

## ASX Announcement

5 November 2018

ASX: OEX  
AIM: OEX

### High Court Decision on Cambay Stay Order

Oilex Ltd (Oilex or the Company) advises that the High Court of Gujarat, India (the Court) has now decided on all applications pending regarding the *ex-parte* interim stay order (IAAP No. 130 of 2018) obtained by Gujarat State Petroleum Corporation (GSPC) as announced by the Company on 13 August 2018 (the Order).

The Court has issued and passed judgement further delaying the implementation of the Event of Default Notice (EoD Notice) dated 29 May 2018 and Notice of Withdrawal of Participating Interest dated 29 July 2018, subject to the fulfilment of all of the following conditions:

- a) GSPC is directed to deposit a sum of Rs.8.25 crores rupees (US\$1.1 million approx) before the Court in the name Registrar of the High Court on or before by 15 November 2015#;
- b) GSPC is directed to submit a bank guarantee for Rs.21.75 crores rupees (US\$3.0 million approx) in the name of Registrar of High Court of Gujarat latest by 15 November 2015#; and
- c) GSPC shall commence arbitration proceedings on or before 1 December 2018.

# We are advised by our Indian legal counsel that the applicable date should read 2018

Should GSPC meet the abovementioned conditions, the Court has directed that these conditions remain valid for the duration of the arbitration and that the Cambay Joint Operating Agreement (JOA) will continue to operate during this same period. Accordingly, in addition to submitting in aggregate, 30 crores rupees to the Court, GSPC will also be required to pay its current and ongoing 55% share of the Cambay Joint Venture expenditure while seeking to have the EoD Notice rescinded through the arbitration proceedings.

In the event GSPC does not adhere to all of the abovementioned conditions, the stay order will no longer prevent the Company from seeking to implement all of its rights under the JOA.

Further to the above observations, the Company is currently considering the order of the Court and will advise of any further actions that it may choose to take, if any.

#### Background

By way of background, on 30 July 2018 Oilex announced that it had formally requested the Government of India (GoI) to transfer GSPC's participating interest (PI) in the Cambay PSC to the Company. The request was made strictly in accordance with the Joint Operating Agreement and follows GSPC's failure to remedy the EoD Notice within the required 60-day period. The EoD Notice was a result of GSPC's ongoing failure to pay its PI share of Cambay PSC expenses.

GSPC subsequently served an Order from the Court directing the Company not to take any coercive steps against GSPC. The GSPC Order was awarded on an interim basis to delay the Company transferring GSPC's PI in the Cambay PSC.

 +61 (8) 9485 3200

 oilex@oilex.com.au

ABN 50 078 652 632

For personal use only

Managing Director, Joe Salomon, said: "We are pleased that the Court has reached a decision representing a step forward. Importantly, the Judge has recognised that Cambay is in the national interest, and Oilex is committed to meeting its undertakings to the Gol and contributing to India's energy security. The Company will shortly engage with the Gol to seek the approval of revised work programmes with the aim of progressing with an active drill programme.

Notwithstanding recent events, the Company will continue to seek an amicable solution in good faith for all parties provided that any path forward meets our obligations to the Gol to develop Cambay."

**For and on behalf of Oilex Ltd**



**Joe Salomon  
Managing Director**

For further information, please contact:

**Investor Enquiries**

**Oilex Ltd**

Joe Salomon  
**Managing Director**  
Email:  
oilex@oilex.com.au  
Tel: +61 8 9485 3200  
Australia

**AIM Broker**

**Cornhill Capital Limited**  
Broker

Daniel Gee  
Email:  
danielg@cornhillcapital.com  
Tel: +44 20 3700 2500  
UK

**AIM Nominated Adviser**

**Strand Hanson Limited**

Nominated Adviser  
Rory Murphy/Ritchie Balmer  
Email:  
oilex@strandhanson.co.uk  
Tel: +44 20 7409 3494  
UK

**Media Enquires (UK)**

**Vigo Communications**

Public Relations  
Patrick d'Ancona/Chris McMahon  
Email:  
patrick.dancona@vigocomms.com  
chris.mcmahon@vigocomms.com  
Tel: +44 20 7390 0230  
UK

**Media Enquiries (Aus)**

**Citadel-MAGNUS**

Michael Weir  
Email:  
[mweir@citadelmagnus.com](mailto:mweir@citadelmagnus.com)  
Tel: +618 6160 4900  
Australia