grow

ENERGY OUTLOOK TO 2035/2040

FOR INDIA

India's population to pass China in 2028

Per capita income increase by more than 3 times

Projected 129% energy demand growth to 2035 (compare China 47%, Brazil 41%, Russia 2%)

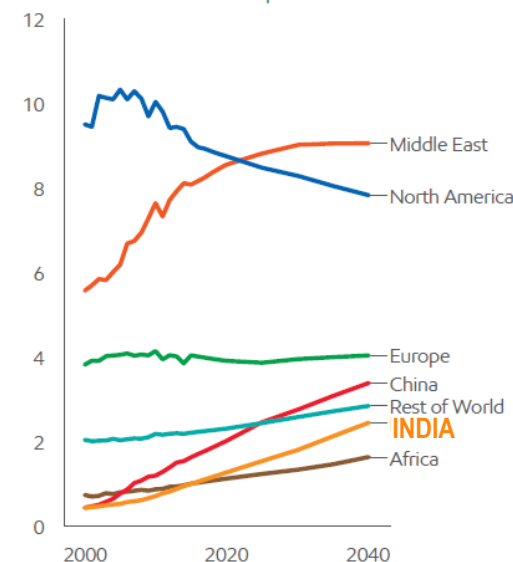
Share of global demand increase to 9%

Gas demand increase by 162% (against renewables 699%, nuclear 317%, Hydro 97%)

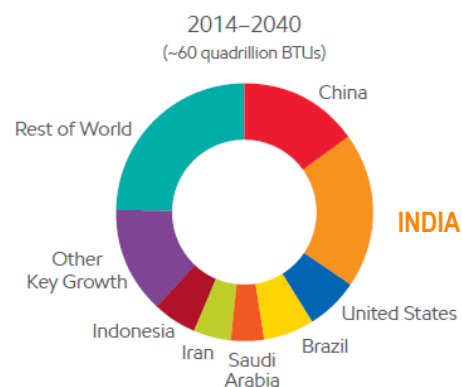
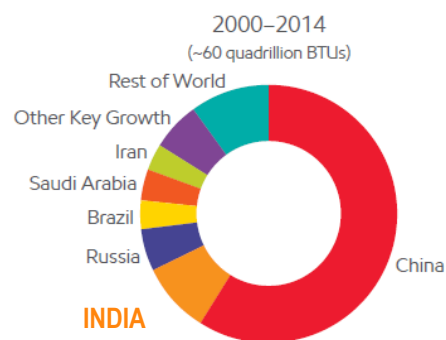
Electricity rising 185%

Electricity use per household

Thousand kilowatt hours per household



Post 2014 global industrial demand growth led by India



Source – ExxonMobil the Outlook for Energy: A View to 2040
- BP Energy Outlook

CAMBAY PROJECT



OILEX MAIN PROJECT

CAMBAY PRODUCTION SHARING CONTRACT

40,000 acres

Close to national
pipeline infrastructure

In Gujarat State: one of
India's major industrial
regions

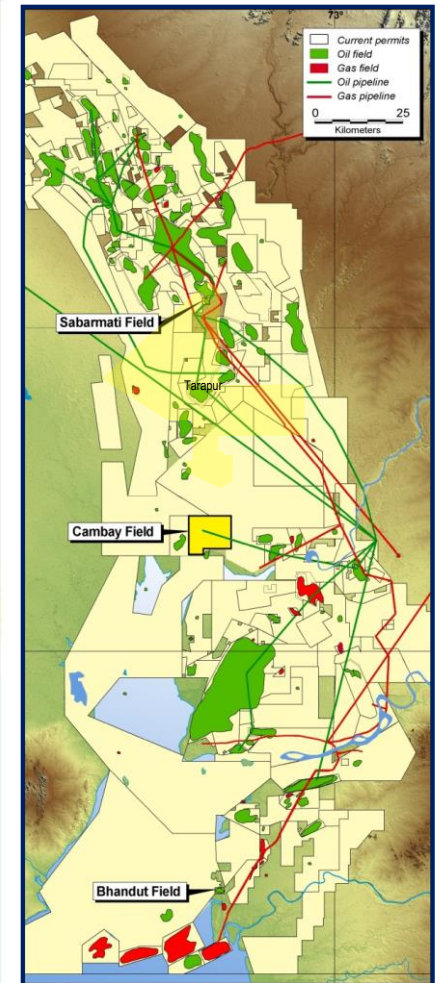
Oilex – 45% Interest

GSPC – 55% Interest

Oilex is Operator



India – Pipeline Map



Cambay Basin Map

CAMBAY PROJECT

MULTI-TCF TIGHT GAS PLAY

Gas in place confirmed in multiple horizons, producing since 1961

Main target is multi-TCF low permeability, wet gas zones

Applying North American “shale” technology in India

Secondary target in shallower oil and gas pools in areas unswept by historical production



RESOURCE STATEMENT

PREPARED BY RISC*

Contingent Resource for EP-III / IV (X / Y Zone) – 100%

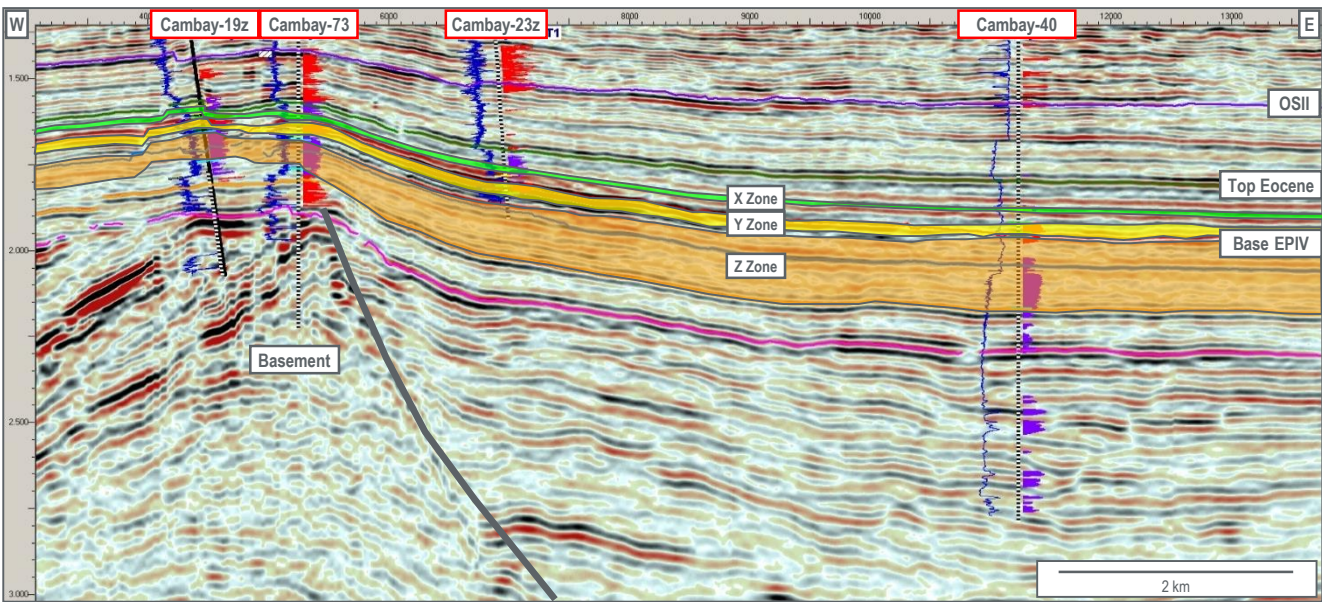
Gas volume (bcf)			Condensate Volume (million bbl)		
1C	2C	3C	1C	2C	3C
478	926	1616	27	61	121

Table shows gross 100% recoverable volumes contingent on but not limited to: re-instating plan for drilling of additional wells, partner approvals, funding approvals, securing extension of the PSC post September 2019

Total Contingent and Prospective In Place Resources

Total resource (gross)		Gas in Place (bcf)		
Region	P90	P50	P10	Mean
Y Total	1716	2519	3503	2573
X Total	919	1733	2944	1851
X and Y total	3141	4318	5806	4409

Probabilistically combined



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*RISC is an independent oil and gas consultancy firm working in partnership with companies for over 20 years.

INDIAN AFFAIRS

CAMBAY & BHANDUT PROJECTS

- Joint venture partner, GSPC, has not been paying bills → part payment of historical cash calls re-commenced in June 2017. Further payments anticipated.
- Potential for Oilex or a new party to buy out GSPC's 55% interest through formal sale process. Oilex holds pre-emptive right over sale of GSPC interest.
- Cambay PSC Expires in 2019 → Application for extension to be lodged in September 2017. GoI response anticipated in mid-2018.
- Oilex received interest from Indian companies to buy Bhandut project → negotiations are ongoing



Bhandut Production Facilities

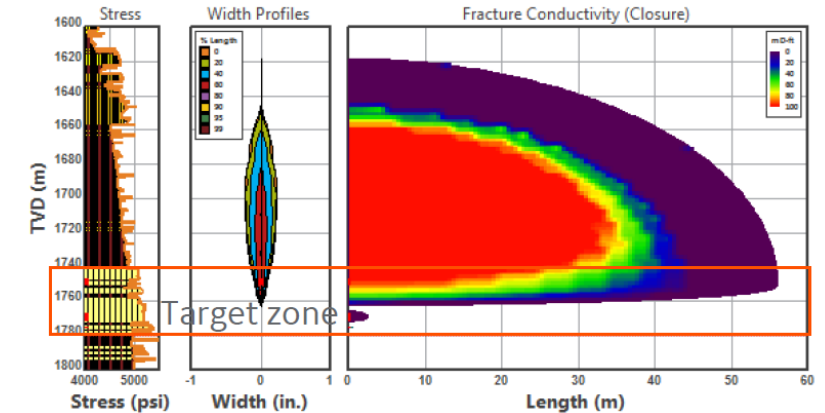
EP-IV CORE ANALYSIS

CAMBAY CAN BE EFFECTIVELY STIMULATED

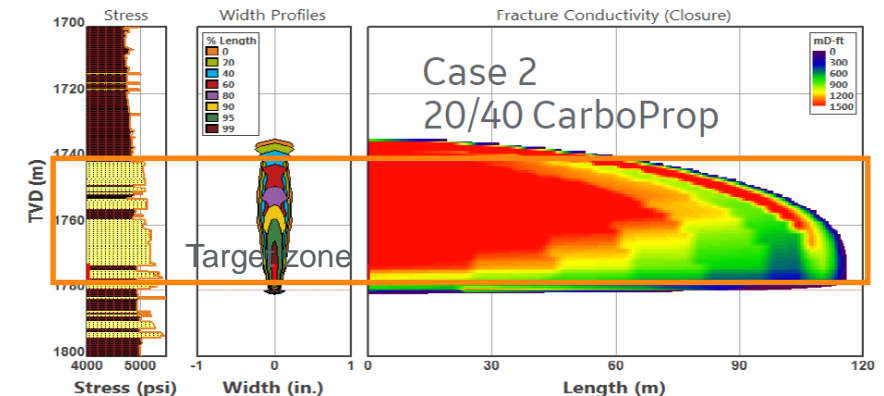
- Schlumberger and Baker Hughes requested to:
 - advise on the optimal well and stimulation design for future development
 - analyse and report on the reasons for under-performance of historical wells
- Reservoir section can be stimulated with fractures to increase gas flow rates
- Fracture placement is critical for optimum fracture length and direction constrained within the target zone
- Reservoir temperature and pressure offer no specific challenges
- Clay swelling can be effectively ameliorated with readily available fluid additives
- Proppant selection is important to maintain fracture conductivity
- Critical to avoid over-flushing of proppant which in past wells caused loss of communication between fractures and wellbore
- Specific stimulation fluids required to ensure initial fracture propagation and subsequent proppant placement

FRACTURE MODELLING EXAMPLES

Historical Vertical Well – fracture escaped vertically and mostly outside of reservoir target zone.



Optimised Model – longer lateral fracture within reservoir target zone





PATH FORWARD

BUILDING VALUE IN 2017/2018

LOW COST RISK MANAGED APPROACH

- Lodge application for Cambay PSC extension
- Potential sale of smaller asset (Bhandut)
- Additional proceeds from outstanding cash calls
- Outline plans for future field development addressing multi-TCF resource
- Obtain extension of the Cambay PSC
- Active new business opportunities being considered





An OIL and GAS Focused Company

Large Gas Resource – Multi-TCF

**Accessing Booming
Indian Energy Market**



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