HIGHLIGHTS

DECEMBER QUARTERLY REPORT 2021

CAMBAY FIELD, ONSHORE GUJARAT, INDIA

- The Company is focussing on re-establishing a field program including a re-frac of the existing C-77H well to increase production and to develop a reliable fraccing methodology that can be applied to future wells.
- Government of India approval for the transfer of the 55% interest in Cambay which the Company purchased from GSPC is expected in the near future, following which Oilex will hold a 100% participating interest in Cambay.
- During the Quarter the Company announced the execution of a well management contract with a consortium comprising Manan Oilfield Services and Bedrock Drilling.
- On 14 December 2021 the Company announced that it had arranged the funding required for the re-fraccing of the Cambay 77H well in India by way of an equity capital raising of £2.0 million (A$3.7 million) before costs.
- On 15 December 2021 the Company announced that following a final court order, the previously imposed production cessation on the Cambay field had been removed.

UNITED KINGDOM CONTINENTAL SHELF CCS

- The application via the OGA's nomination process for Carbon Capture and Storage ("**CCS**") on two UKCS depleted gas fields, Esmond and Forbes, is currently ongoing.

WEST KAMPAR, INDONESIA

- Efforts continue towards the Company's objective to regain a participating interest in the West Kampar PSC in Indonesia.

CORPORATE

- This Report is for the period 1 October 2021 to 31 December 2021 (the "**Quarter**")
- Cash resources at 31 December 2021 were A$1.43 million (£0.75 million), and if netted with Tranche 3 of the Placement funds, which were received post the Quarter end, the Company would have A$3.46 million (£1.82 million) of available cash.
- The Annual General Meeting ("**AGM**") of the Company was held on Friday, 26 November 2021. All resolutions were passed via a poll.
- On 22 December 2021 the Company advised that the unmarketable parcel sale facility (the "**Sale Facility**") for shareholders on the ASX register who held less than A$500 worth of fully paid ordinary shares ("**Shares**") in the Company ("**Unmarketable Parcel**") was finalised.
- On 14 December 2021 the Company announced that it had arranged the funding required for the re-fraccing of the Cambay 77H well in India via an equity capital raising of £2.0 million (A$3.7 million), before costs. Approximately £0.80 million (A$1.48 million) before costs were settled prior to the end of the quarter via the issue of 571,518,807 Shares. The remaining funds and share settlement occurred in January 2022 by the issue of Tranche 3, on 12 January 2022.

CHIEF EXECUTIVE OFFICER'S REPORT TO SHAREHOLDERS FOR THE QUARTER

OVERVIEW

Following a strategy review, Oilex Ltd ("**Oilex**" or the **"Company**") is currently focused on developing its current primary asset in the Cambay Basin, India, and applying to acquire mature gas producing assets and instigate Carbon Capture and Storage ("**CCS**") projects in the UK. The focus of the Company will be centred on gas production and CCS with a view to becoming a carbon-neutral gas producer.

The Company aims to restart gas production cycling between two existing production wells in its Cambay PSC in the near future. The agreement to purchase the Gujarat State Petroleum Company's 55% participating interest in the Cambay Production Sharing Contract has enabled it to accelerate field development of the Cambay field's c.930 BCF gas resources. Oilex plans to re-frac the existing C-77H well to demonstrate a reliable fraccing methodology for two new wells planned for calendar H2 2022 and calendar H1 2023, subject to securing the necessary funding. The Company will also seek to identify a new joint venture partner for the Cambay PSC in order to mitigate the funding requirement.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

All work was undertaken safely, without environmental incident and in accordance with COVID-19 related protocols during the Quarter.

CAMBAY FIELD, GUJARAT, INDIA

(Oilex: Operator and 100% interest pending Government of India ratification)

Oilex currently holds a 45% PI in the Cambay Field, which will increase to 100% PI upon the Government of India's ratification of the GSPC acquisition. The bank guarantee of US$2.2 million (in favour of GSPC) to secure the acquisition was arranged during the previous quarter.

The Cambay field development is centred on the successful exploitation of the gas resources held in the Eocene EP-IV reservoir which extends across the field and has been penetrated by over 30 wells. The EP-IV reservoir comprises low permeability ("tight") siltstones and requires frac stimulation to provide economic gas production rates.

Whereas two horizontal wells (C-76H in 2011 and C-77H in 2014) were successfully and efficiently drilled to total depth in the EP-IV reservoir, the fraccing and completion of the wells were disappointing. In advance of drilling two new horizontal wells, the Company has decided to re-frac the existing C-77H well to not only increase production but to also develop a reliable fraccing methodology that can be applied to future wells. C-77H had initial production levels of up to 1.0 mmscfd. The Company believes that a successful re-frac stimulation could potentially increase production levels by 3 to 5 times.

The development of well programs for two new horizontal wells (C-78H and C-79H) is at an advanced stage and the Company has issued a Request for Quotation for well management services for the execution of the two new wells which is planned, subject to securing the necessary funding, for calendar H2 2022 and calendar H1 2023. Funding requirements may be mitigated by a successful farm out on the Cambay PSC.

Cambay Well 77H Re-Frac Funding Secured

On 14 December 2022 the Company announced the arrangement of funding required for the re-fraccing of the Cambay 77H well in India, the continued development of the Company's plans to undertake a drilling and testing appraisal program on the Cambay field, and the Company's working capital base.

Oilex appointed Manan Oilfield Services and Bedrock Drilling to plan the Cambay 77H well re-frac (and to assist in the new well program commencing in calendar H2 2022). The re-frac program has been finalised and quotations for services and equipment will be requested in January 2022 in anticipation of the re-frac operation commencing during calendar Q1 2022. The objective of the re-frac is to prove up a fraccing methodology that will underpin the Cambay field development plan with optimised economics.

The Company arranged an equity capital raising, with existing sophisticated and institutional shareholders, and clients of Novum Securities Limited, of £2.0 million (A$3.7 million) before expenses, via the issue of 1,422,590,303 new fully paid ordinary shares ("**Placement Shares"**) at £0.0014 (A$0.00259) per Share (the "**Placement"**). The Placement was completed in three tranches, the issue of Shares occurring on 17 December 2021, 24 December 2021 and 12 January 2022. For further details of the Placement, including the offer of unquoted options under the Placement and fees from participating brokers, refer to "Placement – Issue of Securities" under the "CORPORATE AND FINANCIAL" header.

Funds raised from the Placement are intended to be applied to the re-fraccing of the Cambay 77H well, the continued development of the Company's plans to undertake a drilling and testing appraisal program on the Cambay field, and the Company's working capital base.

Cambay Production Re-start Update

On 15 December 2021 the Company announced that, following a final court order, the previously imposed production cessation on the Cambay field had been removed and the Company plans to resume gas production in the near future following the receipt of environmental clearances,. The two currently active wells, C-73 and C-77H will be placed back on cyclic production and the gas will be processed and exported through the existing production facilities and pipelines.

UNITED KINGDOM CONTINENTAL SHELF

Carbon Capture and Storage

During the Quarter, the Company continued its search for mature gas assets that may be suitable for CCS projects in the future.

The Company has already made an application for a CO_2 storage licence on the Esmond and Forbes depleted gas fields in the southern sector of the North Sea via the OGA nomination process. The Esmond field in isolation has the potential to store greater than 50 million metric tons of CO_2.

The Company believes that natural gas will form a vital component of the energy mix for the foreseeable future, however, it also recognises the adverse impact of ongoing CO_2 emissions. The Company has significant gas storage credentials and is seeking to exploit that expertise to implement CCS projects, initially in the UK, where there is a mature carbon allowance structure.

To this end, the Company is developing a CCS scheme whereby the CO_2 emissions from three large CCGT power stations would be extracted, compressed and liquified and transported to the Esmond and Forbes fields for permanent storage. The Company has engaged Axis Well Technology to undertake a pre-FEED study that will be finalised in January 2022.

JPDA 06-103, TIMOR SEA

(Oilex: PSC Terminated 15 July 2015 - Operator and 10% interest)

In August 2020, on behalf of its Joint Venture Participants, Oilex announced a Deed of Settlement and Release (the "**Deed**") with the Autoridade Nacional Do Petroleo E Minerais ("**ANPM**")**.**

Under the terms of the Deed, Oilex committed to a settlement of US$800k payable up to the financial year 2024. A total of US$300k has been drawn down to date on the US$800k loan facility provided by two of the joint venture partners to fund the settlement, leaving an undrawn balance of US$500k on the loan facility. The joint venture partners providing the loan facility were Japan Energy E&P JPDA Pty Ltd ("**JX**") and Pan Pacific Petroleum (JPDA 06 103) Pty Ltd ("**PPP**"). The draw downs (and settlement payments) to date included a US$250k draw down (and settlement payment) which occurred in December 2021.

At the beginning of the Quarter, the loan facility had a credit of US$160k, which was used to partially offset the liability incurred from the US$250k draw down made in December 2021. In addition, a further US$18k was paid in December into the loan facility to fully repay the portion of the loan owing to PPP. After interest charges, the balance of the loan facility at quarter end was US$72k.

The interest rate of the loan facility is 11% and the balance of the loan, plus interest, is to be repaid to JX in four instalments (in February 2022, August 2022, February 2023 and August 2023), prior to the loan's maturity on 17 August 2023.

For further details of the loan refer to the "FINANCIAL" section below.

WEST KAMPAR PSC, CENTRAL SUMATRA, INDONESIA

During the Quarter, the Company continued with its objective to regain a participating interest in the West Kampar PSC in Indonesia.

CORPORATE AND FINANCIAL

Placement – Issue of Securities

Further to Oilex Ltd's announcement on 14 December 2021, confirming that it had arranged the funding required for the re-fraccing of the Cambay 77H well in India via an equity capital raising of £2.0 million (A$3.7 million) before costs, the Company announced during the Quarter it had settled approximately £0.80 million (A$1.48 million) before costs, via the issue of 349,512,978 Placement Shares on 17 December 2021 ("**Tranche 1 Shares**") and 222,005,826 Placement Shares on 24 December 2021 ("**Tranche 2 Shares**"). The remaining £1.19 million (A$2.20 million) funds were settled after Quarter end, via the issue of 851,071,499 Placement Shares on 12 January 2022 ("**Tranche 3 Shares**").

In addition, subscribers to the Placement were offered one free attaching unquoted option for every two Placement Shares subscribed for, which will result in the issue of an aggregate of 711,295,152 unquoted options ("**Placement Options"**). The Placement Options are exercisable at £0.0028 (A$0.00518) per share on or before 31 December 2022. The issue of the Placement Options is subject to shareholder approval, at a general meeting of Oilex shareholders to be held on 17 February 2022.

In addition to the standard commissions payable on the capital raising to participating brokers, a portion of the capital raising fees is to be paid by way of issue of 65,874,899 unquoted options, exercisable at £0.0014 (A$0.00259) on or before 31 December 2023 (the "**Fee Options"**). The issue of the Fee Options is also subject to shareholder approval.

Issue of Shares to Non-Executive Directors

During the Quarter the Company issued 1,930,860 new ordinary shares as consideration in lieu of Non-Executive Director fees as follows:

	Shares Issued
Mr P Haywood	551,676
Mr P Schwarz	1,379,184
	1,930,860

The new ordinary shares were issued at a price of A$0.005 per ordinary share, and represent the final issue of shares to Directors under the shareholder approval which was obtained on 16 December 2020.

Summary of Capital Raising

The capital raising that has occurred during the Quarter (as mentioned above) can be summed up as follows:

Fully Paid Ordinary Shares ("Shares")	Date of Issue	Number
On issue at 1 October		5,688,430,356
Issue of share capital		
Shares issued for non-cash (for Non-Executive Directors' fees) [(1)]	9 November 2021	1,930,860
Shares issued under Placement (Tranche 1) [(2)]	17 December 2021	349,512,978
Shares issued under Placement (Tranche 2) [(2)]	24 December 2021	222,005,826
Balance at 31 December 2021		**6,261,880,020**

(1) See "Issue of Shares to Non-Executive Directors" above.
(2) On "Placement – Issue of Securities" above.

Payments Made to Related Parties and Their Associates

The attached Appendix 5B includes an amount of A$266k in items 6.1 and 6.2 (total) which constitutes payments to directors and other related parties for salaries, director fees and superannuation.

2021 Annual General Meeting of Shareholders

In accordance with ASX Listing Rule 3.13.1, the Company held its Annual General Meeting ("**AGM**") of the Company on Friday, 26 November 2021. All resolutions were passed on a poll.

Unmarketable Parcel Sale Facility for ASX Shareholders

Oilex Ltd announced on 7 September 2021 that it had established an opt-out unmarketable parcel sale facility ("**Sale Facility**") for shareholders who held less than $500 worth of fully paid ordinary shares in the Company ("**Unmarketable Parcel**"). The Sale Facility was only available to shareholders who held their shares on ASX, and not Depository Interest holders.

As a result of the Sale Facility the number of Unmarketable Parcels on the ASX register was reduced from 1,872 to 352. A total of 36,284,687 shares were disposed on market at an average price of approximately A$0.0039 per share and the disposal proceeds were returned to shareholders by way of cash at the end of December 2021, for shareholders who provided their bank details for direct transfer.

FINANCIAL

At 31 December 2021, Oilex retained cash resources of A$1.43 million (£0.75 million). Including net Placement funds received post the Quarter end , the Company has A$3.46 million (£1.82 million) of available cash.

The Company also has a loan facility balance of US$500k, which is restricted for the purposes of the settlement of the Company's liability with ANPM. The interest rate of the loan facility is 11%. For further details of the loan refer to the "JPDA 06-103, TIMOR SEA" section above.

Capital Structure

The shares and options on issue at 31 December 2021 were as follows:

Ordinary Shares	6,261,880,020
Unlisted Options (Exercise Price, Expiry): £0.00476, 30/06/2022	603,403,361

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 Joe Salomon, Executive Chairman employed by Oilex Ltd. Mr Salomon has over 32 years experience in petroleum geology and is a member of the Society of Petroleum Engineers and AAPG. Mr Salomon 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 Salomon 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.

CORPORATE DETAILS

Board of Directors

Roland Wessel	CEO and Director
Joe Salomon	Executive Chairman
Mark Bolton	Non-Executive Director
Paul Haywood	Non-Executive Director
Peter Schwarz	Non-Executive Director

Company Secretary

Suzie Foreman	Company Secretary

Stock Exchange Listing

Australian Securities Exchange	Code: OEX
AIM London Stock Exchange	Code: OEX

AIM Nominated Adviser	**AIM Broker**
Strand Hanson Limited	Novum Securities Limited

Share Registry – Australia

Link Market Services Limited
Level 12
250 St. Georges Terrace
Perth WA 6000 Australia
Telephone: 1300 554 474
Website:
http://investorcentre.linkmarketservices.com.au

Share Registry – United Kingdom

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE United Kingdom
Telephone: +44 (0) 870 703 6149
Website: www.computershare.com

PERMIT SCHEDULE

PETROLEUM PERMIT SCHEDULE – 31 December 2021					
ASSET	**LOCATION**	**ENTITY**	**CHANGE IN INTEREST %**	**EQUITY %**	**OPERATOR**
Cambay Field PSC (1)	Gujarat, India	Oilex Ltd	-	30.0	Oilex Ltd
		Oilex N.L. Holdings (India) Limited	-	15.0	
JPDA 06-103 PSC (2)	Joint Petroleum Development Area Timor Leste and Australia	Oilex (JPDA 06-103) Ltd	-	10.0	Oilex (JPDA 06-103) Ltd

(1) *Oilex signed a binding agreement to acquire GSPC's 55% equity and the purchase price is being arranged by Oilex under a bank guarantee, which was arranged during the previous quarter ended 30 September 2021. Following Government of India approval, Oilex will hold 100% equity.*

(2) *PSC terminated on 15 July 2015. The Joint Venture remains operational governed by a Joint Operating Agreement.*

LIST OF ABBREVIATIONS AND DEFINITIONS

Associated Gas	Natural gas found in contact with or dissolved in crude oil in the reservoir. It can be further categorised as Gas-Cap Gas or Solution Gas.
Barrels/Bbls	Barrels of oil or condensate - standard unit of measurement for all oil and condensate production. One barrel is equal to 159 litres or 35 imperial gallons.
BBO	Billion standard barrels of oil or condensate
BCF	Billion cubic feet of gas at standard temperature and pressure conditions.
BCFE	Billion cubic feet equivalent of gas at standard temperature and pressure conditions.
BOE	Barrels of Oil Equivalent. Converting gas volumes to the oil equivalent is customarily done on the basis of the nominal heating content or calorific value of the fuel. Common industry gas conversion factors usually range between 1 barrel of oil equivalent ("**BOE**") = 5,600 standard cubic feet ("**scf**") of gas to 1 BOE = 6,000 scf. (Many operators use 1 BOE = 5,620 scf derived from the metric unit equivalent 1 m^3 crude oil = 1,000 m^3 natural gas).
BOEPD	Barrels of oil equivalent per day.
BOPD	Barrels of oil per day.
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status.
Discovered in place volume	Is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production.
GOR	Gas to oil ratio in an oil field, calculated using measured natural gas and crude oil volumes at stated conditions. The gas/oil ratio may be the solution gas/oil, symbol Rs; produced gas/oil ratio, symbol Rp; or another suitably defined ratio of gas production to oil production. Volumes measured in scf/bbl.
MMBO	Million standard barrels of oil or condensate.
mD	Millidarcy – unit of permeability.
MD	Measured Depth.
MMbbls	Million barrels of oil or condensate.
MMscfd	Million standard cubic feet (of gas) per day.
MSCFD	Thousand standard cubic feet (of gas) per day.
PI	Participating Interest.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
PSC	Production Sharing Contract.

Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods and government regulations. Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. Reserves are designated as 1P (Proved), 2P (Proved plus Probable) and 3P (Proved plus Probable plus Possible). Probabilistic methods: • P90 refers to the quantity for which it is estimated there is at least a 90% probability the actual quantity recovered will equal or exceed. • P50 refers to the quantity for which it is estimated there is at least a 50% probability the actual quantity recovered will equal or exceed. • P10 refers to the quantity for which it is estimated there is at least a 10% probability the actual quantity recovered will equal or exceed.
SCF/BBL	Standard cubic feet (of gas) per barrel (of oil).
SCFD	Standard cubic feet (of gas) per day.
TCF	Trillion cubic feet of gas at standard temperature and pressure conditions.
Tight Gas Reservoir	The reservoir cannot be produced at economic flow rates or recover economic volumes of natural gas unless the well is stimulated by a large hydraulic fracture treatment, a horizontal wellbore, or by using multilateral wellbores.
Undiscovered in place volume	Is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
OILEX LTD	
ABN	Quarter ended ("current quarter")
50 078 652 632	**31 December 2021**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(99)	(206)
	(b) development	-	-
	(c) production (care and maintenance costs)	(37)	(100)
	(d) staff costs	(429)	(798)
	(e) administration and corporate costs	(319)	(675)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8a	Other (recovery of prior period operating costs)	140	496
1.8b	Other (settlement with ANPM)	(348)	(348)
1.9	**Net cash from / (used in) operating activities**	**(1,092)**	**(1,631)**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	118	118
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5a	Other (payment for bank guarantee related to purchase of 55% interest of Cambay joint venture)	-	(2,903)
2.5b	Other (costs related to bank guarantee)	(45)	(134)
2.6	**Net cash from / (used in) investing activities**	**73**	**(2,919)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,485	1,485
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(134)	(134)
3.5	Proceeds from borrowings	348	348
3.6	Repayment of borrowings	(26)	(26)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**1,673**	**1,673**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	779	4,311
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,092)	(1,631)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	73	(2,919)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,673	1,673
4.5	Effect of movement in exchange rates on cash held	(7)	(8)
4.6	**Cash and cash equivalents at end of period**	**1,426**	**1,426**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,426	779
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,426**	**779**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	266
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Directors and other related parties' salaries, director fees and superannuation.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	789	99
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**789**	**99**

7.5	**Unused financing facilities available at quarter end**	**690**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

The financing facility relates to an unsecured loan facility with two of its JPDA 06-103 joint venture partners, JX and PPP. The facility was entered into and restricted to fund Oilex's liability with ANPM.

During the Quarter, a drawdown of US$250k (A$348k) was made from the loan facility to partially settle the Company's liability with ANPM. The loan balance resulting from this drawdown was partially offset by a credit of US$160k (A$222k) which was in the loan at the beginning of the Quarter.

In addition, a further US$18k (A$26k) was paid in December into the loan facility to fully repay the portion of the loan owing to PPP. After interest charges, the balance of the loan at 31 December 2021 was US$72k (A$99k), (fully payable to JX), with a remaining available balance on the facility of US$500k (A$690k) to be drawn at a later date to fully settle the Company's liability with ANPM.

The interest rate of the loan facility is 11% and the balance of the loan, plus interest, is to be repaid to JX in four instalments (in February 2022, August 2022, February 2023 and August 2023), prior to the loan's maturity on 17 August 2023.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,092)
8.2	(Payments for exploration & evaluation classified as investing activities) (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,092)
8.4	Cash and cash equivalents at quarter-end (Item 4.6)	1,426
8.5	Unused finance facilities available at quarter-end (Item 7.5) (The loan facility in Item 7.5 is restricted to fund settlements of the Company's liability with ANPM only - see note in Item 7.6 above)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,426
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	**1.31**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes.

The Company expects that it will continue to have the current level of net operating cash flows for the time being.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes.

On 12 January 2022, the Company received a further £1.10 million (A$2.03 million) after costs from the issue of its Tranche 3 Shares, being the final tranche of the Placement undertaken in December 2021. The net receipts from the issue of Tranche 3 Shares increases the ratio in Item 8.7 to 3.17 quarters.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes.

With the additional funds from the final settlement of the Placement, the Company expects to be able to meet its planned expenditures for at least the next two quarters.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2022

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.