

ASX-RNS Announcement

15 March 2021

ASX: OEX
AIM: OEX

Series D Loan Restructure and Equity Issue

The Board of Oilex Limited (the Company) is pleased to announce that it has entered into an amendment agreement to vary the repayment obligations for its Series D loan funding facility (GBP£225,000). Furthermore, the Company has secured additional equity investment of GBP £0.35 million to increase its working capital flexibility and reduce its financial debt obligations.

Amendment to Series D Loan Funding Agreement (GBP £225,000)

Pursuant to the amendment agreement with Lombard Bank Plc, the loan repayment date has been extended from 31 March 2021 to 30 June 2021. All other terms remain the same with no fees applicable to the amendment. The loan is currently drawn down to GBP £185,000.

Equity Capital Raising

The Company has arranged an equity capital raising, with existing sophisticated shareholders, to secure further funding of £0.35 million (A\$0.63 million) through the subscription of 250,000,000 new shares at GBP 0.14pence (0.252 AUD cents) per share (Subscription).

Funds raised from the Subscription are intended to be applied towards increasing the Company's working capital base and debt reduction. The additional funding will support the Company's initiative to implement the settlement with GSPC, which, as most recently announced on 15 February 2021, the Company and GSPC are in advanced discussions on. Completion of the Subscription is anticipated on or about 19 March 2021 and is conditional, inter alia, upon admission of the shares the subject of the Subscription to trading on AIM.

The shares, the subject of the Subscription, will rank pari passu in all respects with the existing shares. Application will be made in due course to the London Stock Exchange for the shares (Subscription Shares) to be admitted to trading on AIM with a further announcement at that time. The issue of the Subscription Shares is under Listing Rule 7.1A with the applicable Appendix 3B to be submitted shortly.

Shares in Lieu of Fees

The Company advises that it has issued 4,642,858 new ordinary shares as consideration in lieu of fees payable to consultants. These new ordinary shares were issued at a price of GBP0.14 pence (0.252 AUD cents) per share. (Consultants Shares). These shares are issued under the Company's Listing Rule 7.1 capacity with the applicable Appendix 3B to be submitted shortly.

Managing Director of Oilex, Joe Salomon, said;

“The Company continues to advance discussions with GSPC to acquire GSPC’s 55% participating interest in the Cambay PSC, albeit with some delays due to Covid-19 related impediments. Additionally, Oilex has continued to advance negotiations with third parties to provide finance, including working capital, to Oilex for this acquisition. The Company is working to reach complete these negotiations as soon as possible.

We remain confident of a successful outcome and we thank our shareholders for their ongoing support and patience.”

The Company advises that the discussions with GSPC and potential financiers have not reached completion and there can be no certainty that any agreement will be reached. Further announcements will be made as new information comes to hand.

Listing Rule 3.10.5A Disclosure

The Company provides the following information as required under ASX Listing Rule 3.10.5A in respect of the shares issued under the Company’s 10% Placement Capacity under Listing Rule 7.1A.

- a) The dilutive effect of the Placement under LR 7.1A on existing shareholders is as follows:

Number of shares on issue prior to the issue of the Placement Shares under LR7.1A:

- Excluding the 4,642,858 shares issued under LR7.1	4,166,776,024
- Including the 4,642,858 shares issued under LR7.1	4,171,418,882

Number of shares issued pursuant to LR7.1A	250,000,000
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Dilutive effect of the share issue under LR 7.1A

- Excluding the 4,642,858 shares issued under LR7.1	5.66%
- Including the 4,642,858 shares issued under LR7.1	5.65%

- b) The shares issued under Listing Rule 7.1A were issued to exempt, sophisticated and professional investors as it was considered to be the most efficient mechanism for raising funds at this time.
- c) There were no underwriting arrangements entered into pursuant to the capital raising.
- d) Fees applicable to the placement including consulting fees were GBP £21,000.

Section 708A(5)(e) Statement

Pursuant to the issue of the Consultants Shares and Subscription shares, Oilex gives notice under section 708A(5)(e) of the Corporations Act (Cth) (Act) that:

- 1) Oilex issued the shares without disclosure to investors under Part 6D.2 of the Act;
- 2) As at the date of this notice, Oilex has complied with:
 - a) the provisions of Chapter 2M of the Act as they apply to Oilex; and
 - b) section 674 of the Act; and
- 3) As at the date of this notice, there is no information that is ‘excluded information’ within the meaning of sections 708A(7) and 708(8) of the Act.

AIM Admission and Total Voting Rights

Following admission of the Subscription shares, the Company's share capital and total voting rights will comprise 4,421,418,882 shares. The Company does not hold any shares in treasury. Consequently, 4,421,418,882 is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

For and on behalf of Oilex Ltd



Joe Salomon
Managing Director

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