

ASX-RNS Announcement

1 October 2019

ASX: OEX
AIM: OEX

Amendment to Loan Funding Agreements

Oilex Ltd (the Company) is pleased to advise that it has entered into amendment agreements to vary the terms of its loan funding facilities (Amendment Agreements). Amongst other amendments, the repayment date for the Series A Loans (A\$330,000) and the Series B Loans (A\$250,000) have been extended to 15 October 2019 and 1 April 2020 respectively.

Series A Loan (A\$330,000)

Pursuant to the Amendment Agreements, the loan repayment date has been extended from 1 October 2019 to 15 October 2019 to enable the loan to be repaid out of the proceeds of the equity placing announced yesterday morning. All other terms remain the same and are extended to 15 October 2019. However, this does not include the options issued with the Series A Loan, which will expire today, being 1 October 2019.

Series B Loan (A\$250,000)

Pursuant to the Amendment Agreements, the loan repayment date has been extended from 1 October 2019 to 1 April 2020. All other terms remain the same and are extended to 1 April 2020. This includes the issue of new options on commensurate terms with the existing options that will expire on 1 October 2019.

A summary of key terms after the amendment is outlined below:

Term:	1 April 2020
Interest Rate:	5%
Repayments	100% payable at maturity
Options Issued:	60,664,887 options over ordinary shares
Option Exercise Price:	A\$0.004121 per option
Option Expiry Date:	On 1 April 2020
Security:	Unsecured
Key Undertakings:	Not to dispose of assets having an aggregate value more than A\$1 million Not to incur any financial indebtedness more than A\$50,000 Not to incur any aggregate payment or outgoing exceeding A\$1 million (except for wages)

Customary additional provisions regarding events of default, undertakings, covenants and representations and warranties remain unchanged.

The options, which if exercised in their entirety, will result in a cash inflow to the Company of A\$250,000. The proceeds from the conversion of options will be applied to the outstanding Series B Loan balance, which is fully drawn down.

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The issue of the new options is subject to shareholder approval under ASX Listing Rule 7.1 on or before 30 November 2019. Failure to secure shareholder approval will require immediate repayment of the loan principal and accrued interest.

Related Party Transaction

Republic Investment Managers Pte Ltd (Republic) has a shareholding in the Company of 14.74% and is therefore categorised as a Substantial Shareholder of the Company pursuant to the AIM Rules for Companies (**AIM Rules**). Accordingly, the entering into the Amendment with Republic is classified as a related party transaction pursuant to the AIM Rules. Republic makes up \$300,000 of the Series A Loan balance and all of the Series B Loan balance of \$250,000.

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

For and on behalf of Oilex Ltd



Mark Bolton
Chief Financial Officer Company Secretary

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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