

ASX Announcement

9 July 2015

ASX: OEX
AIM: OEX

Rights Issue – Letter to Shareholders and revised Timetable

Attached is a copy of the letter being sent to Oilex Ltd shareholders today in connection with the renounceable rights issue announced yesterday.

The timetable for the rights issue has been updated. The updated timetable is set out in the attached letter.

Yours faithfully



Chris Bath
Company Secretary

For further information, please contact the company or its advisors listed below:

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ABN 50 078 652 632

9 July 2015

Dear Shareholder

Rights issue

As announced on 8 July 2015, Oilex Ltd (**Oilex**) is undertaking a capital raising to raise approximately A\$30 million. As part of the capital raising Oilex is undertaking a renounceable pro-rata offer of new ordinary shares in Oilex (**New Shares**) at an offer price of A\$0.041 (or £0.02 for Depository Interest holders) per New Share to raise approximately A\$7 million (before costs) (**Rights Issue**). The Rights Issue is being made on the basis of 1 New Share for every 4 Oilex ordinary shares held at 5.00pm (AWST) on 14 July 2015 (or in the case of Depository Interest holders, 5.00pm (GMT) on 14 July 2015) (the **Record Date**) (**Entitlement**). The Rights Issue is being fully underwritten by Patersons Securities Limited.

The net proceeds of the Rights Issue will be used primarily to fund part of the Cambay and Bhandut Field work programmes for 2015/16 year, minimum work commitments in the Canning Basin and working capital.

Overview of Rights Issue

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Rights Issue. Full details of the Rights Issue will be set out in the Offer Documentation (referred to below).

Eligibility

The Rights Issue is only open to “**Eligible Shareholders**” being those Oilex shareholders who:

- are registered as a holder of Oilex’s ordinary shares or Depository Interests as at the Record Date;
- have a registered address on the Oilex securities register in Australia, New Zealand or the United Kingdom;
- are not in the United States and not ‘US Persons’ (as defined in Regulation 5 under the Securities Act of 1933 or acting for the account or benefit of US Persons; and
- are eligible under all applicable securities laws to receive an offer under the Rights Issue.

Shareholders not satisfying these criteria will not be eligible to participate in the Rights Issue.

Entitlement trading

As the Rights Issue is renounceable, Eligible Shareholders will be able to trade their Entitlement on ASX. Entitlement/Rights trading will commence on 10 July 2015 and end on 21 July 2015. Eligible Shareholders will need to contact their broker to sell all or part of their Entitlement. There will be no Entitlement trading on AIM. Therefore, if you are an Eligible Shareholder that holds Depository Interests, and you wish to trade your Entitlement, you will be required to transfer your Entitlement to an Australian registered stockbroker who is able to trade securities on the ASX. Eligible Shareholders will also be able to transfer their Entitlements other than on ASX by following the procedures set out in the Offer Documentation (referred to below).

Please note you may incur brokerage if you choose to sell your Entitlement on ASX. Eligible Shareholders who sell their Entitlement before receiving confirmation of their Entitlement do so at their own risk. You can ascertain your correct Entitlement by calling your stockbroker or the Oilex Information Line on 1300 912 776 (within Australia) from 8.30am to 5.30pm (AWST) Monday to Friday.

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Number of New Shares to be issued and calculation of Entitlements

New Shares issued under the Rights Issue will rank equally with all ordinary shares already on issue. Under the Rights Issue, Oilex will issue up to a maximum of 169,476,510 New Shares (subject to rounding), resulting in total Oilex ordinary shares on issue after completion of the Rights Issue of up to approximately 892,776,015 (subject to rounding). This includes the 45,393,466 Oilex ordinary shares to be issued on or about 14 July 2015, as part of the placement announced on 8 July 2015.

For the purposes of calculating each Eligible Shareholder's entitlements, fractional entitlements to New Shares will be rounded up to the nearest whole number of shares. Holdings on different registers (or sub-registers) will be treated separately.

Offer documents

An ASX announcement detailing the Rights Issue was released on ASX on 8 July 2015 and an offer booklet will be released in due course (**Offer Documentation**). Copies of the ASX announcement are available on Oilex's website (www.oilex.com.au/) and on ASX's website (www.asx.com.au). Eligible Shareholders will be mailed a copy of the Offer Documentation together with an Entitlement and Acceptance Form on 17 July 2015.

It is important that Eligible Shareholders read the Offer Documentation carefully before deciding whether to invest and, if in any doubt as to how to proceed, consult with their professional advisers. If Eligible Shareholders wish to participate, they should follow the directions in the Offer Documentation for the action required of Eligible Shareholders.

Key dates for the Rights Issue

Event	Date
Shares trade on 'ex' entitlement basis	10 July 2015
Record date for determining AIM Depository Interest holders' entitlements to participate in Rights Issue (5.00pm (GMT))	14 July 2015
Record date for determining ASX shareholders' entitlements to participate in Rights Issue (5.00pm)	14 July 2015
Dispatch of Offer Documentation to Eligible Shareholders	17 July 2015
Offer under Rights Issue opens	17 July 2015
Rights trading ends	21 July 2015
New Shares trade on a deferred settlement basis	22 July 2015
Offer under Rights Issue closes for ASX shareholders and AIM Depository Interest holders	28 July 2015 at 5.00pm

Issue allotment of New Shares (or Depositary Interests in respect of News Shares) 5 August 2015

Normal trading for New Shares commences

6 August 2015

Note that all dates are indicative only. Oilex reserves the right to change these dates subject to the Corporations Act 2001 (Cth), ASX Listing Rules and AIM Rules. All times are Australian Western Standard Time unless otherwise indicated. If you have any queries, please contact the Offer Information Line on 1300 912 776 (within Australia) between 8.30am and 5.00pm (AWST) from Monday to Friday. If you are a Depositary Interest Holder, please call +44 (0) 870 707 1210 between 9.00am and 5.00pm (GMT) on any London business day.

Yours faithfully



Chris Bath
Company Secretary