

9 May 2017

OPHIR OIL DEVELOPMENT –DRILLING PLANS

- **NAGA 2 rig handover expected 3rd – 4th week May 2017**
- **Ophir-A1 expected to spud late May 2017**

Octanex Limited (**ASX Code: OXX (Octanex)**) advises that Ophir Production Sdn Bhd (OPSB) expects the NAGA 2 self-elevating mobile offshore drilling unit to be handed over to OPSB between the 3rd and 4th week of May 2017, depending on the progress of the current well programme for another Malaysian operating company. The rig will then be towed to the Ophir field for a three-well drilling campaign, with the Ophir A1 well expected to spud on or about late May 2017.

The three planned horizontal production wells target stacked oil reservoirs in a four-way dip closed structure previously discovered and tested by the discovery well, Ophir-1, four additional appraisal wells, further defined with 3D seismic data acquired in 2011, and supported by data with regard to productive wells located in adjacent fields.



About Octanex

Octanex is an Australian-based oil and gas company seeking to increase its exposure to production and development. Octanex's portfolio includes interests in the Ophir oil development offshore Malaysia, interests in two pre-development assets offshore Western Australia and five exploration permits offshore Western Australia.

Octanex's share of the Ophir project is fully funded via OPSB's 75% project financing from a consortium of three banks and Octanex's US\$12Million Convertible Note facility with Sabah International Petroleum, which is wholly owned by Sabah Development Bank Berhad ("SDB"). SDB itself is wholly owned by the Ministry of Finance of the Malaysian state of Sabah.

About the Ophir Project

The Ophir field is located offshore Peninsular Malaysia, with a water depth of approximately 70m and is being developed via three production wells, a well head platform (WHP) and Floating Production Storage and Offload (FPSO) vessel.

The Ophir field is being developed pursuant to a Risk Service Contract (RSC) granted in 2014 to Ophir Production Sdn Bhd (OPSB). Octanex holds a 50% interest in OPSB and its joint venture shareholders in OPSB are Scomi with 30% and Vestigo with 20%. Scomi is a wholly-owned subsidiary of Scomi Energy Services Bhd, a Malaysian downstream oil and gas services company listed on the Main Board of Bursa Malaysia. Vestigo is a wholly-owned subsidiary of Petronas focussed on the development of small, marginal and mature fields.