

HIGHLIGHTS

MARCH
QUARTERLY
REPORT

2022

CAMBAY FIELD, ONSHORE GUJARAT, INDIA

- » The Company is focussing on re-establishing a field development program including a re-frac of the existing C-77H well to increase production and to develop a reliable fracking methodology that can be applied to future wells.
- » During the Quarter, the Government of India Ministry of Petroleum and Natural Gas approved the transfer of assignment of the 55% Participating Interest (“PI”) in the Cambay Field Production Sharing Contract (“PSC”) held by Gujarat State Petroleum Corporation Ltd (“GSPC”) to Oilex.
- » On 7 February 2022, the Company announced that the Government of India Ministry of Environment, Forest and Climate Change had officially confirmed the decision of their Expert Appraisal Committee to recommend the approval of Oilex’s application for a new Environmental Clearance for the Cambay field.
- » Following the end of the Quarter, on 8 April 2022, production recommenced on the Company’s Cambay gas field, together with gas sales.

UNITED KINGDOM CONTINENTAL SHELF CCS

- » The Company provided an update during the Quarter on its proposed Medway Hub Carbon Capture and Storage (“CCS”) project in the UK.

WEST KAMPAR, INDONESIA

- » Efforts continued towards the Company’s objective to regain a participating interest in the West Kampar PSC in Indonesia.

CORPORATE

- » This Report is for the period 1 January 2022 to 31 March 2022 (the “Quarter”)
- » Cash resources at 31 March 2022 were A\$2.29 million (£1.31 million)
- » A General Meeting of the Company was held on Thursday, 17 February 2022 with all resolutions passed via a poll.
- » On 27 January 2022, the Chief Financial Officer, Colin Judd, was appointed as an Executive Director of the Company.
- » During the Quarter, the Company issued 711,295,152 unquoted options (“Placement Options”) and 54,839,185 unquoted options (“Fee Options”) to Novum Securities. These were subsequently exercised.
- » A further 25,210,084 unquoted options (“Advisor Options”) were issued, exercisable at £0.00238, on or before 31 May 2024. The options were approved, under Listing Rule 7.1, by OEX shareholders at the Company’s Annual General Meeting on 26 November 2021.

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 with a view to becoming 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, success of which was achieved and announced on 8 April 2022. The agreement to purchase 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). Oilex plans to re-frac the existing C-77H well to demonstrate a reliable fracing methodology for two new wells planned for calendar H2 2022 and calendar H1 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 in order 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 pending Government of India ratification)

During the Quarter, the Government of India Ministry of Petroleum and Natural Gas approved the transfer of assignment of the 55% PI in the Cambay Field PSC held by GSPC to Oilex (taking the Company's interest to 100%). The US\$2.2 million bank guarantee, which was previously arranged in favour of GSPC during the September 2021 quarter, was called upon and received by GSPC on 30 March 2022 as consideration of the transfer of the 55% PI to Oilex. The Company received US\$154k as a result of reconciling final sale accounts with GSPC's finance team in April 2022.

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 fracing and completion of the wells were disappointing. In advance of drilling two new horizontal wells, the Company has decided to re-frac the existing C-77H well to not only increase production but to also develop a reliable fracing methodology that can be applied to future wells. C-77H had initial production levels of up to 1.0 mmscf. 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 contracted the Bedrock/Manan consortium for well management services for the C-77H re-frac and the execution of the two new wells which is planned, subject to securing the necessary funding, for calendar H2 2022 and calendar H1 2023. Funding requirements may be mitigated by a successful farm out on the Cambay PSC.

Cambay Well 77H Re-Frac

The Company continued to prepare for the C-77H re-frac operation, evaluating tenders for all the required equipment and services during the Quarter. The global oil and gas services sector is facing an acute shortage of capacity following several years of reduced activity and India is suffering from these constraints. Specifically, there is a shortage of hydraulic fracturing pumping equipment as well as several other key services required for the C-77H re-frac. Oilex is in the process of finalising contracts with a current timeline of July 2022 for the re-frac operation. Following the re-frac, the C-77H well will need to be flowed to clean up the well bore and it will be 30-60 days before a stabilised gas flow level can be established to assess the level of success of the re-frac. Gas production will be processed on location and sold via the existing grid connection under a new gas sales agreement. Similarly, associated condensate production will be sold under a separate sales agreement.

The targeted new initial production rate from the two new re-frac zones is 2 mmsfd. A successful re-frac operation will enable the initiation of the full Cambay field development with two new horizontal and fraced wells planned for end of 2022 / Q1 2023, subject to funding. Oilex's project studies and experience from other stimulation projects result in an expectation of initial production rates of 4-5 mmscfd for new horizontal wells which will provide robust economics.

India is the third largest energy market in the world. Indian gas demand growth is outpacing domestic supply with circa 50% of gas requirements from liquefied natural gas ("LNG") imports. Robust gas prices are underpinned by the high marginal cost of LNG imports.

Cambay Production Re-start Update

On 7 February 2022, the Company announced that the Government of India Ministry of Environment, Forest and Climate Change has officially confirmed the decision of their Expert Appraisal Committee to recommend the approval of Oilex's application for a new Environmental Clearance for the Cambay field. The Gujarat Pollution Control Board ("GPCB") approved the re-commencement of production on the Cambay field on 8 April 2022, and production was restarted on the same day.

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.

As previously announced, the Company has applied for a CCS license via the Oil and Gas Authority's nomination process to store CO₂ in these two depleted gas fields. The Company is hoping to be granted the license in the coming months. 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 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 and the project costings and economics in order to prepare for a final investment decision.

**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.

The movement in the settlement payable to ANPM during the Quarter was as follows:

<u>Settlement Payable to ANPM</u>	<u>Amount (US\$)</u>
Balance at 1 January 2022	550,000
Partial settlement on 7 March 2022	(250,000)
Balance at 31 March 2022	250,000

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 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 January 2022			71,983
Interest accrued up to repayment date	13 February 2022	949	72,932
Repayment of loan facility	13 February 2022	(22,932)	50,000
Draw down for partial settlement	7 March 2022	250,000	300,000
Remaining interest accrued during the Quarter	31 March 2022	2,550	302,550
Balance of loan from JX at 31 March 2022			302,550

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 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

During the Quarter, the Company continued with its objective to regain a participating interest in the West Kampar PSC in Indonesia.

CORPORATE AND FINANCIAL

Appointment of Director

During the Quarter, the Company announced the appointment of Colin Judd as a Director, of Oilex Ltd, effective 27 January 2022. Colin was an existing executive of Oilex, having been appointed as the Company's Chief Financial Officer on 1 July 2021.

Issue of Shares and Securities

During the Quarter, 851,071,499 fully paid ordinary shares ("**Tranche 3 Placement Shares**") were issued on 12 January 2022 at £0.0014 (A\$0.00259) per share. The Tranche 3 Placement Shares was the final instalment of the funding placement ("**December Placement**") which was announced during the previous quarter on 14 December 2021.

On 19 January 2022, a further 25,210,084 unquoted Advisor Options were issued, exercisable at £0.00238, on or before 31 May 2024. The options were approved, under Listing Rule 7.1, by OEX shareholders at the Company's Annual General Meeting on 26 November 2021.

In addition, following shareholder approval received at the 17 February 2022 General Meeting, the following securities were issued during the Quarter:

- 711,295,152 unquoted Placement Options. The Placement Options are exercisable at £0.0028 (A\$0.00518) per share on or before 31 December 2022. The Placement Options were issued to shareholders as a one free attaching unquoted option for every two December Placement shares subscribed for; and
- 54,839,185 unquoted Fee Options, exercisable at £0.0014 (A\$0.00259) on or before 31 December 2023 to Novum Securities as Lead Manager to the placement.

Exercise of Options

Novum subsequently exercised the 54,839,185 unquoted Fee Options into fully paid ordinary shares during the Quarter.

Payments Made to Related Parties and Their Associates

The attached Appendix 5B includes an amount of A\$283k in items 6.1 and 6.2 (total) which constitutes payments to directors for salaries, director fees and superannuation.

General Meeting of Shareholders

The Company held a General Meeting of the Company on Thursday, 17 February 2022. All resolutions were passed on a poll.

FINANCIAL

During the Quarter, the Company released its Interim Report for the half-year ended 31 December 2021.

At 31 March 2022, Oilex retained cash resources of A\$2.29 million (£1.31 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 31 March 2022 were as follows:

Ordinary Shares	7,167,790,704
Unlisted Options (Exercise Price, Expiry):	
£0.00476, 30/06/2022	603,403,361
£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

Suzie Foreman	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 – 31 March 2022					
ASSET	LOCATION	ENTITY	CHANGE IN INTEREST %	EQUITY %	OPERATOR
Cambay Field PSC ⁽¹⁾	Gujarat, India	Oilex Ltd	55.0	85.0	Oilex Ltd
		Oilex N.L. Holdings (India) Limited	-	15.0	
JPDA 06-103 PSC ⁽²⁾	Joint Petroleum Development Area Timor Leste and Australia	Oilex (JPDA 06-103) Ltd	-	10.0	Oilex (JPDA 06-103) Ltd

⁽¹⁾ On 4 February 2022, the Government of India Ministry of Petroleum and Natural Gas approved the transfer of assignment of the 55% PI in the Cambay Field PSC held by GSPC to Oilex.

⁽²⁾ 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:
	<ul style="list-style-type: none"> • 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")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(168)	(374)
(b) development	-	-
(c) care and maintenance costs	(379)	(479)
(d) staff costs	(408)	(1,206)
(e) administration and corporate costs	(494)	(1,169)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8a Other (recovery of prior period operating costs)	-	496
1.8b Other (settlement with ANPM)	(337)	(685)
1.9 Net cash from / (used in) operating activities	(1,788)	(3,419)
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	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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 during the current quarter)	-	(2,903)
2.5b	Other (costs related to bank guarantee)	(24)	(158)
2.5c	Cash acquired on gaining control of 55% interest of Cambay joint venture	214	214
2.6	Net cash from / (used in) investing activities	190	(2,729)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,261	3,746
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	136	136
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(187)	(321)
3.5	Proceeds from borrowings	337	685
3.6	Repayment of borrowings	(30)	(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	2,517	4,190

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	1,426	4,311
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,788)	(3,419)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	190	(2,729)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,517	4,190
4.5	Effect of movement in exchange rates on cash held	(51)	(59)
4.6	Cash and cash equivalents at end of period	2,294	2,294

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	2,294	1,426
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)	2,294	1,426

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**

283

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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

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	739	404
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	739	404

7.5 **Unused financing facilities available at quarter end** **335**

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 Minerai ("**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 January 2022		71,983	99,205
Interest accrued up to repayment date	13 February 2022	949	1,324
Repayment of loan facility	13 February 2022	(22,932)	(31,996)
Draw down for partial settlement	7 March 2022	250,000	336,973
Remaining interest accrued during the quarter	31 March 2022	2,550	3,408
Effect of movements in exchange rates	31 March 2022	-	(4,544)
Balance of loan from JX at 31 March 2022		302,550	404,370

The remaining available balance on the facility of US\$250k (A\$335k) 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)	(1,788)
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)	(1,788)
8.4 Cash and cash equivalents at quarter-end (Item 4.6)	2,294
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)	2,294
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.28

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.

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: Yes.

The Company expects that it will continue to have the current level of net operating cash flows for the time being.

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: Yes.

The Company intends to raise funds to cover any operational cash requirements in the short term and to cover the cost of the C-77H re-frac operation. The material terms of the proposed capital raising are yet to be finalised but will be announced to market as soon as practicable upon being confirmed by the Company in accordance with the ASX Listing Rules.

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: Yes.

With the Company intending to raise funds to cover any operational cash requirements in the short term and to cover the cost of the C-77H re-frac operation (see response at 8.8.2 above for further details), the Company expects to be able to meet its planned expenditures for the next two quarters. In the event that the funds raise is not successful, the re-frac operation will not proceed and associated costs will not be incurred. On this basis, the Company will have sufficient cash resources to meet its obligations for the next two quarters.

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: 28 April 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.