

ASX & AIM Announcement

14 August 2019

ASX: OEX

AIM: OEX

Re: Issue of Consideration Securities for Cooper-Eromanga Basins Acquisition

Oilex Ltd (Oilex or the Company) advises that it has today issued 9,166,333 ordinary shares at a deemed price of A\$0.003 per share (Acquisition Shares) pursuant to the agreement with Terra Nova Energy (Australia) Pty Ltd and Perseville Investing Inc (collectively, TNP) to acquire a further 30.8330% participating interest in PEL112 and PEL444 as announced earlier today.

Today's acquisition together with the existing agreement with Holloman Energy Corporation (Holloman) as announced on 7 August 2019, will increase the Company's participating interest in PEL112 and PEL444 to 79.3333% when completed. Furthermore, today's agreement with TNP also provides the Company with an option, subject to certain terms and condition, to acquire a further 20.6667% and thereby increasing the Company's participating interest in PEL112 and PEL444 to 100%, when completed. Completion of the TNP and Holloman agreements is to occur on or before 30 September 2019.

The issue of the Acquisition Shares was pursuant to ASX Listing Rule 7.1.

AIM Admission and Total Voting Rights

Application has been made to the London Stock Exchange plc for the admission of the Acquisition Shares to trading on AIM (Admission). Admission of the Acquisition Shares is expected to become effective and dealings to commence at 8.00 a.m. on 21 August 2019. Following Admission of these shares, the Company will have 2,878,064,483 shares in issue. The Company does not currently hold any shares in treasury. Accordingly, the total number of voting rights will be 2,878,064,483.

Listing Rule 3.10.5A Disclosure

On 31 July 2019, the Company announced a £0.34 million equity capital raising and subsequently announced the applicable Appendix 3B for the issue of 257,329,999 shares on 13 August 2019 (Capital Raising Shares). As detailed in the Appendix 3B, the Company issued 237,355,731 shares pursuant to ASX Listing Rule 7.1A with the balance of 19,974,268 shares issued pursuant to ASX Listing Rule 7.1.

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 19,974,268 shares issued under LR7.1 | 2,611,568,151 |
| - Including the 19,974,268 shares issued under LR7.1 | 2,631,542,419 |

Number of shares issued pursuant to LR7.1A	237,355,731
--	-------------

Dilutive effect of the share issue under LR 7.1A

- | | |
|--|-------|
| - Excluding the 19,974,268 shares issued under LR7.1 | 8.33% |
| - Including the 19,974,268 shares issued under LR7.1 | 8.27% |

- 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. Furthermore, the Company received attractive terms from the subscribers to the issue, well above that offered by the Company's brokers at the time.
- c) There were no underwriting arrangements entered into pursuant to the capital raising.
- d) Fees applicable to the placement including consulting fees were \$10,000.

Section 708A(5)(e) Statement

Pursuant to the issue of the Acquisition Shares and Capital Raising 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.

For and on behalf of Oilex Ltd



Mark Bolton
Chief Financial Officer Company Secretary

For further information, please contact:

Investor Enquiries
Oilex Ltd
Joe Salomon
Managing Director
Email:
oilex@oilex.com.au
Tel: +61 8 9485 3200
Australia

AIM Broker
Novum Securities
Broker
Colin Rowbury
Email:
crowbury@novumsecurities.com
Tel: +44 20 7399 9427
UK

AIM Nominated Adviser
Strand Hanson Limited
Nominated Adviser
Rory Murphy/Ritchie
Balmer
Email:
oilex@strandhanson.co.uk
Tel: +44 20 7409 3494
UK

Media Enquires (UK)
Vigo Communications
Public Relations
Patrick d'Ancona/Chris McMahon
Email:
patrick.dancona@vigocomms.com
chris.mcmahon@vigocomms.com
Tel: +44 20 7390 0230
UK

Media Enquiries (Aus)
Citadel-MAGNUS
Michael Weir
Email:
mweir@citadelmagnus.com
Tel: +618 6160 4900
Australia

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

OILEX LTD

ABN

50 078 652 632

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 9,166,333 shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes
5	Issue price or consideration	Deemed issue price of A\$0.003 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Consideration to acquire participating interest in PEL112 and PEL444
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	9,166,333 shares
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	Not applicable
6g	If +securities issued under rule 7.1A was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable

+ See chapter 19 for defined terms.

6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Listing Rule 7.1: 82,215,495 Listing Rule 7.1A: Nil	
7	+Issue dates Notes: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in appendix 7A. Cross reference: item 33 of Appendix 3B.	14 August 2019	
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number	+Class
		2,878,064,483	Fully Paid Ordinary Shares
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	Number	+Class
		60,664,887	Options (\$0.004121, 1/10/2019)
		2,222,222	Options (£0.00225, 22/05/2020)
		6,666,667	Options (£0.0036, 24/12/2020)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	*Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(*tick one*)
- (a) ☒ *Securities described in Part 1
- (b) ☐ All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)
-

+ See chapter 19 for defined terms.

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Mark Bolton

Company Secretary

Date: 14 August 2019

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12, Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	2,001,968,379 shares
Add the following:	
<ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 	90,190,999 shares (Issued 16/11/18) 10,000,000 shares (Issued 5/12/18)
<ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval 	157,894,737 shares (Issued 17/09/2018) 10,843,344 shares (Issued 26/09/2018) 91,222,451 shares (Issued 26/09/2018) 3,467,070 shares (Issued 26/09/2018)* 1,724,904 shares (Issued 29/11/2018)* 2,772,864 shares (Issued 01/04/2019)^ 3,472,569 shares (Issued 18/06/2019)^ * approved by shareholders on 29/11/2017 ^ approved by shareholders on 29/11/2018
<ul style="list-style-type: none"> Number of partly paid +ordinary securities that became fully paid in that 12 month period 	Nil
Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	2,373,557,317

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	356,033,597
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>29,120,559 shares (Issued 14/12/2018) 71,527,778 shares (Issued 21/12/2018) 4,291,667 options (Issued 21/12/2018) 39,583,333 shares (Issued 21/12/2018) 2,375,000 options (Issued 21/12/2018) 55,555,556 shares (Issued 21/12/2018) 13,888,889 shares (Issued 18/01/2019) 1,760,000 shares (Issued 01/04/2019) 2,324,569 shares (Issued 18/06/2019) 24,250,150 shares (Issued 07/08/2019) 19,974,268 shares (Issued 13/08/2019) 9,166,333 shares (Issued 14/08/2019)</p>
“C”	273,818,102
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	356,033,597
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	273,818,102
Total [“A” x 0.15] – “C”	82,215,495 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	2,373,557,317
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	237,355,731
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	237,355,731 shares (Issued 13/08/2019)
“E”	237,355,731
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	237,355,731
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	237,355,731
Total [“A” x 0.10] - “E”	Nil <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.