

HIGHLIGHTS

DECEMBER
QUARTERLY
REPORT

2020

CAMBAY FIELD, ONSHORE GUJARAT, INDIA

- » The Company's plans to drill two vertical wells are well advanced. Amongst other conditions, these wells are pending finalisation of the settlement with Gujarat State Petroleum Corporation (GSPC) and securing the necessary funding.
- » The Company advises that the sale process being conducted by GSPC for its 55% interest in the Cambay PSC remains ongoing, however, subject to significant delay due to the Covid-19 impact in India.
- » Gas production from the Cambay Field is currently shut-in. The Company hopes to reinstate production in the near future.

WEST KAMPAR, INDONESIA

- » Progress continues to be made towards the Company's strategic objective to regain a participating interest in the West Kampar PSC in Indonesia, which is expected to lead, subject to financing, to recommencing production from the Pendalian Oilfield.

EAST IRISH SEA, UNITED KINGDOM CONTINENTAL SHELF

- » On 14 December 2020, the Company announced that it had completed the agreement with Burgate Exploration and Production Ltd ("Burgate"), to acquire a 100% participating interest in the Doyle-Peel licence (P2446) in the East Irish Sea (EIS), offshore the United Kingdom. The license carries only minimal study commitments and no firm drilling obligations.

COOPER-EROMANGA BASINS, AUSTRALIA

- » On 15 October 2020, the Company announced the completion of the sale of all its interests in the Cooper-Eromanga Basins to Armour Energy Limited.

BHANDUT FIELD, ONSHORE GUJARAT, INDIA

- » During the quarter, the sale of the Company's 40% participating interest (PI) in Bhandut PSC (Bhandut) was ongoing despite delays due to COVID-19 in India with completion expected in the near future.

JPDA

- » In August 2020, the Company, in its capacity as Operator, on behalf of the Joint Venture Participants in Joint Petroleum Development Area (JPDA) 06-103 Production Sharing Contract (PSC) in East Timor announced it had executed a Deed of Settlement and Release (Deed) with the Autoridade Nacional Do Petroleo E Minerai (ANPM) to terminate the ongoing arbitration proceedings arising from the termination of the PSC by the ANPM in 2015 and settle all claims and counterclaims between the parties.

CORPORATE

- » During the quarter, the Company announced that Mr Jonathan Salomon's term as the Managing Director of the Company and that Mr Mark Bolton's term as Executive Director and Company Secretary were both extended to 30 June 2021.
- » The Annual General Meeting of Shareholders was held on 16 December 2020 and all resolutions put to the AGM were decided by a poll with all resolutions passed.
- » On 17 December 2020, the Company advised that it had issued 42,500,000 ordinary shares at 0.20 pence (New Ordinary Shares), as part consideration, to Burgate following completion of the East Irish Sea Transaction P2446 as announced by the Company on 14 December 2020.
- » The Series C loan agreement was extended to 31 December 2020 and then further extended to 31 March 2021.
- » Cash resources as at 31 December 2020 were A\$0.10 million. Subsequent to the end of the

quarter, the Company disposed of 5 million shares held in Armour for net proceeds of A\$0.25 million. The Company intends to dispose of further Armours shares as required to meet any immediate working capital requirements.

The Company anticipates receiving cash proceeds of US\$0.29 million in regard to the sale of Bhandut shortly and further proceeds from cash calls from the Indian projects.

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OVERVIEW

The Company's primary objective is to maximise shareholder value from its principal asset in the Cambay Basin, located onshore Gujarat State in India, whilst also continuing to review other opportunities to create value and diversify risk by adding new assets to the Company's project portfolio which have to date focussed on the Cooper-Eromanga Basins in Australia (now sold to Armour Energy Limited) and the United Kingdom Continental Shelf (UKCS).

To that extent, Oilex continues to evaluate and implement a range of technical programme options to progress its main objective of accessing the significant gas resource potential present in siltstones in the EP-IV reservoir at the Company's Cambay PSC. North American unconventional drilling, completion, and stimulation technologies have been applied by the Cambay JV over the last six years with positive but commercially modest results and work is underway to optimise results for future work programmes. The current work programmes are focused on:

- Implementing the settlement agreement reached with Gujarat State Petroleum Corporation (GSPC) to resolve the dispute over the Cambay PSC, and further develop the asset with a new partner;
- Preparing detailed work programmes, including new wells for implementation under the approved Field Development Plan (FDP);
- Arranging the necessary funding to implement the planned work programme; and
- Evaluating the Company's new ventures in the UKCS and Asia.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

No lost time incidents were recorded during the quarter. There were no environmental issues recorded.

CAMBAY FIELD, GUJARAT, INDIA

(Oilex: Operator and 45% interest)

Oilex holds a 45% Participating Interest (PI) in the Cambay Field, with GSPC holding the remaining 55% PI.

The Company's plans at Cambay are well advanced and include the drilling of up to two vertical wells, subject to, *inter alia*, securing the necessary funding.

The priority will be to implement the drilling and stimulation recommendations from the Baker Hughes-GE study in the EP-IV zone. Any early production will utilise the existing processing and storage facilities, which will be upgraded as required to provide a low-cost path to commercialisation. Assuming success, a more extensive drilling programme will follow, with the aim of aggregating sufficient production volumes to connect to the high-pressure pipelines which would offer greater offtake stability and improved gas prices.

The re-commencement of field operations is, amongst other matters, dependent on finalisation of the settlement agreed with GSPC and necessary financing. Furthermore, upon the removal of the applicable Covid-19 restrictions in India, the Company will review the planned work programme and update the market at that time.

GSPC Divestment Process for Cambay PSC

On 9 September 2019, the Company announced that it had reached a settlement with GSPC which, upon completion, will resolve the ongoing Cambay PSC dispute. Pursuant to the settlement, Oilex and GSPC have agreed that GSPC's 55% PI in Cambay PSC would be subject to a sale process.

During the quarter, the Company advised that the sale process being conducted by GSPC for its 55% interest in the Cambay PSC continues. The Company highlights that the sale process of GSPC's PI is internal and confidential to GSPC. The sale has been and continues to be, subject to significant delays reflecting the impact of Covid-19 on all parties, and India generally. Regular dialogue continues with both GSPC and the requisite representatives of the Government of India (GoI) to bring these efforts to a positive conclusion.

The Company also notes that the settlement agreement with GSPC has not waived the unpaid cash calls and, accordingly, the Company maintains its rights under the JOA.

Environmental Clearance

The Company is presently in the final stages of obtaining a new environmental clearance from the Ministry of Environment and Forest and Cabinet Committee to supersede the previous clearances already obtained under the previous regulatory requirements. The clearances are necessary to recommence production at Cambay and in support of the planned drilling programme at Cambay. Presently, an Environmental Impact Assessment has been prepared by the Company's independent consultants and is pending submission to the applicable authorities and following public hearings. The public hearings are delayed due to the continued effect of Covid-19.

Following receipt of the necessary environmental clearances, production from well C-73 and C-77H are on standby for re-commencement.

Joint Venture Management

During the quarter, Oilex did not receive any payments towards outstanding cash calls from its Joint Venture partner. Total outstanding cash calls from GSPC - Est. USD\$5.5 million (inclusive of the Est. USD\$3.054 million pursuant to the Event of Default (EoD) issued in 2018).

BHANDUT FIELD, GUJARAT, INDIA

(Oilex: Operator and 40% interest)

Oilex holds a 40% PI in the Bhandut Field, with GSPC holding the remaining PI. Previous drilling in the Bhandut Field intersected a number of hydrocarbon zones, some of which produced historically and are now shut-in.

The field is currently on care and maintenance and has existing production facilities. The 2020-21 WP&B has been submitted to the Director General of Hydrocarbons for approval.

On 28 January 2020, Oilex announced that it had accepted an offer from Kiri and Company Logistics Private Limited (Kiri) to acquire the Company's PI in Bhandut. Pursuant to the agreement entered with Kiri, the Company will receive US\$0.29 million in cash proceeds for the sale of its PI and transfer of operatorship rights to Kiri. Furthermore, Kiri has expressed an interest in engaging the services of Oilex's office to review field production, stabilize operations, and initiate field re-development of the Bhandut PSC in accordance with the FDP. Bhandut is presently shut-in and has been fully provided for in the Oilex financial statements.

The sale of the Bhandut PSC is nearing completion with only transfer by the GoI now required. The Company continues to assist Kiri in finalising the transaction and with its future activities in the PSC under a contract arrangement.

COOPER-EROMANGA BASINS

Divestment of Cooper Eromanga Basin Assets

On 15 October 2020, Oilex announced the completion of the sale of all of its interests in the Cooper-Eromanga Basins to Armour Energy Limited (Armour) (ASX:AJQ). Pursuant to the Share Purchase Agreement (SPA), Armour has now acquired 100% of the issued capital of CoEra Limited (CoEra), a wholly-owned Company subsidiary which holds all of Oilex's interests in the Cooper-Eromanga Basins.

As consideration for the acquisition of Oilex's interests in Cooper-Eromanga Basins, Armour issued 22.05 million Armour shares to Oilex. Armour has also reimbursed Oilex in cash for past costs of A\$125,000.

UNITED KINGDOM CONTINENTAL SHELF

East Irish Sea

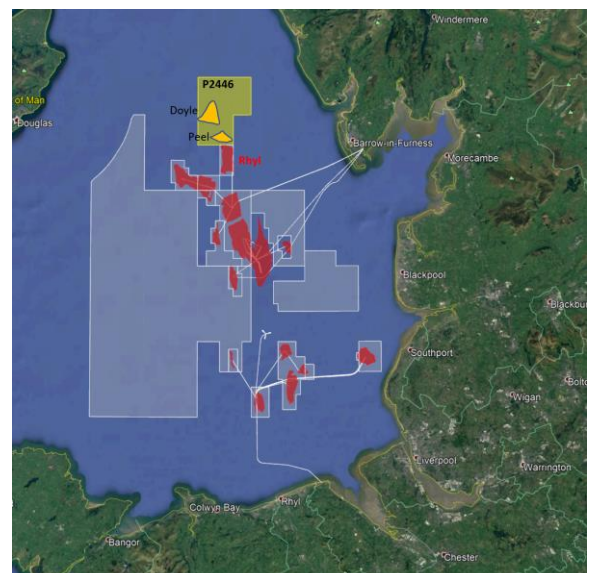
Completion of East Irish Sea Transaction P2446

On 14 December 2020, the Company announced that it had completed the agreement with Burgate Exploration and Production Ltd (Burgate), to acquire a 100% participating interest in the Doyle-Peel licence (P2446) in the East Irish Sea (EIS), offshore the United Kingdom.

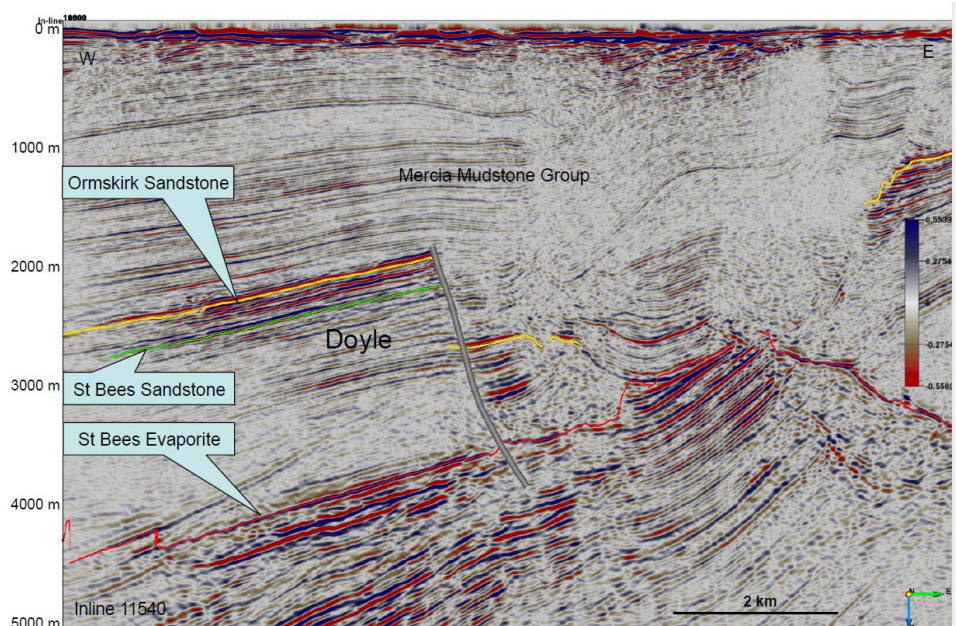
The EIS licences provide an attractive entry into a proven gas fairway in the centre of the East Irish Sea Basin. The licence is in shallow water near existing infrastructure reducing the complexity, risk and cost of development. The EIS is a prolific basin which has produced around 8 TCF of gas to date with considerable existing gas production, gathering, processing and transportation infrastructure. The depth to the target reservoirs is less than 2,000 metres thus meaning modest drilling costs.

Project Overview

The license lies on the west dipping graben edge of the Tynwald Fault Zone on the structural trend with the Rhyl and North Morecambe producing gas fields. Historical production from the primary Triassic Ormskirk reservoirs on this trend show excellent deliverability characteristics with a very effective seal in the overlying evaporites and mudstones of the Mercia Mudstone group which attains a thickness in excess of 1,000m across the basin. Gas charge comes from the Carboniferous Coal Measures which underlie much of the basin. A secondary reservoir-seal pair is provided by the Permian Collyhurst sandstone and overlying evaporites.



The Doyle and Peel prospects are tilted fault blocks closed on the up dip east side by the north-south trending boundary fault of the Tynwald Fault Zone, which juxtaposes the reservoir against the Mercia Mudstone salts and shales forming a very effective cross fault seal. There is a clearly defined east-west fault bounding the southern extent enhanced by igneous dykes providing the seal mechanism. The prospects both display seismic amplitude responses with similarities to the surrounding fields.



Blocks 113/22a (Doyle) and 113/27e (Doyle and Peel) have been merged into a single licence being P2446 (“P2446 Licence”). Block 113/22a was awarded in the UK Offshore 31st licensing round whereas block 113/27e was awarded in the 30th round.

The remaining committed work programme, which is estimated to cost approximately £25,000, and which Oilex will need to secure funding for, is required to be undertaken by October 2021 and includes reprocessing of 50 sq kms 3D seismic data, and obtaining 2,500 kms Aeromagnetic data. Following this, the Licence has a three-year drill or drop election.

Transaction Overview

The transaction to acquire a 100% participating interest in the licence has a remaining consideration of:

- a) payment of a total of £60,000 in four equal quarterly instalments. The first of these was made in January 2021;
- b) an overriding royalty to be paid to Burgate on the following basis:
 - i. 0.5% of actual gross revenue from commercial production up to the point when gross capital expenditures related to the development of the licence have been fully recovered from net cash flows (“Payback”); and
 - ii. following Payback, the royalty to be paid shall be 2.25% of actual gross revenues.

JPDA 06-103, TIMOR SEA

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

In October 2018, the Company announced the Autoridade Nacional Do Petroleo E Minerais (ANPM) had commenced arbitration proceedings against Oilex and its joint venture partners, in regard to the JPDA PSC where Oilex and its joint venture partners in the PSC were subject to a penalty claim of US\$17 million (plus interest). Oilex is the Operator of the PSC on behalf of the joint venture.

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In August 2020, on behalf of the Joint Venture Participants, the Company was pleased to announce it had executed a Deed of Settlement and Release (Deed) with the Autoridade Nacional Do Petroleo E Minerais (ANPM) to terminate the ongoing arbitration proceedings arising from the termination of the PSC by the ANPM in 2015 and settle all claims and counterclaims between the parties. The execution of the Deed sees an amicable conclusion to the arbitration proceedings.

Under the terms of the Deed, Oilex has committed to a settlement of US\$800,000 payable in the 2021 and 2022 financial years. The settlement was fully provided in the Company's annual financial statements to 30 June 2019. In addition, the Company has entered into an unsecured loan facility agreement with two of its joint venture partners which further provides the Company with the option, at its sole discretion, to extend the settlement payments.

WEST KAMPAR PSC, CENTRAL SUMATRA, INDONESIA

During the quarter, the Company announced substantial progress has been made towards the Company's strategic objective to regain a participating interest in the West Kampar PSC in Indonesia, which is expected to lead, subject to financing, to recommencing production from the Pandalian Oilfield.

The Government of Indonesia (GoI) has advised that our Proposed Direct Bid, through the Joint Study of the West Kampar Region, is declared administratively complete and has recorded it as a proposal for a Direct Offer through a Joint Study as stipulated in ESDM Regulation No. 35 of 2008.

This confirmation from the GoI, which is exclusive to Oilex, provides a pathway to progress the proposed development of West Kampar and provides certain preferential rights in the award of the West Kampar PSC by the GoI. Oilex's interest in the study and ultimate potential award of the PSC will be on a 50-50 joint basis with its local Indonesian partner, PT Ephindo.

Technical work carried out by Oilex and its advisors estimate that the field can be quickly brought back online at 350 to 400 bopd and that significant additional production potential may be possible from infill drilling and also water injection support. The return to production will require careful execution in the field given that it has been shut in since 2016. The oil occurs in five good quality, stacked reservoirs with some stratigraphic complexity, and the application of 3D seismic data which has been acquired but not interpreted should provide a significant improvement in the understanding of the reservoir distribution and future development planning. Access to the data is to be negotiated with the seismic company that acquired it. The oil is of good quality with no or little gas. It is believed that previous production costs can be reduced. A number of exploration opportunities are present both close to the Pandalian field and in the more distant parts of the block, these require further review evaluation.

CORPORATE Board of Directors

During the quarter, the Company announced that Mr Jonathan Salomon's term as the Managing Director of the Company was extended to 30 June 2021 and that Mr Mark Bolton's term as Executive Director and Company Secretary was also extended to 30 June 2021.

Loan Restructure

On 31 July 2020, the Company advised that it had entered into an amendment agreement to vary the terms of its Series C loan funding facility of GBP £125,000 entered into on 4 February 2020. Pursuant to the amendment agreement, the loan repayment date was extended from 31 October 2020 to 31 December 2020.

All other terms related to the extension of the repayment date remained unchanged and no further options were issued in respect to the further extension.

The Company then further announced on 24 December 2020, that the loan repayment date was further extended from 31 December 2020 to 31 March 2021. All other terms related to the extension of the repayment date remain unchanged and no further options have been issued in respect to the further extension.

Issue of Securities

On 17 December, the Company advised that it has issued 42,500,000 ordinary shares at 0.20 pence (New Ordinary Shares), as part consideration, to Burgate Exploration and Production Ltd (“Burgate”) following completion of the East Irish Sea Transaction P2446 as announced by the Company on 14 December 2020. The issue of these securities was first announced on 19 May 2020 and approved by shareholders at the AGM on 16 December 2020.

As announced on 31 July 2020, the Company issued, subject to shareholder approval, 113,636,364 unlisted options exercisable at GBP0.0011 on or before 29 January 2021 to Republic Investment Management Pte Ltd. The issue of these options was also approved by shareholders at the AGM on 16 December 2020.

Annual General Meeting

The Annual General Meeting of Shareholders was held on 16 December 2020 and all resolutions put to the AGM were decided by a poll with all resolutions passed.

Cash Balance

At the end of the quarter, Oilex retained cash resources of \$0.10 million.

Subsequent to the end of the quarter, the Company disposed of 5 million shares held in Armour for net proceeds of A\$0.25 million. The Company intends to dispose of further Armour shares as required to meet any immediate working capital requirements.

The Company anticipates receiving cash proceeds of US\$0.29 million in regard to the sale of Bhandut shortly and further proceeds from cash calls from the Indian projects.

Capital Structure

The shares and options on issue as at 31 December 2020 were as follows:

Ordinary Shares	4,162,629,999
Unlisted Options (Exercise Price, Expiry):	
£0.0019, 20/10/2021	14,802,631
£0.0011, 30/06/2021	204,545,455
£0.0008, 12/08/2022	15,000,000
£0.0011, 29/01/2021	113,636,364
	<u>347,984,450</u>

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, Managing Director 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.

Board of Directors

Paul Haywood
Joe Salomon

Non-Executive Director
Interim Executive Chairman & Managing
Director

Peter Schwarz
Mark Bolton

Non-Executive Director
Executive Director

Company Secretary

Mark Bolton

Company Secretary

Stock Exchange Listing

Australian Securities Exchange
AIM London Stock Exchange

Code: OEX
Code: OEX

AIM Nominated Adviser

Strand Hanson Limited

AIM Broker

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**

PERMIT SCHEDULE – 31 DECEMBER 2020

ASSET	LOCATION	ENTITY	EQUITY %	OPERATOR
Cambay Field PSC ⁽¹⁾	Gujarat, India	Oilex Ltd	30.0	Oilex Ltd
		Oilex N.L. Holdings (India) Limited	15.0	
Bhandut Field PSC	Gujarat, India	Oilex N.L. Holdings (India) Limited	40.0	Oilex N.L. Holdings (India) Limited
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
P2446	United Kingdom (East Irish Sea)	Oilex EIS Limited	100%	Oilex EIS Limited

⁽¹⁾ During the September 2019 quarter, the Company reached a settlement with GSPC which, upon completion, will resolve the ongoing Cambay Production Sharing Contract (PSC) dispute. Pursuant to the settlement, GSPC has commenced a sale process of its interest in Cambay. The Company has declined its right of first refusal in regard to sale of GSPC's participating interest. Submission of bids for GSPC's PI closed on 23 December 2019.

⁽²⁾ PSC terminated 15 July 2015.

LIST OF ABBREVIATIONS AND DEFINITIONS

Barrel/bbl	Standard unit of measurement for all oil and condensate production. One barrel is equal to 159 litres or 35 imperial gallons.
BOEPD	Barrels of oil equivalent per day
BOPD	Barrels of oil per day
MMBO	Million standard barrels of oil or condensate
SCFD	Standard cubic feet (of gas) per day
MSCFD	Thousand standard cubic feet (of gas) per day
MMSCFD	Million standard cubic feet (of gas) per day
BBO	Billion standard barrels of oil or condensate
BCF	Billion Cubic Feet of gas at standard temperature and pressure conditions
TCF	Trillion Cubic Feet of gas at standard temperature and pressure conditions
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
Undiscovered in place volume	Is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered
PSC	Production Sharing Contract
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
Contingent Resources	<p>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.</p> <p>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.</p>
Reserves	<p>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.</p> <p>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.</p> <p>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.</p> <p>Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves.</p> <p>Reserves are designated as 1P (Proved), 2P (Proved plus Probable) and 3P (Proved plus Probable plus Possible).</p> <p>Probabilistic methods</p> <p>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.</p>

Appendix 5B

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

Name of entity

OILEX LTD

ABN

50 078 652 632

Quarter ended ("current quarter")

31 DECEMBER 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. (a) Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(89)	(183)
(b) development	-	-
(c) production	(25)	(81)
(d) staff costs	(113)	(232)
(e) administration and corporate costs	(197)	(407)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(25)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	52	119
1.8 Other (provide details if material) – recovery of prior period operating costs	-	523
1.9 Net cash from / (used in) operating activities	(372)	(286)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(7)	(7)
(d) exploration & evaluation (if capitalised)	-	-
(e) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(7)	(7)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	546
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	-	(38)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(250)
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	-	258

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	510	160
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(372)	(286)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7)	(7)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	258
4.5	Effect of movement in exchange rates on cash held	(28)	(22)
4.6	Cash and cash equivalents at end of period	103	103

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	103	510
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)	103	510

6. Payments to related parties of the entity and their associates

6.1	Aggregate amount of payments to related parties and their associates included in item 1	43
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter
\$A'000**

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

Director's fees, consulting fees and superannuation.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	619	548
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	619	548

7.5 Unused financing facilities available at quarter end	71
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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.

Loan facility details:

- Series C facility GBP£125,000: Lender- Republic Investment Management Pte Ltd, fully drawn 15 April, interest rate 5%, unsecured, repayment date extended to 31 March 2021.
- Series D facility GBP£225,000: Lender- Lombard Bank Malta plc, amount drawn at quarter end GBP£185,000, interest rate 5%, unsecured, repayment date 31 March 2021.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(372)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(372)
8.4 Cash and cash equivalents at quarter-end (Item 4.6)	103
8.5 Unused finance facilities available at quarter-end (Item 7.5)	71
8.6 Total available funding (Item 8.4 + Item 8.5)	174
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.47

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

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: Following the onset of Covid-19, the Company has substantially restructured its operating overheads. These cost-saving measures are anticipated to remain in place for a minimum of the next two quarters.

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: The company anticipates receiving cash proceeds of US\$0.29 million in regard to the sale of Bhandut shortly and further proceeds from cash calls. Further equity capital raisings will be considered in the March 2021 or June 2021 quarter, if required.

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. The Company has limited operating expenditure planned for the next two quarters as summarised below:

India - The Company is in the final stages of implementing its Cambay settlement agreement with GSPC with field activities suspended pending completion of this settlement.

UKCS - The Company's expenditure on the P2446 licence is minimal.

Cooper - The Company has completed the disposal of its interests in the Cooper Basin assets on 15 October 2020.

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: 30 January 2021

Authorised by: Mark Bolton – Executive Director
(Name of body or officer authorising release – see note 4)

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.

Rule 5.5

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