

ASX-RNS Announcement

14 December 2021

ASX: OEX
AIM: OEX

Cambay Well 77H Re-Frac Funding Secured

The Board of Oilex Limited (**Oilex the Company**) is very pleased to announce that it has arranged the funding required for the re-fracking of the Cambay 77H well in India.

Oilex has appointed the Bedrock / Manan consortium to plan the Cambay 77H well re-frac (and to assist in the new well program for H2 2022). The re-frac program has been finalised and quotations for services and equipment will be requested over the next 10 days in anticipation of the re-frac operation during Q1 2022. The objective of the re-frac is to prove up a fracturing methodology that will underpin the Cambay field development plan with optimised economics.

The Company has arranged an equity capital raising, with existing sophisticated and institutional shareholders, and clients of Novum Securities Limited, of £2.0 million (AUD\$3.7 million) before expenses, through the issue of 1,422,590,303 new fully paid ordinary shares (**Placement Shares**) at GBP 0.14 pence (0.259 AUD cents) per share (**Placement**). The Placement will be completed in one tranche by 12 January 2022.

The Company intends to issue 853,554,182 Placement Shares under the Company's current ASX Listing Rule 7.1 placement capacity and 569,036,121 Placement Shares under the Company's current ASX Listing Rule 7.1A placement capacity.

In addition, subscribers to the Placement will be offered one free attaching unquoted option for every two Placement Shares subscribed for, resulting in the issue of an aggregate of 711,295,152 unquoted options (**Placement Options**). The Placement Options are exercisable at GBP 0.28 pence (0.518 AUD cents) per share on or before 31 December 2022. The issue of the Placement Options is subject to shareholder approval, and a general meeting of Oilex shareholders anticipated to be held in early February 2022.

The Placement is being conducted by Novum Securities Limited (**Novum**) as lead broker to the capital raising. The capital raising mandates with Novum, and supporting institutional investors, are based upon fee structures which are considered standard within the industry (i.e. a commission percentage of approximately 4-6% of the amounts raised by that entity for facilitating the raise paid by way of cash or options). In this regard, in addition to cash commission being payable, a portion of the capital raising fees is to be paid by way of issue of 65,874,899 unquoted options, exercisable at GBP 0.14 pence (0.259 AUD cents) on or before 31 December 2023 (**Fee Options**). The issue of the Fee Options is subject to shareholder approval, and, as above, a general meeting of Oilex shareholders is anticipated to be held in early February 2022.

Funds raised from the Placement are intended to be applied to the re-fracking of the Cambay 77H well, the continued development of the Company's plans to undertake a drilling and testing appraisal program on the Cambay field, and the Company's working capital base.

The Placement Shares, 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 Placement Shares to be admitted to trading on AIM with a further announcement at that time. The applicable ASX Appendix 3B is to be submitted shortly.

Oilex's Chief Executive Officer, Roland Wessel said:

"Progress is being made to establish a robust field development path for the Cambay field; the Cambay 77H re-frac is a key component of the field development plan. The results of the Cambay 77H re-frac will be available in Q2 2022 after the appropriate production testing period. In the meantime, the Company is preparing to re-commence gas production from existing wells. On behalf of the Company, I would like to thank the cornerstone shareholders for their continued support."

Total Voting Rights

Following the issue of all of the Placement Shares, the Company's share capital and total voting rights will comprise 7,112,951,519 shares. The Company does not hold any shares in treasury. Consequently, 7,112,951,519 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.

Related Party Transaction

Republic Investment Management Pte Ltd (**Republic**) has arranged to subscribe for £454,545 (AUD\$840,909) of the Placement. As a result of Republic being categorised as a Substantial Shareholder of the Company, it is deemed a related party of the Company pursuant to the AIM Rules for Companies (**AIM Rules**). Accordingly, Republic's participation in the Placement is classified as a related party transaction pursuant to the AIM Rules.

The Directors of the Company, having consulted with Strand Hanson Limited, the Company's Nominated Adviser, consider that the terms of Republic's participation in the Placement are fair and reasonable insofar as the Company's shareholders are concerned.

For and on behalf of Oilex Ltd



Roland Wessel
Chief Executive Officer

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