

ASX Announcement

11 November 2015 WST

ASX: OEX
AIM: OEX

Funding - Zeta Deferred Settlement

Oilex Ltd (**Oilex** or the **Company**) provides an update on the deferred element of the previously announced capital raising (announcement dated 3 August 2015), being the issue of shares and convertible notes to Zeta Resources Limited (**Zeta**). Zeta currently has a 10.3% holding in the share capital of Oilex.

Pursuant to arrangements agreed with Zeta, Zeta was to subscribe for:

- A\$4,243,500 of 20 year, zero coupon unsecured convertible loan notes, convertible into Oilex shares at Zeta's option at any time (subject to compliance with Australian law), at a conversion price of A\$0.0418 per share, by no later than 11 November 2015 (the **Convertible Notes**); and
- 124,019,608 new ordinary shares at a price of A\$0.0418 per share, to enable the issue of those shares to be settled by no later than 12 November 2015 (the **Deferred Shares**).

As at the date of this announcement, Zeta has failed to settle the subscription for the Convertible Notes. Oilex will be considering, together with its external legal counsel, the remedies available to it arising out of Zeta's failure to settle the Convertible Notes.

Zeta has alleged that the Company has failed to disclose material information to it prior to its initial investment and has contravened statutory provisions relating to misleading or deceptive conduct and continuous disclosure and rights issue disclosure requirements. Whilst Zeta has at this stage only provided limited information to the Company regarding the basis of these allegations, Oilex considers them to be without merit and they will be vigorously defended.

The Board of Oilex is considering the full implications and options to progress the development of the Cambay Field, as a consequence of Zeta failing to settle the subscription of the Convertible Notes.

For and on behalf of Oilex Ltd



Ron Miller
Managing Director

For further information, please contact:

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