



# NATURAL GAS IN THE WORLD'S FASTEST GROWING ECONOMY

**OILEXLTD**

**UK INVESTOR SHOW  
APRIL 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.

# OILEX – 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) Huge opportunity to apply North American technology to commercialise known gas
- 6) Oilex operates Multi TCF gas projects 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

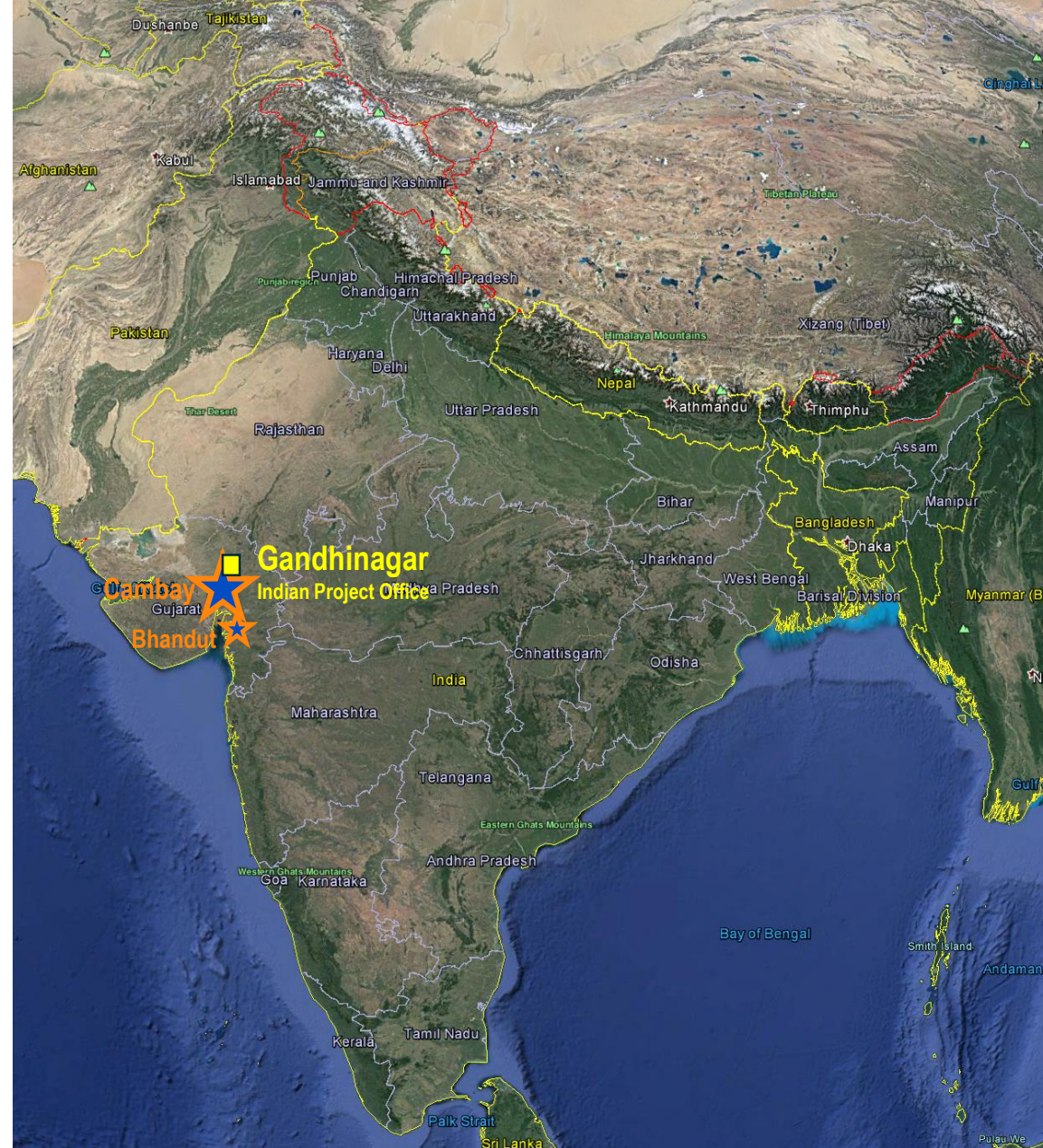
Dual listed ASX & AIM

### CAPITAL STRUCTURE

OEX	AIM	ASX
Share price (27 March 2017)	£0.0029	\$0.005
Market capitalisation (million)	£4.3	\$7.3
Ordinary shares (million)	1,467	
Unlisted options (million)	7.55	

### Substantial Shareholders:

Magna Energy Limited	8.2%
Zeta Resources Limited	8.3%



# COMPANY PROFILE

## REVITALISED TEAM

Revitalised board and senior management in last 12 months

Recent successful capital raising in UK

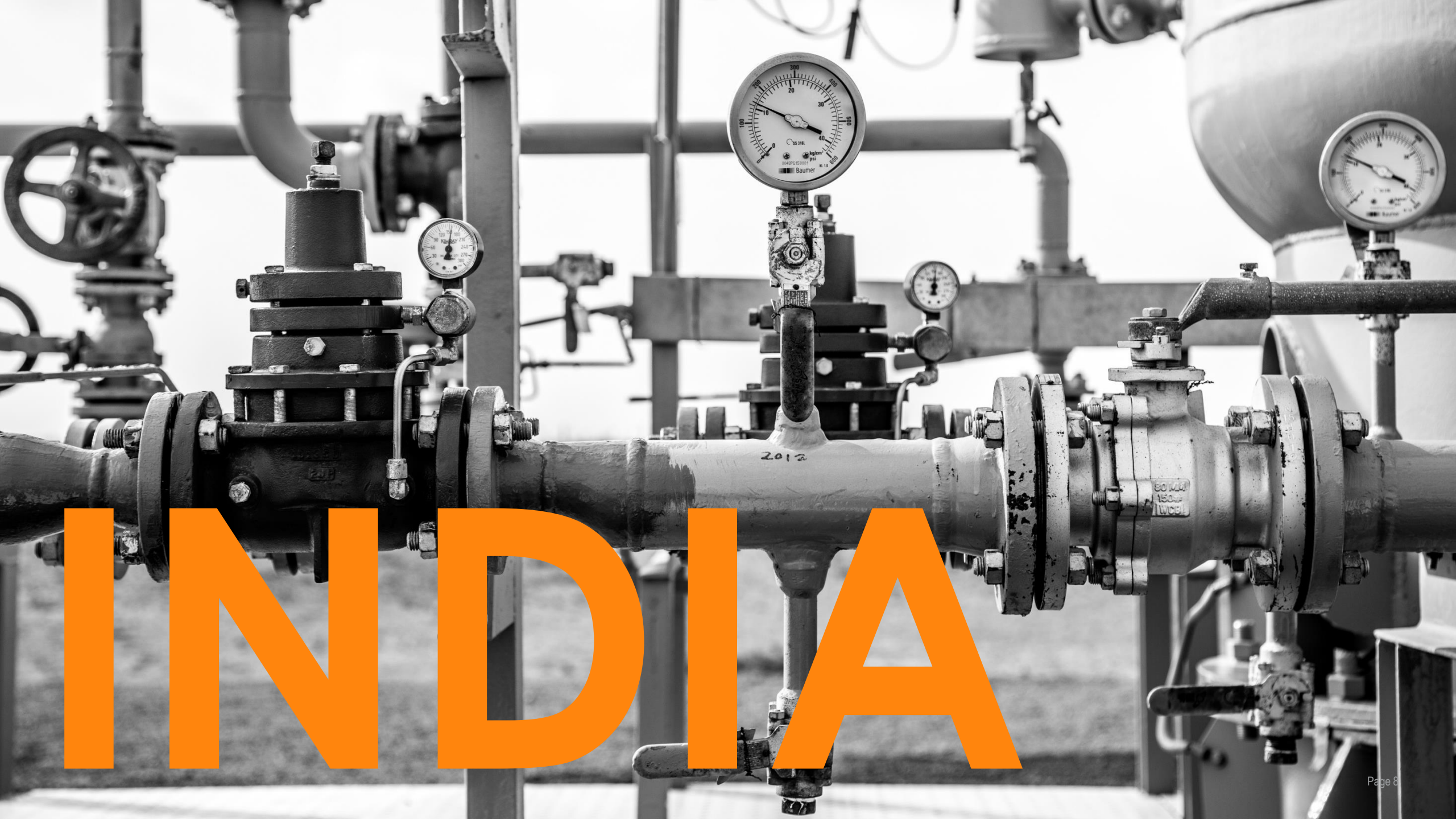
Focus on realising the value inherent in Indian projects – particularly Cambay project

Actively seeking out new opportunities to broaden portfolio



## BOARD & MANAGEMENT

<b>Brad Lingo</b>	<i>Non-executive Chairman</i> 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.
<b>Joe Salomon</b>	<i>Managing Director</i> 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.
<b>Max Cozijn</b>	<i>Non-executive Director</i> Over 35 years experience in administration of listed companies.
<b>Mark Bolton</b>	<i>Chief Financial Officer</i> 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.
<b>Ashish Khare</b>	<i>Head of India Project Office</i> ~20 years of 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

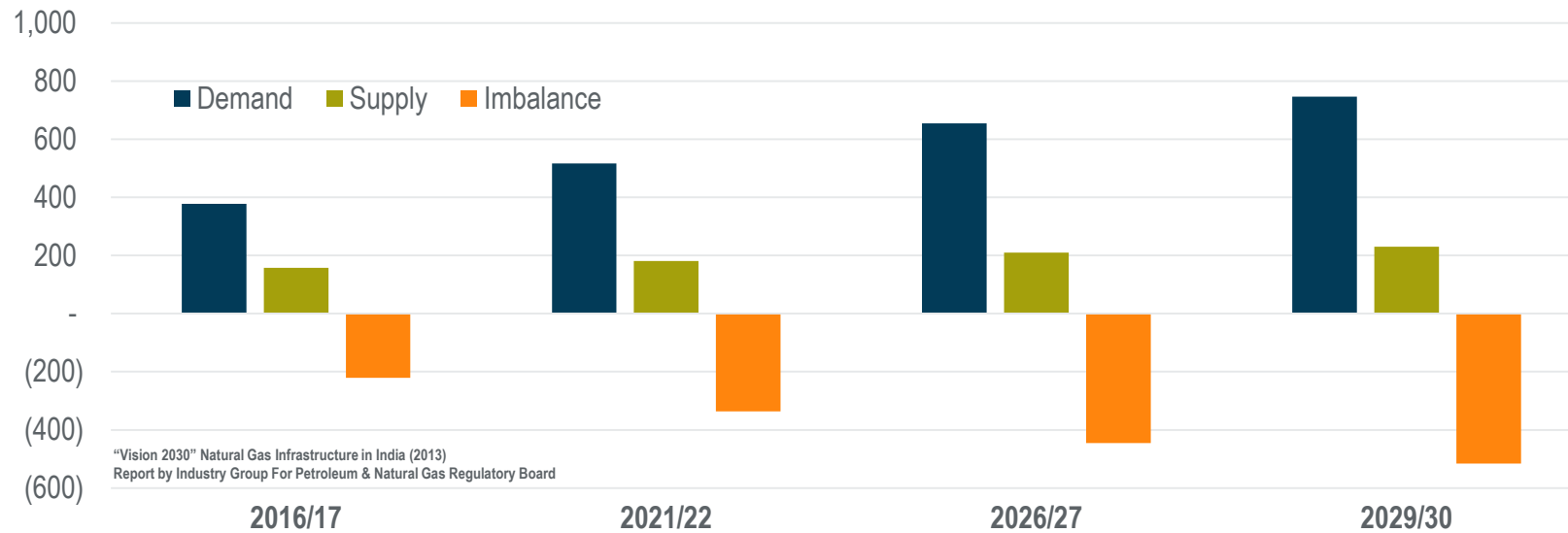
## STRONG ENERGY FUNDAMENTALS

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%)

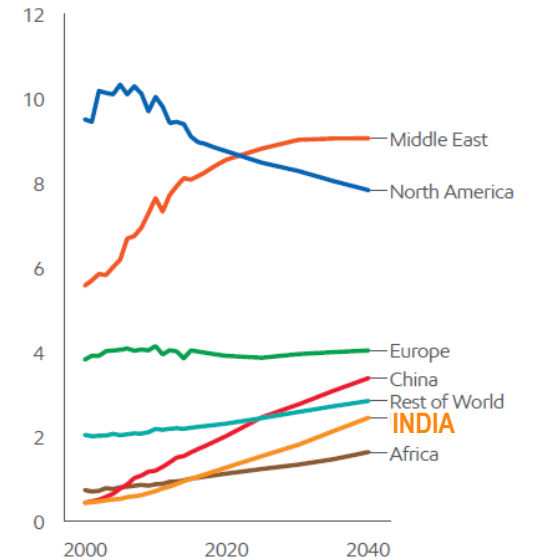
Share of global demand increase to 9%

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

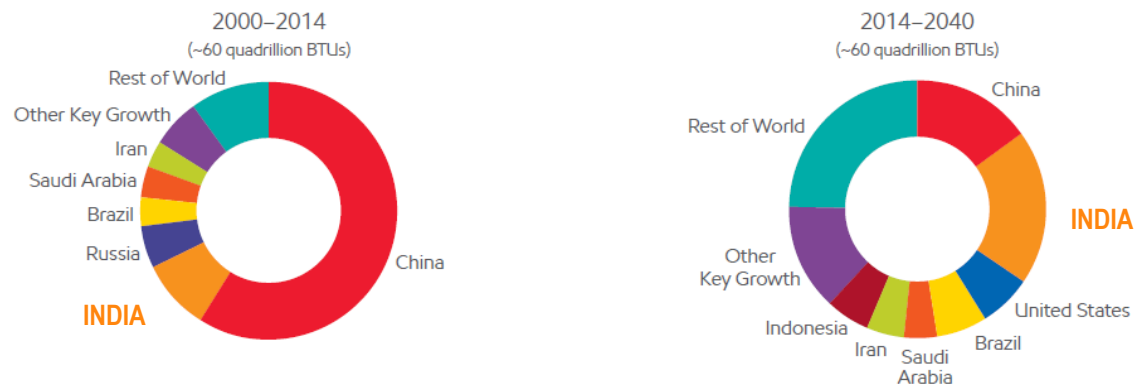
Electricity rising 185%

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

# INITIATIVES BY INDIAN GOVERNMENT

## VIBRANT E&P SECTOR

### 32 New contract blocks awarded in discovered small field (DSF1) blocks

Received 134 e-Bids; easier entry requirements; 15 new Indian companies

### Second DSF2 round in preparation

### Setting up national data repository providing new access to geotechnical data

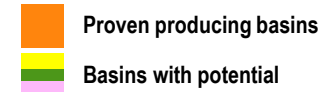
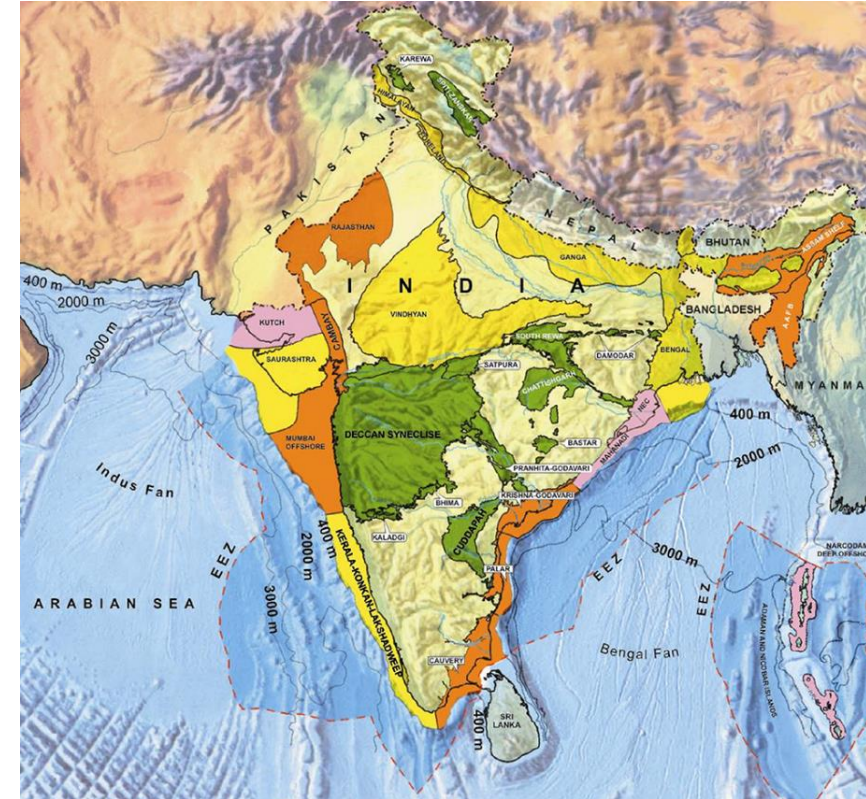
Similar to Australia and UK

### Launch of Hydrocarbon Exploration Licencing Policy: Bid round expected in July

Conventional and unconventional; open acreage for first time; freedom to produce and market  
HELP marks the biggest transition from an era of government control to government support

### Policies for grant of extensions to PSCs provided by Gol

Cabinet Committee recent policy to extend early earlier PSCs



# 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

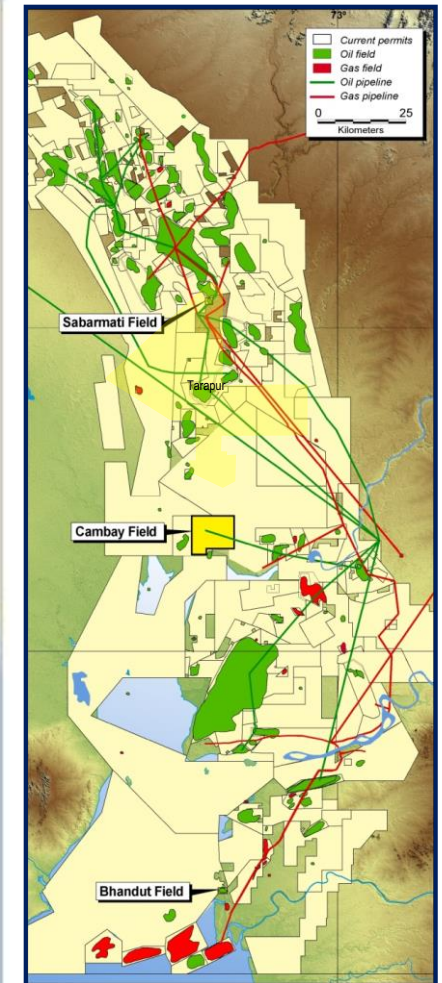
GSPC – 55% Interest

Oilex is Operator

Farm-in interest being expressed by Indian companies



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



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Cambay-73 Production Well Head

# RESOURCE STATEMENT

PREPARED BY RISC\*

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

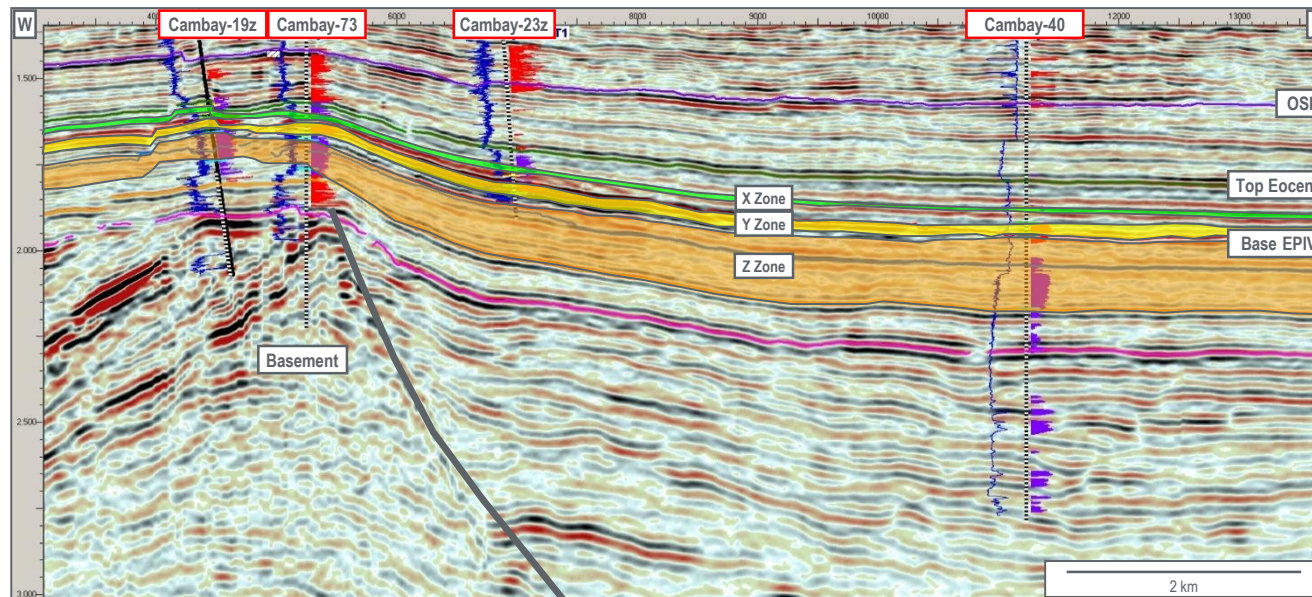
Gas volume (bcf)			Condensate Volume (million bbl)		
1C	2C	3C	1C	2C	3C
478	926	1616	27	61	121

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)			
	P90	P50	P10	Mean
Region				
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.



*Recent capital raising secures  
active 2017 Field Programme*

**PATH  
FORWARD**

# KEY ISSUES

## CAMBAY & BHANDUT PROJECTS

- Joint venture partner, GSPC, has not been paying bills; working to resolve this
- Potential for Oilex or a new party to buy out GSPC's 55% interest
- Potential for Oilex to provide additional equity to incoming party through part sale
- Oilex holds pre-emptive right
- Oilex received interest from Indian companies to buy Bhandut project



# BUILDING VALUE IN 2017

## NEXT 6 MONTHS: LOW COST PROGRAM

- Determine optimal technology for commercial development using North American drilling and reservoir stimulation technology
- Complete associated technical reviews
- Workover two wells to re-start production
- Bring two shut-in wells back to production (awaiting government approvals)
- Apply for extension of the PSC
- Outline plans for future field development addressing multi-TCF resource
- Potential sale of smaller asset (Bhandut)
- Active new business development



# DILEX LTD

**An OIL and GAS Focused Company**

**Large Gas Resource - Multi TCF**

**Accessing Booming  
Indian Energy Market**



सत्यमेव जयते

**ASX : OEX**

**AIM: OEX**

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