

ASX Announcement

18 December 2018

ASX: OEX
AIM: OEX

Equity Capital Raising of £0.65 Million

Oilex Ltd (Oilex or the Company) is pleased to announce that it has arranged an equity capital raising to secure funding of £0.65 million (A\$1.14 million) to meet the Company's working capital requirements.

The equity capital raising is by way of a placing of 180,555,555 shares at 0.36 pence (A\$0.6314) per share has been undertaken jointly by Novum Securities Limited (Novum) and SP Angel Corporate Finance LLP (SP Angel) (the Placing). The placing price represents a 18% discount and 2% premium to the 5 day and 20 day VWAP respectively as traded on AIM.

Funds raised from the Placing are intended to be applied towards the working capital requirements of the Company. Completion of the Placing is conditional, inter alia, upon admission of the shares the subject of the Placing to trading on AIM. The shares the subject of the Placing will rank pari passu in all respects with the existing shares. Application will be made in due course to the London Stock Exchange for the shares the subject of the Placing to be admitted to trading on AIM and the Company will make an announcement at that time. The issue of ordinary shares will be made under the Company's Listing Rule 7.1 capacity.

Pursuant to advisory agreements with Novum and SP Angel, the Company will issue 6,666,666 unlisted options exercisable at 0.36 pence on or before two years following the completion with the capital raising (Broker Options).

Following admission, the Company's share capital and total voting rights will comprise 2,576,987,998 shares. The Company does not hold any shares in treasury. Consequently, 2,576,987,998 is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Republic Investment Management PTE Ltd ("Republic") has participated in £50,000 of the Placing. As a result of Republic's interest in the Company (when taking account of its options in the Company) it is categorised as a Substantial Shareholder of the Company pursuant to the AIM Rules for Companies (AIM Rules). Accordingly, the participation of Republic in the Placing is classified as related party transaction pursuant to the AIM Rules.

The Directors of the Company, having consulted with Strand Hanson Limited, the Company's Nominated Adviser, consider that the terms of the Placing with Republic are fair and reasonable insofar as the Company's shareholders are concerned.

Managing Director, Joe Salomon, said "As announced at the recent AGM, the discussions with GSPC regarding the event of default are well underway. While the Company presently anticipates that the discussions will conclude in early 2019, the additional working capital will help strengthen the Company's balance sheet and give us the flexibility to support several potential outcomes.

The Company appreciates the strong investor support with management seeking to find a balance between ongoing market support, issue price and dilution, set against a volatile share price environment in recent weeks."

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For and on behalf of Oilex Ltd



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