



CORPORATE PRESENTATION

INDIAN UNCONVENTIONAL
ONSHORE GAS REVOLUTION

JUNE 2016
OILEX LTD
www.oilex.com.au
twitter @oilexLtd

IMPORTANT INFORMATION

This presentation has been prepared and issued by Oilex Ltd (the “Company”) solely for the purpose of providing an update on Company activities.

This Presentation contains summary information about the Company, its subsidiaries and their activities which is current at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete and comprehensive. This Presentation does not constitute an inducement or form part of any inducement, offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for or otherwise acquire any securities of the Company, or of a subsidiary undertaking of the Company, under section 21 of the Financial Services and Markets Act 2000 (the “FSMA”) and should not form the basis of or be relied on in connection with any investment decision. Nothing in this Presentation should be construed as constituting any form of investment advice, recommendation, guidance or proposal of a financial nature in respect of any investment or transaction in relation to the Company. If you are considering engaging in any investment activity, you should seek appropriate independent advice and make your own assessment.

The information in this Presentation is provided as at the date of this presentation and as such is preliminary in nature, has not been fully verified by the Company and is subject to material amendment, updating and change. The Company does not undertake any obligation to provide the recipient with access to any additional information or to update this presentation or any additional information or to correct any inaccuracies in any such information which may become apparent. This document sets out certain features of the Company but does not purport to provide a complete description of the Company.

This Presentation contains forward-looking statements relating to the Company’s expected operations that are based on management’s current expectations, estimates and projections. Forward-looking statements can generally be identified by the use of forward looking words such as ‘expect’, ‘anticipate’, ‘likely’, ‘should’, ‘intend’, ‘may’, ‘predict’, ‘plan’, ‘believe’, ‘forecast’, ‘estimate’, ‘target’ and ‘outlook’ and other similar expressions within the meaning of securities laws of applicable jurisdictions. Examples of forward looking statements include: (i) estimates of future earnings and the sensitivity of earnings to oil and gas prices; (ii) estimates of future oil and gas production and sales; (iii) estimates of future costs; (iv) estimates of future cash flows and the sensitivity of cash flows to oil and gas prices; (v) estimates of future capital expenditures; (vi) estimates of resources and reserves, and statements regarding future exploration results; and (vii) uncertainties associated with contractual, regulatory and political risks. By their nature, these forward-looking statements are not warranties or guarantees of future performance and involve known and unknown risks, uncertainties, contingencies and assumptions which are beyond the control of the Company and difficult to predict. They may involve significant elements of subjective judgement and assumptions which may be incorrect. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecast in such forward-looking statements.

The Company and its related bodies corporate, directors, officers, employees and consultants have not made any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them. No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company or any of its affiliates, directors, officers, employees agents or advisers or any other person as to the fairness, accuracy or completeness of the information or opinions contained in this Presentation and no reliance should be placed upon it. To the maximum extent permitted by law, the Company and its directors, offices, advisors and employees exclude and disclaim all liability as to the currency, accuracy, reliability or completeness of the information in this Presentation. The information in this Presentation remains subject to change without notice.

UNLOCKING THE CAMBAY VALUE

EXPOSURE TO MULTI-TCF GAS PLAY

Proven petroleum system with long history of hydrocarbon production since 1957 – both conventional and unconventional

Multi-TCF unconventional gas resource - proven laterally continuous wet gas saturated zones

Close to established gas markets – India is heavily reliant on LNG imports to meet its energy demand

Oilex holds significant 45% participating interest including Operatorship

10 years operating experience in India



UNLOCKING THE CAMBAY VALUE

EXPOSURE TO MULTI-TCF GAS PLAY

Oilex has drilled 2 horizontal multi-stage fraced wells – production from one well

Large scale commercial production still to be demonstrated, typically 5+ wells required

Development requires optimised technologies to maximize gas production

Plan to drill new vertical well to obtain EP-IV zone core sample ahead of a multi-well appraisal/development programme

Further upside potential – deeper source rock “resource” play

Recent Bhandut Field development demonstrates Oilex capability



Bhandut Field Facilities

CAMBAY FIELD

LOCATION AND HISTORY

Located in the prolific producing Cambay Basin

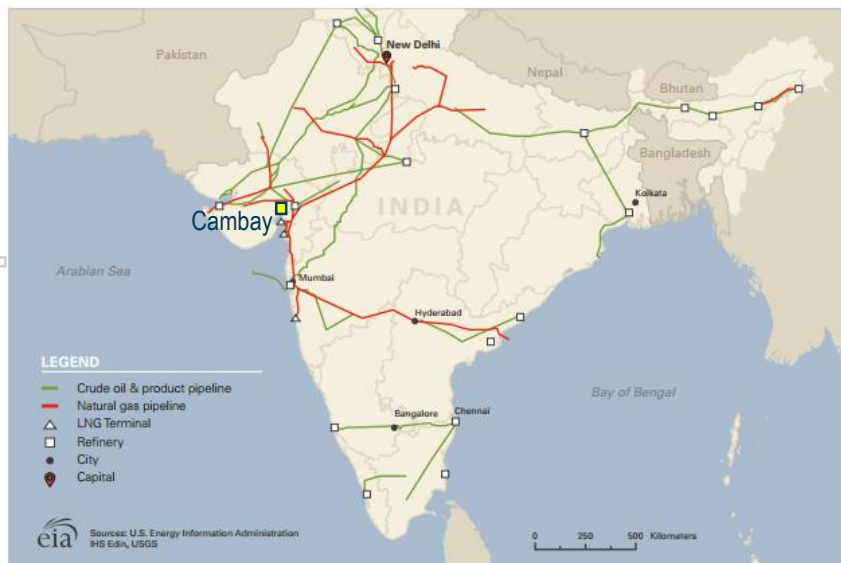
Continuous production for 60 years

Located in Gujarat State, a major industrial region in India

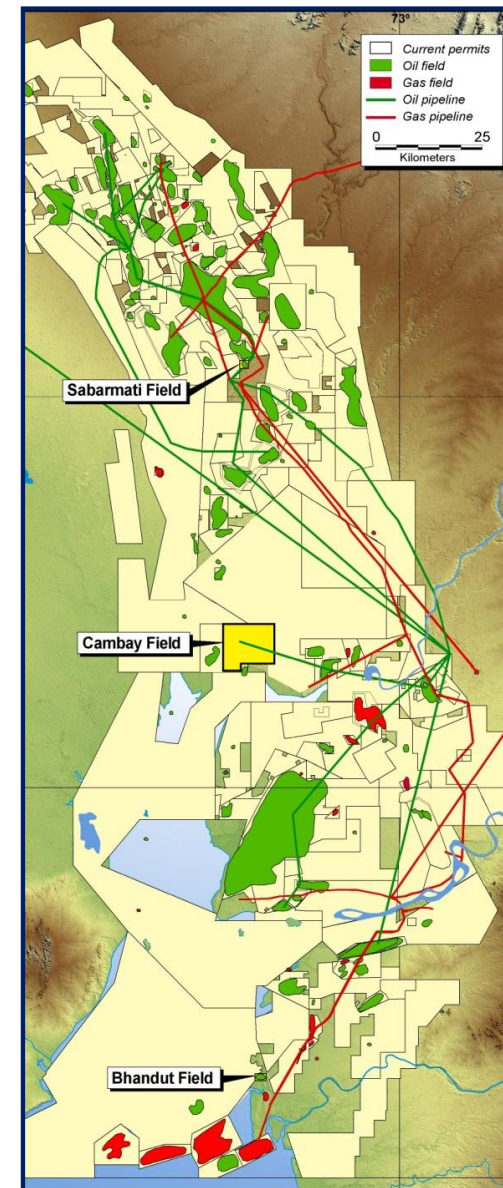
~40,000 acres

Oilex – 45% (Operator)

Gujarat State Petroleum Corporation – 55%



1957	<ul style="list-style-type: none">Field discovered by ONGC
1957-92	<ul style="list-style-type: none">50 BCF produced from Oligocene shallow reservoirs63 wells drilled (36 into deeper Eocene)
1994	<ul style="list-style-type: none">PSC awarded to Niko and GSPC
2005-06	<ul style="list-style-type: none">Oilex farms in (45%. Operator)3D seismic acquired over contract area
2006	<ul style="list-style-type: none">2 wells drilled (tested oil in Oligocene play)
2008	<ul style="list-style-type: none">5 wells drilledEocene tested hydrocarbonsOil production from Miocene
2009-10	<ul style="list-style-type: none">Studies to evaluate application of shale/tight gasReservoir technologies to Cambay Eocene reservoirs
2011-present	<ul style="list-style-type: none">Oilex transfers tight reservoir services and equipment into IndiaOilex drilled first horizontal multi-stage frac well in India
2014-16	<ul style="list-style-type: none">Tight gas production from fraced horizontal well

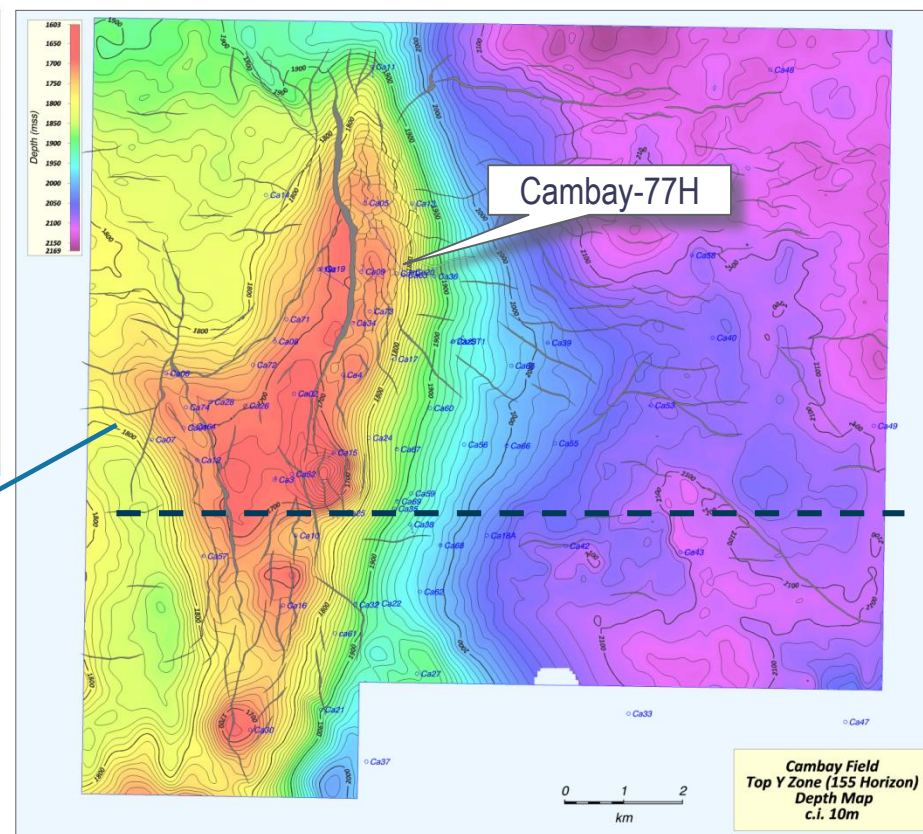
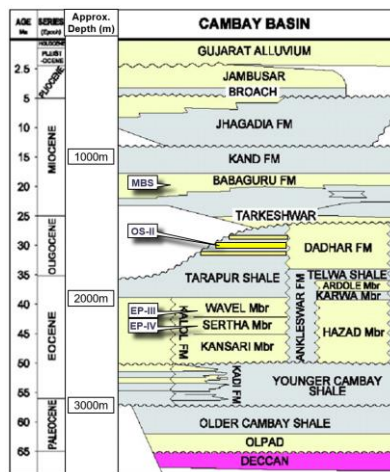
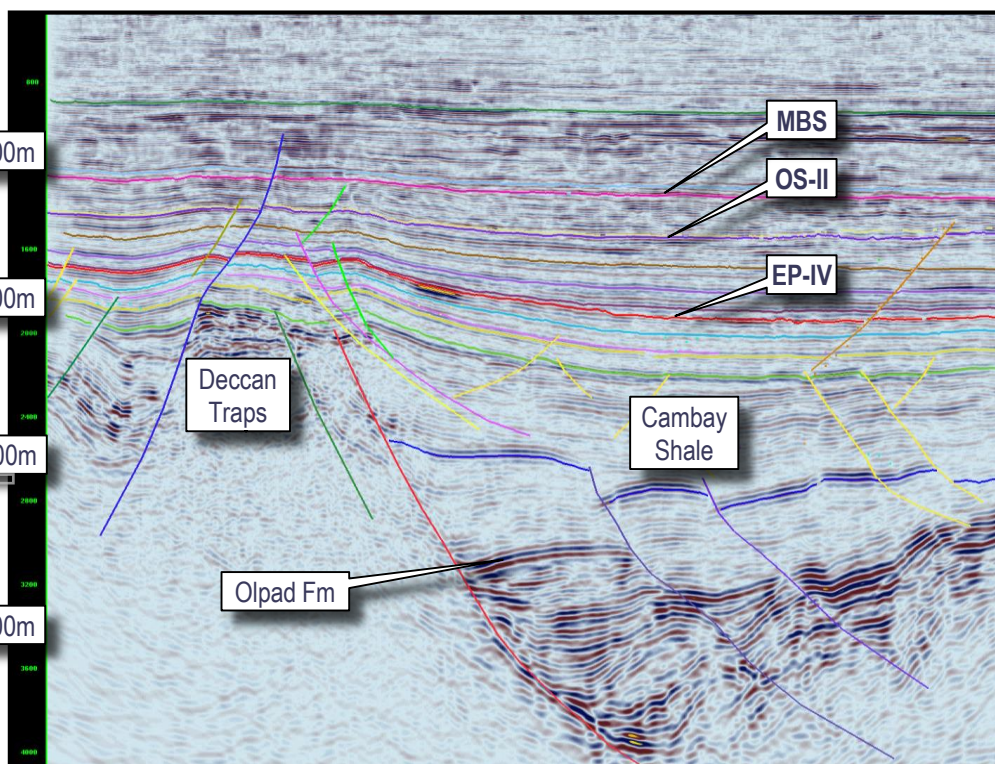


CAMBAY FIELD

PROVEN HYDROCARBONS

Hydrocarbon saturations and production in multiple zones in many old wells

Entire contract area covered by good quality 3D seismic



Multiple play types

Recently targeted unconventional (tight) siltstones EP-III & IV (X & Y Zones)

Deeper exploration source rock target in rich Cambay Shale

Production from conventional sandstone reservoirs (MBS and OS-II)

Multi-TCF resource: applying North American horizontal drilling technology

Exploration upside

Produced in the past, smaller pools remain

PROVEN OIL AND GAS

EP-III/IV SILTSTONE (X/Y ZONE)

Proven Petroleum System

41 well intersections

16 wells tested oil and gas to surface in the contract area

Remaining wells had log indications of hydrocarbons

Oilex has drilled and multi-stage fraced two horizontal wells

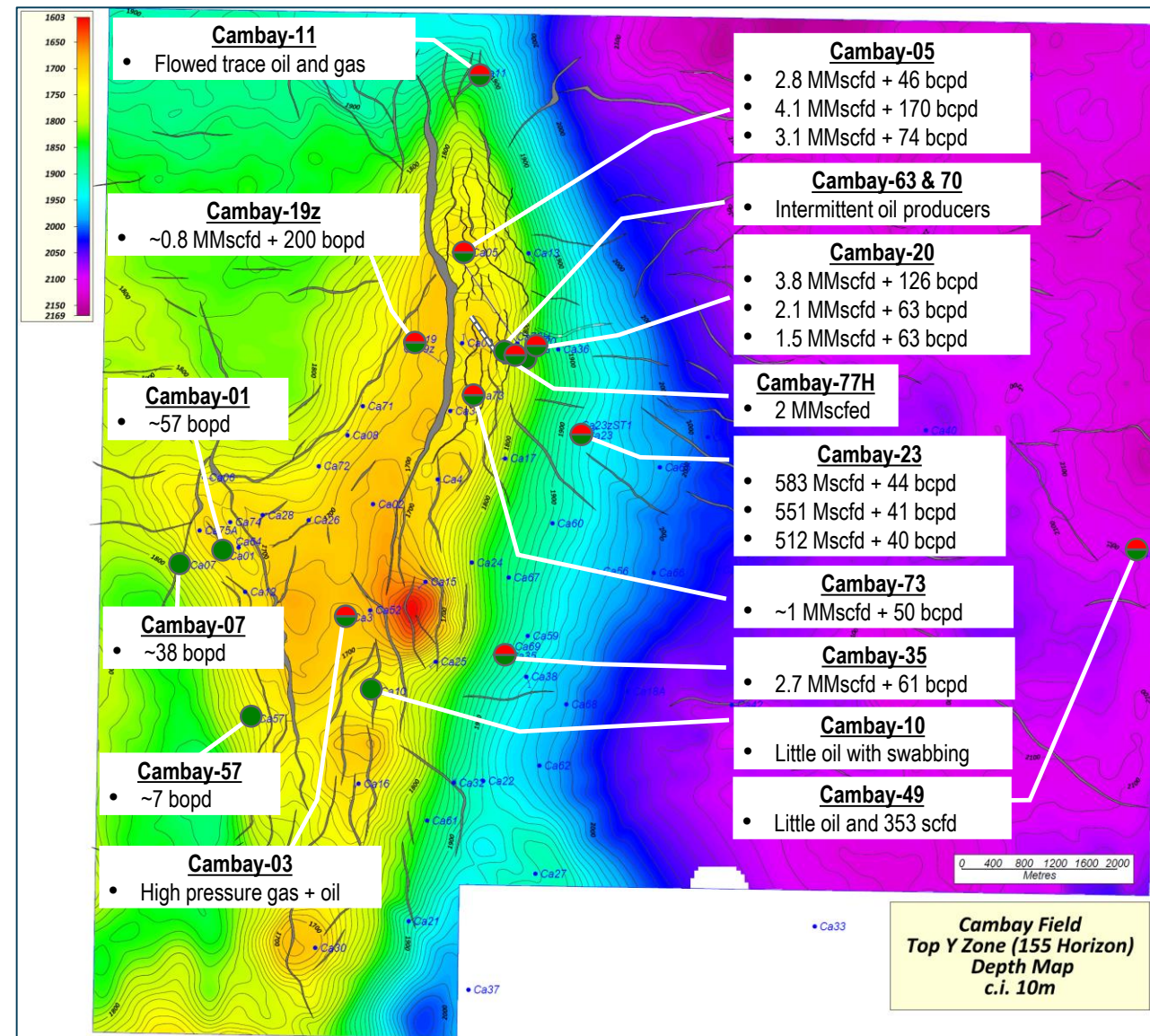
C-76H in 2011 successfully fraced but failed to produce due to operational reasons

C-77H short horizontal producing gas and light oil at low rates

Frac technology optimisation required

Project requires **core samples** to determine optimal drilling, completion, frac fluid and proppant quantity, size and type

This is the focus of the planned next drilling campaign



RESOURCE STATEMENT

PREPARED BY RISC (JUNE 2016)

Contingent Resource for EP-III / IV (X / Y Zone)

Net gas volume (bcf)			Net Condensate Volume (million bbl)		
1C	2C	3C	1C	2C	3C
478	927	1618	27	61	121

Table shows gross recoverable volumes contingent on but not limited to: re-instating plan for drilling of additional wells, partner approvals, funding approvals, securing extension of the PSC post September 2019

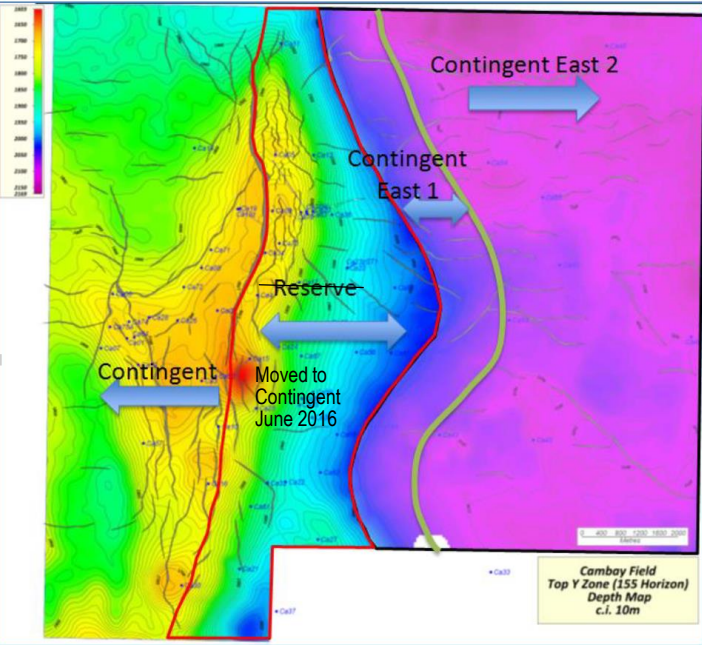
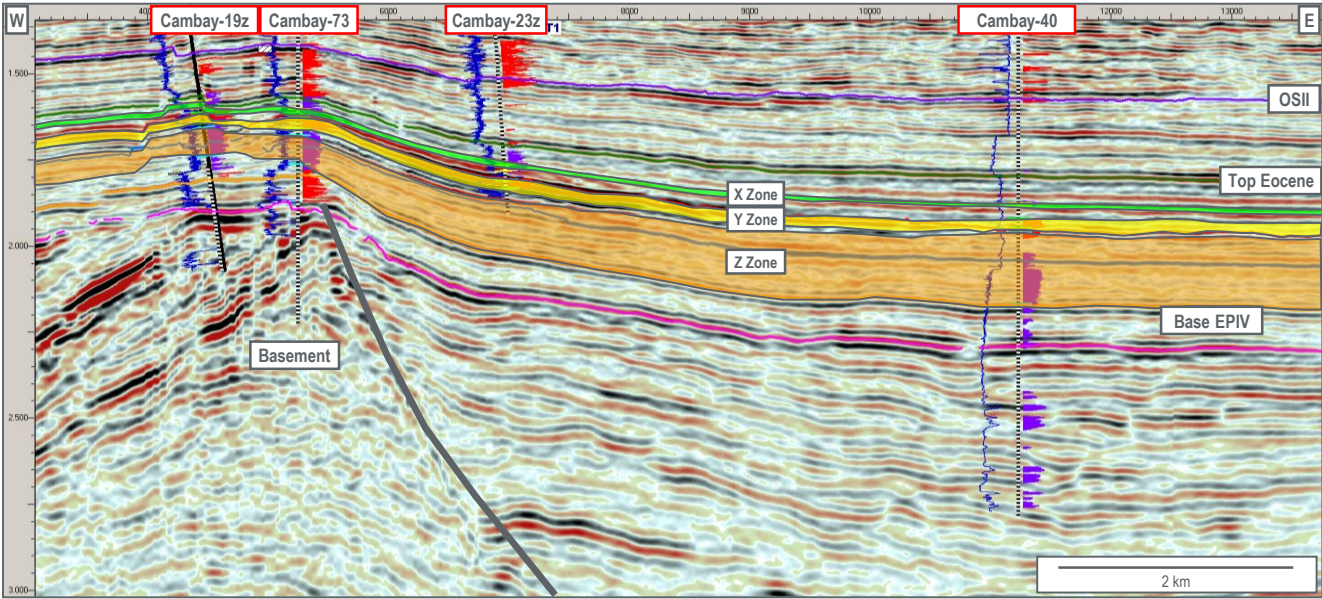


Figure 4-1 Y zone resource classification regions

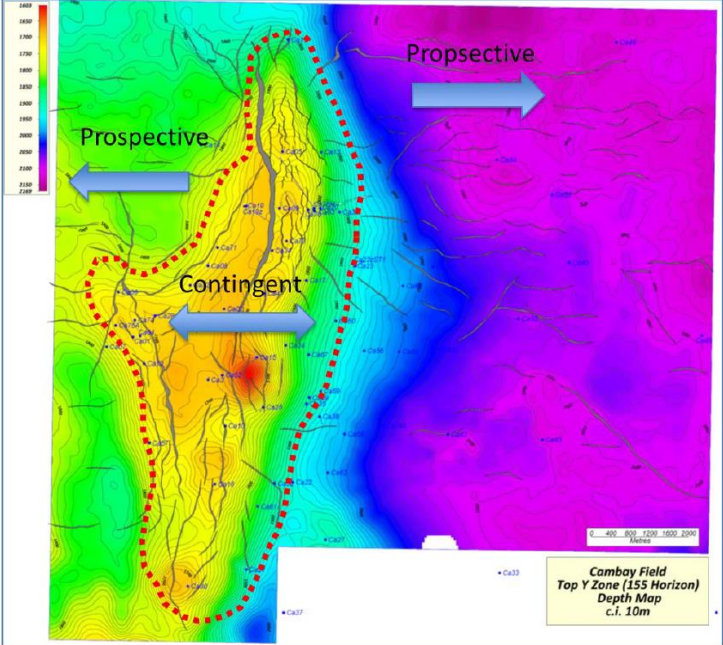


Figure 4-3 X zone resource classification regions

Total Contingent and Prospective In Place Resources

Total resource (gross)	Gas in Place (bcf)			
	P90	P50	P10	Mean
Y Total	1716	2519	3503	2573
X Total	919	1733	2944	1851
X and Y total	3141	4318	5806	4409

Probabilistically combined

Qualified Petroleum Reserves and Resources Evaluator statement

Pursuant to the requirements of Chapter 5 of the ASX Listing Rules, the information in this report relating to petroleum reserves and resources is based on and fairly represents information and supporting documentation prepared by or under the supervision of Mr Peter Bekkers, Chief Geoscientist employed by Oilex Ltd. Mr Bekkers has over 20 years' experience in petroleum geology and is a member of the Society of Petroleum Engineers and AAPG. Mr Bekkers meets the requirements of a qualified petroleum reserve and resource evaluator under Chapter 5 of the ASX Listing Rules and consents to the inclusion of this information in this report in the form and context in which it appears. Mr Bekkers also meets the requirements of a qualified person under the AIM Note for Mining, Oil and Gas Companies and consents to the inclusion of this information in this report in the form and context in which it appears.

INDIA ENERGY

CONTINUED STRONG FUNDAMENTALS

BP Statistical Review
of World Energy June
2015 and 2016

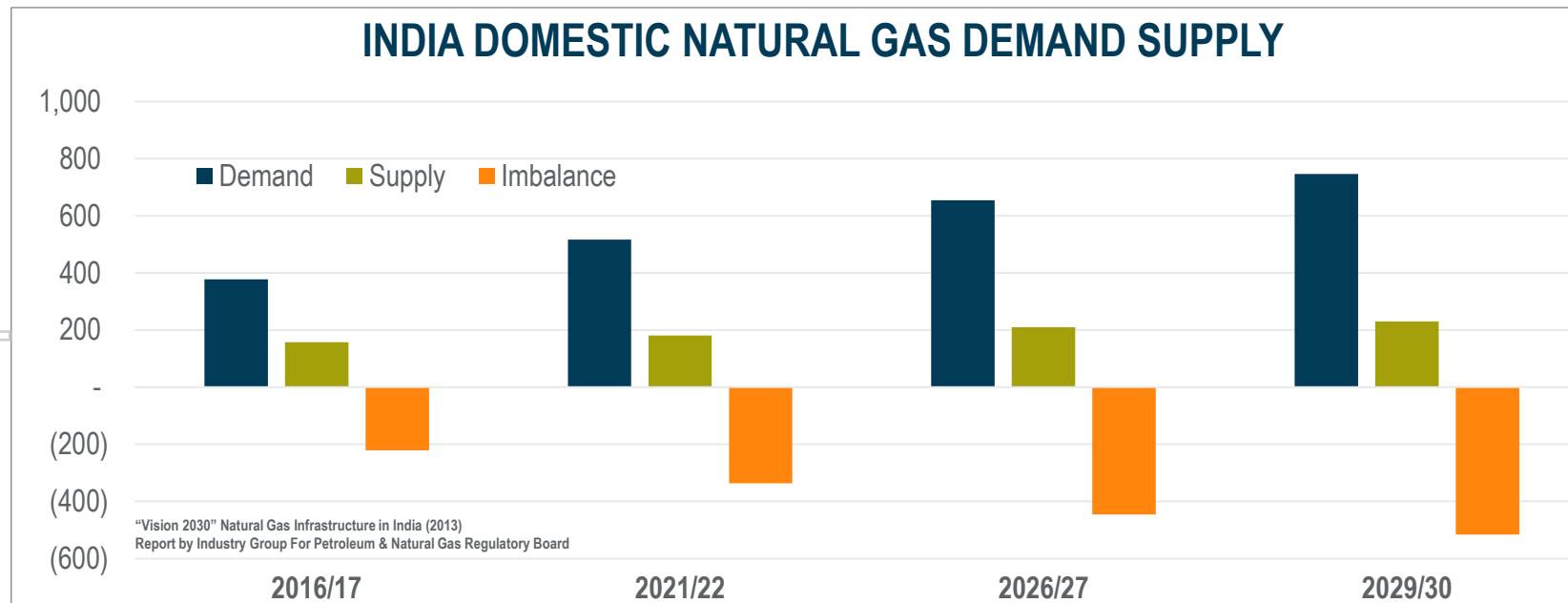
Primary energy consumption in India grew by 5.2% in 2015 YOY

Domestic natural gas production fell 3.8% in 2015 YOY

LNG imports increased by 14.8% in 2015 YOY



Gap between production and consumption forecast to grow over next decade



+5.2% growth in India's
energy consumption

LNG imports increased by
14.8%

Domestic gas production fell

EXPERIENCE TO DATE

CAMBAY-76H & CAMBAY-77H



CAMBAY-76H – SPUD 2011

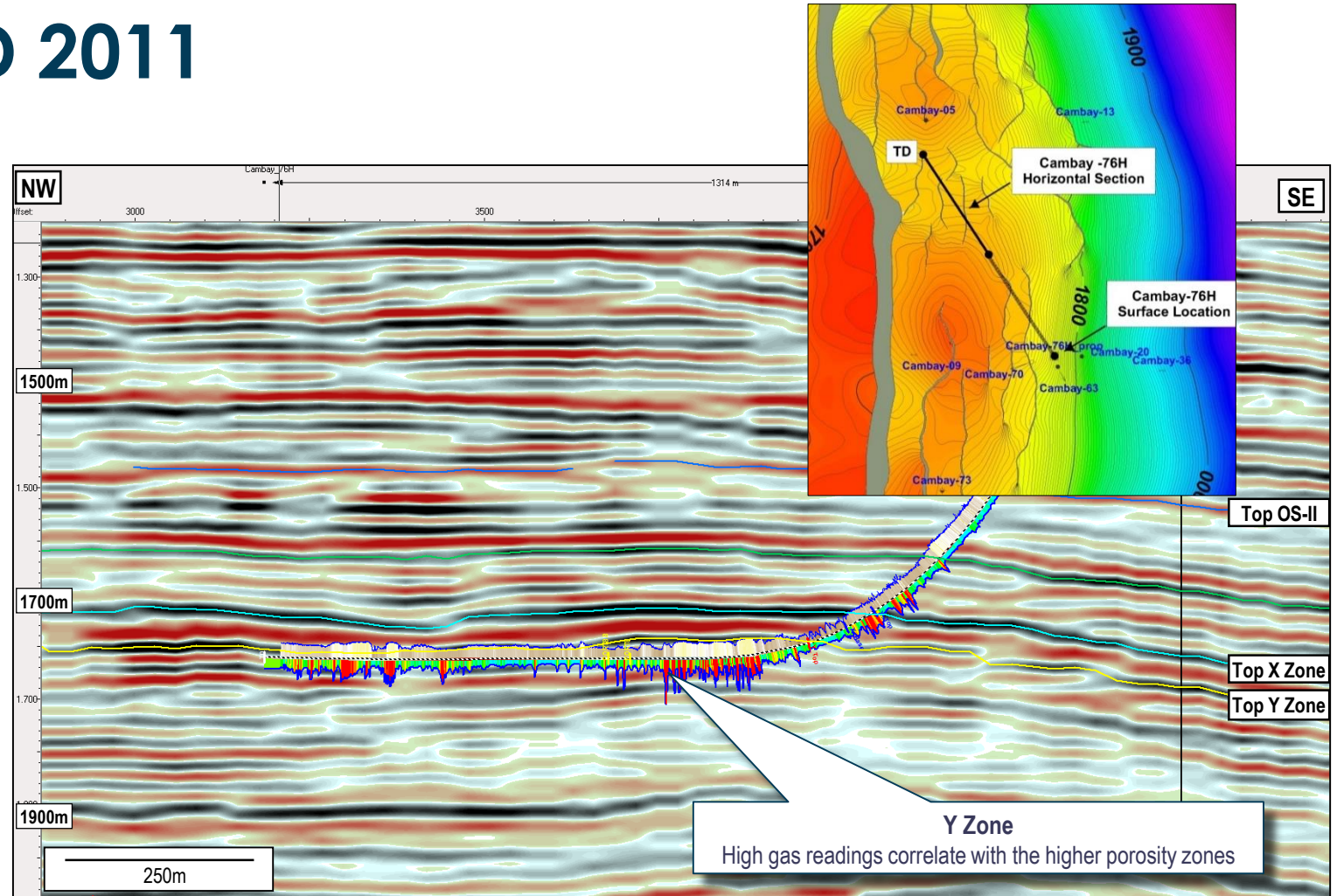
HORIZONTAL WELL, FRACCED

Location Criteria

Adjacent to wells with hydrocarbon flows
Relatively minor faulting

Technical Outcomes

Successful 610m horizontal section in the EP-IV (Y Zone)
Confirmed gas in ground
Successful 16 fracs in 8 stages
Gas and oil seen at surface
Lost the well and flow back not achieved



Flow-back and testing was unable to be undertaken due to downhole equipment failure

CAMBAY-77H – SPUD 2014

PRODUCTION ACHIEVED

Location Criteria

Drilled from Cambay-76H drilling pad: 350m lateral section

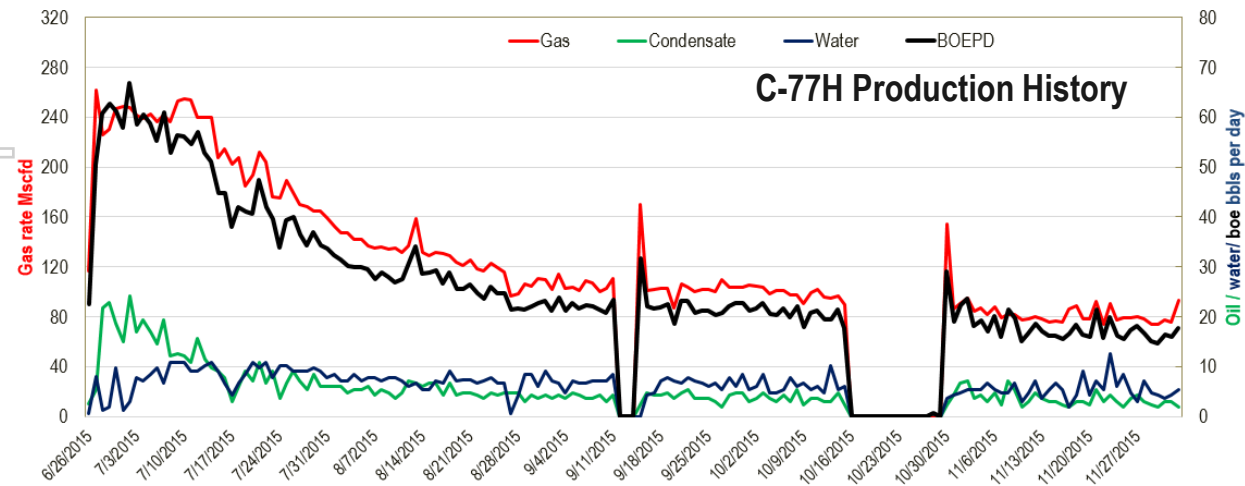
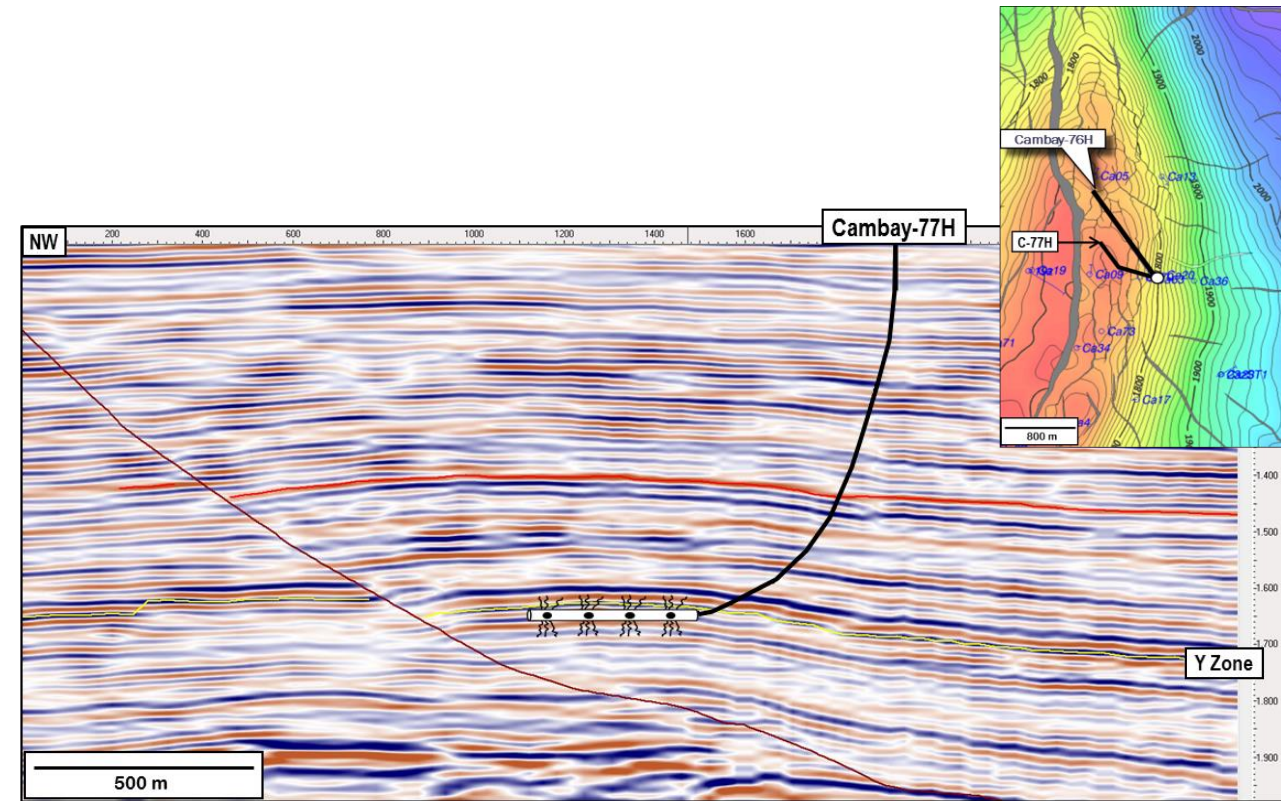
Technical Outcomes

Placed on production – choked back

Established production - likely that contribution from fractures was minimal

Learnings

Core required to determine optimal completion technologies



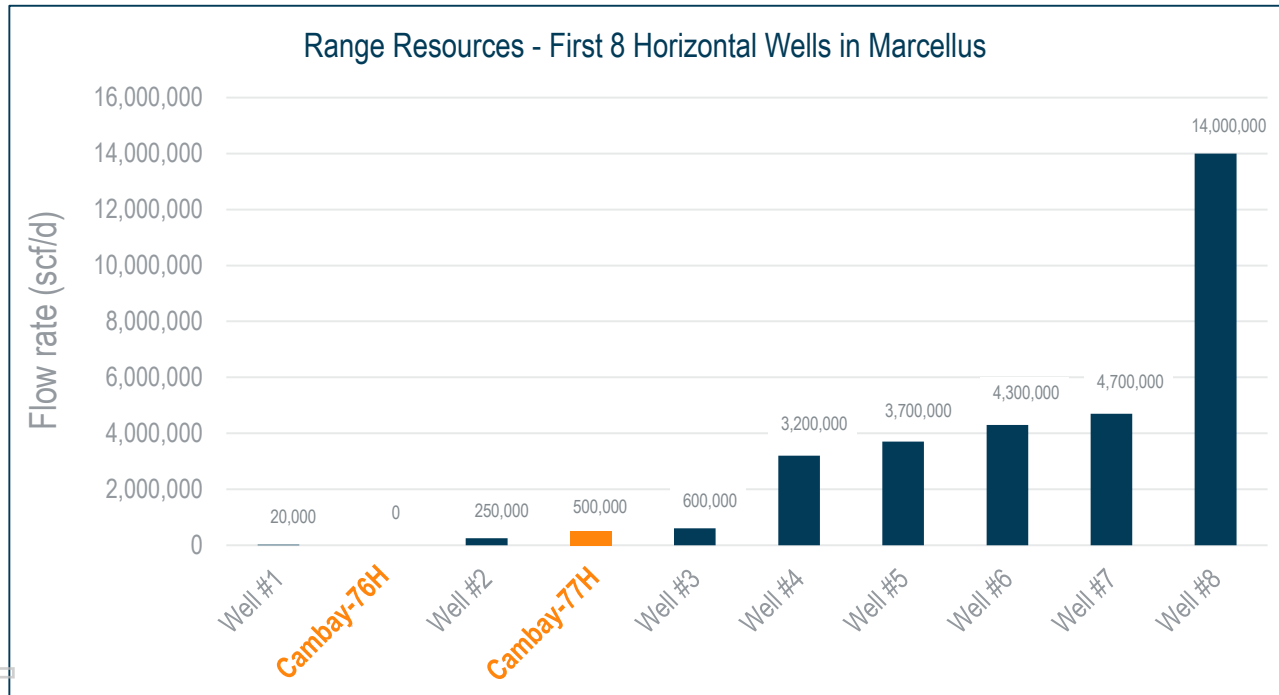


UNLOCK PLAN

MARCELLUS ANALOGUE

REQUIRED A NUMBER OF WELLS TO UNLOCK POTENTIAL

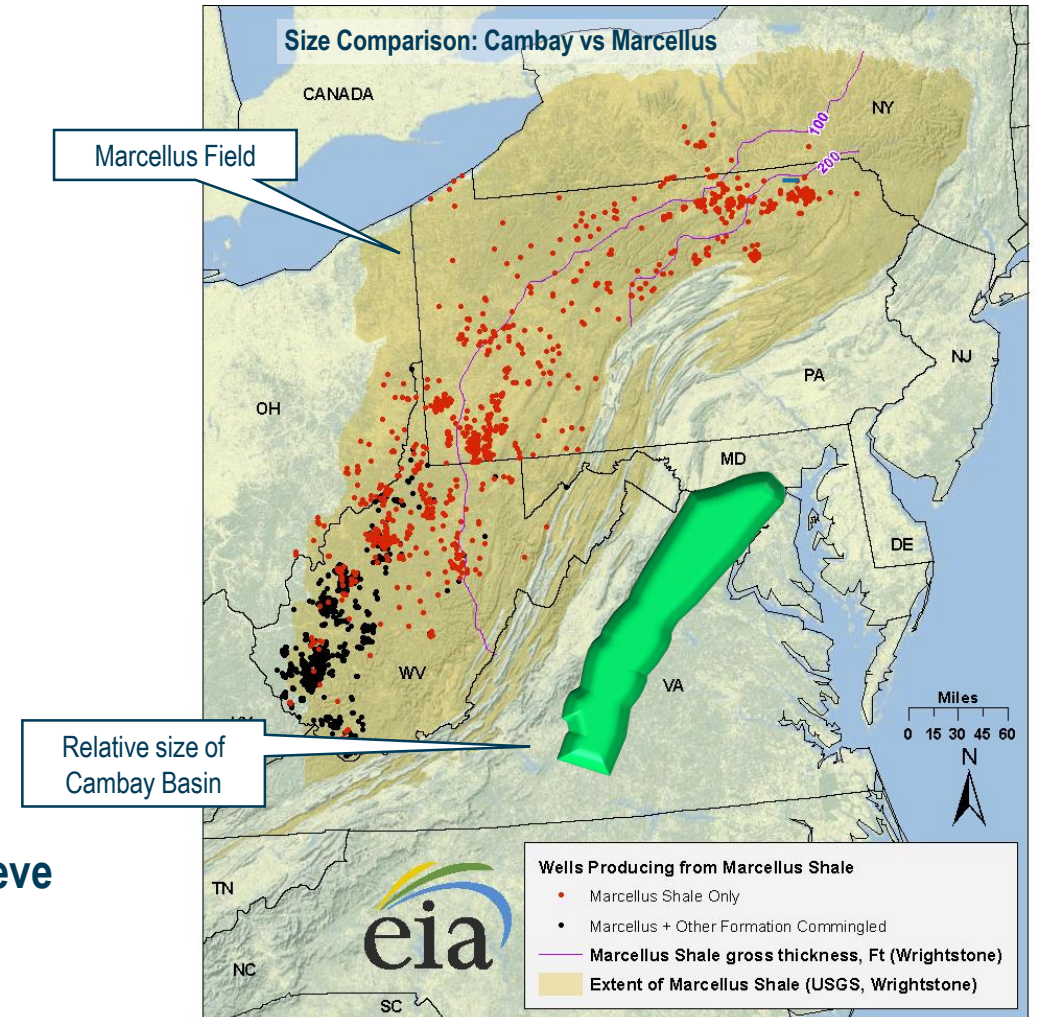
Project Development Comparison: Oilex in Cambay vs Marcellus



Marcellus project required 3 initial wells + 4 intermediate wells to achieve major flow rates

Oilex has drilled 2 wells – further optimisation required

Note: These graphs do not infer or imply anything regarding possible production rates from future wells in the Cambay Field.



OPTIMISING THE TECHNOLOGY

LEARNINGS FROM OPERATIONS

Integrating production data and world wide analogues to provide updated production profiles – ongoing in-house review

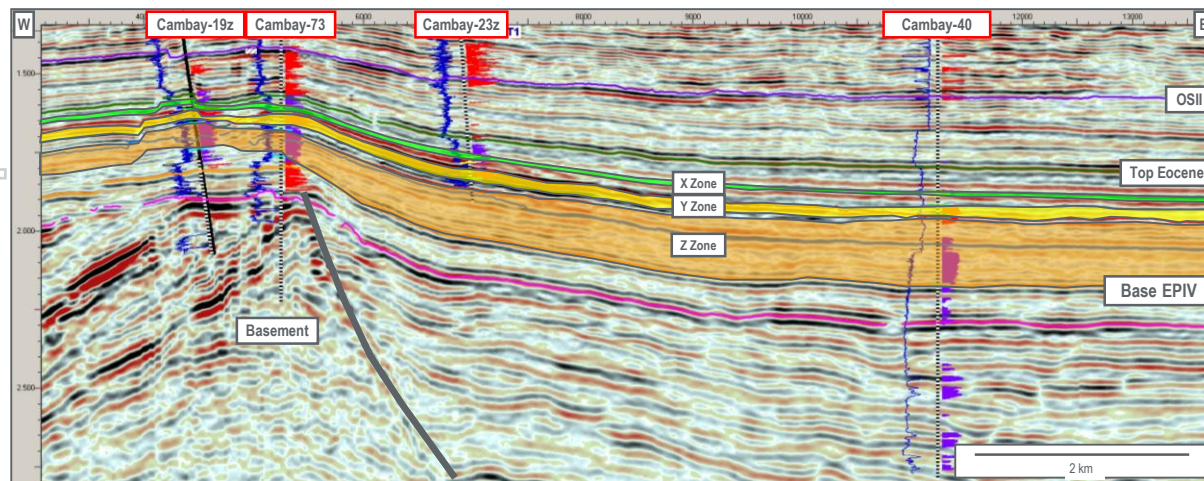
Drilling and completion requires core data to determine optimal approach

Acquiring a core sample is key objective of the next work program

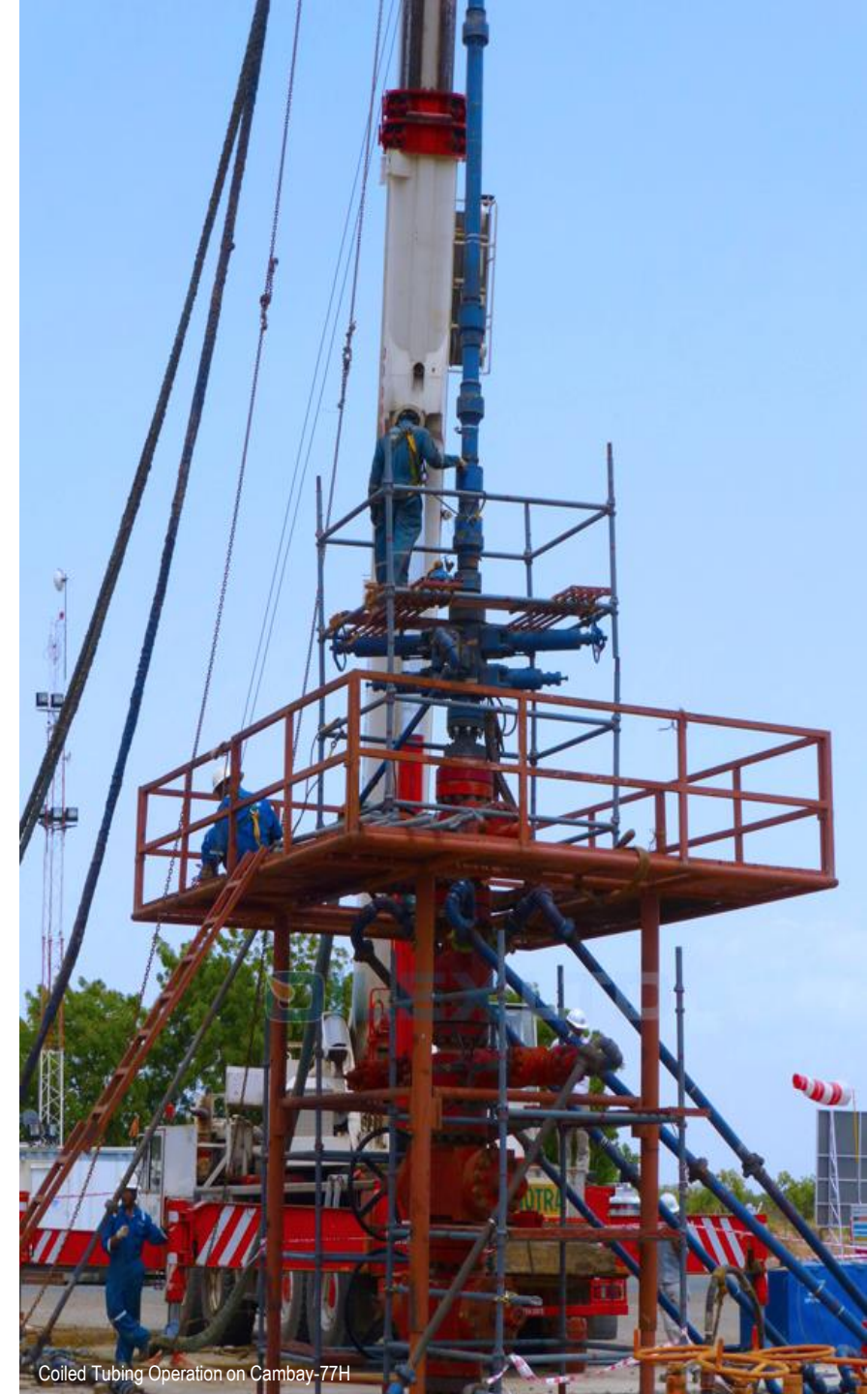
Core analysis is a pre-cursor to next phase

The core data will determine optimal drilling, completion and fracking fluids and technology, and proppant type and size

Reviewing source of water production observed in Cambay-77H



DILEX LTD



Coiled Tubing Operation on Cambay-77H

FORWARD PLAN

GAINING MOMENTUM

Drill EP-III/IV vertical well next

Primary objective is to acquire core samples and analysis for optimal drilling, completions and fracing technology

Takes advantage of the lower cost vertical well drilling rates in India at present

The EP-III/IV is potentially available for vertical fracing or for future horizontal drilling/fracing

The well will pass through a shallower proven conventional target – OS-II

While the OS-II has a smaller potential net economic benefit, it provides a cost effective approach to continue progressing the Cambay Block

Re-instate the 2 well EP-III/IV horizontal program in subsequent period

Extend the PSC tenure

PSC expires in September 2019 and requires a Field Development Plan (FDP) application to be submitted by September 2017 - two five year extensions possible

An OS-II program may provide a simple route to an FDP

Joint Venture

Requirement to overcome issues with GSPC to progress work at Cambay

Detailed planning for this well underway

Subject to JOA and applicable JV/Budget approvals



Drilling Rig on Cambay-77H

OILEX IN AUSTRALIA

LARGE EXPLORATION UPSIDE, CANNING BASIN, WA

Low Cost Entry – to be awarded at 100% equity

Access to entire sub-basin, 3 million acres

Frontier exploration – East African Rift Analogue

Recognised source rock potential

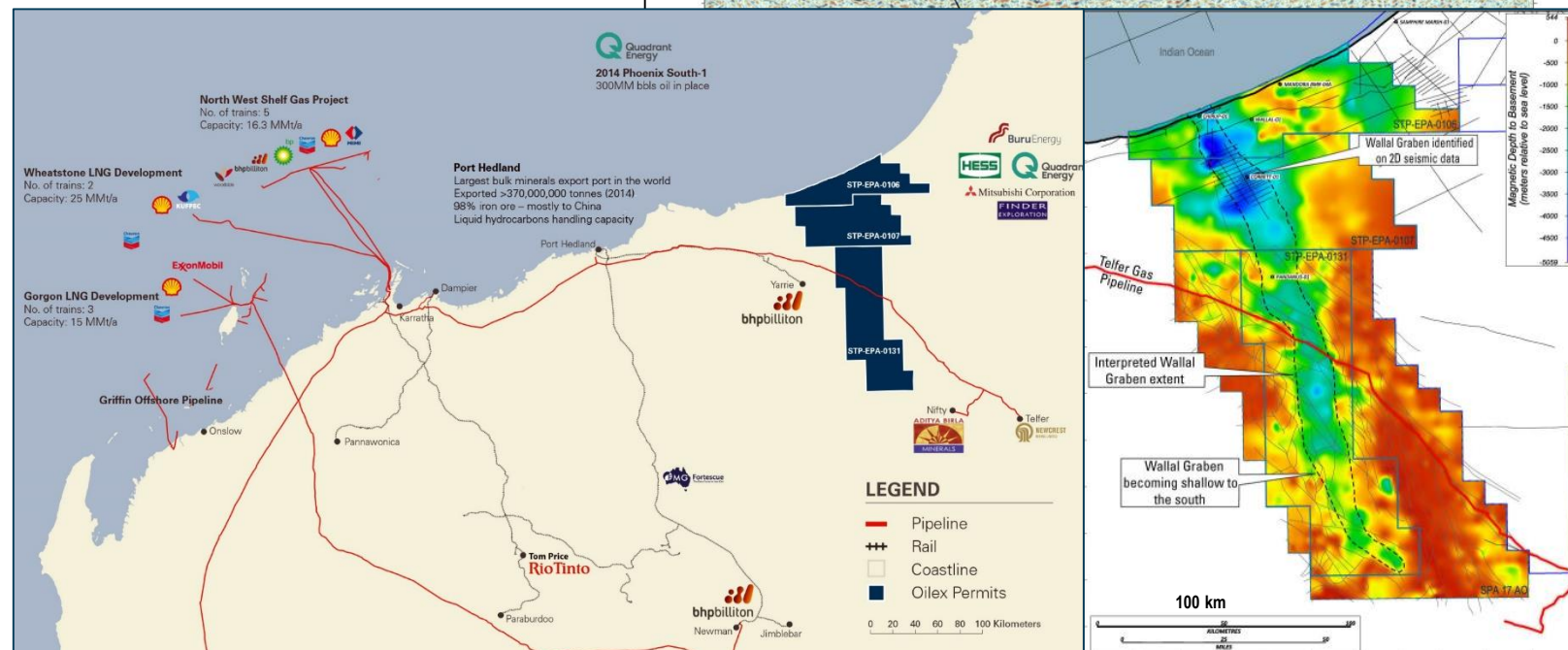
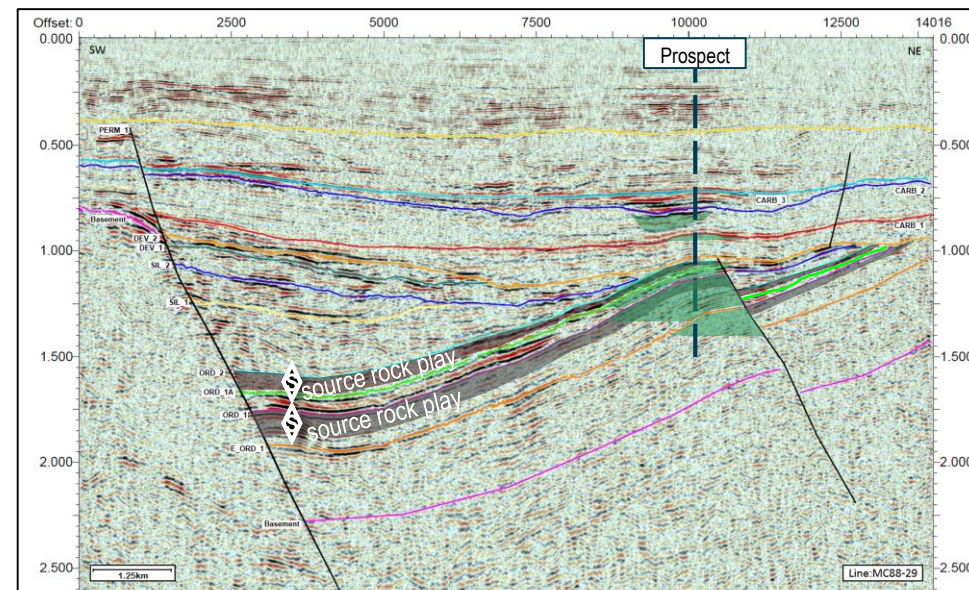
Multiple Play Types

Large structural closures

Extensive fan systems

Potential resource play

Seeking farmin partner



COMPANY PROFILE

REVITALISED TEAM LEADING THE COMPANY

BOARD & MANAGEMENT

Max Cozijn	<i>Non-executive Chairman</i> Over 32 years experience in administration of listed companies
Brad Lingo	<i>Non-executive Director</i> Over 30 years of oil and gas leadership roles, a recognised oil and gas industry leader, with a broad range of skills and experiences. Recent awards including winning the SMH/East Coles S&P/ASX 200 Energy Best CEO of the Year 2014
Joe Salomon	<i>Managing Director</i> Over 30 years' experience in the upstream industry in senior management and technical positions in small and large companies. Experience in the Indian oil and gas industry over 20 years.
Mark Bolton	<i>Chief Financial Officer</i> Over 25 years experience the resources sector. Mark is specialist in financing resource projects internationally with extensive experience in debt and equity markets in a number of jurisdictions including TSX, ASX and LSE
Pete Bekkers	<i>Chief Geoscientist</i> Over 20 years experience in the oil and gas exploration and production industry in a variety of exploration and production projects within Australia, the Far East, Middle East, West Africa and South East Asia
Jayant Sethi	<i>Head of India Operations</i> Over 30 years of experience in the oil and gas upstream industry including Cairn Energy and ONGC in India. Jayant is a petroleum geologist

CAPITAL STRUCTURE

AIM/ASX Ticker	OEX
Share price (23 June 2016)	0.55p
Market capitalisation (million)	£6.5
Ordinary shares (million)	1,180
Unlisted Options (million)	20.7

Substantial Shareholders:

Magna Energy Limited	10.15%
Zeta Resources Limited	10.28%



CONCLUSIONS

STRONG FUNDAMENTALS

Multi-TCF resource base in a proven petroleum system

Close to important gas market

Significant exposure through 45% ownership

Optimisation of technical parameters required to deliver commercial flow rates

Core samples required – objective of planned work programme

Joint Venture issues being actively addressed

Staged approach

Next well to acquire necessary core data

Re-instatement of the 2 well horizontal drilling plan subsequently

Resolve JV issues & secure extension to PSC

