

HIGHLIGHTS

JUNE QUARTERLY REPORT

2022

CAMBAY FIELD, ONSHORE GUJARAT, INDIA

- » During the Quarter a workover rig was mobilised to the C-77H wellsite on 20 June 2022 to prepare the well for the planned re-frac operation in July.
- » Production continued on the Company's Cambay gas field, together with gas sales, from the C-73 and C-77H wells.

UNITED KINGDOM CONTINENTAL SHELF CCS

- » During the Quarter the Company continued to progress its Medway Hub Carbon Capture and Storage ("**CCS**") project in the UK. The Company is preparing to apply for CCS licenses under the current NSTA 1st carbon storage licensing round.

WEST KAMPAR, INDONESIA

- » Subsequent to the end of the Quarter, the Company has been advised that its efforts to regain a participating interest and control of the West Kampar PSC in Indonesia have been unsuccessful. The Company understands the West Kampar PSC has been awarded to a third party. This marks the end of the Company's activities in Indonesia.

CORPORATE

- » This Report is for the period 1 April 2022 to 30 June 2022 (the "**Quarter**")
- » Cash resources at 30 June 2022 were A\$4.84 million (£2.74 million)
- » Post Quarter end, a General Meeting of the Company was held on Wednesday, 13 July 2022 with all resolutions passed via a poll.
- » During the Quarter the Company appointed Lisa Wynne as the new Company Secretary
- » During the Quarter the Company arranged an equity capital raising, with existing and new sophisticated, institutional and other shareholders, led by Republic Investment Management Pte Ltd ("**Republic**") and clients of Novum Securities Limited ("**Novum**"), of £2.5 million (approximately A\$4.4 million) before expenses, through the issue, in tranches, of 1,250,000,000 new fully paid ordinary shares ("**Placement Shares**") at £0.0020 (A\$0.0035) per share ("**Placement**").

CHIEF EXECUTIVE OFFICER'S REPORT TO SHAREHOLDERS FOR THE QUARTER

OVERVIEW

Following a strategy review in 2021, Oilex Ltd ("**Oilex**" or the "**Company**") is currently focused on developing its primary asset in the Cambay Basin, India, and applying to acquire mature gas producing assets and instigate CCS projects in the UK. The focus of the Company will be centred on gas production and CCS to become a carbon-neutral gas producer.

During the Quarter the Company was focused on restarting gas production cycling between two existing production wells in its Cambay PSC, the success of which was achieved and announced on 8 April 2022. Oilex's acquisition of GSPC's 55% PI in the Cambay PSC has enabled it to accelerate field development of the Cambay field's c.930 BCF 2C gas resources (100% gross). Plans to re-frac the existing C-77H well are currently under way with preparatory civil works complete and all major services and equipment secured for the hydraulic fracturing operation, which is planned to commence in July 2022. Subject to the results of the re-fracking operation, Oilex plans to demonstrate a reliable fracturing methodology for two new wells planned for calendar year 2023, subject to securing the necessary funding. Following the re-frac, the Company will seek to identify a new joint venture partner for the Cambay PSC to mitigate the funding requirement.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

All work was undertaken safely, without environmental incident and in accordance with COVID-19 related protocols during the Quarter.

CAMBAY FIELD, GUJARAT, INDIA

(Oilex: Operator and 100% interest)

The Cambay field development is centred on the successful exploitation of the gas resources held in the Eocene EP-IV reservoir which extends across the field and has been penetrated by over 30 wells. The EP-IV reservoir comprises low permeability ("tight") siltstones and requires frac stimulation to provide economic gas production rates.

Whereas two horizontal wells (C-76H in 2011 and C-77H in 2014) were successfully and efficiently drilled to total depth in the EP-IV reservoir, the fracturing and completion of the wells were disappointing. In advance of drilling two new horizontal wells, the Company decided to re-frac the existing C-77H well to not only increase production but to also develop a reliable fracturing methodology that can be applied to future wells. C-77H had initial production levels of up to 1.0 mmscfd. The Company believes that a successful re-frac stimulation could potentially increase production levels by 3 to 5 times.

Well programs for two new horizontal wells (C-78H and C-79H) have been developed and the Company has engaged the Bedrock/Manan consortium for well management services for the C-77H re-frac (which is currently underway) and the execution of the two new wells which is planned, subject to securing the necessary funding, for calendar year 2023. Funding requirements may be mitigated by a successful farm out on the Cambay PSC.

Receipt of Outstanding Cash Calls

Oilex received a payment of US\$154k from its previous Joint Venture partner resulting from reconciling final sale accounts with GSPC's finance team in April 2022. Post the acquisition of 55% of the participating interest in the Cambay field, the Company does not anticipate any further receipts from its previous Joint Venture partner.

Cambay Well 77H Re-Frac

During the Quarter the Company announced that all major services and equipment were secured for the planned C-77H re-frac operation. The workover rig arrived on location at the C-77H wellsite on 20 June 2022 and was being rigged-up in preparation for pulling the completion string from the C-77H wellbore. In addition, civil works to prepare the wellsite for the re-fracing operations have been completed, and all major services and equipment have been secured for the hydraulic fracturing operation. The re-fracing operation is planned to commence in July 2022, and is anticipated to last 7 days.

The re-fracing operation will be followed by flow-back and testing. The Company currently expects to be able to announce the results of the re-frac operation in August 2022.

Cambay Production Re-start Update

During the Quarter the Company announced after a lengthy shut-in of production on the Cambay field (PI 100%), gas production and sales were stabilised from one well (C-73) at circa 0.3 mmscfd, with circa 21 bopd of gas condensate.

Later in the Quarter, the Company announced production for the month of May on the Cambay field (PI 100%), averaging 0.24 mmscfd gas production and 18.5 BPD condensate production. The majority of the production has been from the C-73 well but production from the C-77H well has been intermittently co-mingled to provide a route to higher production levels. However, low pressure grid constraints have limited production rates to the current c.0.3 mmscfd level. The low pressure grid constraints are being addressed by the grid operator which will allow for higher production rates from the field. Towards the end of the Quarter, the C-77H well was taken off production in preparation for the re-fracing operation.

Cambay Reserves Re-classification

During the Quarter the Company announced the following update with respect to the re-classification of Cambay gas and condensate volumes to reserves and increase in resources.

Summary

1. A review of Oilex's net reserve and resource position in the Cambay PSC by an independent reserves auditor has resulted in the return of 206 BCF of gas and 8 million barrels of condensate to the 2P Reserves category from Contingent Resources.
2. Oilex's participating interest in the reserves and resources has increased from 45% to 100% following its purchase of GSPC's share of the project.

The revised reserve and resource position showing the re-allocation from Contingent Resource category to Reserves and the increase in volumes from the GSPC acquisition is shown in Tables 1 and 2:

Table 1 Reconciliation of Reserves (Net to Oilex)

Reserves (Oilex WI %)	Gas (Bscf)			Condensate (MMstb)		
	1P	2P	3P	1P	2P	3P
At 1 June 2016 (45%)	0	0	0	0	0	0
At 1 June 2022 (100%)	0	206	377	0	8	17.3

Table 2 Reconciliation of Contingent Resources (Net to Oilex)

Contingent Resources (Oilex WI %)	Gas (Bscf)			Condensate (MMstb)		
	1C	2C	3C	1C	2C	3C
At 1 June 2016 (45%)	215	417	728	12	27.4	54.6
At 1 June 2022 (100%)	388	720	1239	23.7	52.8	104

Background

In April 2015, the Company tabled a Resource Report on the Cambay Field Eocene gas and condensate reservoir which is the same reservoir that hosts current oil and gas production and that is the focus of the upcoming re-frac of the C-77H well as reported in recent announcements. The resource report was prepared by independent oil and gas advisors RISC and allocated recoverable gas and condensate volumes across Reserve, Contingent Resources and Prospective Resources categories. In June 2016, due to changes in economic assumptions specifically a fall in world oil and gas prices and the then impasse with GSPC deferring field development activities, the Reserves component of the overall gas and condensate volumes was re-classified to Contingent Resources while the aggregate Reserve and Resource volumes remained unchanged.

RISC has again reviewed the recent material changes to the circumstances surrounding the Cambay project which remove the previous impediments to progress on the project development. These changes include the following:

1. Grant of a PSC term extension to September 2029 by the Indian government
2. Approval of a Field Development Plan for the Eocene reservoir by the Indian regulator (the Directorate General of Hydrocarbons)
3. Resolution of the joint venture impasse through Oilex's purchase of GSPC's participating interest taking Oilex's participating interest to 100%
4. Recommencement of gas and condensate production from the Eocene reservoir with the delivery of gas to buyers under a new gas sales agreement
5. Issue of new Environmental Clearances by the Indian government
6. Oilex's commitment to the required work program to develop the resources including advanced planning and contracting for a re-frac of the C-77H well planned to commence in July 2022
7. Improvements in economic factors including the high current global and Indian oil and gas prices and the high demand for petroleum products in India.

As a result, the contingencies for development identified in 2016 have been resolved and RISC considers that the Reserves re-classified as Contingent Resources in 2016 can now be reclassified as undeveloped Reserves, justified for development as shown in Table 1. The Company's net volumes have also increased following the GSPC acquisition as shown in Tables 1 and 2. At this point in time the 1P allocation is zero. Under the Society of Petroleum Engineers Petroleum Resource Management System (PRMS) the 1P volumes may be attributed once capital has been spent and a commercial analysis has confirmed a positive NPV10. Oilex intends that 1P volumes will be added at the appropriate time.

UNITED KINGDOM CONTINENTAL SHELF

Carbon Capture and Storage

During the Quarter the Company continued to progress its Medway Hub CCS project in the UK. The CCS project provides for the capture and transportation of CO₂ emissions from coastal combined cycle gas turbines (“CCGT”) power stations in liquid form by marine tanker to a floating injection, storage and offloading (“FISO”) vessel from which the CO₂ would be injected into the Esmond and Forbes depleted gas fields, which are situated in the UKCS, for permanent sequestration.

A pre-FEED* study was completed by Axis Well Technology, which confirmed the technical viability of the project as well as providing scoping economics.

The CCS project is contemplated to be a merchant scheme whereby emitters would pay for the capture, transportation and storage of CO₂ from CCGT power station emissions under a long-term contract, instead of incurring the cost of carbon allowances.

The CCS project is subject to contracts with carbon emitters, regulatory approvals and funding. In addition, a full FEED* study will be required to further refine all of the technical aspects of the project, including project costings and economics to prepare for a final investment decision.

On 14 June 2022 the North Sea Transition Authority (NSTA) announced the 1st carbon storage licensing round which excluded the area around the Esmond and Forbes depleted gas fields. NSTA elected to exclude areas where potential CCS and windfarm operations may overlap for the 1st carbon storage licensing round although these may be included in a future licensing round. Consequently, the Company is preparing applications for CCS licenses in alternative structures that are covered by the current licensing round. The closing date for the 1st carbon storage licensing round is 13 September 2022 with license awards expected in early 2023.

**FEED means Front End Engineering Design*

JPDA 06-103, TIMOR SEA

(Oilex: PSC Terminated 15 July 2015 - Operator and 10% interest)

In August 2020, on behalf of its Joint Venture Participants, Oilex announced a Deed of Settlement and Release (the “**Deed**”) with the Autoridade Nacional Do Petroleo E Minerais (“**ANPM**”).

Under the terms of the Deed, Oilex committed to a settlement of US\$800k payable up to the financial year 2024. A total of US\$550k has been drawn down to date on the US\$800k loan facility provided by two of the joint venture partners to fund the settlement. The joint venture partners providing the loan facility were Japan Energy E&P JPDA Pty Ltd (“**JX**”) and Pan Pacific Petroleum (JPDA 06 103) Pty Ltd (“**PPP**”).

The draw downs from the loan facility, and settlement payments made to ANPM to date included the following:

- US\$50k drawn down (US\$25k from JX and US\$25k from PPP) and paid to ANPM in August 2020;
- US\$250k drawn down from JX and paid to ANPM in December 2021; and
- US\$250k drawn down from JX and paid to ANPM in March 2022.

No draw downs were made from the loan facility during the current Quarter, leaving the settlement payable to ANPM at the end of the current Quarter unchanged at US\$250k.

The loan facility from JX and PPP is restricted for the purposes of the settlement of the Company's liability with ANPM. The portion borrowed from PPP was fully repaid in December 2021. The movement in the remaining loan payable to JX during the current Quarter was as follows:

<u>Loan with JX</u>	<u>Date</u>	<u>Amount (US\$)</u>	<u>Running Balance (US\$)</u>
Balance of loan from JX at 1 April 2022			302,550
Interest accrued during the current Quarter	30 June 2022	8,388	310,938
Balance of loan from JX at 30 June 2022			310,938

At the end of the Quarter, there is another US\$250k available to be drawn from JX to fund the last instalment of the settlement payable, which is scheduled to be paid to ANPM in September 2022. The interest rate of the loan facility is 11% and the balance of the loan from JX, plus interest, is to be repaid in three instalments (in August 2022, February 2023 and August 2023), prior to the loan's maturity on 17 August 2023.

WEST KAMPAR PSC, CENTRAL SUMATRA, INDONESIA

Subsequent to the end of the Quarter, the Company has been advised that its efforts to regain a participating interest and control of the West Kampar PSC in Indonesia have been unsuccessful. The Company understands the West Kampar PSC has been awarded to a third party. This marks the end of the Company's activities in Indonesia.

CORPORATE AND FINANCIAL

General Meeting of Shareholders

Post Quarter the Company held a General Meeting of the Company on Wednesday, 13 July 2022. All resolutions were passed on a poll.

Capital Raising

During the Quarter the Company arranged an equity capital raising, with existing sophisticated, institutional and other shareholders, led by Republic Investment Management Pte Ltd ("**Republic**") and clients of Novum Securities Limited ("**Novum**"), of £2.5 million (approximately A\$4.4 million) before expenses, through the issue, in tranches, of 1,250,000,000 new fully paid ordinary shares ("**Placement Shares**") at £0.0020 (A\$0.0035) per share ("**Placement**").

The first tranche of the Placement was completed on 31 May 2022 with the Company issuing 1,075,168,606 Placement Shares under the Company's current ASX Listing Rule 7.1 placement capacity. Out of the second tranche (being the balance of 174,831,394 Placement Shares), 69,932,558 shares were issued on 22 July 2022, following approval obtained at the Company's General Meeting on 13 July 2022. The remaining 104,898,836 Placement Shares are anticipated to be issued by the end of July 2022 or shortly thereafter.

Pursuant to the Company's capital raising advisory agreements, the Company will also issue 30,000,000 unquoted options, exercisable at £0.0020 (A\$0.0035) on or before 30 April 2024 ("**Fee Options**"). The Fee Options were also approved at the general meeting on 13 July 2022 and are anticipated to be issued by the end of July 2022 or shortly thereafter.

Funds raised from the Placement are intended to be applied to the re-fracking of the Cambay 77H well which is planned for July 2022 (with such re-fracking now fully funded), the continued development of the Company's plans to undertake a drilling and testing appraisal program on the Cambay field, and the Company's working capital base.

Company Secretary Appointment

During the Quarter the Company announced the resignation of Suzie Foreman and the appointment of Lisa Wynne as Company Secretary. Lisa is a Chartered Accountant and Chartered Secretary with 16-plus years of experience in CFO and Company Secretary roles, and has Board level experience including with ASX and TSX listed companies and significant experience in the exploration and mining industries. Lisa is a Member of the Institute of Chartered Accountants, a Fellow of the Governance Institute of Australia and a member of the Australian Institute of Company Directors.

Director Dealings

On 30 June 2022, Non-Executive Director, Mr Peter Schwarz, transferred 10,611,250 of his fully paid ordinary shares in the Company ("**Ordinary Shares**") from a nominee account held in his name to a nominee account of his spouse, Mrs Lesley Schwarz.

Further, on the same day, Mr Schwarz sold 10,611,250 Ordinary Shares held in his name at £0.00155 per Ordinary Share, then acquired an interest in 10,611,250 Ordinary Shares, which are held in his Stocks and Shares ISA in the registered name of Peter Schwarz, at £0.00165 per Ordinary Share.

Accordingly, the holdings of Mr Schwarz and his family in the Company remain unchanged at 21,222,500 Ordinary Shares.

Payments Made to Related Parties and Their Associates

The attached Appendix 5B includes an amount of A\$261k in items 6.1 and 6.2 (total) which constitutes payments to directors for salaries, director fees and superannuation.

FINANCIAL

At 30 June 2022, Oilex retained cash resources of A\$4.84 million (£2.74 million).

The Company also has a loan facility balance of US\$250k, which is restricted for the purposes of the settlement of the Company's liability with ANPM. The interest rate of the loan facility is 11%. For further details of the loan refer to the "JPDA 06-103, TIMOR SEA" section above.

Capital Structure

The shares and options on issue at 30 June 2022 were as follows:

Ordinary Shares	8,242,959,310
Unlisted Options (Exercise Price, Expiry):	
£0.00238, 31/05/2024	25,210,084
£0.0028, 31/12/2022	711,295,152

Qualified Petroleum Reserves and Resources Evaluator Statement

Pursuant to the requirements of Chapter 5 of the ASX Listing Rules, the information in this report relating to petroleum reserves and resources is based on and fairly represents information and supporting documentation prepared by or under the supervision of Mr Joe Salomon, Executive Chairman employed by Oilex Ltd. Mr Salomon has over 32 years experience in petroleum geology and is a member of the Society of Petroleum Engineers and AAPG. Mr Salomon meets the requirements of a qualified petroleum reserve and resource evaluator under Chapter 5 of the ASX Listing Rules and consents to the inclusion of this information in this report in the form and context in which it appears. Mr Salomon also meets the requirements of a qualified person under the AIM Note for Mining, Oil and Gas Companies, and consents to the inclusion of this information in this report in the form and context in which it appears.

Board of Directors

Roland Wessel	CEO and Executive Director
Colin Judd	CFO and Executive Director
Joe Salomon	Executive Chairman
Mark Bolton	Non-Executive Director
Paul Haywood	Independent Non-Executive Director
Peter Schwarz	Independent Non-Executive Director

Company Secretary

Lisa Wynne	Company Secretary
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Stock Exchange Listing

Australian Securities Exchange	Code: OEX
AIM London Stock Exchange	Code: OEX

AIM Nominated Adviser

Strand Hanson Limited

AIM Broker

Novum Securities Limited

Share Registry – Australia

Link Market Services Limited
Level 12
250 St. Georges Terrace
Perth, Western Australia 6000
Australia
Telephone: +61 1300 554 474
Website:
<http://investorcentre.linkmarketservices.com.au>

Share Registry – United Kingdom

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE
United Kingdom
Telephone: +44 (0) 870 703 6149
Website: www.computershare.com

PETROLEUM PERMIT SCHEDULE – 30 June 2022					
ASSET	LOCATION	ENTITY	CHANGE IN INTEREST %	EQUITY %	OPERATOR
Cambay Field PSC	Gujarat, India	Oilex Ltd	-	85.0	Oilex Ltd
		Oilex N.L. Holdings (India) Limited	-	15.0	
JPDA 06-103 PSC ⁽¹⁾	Joint Petroleum Development Area Timor Leste and Australia	Oilex (JPDA 06-103) Ltd	-	10.0	Oilex (JPDA 06-103) Ltd

⁽¹⁾ PSC terminated on 15 July 2015. The Joint Venture remains operational governed by a Joint Operating Agreement.

LIST OF ABBREVIATIONS AND DEFINITIONS

Associated Gas	Natural gas found in contact with or dissolved in crude oil in the reservoir. It can be further categorised as Gas-Cap Gas or Solution Gas.
Barrels/Bbls	Barrels of oil or condensate - standard unit of measurement for all oil and condensate production. One barrel is equal to 159 litres or 35 imperial gallons.
BBO	Billion standard barrels of oil or condensate
BCF	Billion cubic feet of gas at standard temperature and pressure conditions.
BCFE	Billion cubic feet equivalent of gas at standard temperature and pressure conditions.
BOE	Barrels of Oil Equivalent. Converting gas volumes to the oil equivalent is customarily done on the basis of the nominal heating content or calorific value of the fuel. Common industry gas conversion factors usually range between 1 barrel of oil equivalent ("BOE") = 5,600 standard cubic feet ("scf") of gas to 1 BOE = 6,000 scf. (Many operators use 1 BOE = 5,620 scf derived from the metric unit equivalent 1 m ³ crude oil = 1,000 m ³ natural gas).
BOEPD	Barrels of oil equivalent per day.
BOPD	Barrels of oil per day.
CCGT	Combined cycle gas turbines
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status.
Discovered in place volume	Is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production.
FISO	Floating injection, storage and offloading
FEED	Front End Engineering Design
GOR	Gas to oil ratio in an oil field, calculated using measured natural gas and crude oil volumes at stated conditions. The gas/oil ratio may be the solution gas/oil, symbol R _s ; produced gas/oil ratio, symbol R _p ; or another suitably defined ratio of gas production to oil production. Volumes measured in scf/bbl.
LNG	Liquefied natural gas
MMBO	Million standard barrels of oil or condensate.
mD	Millidarcy – unit of permeability.
MD	Measured Depth.
MMbbls	Million barrels of oil or condensate.
MMscfd	Million standard cubic feet (of gas) per day.
MSCFD	Thousand standard cubic feet (of gas) per day.
PI	Participating Interest.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
PSC	Production Sharing Contract.

LIST OF ABBREVIATIONS AND DEFINITIONS (CONTINUED)

Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.
	Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods and government regulations.
	Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.
	Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. Reserves are designated as 1P (Proved), 2P (Proved plus Probable) and 3P (Proved plus Probable plus Possible).
	Probabilistic methods: • P90 refers to the quantity for which it is estimated there is at least a 90% probability the actual quantity recovered will equal or exceed. • P50 refers to the quantity for which it is estimated there is at least a 50% probability the actual quantity recovered will equal or exceed. • P10 refers to the quantity for which it is estimated there is at least a 10% probability the actual quantity recovered will equal or exceed.
SCF/BBL	Standard cubic feet (of gas) per barrel (of oil).
SCFD	Standard cubic feet (of gas) per day.
TCF	Trillion cubic feet of gas at standard temperature and pressure conditions.
Tight Gas Reservoir	The reservoir cannot be produced at economic flow rates or recover economic volumes of natural gas unless the well is stimulated by a large hydraulic fracture treatment, a horizontal wellbore, or by using multilateral wellbores.
UKCS	The United Kingdom Continental Shelf
Undiscovered in place volume	Is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

OILEX LTD

ABN

50 078 652 632

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	177	177
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(106)	(480)
	(b) development	-	-
	(c) care and maintenance costs	-	(479)
	(d) production costs	(660)	(660)
	(e) staff costs	(364)	(1,570)
	(f) administration and corporate costs	(362)	(1,531)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	(2)
1.6	Income taxes refunded/(paid)	20	20
1.7	Government grants and tax incentives	-	-
1.8a	Other (recovery of prior period operating costs)	207	703
1.8b	Other (settlement with ANPM)	-	(685)
1.9	Net cash from / (used in) operating activities	(1,086)	(4,505)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	118
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5a	Other (payment for bank guarantee related to purchase of 55% interest of Cambay joint venture – called on by GSPC in March 2022)	-	(2,903)
2.5b	Other (costs related to bank guarantee)	-	(158)
2.5c	Cash acquired on gaining control of 55% interest of Cambay joint venture	-	214
2.6	Net cash from / (used in) investing activities	-	(2,729)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,758	7,504
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	136
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(135)	(456)
3.5	Proceeds from borrowings	-	685
3.6	Repayment of borrowings	-	(56)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	3,623	7,813

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,294	4,311
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,086)	(4,505)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(2,729)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,623	7,813
4.5	Effect of movement in exchange rates on cash held	6	(53)
4.6	Cash and cash equivalents at end of period	4,837	4,837

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,837	2,294
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,837	2,294

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

261

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Directors and other related parties' salaries, director fees and superannuation.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	814
7.2	Credit standby arrangements	-
7.3	Other (please specify)	-
7.4	Total financing facilities	814
7.5	Unused financing facilities available at quarter end	363
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

The financing facility relates to an unsecured loan facility that the Company has with two of its JPDA 06-103 joint venture partners, Japan Energy E&P JPDA Pty Ltd (“**JX**”) and Pan Pacific Petroleum (JPDA 06 103) Pty Ltd (“**PPP**”). The facility was entered into and restricted to fund Oilex’s liability with Autoridade Nacional Do Petroleo E Minerais (“**ANPM**”). The portion borrowed from PPP was fully repaid in December 2021.

The movement in the remaining loan payable to JX during the current quarter was as follows:

<u>Loan with JX</u>	<u>Date</u>	<u>Amount (US\$)</u>	<u>Amount (A\$)</u>
Balance of loan from JX at 1 April 2022		302,550	404,370
Interest accrued during the quarter	30 June 2022	8,388	11,737
Effect of movements in exchange rates	30 June 2022	-	35,247
Balance of loan from JX at 30 June 2022		310,938	451,354

The remaining available balance on the facility of US\$250k (A\$363k) will be drawn from JX in August 2022 to fully settle the Company’s liability with ANPM.

The interest rate of the loan facility is 11% and the balance of the loan, plus interest, is to be repaid to JX in three instalments (in August 2022, February 2023 and August 2023), prior to the loan’s maturity on 17 August 2023.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,086)
8.2 (Payments for exploration & evaluation classified as investing activities) (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,086)
8.4 Cash and cash equivalents at quarter-end (Item 4.6)	4,837
8.5 Unused finance facilities available at quarter-end (Item 7.5) (The loan facility in Item 7.5 is restricted to fund settlements of the Company's liability with ANPM only - see note in Item 7.6 above)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	4,837
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	4.45
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 July 2022

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.