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PROJECT FINANCE FOR OPHIR DEVELOPMENT

Octanex N.L. (ASX Code: OXX (Octanex)) is pleased to announce that limited recourse project finance has been secured for the development of the Ophir field, offshore Malaysia.

Octanex is a 50% shareholder in Ophir Production Sdn Bhd ("OPSB") which was awarded the Ophir Risk Service Contract in June 2014. Octanex's joint venturers in OPSB are Scomi Energy Services Bhd, a Malaysian downstream oil and gas services company listed on the Main Board of Bursa Malaysia with a 30% interest, and Vestigo Petroleum Sdn Bhd, a wholly owned subsidiary of PETRONAS, incorporated in 2013 with a focus on the development of small, marginal and mature fields, holding a 20% interest.

The Ophir oil field will be developed by OPSB via a simple stand-alone development with first oil expected in December 2015. This involves the drilling of three production wells from a single wellhead platform producing into a leased tanker for storage and offloading of crude. The capital cost of the development is estimated at US\$135 million.

OPSB has accepted a Letter of Offer for syndicated term loan facilities of up to US\$118.76 Million for 75% of the planned capital expenditure for the development of the Ophir field, 75% of the first three quarters of operating expenditure and a bank guarantee facility of USD13.5 million. The finance is to be provided by a syndicate comprised of Malayan Banking Berhad (Maybank), RHB Bank (L) Ltd and United Overseas Bank Limited. The tenure of the term loan facilities is up to four years. Octanex N.L. has provided a proportionate corporate guarantee and undertaking in respect of the facilities.

Octanex Chairman, Geoff Albers, comment: "Securing project financing is an important milestone for the development of the Ophir oil field".

By Order of the Board

A handwritten signature in black ink, appearing to read "R. Wright", is positioned above the printed name of the signatory.

Robert Wright
Company Secretary and Chief Financial Officer

About Octanex

Octanex has a portfolio of interests in Australian and New Zealand offshore exploration acreage in the Carnarvon, Southern Bonaparte and Taranaki Basins. Octanex's exploration strategy focuses on acquiring acreage, upgrading acreage through seismic acquisition and development of attractive drilling targets and attracting international companies as farminees to carry out drilling. Octanex has successfully implemented this strategy over many years, attracting world-class farmin partners.

Octanex also has an interest in the Cornea marginal oil field development where it has drilled Cornea-3 proving the existence of significant volumes of oil in place, and is committed to bringing Cornea closer to production.

Octanex's strategy is to diversify its focus, both geographically and to include production and near-production assets. Octanex has a 50% interest in the Ophir Risk Service Contract for the development of the Ophir Field, offshore Malaysia, with First Oil planned for December 2015. Octanex has announced its intention to merge with Peak Oil & Gas Limited with Peak's interests in the South Block A Production Sharing Contract in North Sumatra Indonesia, and the Cadlao Oil Field redevelopment project in The Philippines, a strategic fit for Octanex's South East Asian growth strategy.