

ASX Announcement

21 April 2017

ASX: OEX
AIM: OEX**Award of Key Contracts for Cambay-23z Core Analysis**

Oilex Ltd (the Company) is pleased to announce the award of two key contracts to Schlumberger and Baker Hughes as part of its 2017 work programme at the Cambay PSC. Schlumberger and Baker Hughes will advise on the optimal well and stimulation design required to achieve potential commercial flow rates.

The Company has a significant multi TCF gas resource at the Cambay PSC in the EP-IV tight siltstones that requires drilling optimisation and stimulation technologies to achieve commercial flow rates. Both Schlumberger and Baker Hughes are global leaders in the stimulation of tight gas reservoirs and their selection follows a competitive tender process.

Schlumberger has been appointed to provide geomechanical, fluid sensitivity and proppant embedment testing on the Cambay-23z core along with their recommendations on future technical work. The data from these tests will be used to carry out the geomechanical modelling required for optimisation studies.

Baker Hughes has been appointed to provide detailed geomechanical modelling to assess and recommend optimised drilling and stimulation solutions to maximise production from the EP-IV reservoir. In addition to providing a functional geomechanical model, Baker Hughes will provide specific recommendations on fluid chemistry and proppant optimisation required for the stimulation of any future wells.

The studies have commenced and are anticipated to be completed within approximately 3 months. The analysis of the core from Cambay-23Z is essential in the planning of both future wells and the stimulation process at the Cambay PSC.

Mr Joe Salomon said "We are fortunate to be working with world class tight gas experts, Schlumberger and Baker Hughes. Their assistance is important to unlocking the commercial success of the large gas resource at the Company's Cambay project."



Joe Salomon
Managing Director

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