

ASX Announcement

13 May 2015

ASX: OEX
AIM: OEX**JPDA 06-103 Joint Venture**

Oilex Ltd, in its capacity as Operator, on behalf of the Joint Venture Participants in the Joint Petroleum Development Area ("JPDA") 06-103 Production Sharing Contract ("PSC"), submitted a request to the Autoridade Nacional do Petroleo ("ANP") to terminate the PSC by mutual agreement in accordance with its terms and without penalty or claim on 12 July 2013 ("Request to Terminate").

The Request to Terminate followed Joint Venture concerns over the security of PSC tenure as a result of developments within the JPDA, including JPDA (06-103), which are outside the control and influence of the Joint Venture Participants, including:

- (a) existence of separate unilateral rights to terminate the Certain Maritime Arrangements in the Timor Sea ("CMATS") arising in 2013 in favour of both the Government of Timor Leste and the Government of Australia; and
- (b) formal arbitration proceedings being initiated by the Timor Leste Government against the Government of Australia to have CMATS declared void *ab initio*.

On 15 January, 2014 the ANP suspended the PSC for 3 months to provide sufficient time for a response to the Request to Terminate be determined. The ANP has subsequently granted successive 3 month extensions to the PSC.

The PSC is currently suspended until 15 July 2015 but remains in good standing.

The ANP has responded to the Joint Venture in a letter dated 11 May 2015 and advised the Request to Terminate has been rejected. The ANP have further indicated their intention to serve notice to terminate under the terms of the PSC. A notice to terminate has not been received.

The Joint Venture will consider the ANP's response to ascertain the most appropriate way forward.

The Joint Venture Participants in JPDA 06-103 are:

Oilex (JPDA 06-103) Ltd (Operator)	10.0%
Japan Energy E&P JPDA Pty Ltd	15.0%
GSPC (JPDA) Limited	20.0%
Videocon JPDA 06-103 Limited	20.0%
Bharat PetroResources JPDA Ltd	20.0%
Pan Pacific Petroleum (JPDA 06-103) Pty Ltd	15.0%

For and on behalf of Oilex Ltd



Chris Bath
Chief Financial Officer

ABN 50 078 652 632

Level 1, 660 Newcastle Street, Leederville WA 6007 Australia; PO Box 38 Leederville WA 6902 Australia

Telephone: (+61 8) 9485 3200 Facsimile: (+61 8) 9485 3290

Email: oilex@oilex.com.au Web: www.oilex.com.au

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

PAC Partners Pty Ltd	Westhouse Securities Limited	Strand Hanson Limited	Vigo Communications
Australian Broker Andrew Shearer Email: ashearer@pacpartners.com.au Tel: +61 3 8633 9862 Australia	AIM Broker Robert Finlay / Alastair Stratton Email: alastair.stratton@westhousecurities.com Tel: +44 20 7601 6100 UK	Nominated Adviser Rory Murphy / Ritchie Balmer Email: oilex@strandhanson.co.uk Tel: +44 20 7409 3494 UK	Public Relations UK Patrick d'Ancona / Chris McMahon Email: patrick.dancona@vigocomms.com chris.mcmahon@vigocomms.com Tel: +44 20 7016 9570 UK

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