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PEAK LOAN MATTERS

Octanex N.L. (**ASX Code: OXX (Octanex)**) announces that it has entered into an Amended and Restated Loan Agreement and associated security documentation with Peak Oil & Gas Limited (**Peak or Company**) and with Peak's wholly owned subsidiary Peak Oil & Gas (Australia) Pty Ltd (POGA) (together **Peak Group**).

In May 2014, Octanex and Peak entered into a loan facility agreement (**Loan Facility**) with associated security documentation, pursuant to which Octanex funded Peak's budgeted outgoings until the end of 2014. These outgoings were substantially to fund Peak's share of seismic acquisition activities in the South Block A Production Sharing Contract in North Sumatra, Indonesia.

In December 2014, following a decision by Octanex not to extend the end date for the implementation of the proposed schemes of arrangement (schemes) for the merger of Peak into Octanex, Peak terminated the proposed schemes.

On 31 December 2014 Octanex agreed to reschedule Peak's debt due to Octanex of approximately \$1.95 million. As a first step in that process, Octanex agreed to extend the due date for repayment of the debt until 1 March 2015 in order for detailed agreements to be entered into.

Such detailed agreements have now been entered into and key principles are summarised below.

- a) Peak Group's indebtedness to Octanex is fixed as at 31 December 2014 at \$1,953,815 which, from 1 January 2015, will bear interest at the RBA cash rate from time to time. Unpaid interest will be capitalised.
- b) The revised terms provide for extensions of the Due Date for payment of Peak Group's debt to Octanex on a recurring 60 day cycle with possible extensions on a rolling basis for a maximum of 18 months from 31 December 2014 to 30 June 2016, subject to Octanex not terminating the arrangement at any time during a 60 day period.
- c) During each 60 day extension period Peak Group and Octanex will consult as to steps being taken or available to Peak Group to repay its indebtedness to Octanex.
- d) Peak and POGA have assumed joint and several liability to repay all such moneys which were advanced by Octanex to Peak Group and which were used substantially by POGA to fund its obligations in relation to South Block A in Indonesia as previously advised to the market.
- e) the loan documentation has been revised with an Amended and Restated Loan Agreement being entered into and both Peak and POGA have, pursuant to a further ASX waiver granted on 27 February 2015, granted charges over their assets to secure repayment of the Peak Group's indebtedness in due course.

Repayment Plans

Peak's debt to Octanex may be able to be satisfied, repaid or otherwise discharged over the remaining 16 month period including by way of, but not limited to, proceeds of sale of assets and/or future capital raisings by Peak

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