

HIGHLIGHTS

SEPTEMBER
QUARTERLY
REPORT

2021

CAMBAY FIELD, ONSHORE GUJARAT, INDIA

- » The Company is focussing on re-establishing a field program including a re-frac of the existing C-77H well to increase production and to develop a reliable fracking methodology that can be applied to future wells. In this respect the Company is planning two new horizontal wells (C-78H and C-79H), subject to securing the necessary funding, for H2 2022 and has issued a Request for Quotation for well management services for the execution. Funding requirements may be mitigated by a successful farm out on the Cambay PSC.
- » Government of India approval for the transfer of the 55% interest in Cambay which the Company purchased from GSPC is expected in the coming months, following which Oilex will hold a 100% participating interest in Cambay.

**EAST IRISH SEA, UNITED KINGDOM
CONTINENTAL SHELF**

- » During the Quarter, the Company relinquished its UK P2446 exploration licence, which incorporated the Doyle and Peel structures in the UK East Irish Sea.

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, subject to financing, is expected to lead to recommencing production from the Pandalian Oilfield.

UNITED KINGDOM CONTINENTAL SHELF CCS

- » The Company has made an application via the OGA's nomination process for Carbon Capture and Storage ("CCS") on two UKCS depleted gas fields, Esmond and Forbes

CORPORATE

- » Cash resources at 30 September 2021 were A\$0.78 million.
- » In accordance with ASX Listing Rule 3.13.1, the Company advised that the Annual General Meeting ("AGM") of the Company will be held on Friday, 26 November 2021. A Notice of Meeting for the AGM is being prepared by the Company and will be announced to ASX and provided to Shareholders by the end of October 2021.
- » During the Quarter the Company advised that it is establishing an opt-out unmarketable parcel sale facility ("Facility") for shareholders on the ASX register who hold less than A\$500 worth of fully paid ordinary shares in the Company ("Unmarketable Parcel"). The ASX Listing Rules define an Unmarketable Parcel as those with a market value of less than A\$500. The Facility will only be available to shareholders who hold their shares on ASX, and not AIM Depository Interest holders.
- » The Report is for the period 1 July 2021 to 30 September 2021 ("Quarter")

CHIEF EXECUTIVE OFFICER'S REPORT TO SHAREHOLDERS FOR THE QUARTER

OVERVIEW

Following a strategy review, Oilex Ltd ("**Oilex**" or the "**Company**") is currently focused on developing its current primary asset in the Cambay Basin, India, and applying to acquire mature gas producing assets and instigate carbon capture and storage ("**CCS**") projects in the UK. The focus of the Company will be centred on gas production and CCS with a view to becoming a carbon-neutral gas producer.

The Company elected to relinquish its P2446 exploration licence in the East Irish Sea, UK since this exploration licence did not fit with the Company's strategy, which will now be directed at acquiring existing mature gas filed production in conjunction with CCS projects.

The Company aims to restart gas production cycling between two existing production wells in its Cambay PSC in the near future. The agreement to purchase the Gujarat State Petroleum Company's 55% participating interest in the Cambay Production Sharing Contract has enabled it to accelerate field development of the Cambay field's c.930 BCF gas resources. Oilex plans to re-frac the existing C-77H well to demonstrate a reliable fracing methodology for two new wells planned for H2 2022, subject to securing the necessary funding. The Company will also seek to identify a new joint venture partner for the Cambay PSC in order to mitigate the funding requirement.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

All work was undertaken safely, without environmental incident and in accordance with COVID-19 related protocols during the Quarter.

CAMBAY FIELD, GUJARAT, INDIA

(Oilex: Operator and 100% interest pending Government of India ratification)

Oilex currently holds a 45% PI in the Cambay Field, which will increase to 100% PI once the Government of India ratifies the GSPC acquisition. The bank guarantee of US\$2.2 million (in favour of GSPC) to secure the acquisition was arranged during the Quarter, decreasing the Company's cash balance.

The Cambay field development is centred on the successful exploitation of the gas resources held in the Eocene EP-IV reservoir which extends across the field and has been penetrated by over 30 wells. The EP-IV reservoir comprises low permeability ("tight") siltstones and requires frac stimulation to provide economic gas production rates.

Whereas two horizontal wells (C-76H in 2011 and C-77H in 2014) were successfully and efficiently drilled to total depth in the EP-IV reservoir, the fracing and completion of the wells were disappointing. In advance of drilling two new horizontal wells, the Company has decided to re-frac the existing C-77H well to not only increase production but to also develop a reliable fracing methodology that can be applied to future wells. C-77H had initial production levels of up to 1.0 mmscf. The Company believes that a successful re-frac stimulation will increase production levels by 3 to 5 times.

The development of well programs for two new horizontal wells (C-78H and C-79H) is at an advanced stage and the Company has issued a Request for Quotation for well management services for the execution of the two new wells which is planned, subject to securing the necessary funding, for H2 2022. Funding requirements may be mitigated by a successful farm out on the Cambay PSC.

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 and carry out future development activities at Cambay. Following receipt of the necessary environmental clearances, production from wells C-73 and C-77H are on standby for re-commencement.

An Environmental Impact Assessment has been prepared by the Company's independent consultants and has been submitted to the applicable authorities. Public hearings are scheduled for the end of October 2021. The environmental permit will be required for the drilling of C-78H and C-79H.

Joint Venture Management

During the Quarter, Oilex received a payment of US\$543k towards outstanding cash calls from its Joint Venture partner.

UNITED KINGDOM CONTINENTAL SHELF

East Irish Sea Licence P2446 (UK jurisdiction)

During the Quarter, following an unsuccessful request to the UK Oil and Gas Authority to extend the initial term of the P2446 exploration licence, the Company relinquished its UK P2446 exploration licence. The extension was requested due to COVID-19 related delays in completing the initial phase work programme. The remaining technical uncertainties and the Company's new strategy to focus on mature gas field acquisitions and CCS opportunities were the main drivers behind the Company's decision.

Acquisition of Mature Gas Field Assets

During the Quarter, the Company commenced its search for mature gas assets that may be suitable for CCS projects in the future.

Carbon Capture and Storage

The Company believes that natural gas will form a vital component of the energy mix for the foreseeable future, however, it also recognises the adverse impact of ongoing CO₂ emissions. The Company has significant gas storage credentials and is seeking to exploit that expertise to implement CCS projects, initially in the UK, where there is a mature carbon allowance structure.

To this end, the Company has made an application for a CO₂ storage licence on the Esmond and Forbes depleted gas fields in the southern sector of the North Sea via the OGA nomination process. The Esmond field alone has the potential to store greater than 50 million metric tons of CO₂.

JPDA 06-103, TIMOR SEA

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

In August 2020, on behalf of its Joint Venture Participants, Oilex announced a Deed of Settlement and Release ("Deed") with the Autoridade Nacional Do Petroleo E Minerais ("ANPM").

Under the terms of the Deed, Oilex committed to a settlement of US\$800k payable up to the financial year 2024. A total of US\$50k has been drawn down to date on the US\$800k loan facility provided by two of the joint venture partners to fund the settlement, leaving an undrawn balance of US\$750k on the loan facility. US\$212k has also been credited to the loan facility to date, resulting in a credit on the loan facility of US\$162k at quarter end. The balance of US\$588k on the loan facility is due for settlement prior to August 2023 (for further details of the loan refer to the "FINANCIAL" section below).

WEST KAMPAR PSC, CENTRAL SUMATRA, INDONESIA

During the Quarter, the Company continued with its 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.

CORPORATE AND FINANCIAL

2021 Annual Report to Shareholders

During the Quarter the Company released its 2021 Annual Report to Shareholders, Corporate Governance Statement and Appendix 4G. The Annual Report can be accessed via the Company website <https://www.oilex.com.au/investors/financial-reports>.

2021 Annual General Meeting of Shareholders

In accordance with ASX Listing Rule 3.13.1, the Company advised that the Annual General Meeting (“AGM”) of the Company will be held on Friday, 26 November 2021. A Notice of Meeting for the AGM is being prepared by the Company and will be announced to ASX and provided to Shareholders shortly.

Board Changes

On 25 August 2021, the Company announced the appointment of Suzie Foreman as Company Secretary of the Company. Mark Bolton stepped down as Company Secretary and continues as a Non-Executive Director of Oilex.

Unmarketable Parcel Sale Facility for ASX Shareholders

On 7 September 2021, Oilex advised that it is establishing an opt-out unmarketable parcel sale facility (“Facility”) for shareholders on the ASX register who hold less than A\$500 worth of fully paid ordinary shares in the Company (“Unmarketable Parcel”). ASX Listing Rules define an Unmarketable Parcel as those with a market value of less than A\$500. The Facility will only be available to shareholders who hold their shares on ASX, and not AIM Depository Interest holders.

As at market close on Friday 3 September 2021 (“Record Date”), the closing price of the Company’s shares on ASX was \$0.003 and on this basis, an Unmarketable Parcel is less than 166,667 shares.

In accordance with the Company’s Constitution and ASX Listing Rules, all shareholders holding an Unmarketable Parcel of shares as at the Record Date have been informed of the Facility and provided with a Share Retention Form should they decide to opt out of the Facility.

The Company values all of its shareholders, however, it incurs significant administrative costs maintaining such a large number of Unmarketable Parcels. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings.

A summary of key dates in relation to the Facility are as follows:

Unmarketable Parcels Record Date	7.00pm (AEST) Friday, 3 September 2021
Despatch of Letter to holders of Unmarketable Parcels	Friday, 10 September 2021
Closing Date for Receipts of Share Retention Form	5.00pm (AEST) Friday, 22 October 2021
Estimated Unmarketable Parcels payment date	As soon as practicable after Friday, 19 November 2021

Shareholders who have any questions about the Facility should contact the Oilex Ltd Information Line on 1300 131 678 (within Australia) or +61 1300 131 678 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday, or visit www.linkmarketservices.com.au.

Issue of Shares to Non-Executive Directors

During the Quarter the company issued 2,458,785 new ordinary shares as consideration in lieu of Non-Executive Director fees as follows:

	Shares Issued
Mr P Haywood	702,510
Mr P Schwarz	1,756,275
	2,458,785

These new ordinary shares were issued at a price of A\$0.004 per ordinary share.

The issue of shares to Non-Executive Directors in lieu of fees was approved by shareholders on 16 December 2020.

Payments Made to Related Parties and Their Associates

The attached Appendix 5B includes an amount of A\$300k in items 6.1 and 6.2 (total) which constitutes payments to directors and other related parties for salaries, director fees and superannuation.

FINANCIAL

At 30 September 2021, Oilex retained cash resources of A\$0.78 million.

The Company also has a loan facility which the Company previously entered with two of its JPDA 06-103 joint venture partners, Japan Energy E&P JPDA Pty Ltd and Pan Pacific Petroleum (JPDA 06 103) Pty Ltd, for US\$800k. The loan was in credit of US\$162k at 30 September 2021, and the balance of the facility available to be drawn was US\$750k at 30 September 2021, with no further amounts drawn during the Quarter.

The interest rate of the loan facility is 11% and the balance of any loan amounts are to be repaid prior to the loan's maturity on 17 August 2023.

Capital Structure

The shares and options on issue at 30 September 2021 were as follows:

Ordinary Shares	5,688,430,356
Unlisted Options (Exercise Price, Expiry): £0.00476, 30/06/2022	603,403,361

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, Executive Chairman 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.

CORPORATE DETAILS

Board of Directors

Roland Wessel	CEO and Director
Joe Salomon	Executive Chairman
Mark Bolton	Non-Executive Director
Paul Haywood	Non-Executive Director
Peter Schwarz	Non-Executive Director

Company Secretary

Suzie Foreman	Company Secretary
---------------	-------------------

Stock Exchange Listing

Australian Securities Exchange	Code: OEX
AIM London Stock Exchange	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

PETROLEUM PERMIT SCHEDULE – 30 SEPTEMBER 2021

ASSET	LOCATION	ENTITY	QUARTER CHANGE IN INTEREST %	EQUITY %	OPERATOR
Cambay Field PSC ⁽¹⁾	Gujarat, India	Oilex Ltd	-	30.0	Oilex Ltd
		Oilex N.L. Holdings (India)	-	15.0	
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 ⁽³⁾	United Kingdom (East Irish Sea)	Oilex EIS Limited	(100.0)	0.0	Oilex EIS Limited

⁽¹⁾ Oilex signed a binding agreement to acquire GSPC's 55% equity and the purchase price is being arranged by Oilex under a bank guarantee, which was arranged during the Quarter. Following Government of India approval, Oilex will hold 100% equity.

⁽²⁾ PSC terminated on 15 July 2015.

⁽³⁾ On 17 September 2021, the Company announced its plans to relinquish the P2446 licence. The licence was subsequently relinquished on 30 September 2021 upon its expiry.

LIST OF ABBREVIATIONS AND DEFINITIONS

Associated Gas	Natural gas found in contact with or dissolved in crude oil in the reservoir. It can be further categorised as Gas-Cap Gas or Solution Gas.
Barrels/Bbls	Barrels of oil or condensate - standard unit of measurement for all oil and condensate production. One barrel is equal to 159 litres or 35 imperial gallons.
BBO	Billion standard barrels of oil or condensate
BCF	Billion cubic feet of gas at standard temperature and pressure conditions.
BCFE	Billion cubic feet equivalent of gas at standard temperature and pressure conditions.
BOE	Barrels of Oil Equivalent. Converting gas volumes to the oil equivalent is customarily done on the basis of the nominal heating content or calorific value of the fuel. Common industry gas conversion factors usually range between 1 barrel of oil equivalent (BOE) = 5,600 standard cubic feet (scf) of gas to 1 BOE = 6,000 scf. (Many operators use 1 BOE = 5,620 scf derived from the metric unit equivalent 1 m ³ crude oil = 1,000 m ³ natural gas).
BOEPD	Barrels of oil equivalent per day.
BOPD	Barrels of oil per day.
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>
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.
GOR	Gas to oil ratio in an oil field, calculated using measured natural gas and crude oil volumes at stated conditions. The gas/oil ratio may be the solution gas/oil, symbol R _s ; produced gas/oil ratio, symbol R _p ; or another suitably defined ratio of gas production to oil production. Volumes measured in scf/bbl.
MMBO	Million standard barrels of oil or condensate.
mD	Millidarcy – unit of permeability.
MD	Measured Depth.
MMbbls	Million barrels of oil or condensate.
MMscfd	Million standard cubic feet (of gas) per day.
MSCFD	Thousand standard cubic feet (of gas) per day.
PI	Participating Interest.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
PSC	Production Sharing Contract.

LIST OF ABBREVIATIONS AND DEFINITIONS (CONTINUED)

Reserves		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.
		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.
		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.
		Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. Reserves are designated as 1P (Proved), 2P (Proved plus Probable) and 3P (Proved plus Probable plus Possible).
	Probabilistic methods:	
		<ul style="list-style-type: none"> • 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.
SCF/BBL		Standard cubic feet (of gas) per barrel (of oil).
SCFD		Standard cubic feet (of gas) per day.
TCF		Trillion cubic feet of gas at standard temperature and pressure conditions.
Tight Reservoir	Gas	The reservoir cannot be produced at economic flow rates or recover economic volumes of natural gas unless the well is stimulated by a large hydraulic fracture treatment, a horizontal wellbore, or by using multilateral wellbores.
Undiscovered in place volume		Is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered.

For personal use only

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")

30 SEPTEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(107)	(107)
	(b) development	-	-
	(c) production (care and maintenance costs)	(63)	(63)
	(d) staff costs	(369)	(369)
	(e) administration and corporate costs	(356)	(356)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (recovery of prior period operating costs)	356	356
1.9	Net cash (used in) operating activities	(539)	(539)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) Bhandut joint venture	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5a	Other (payment for bank guarantee related to purchase of 55% interest of Cambay joint venture)	(2,903)	(2,903)
2.5b	Other (costs related to bank guarantee)	(89)	(89)
2.6	Net cash from investing activities	(2,992)	(2,992)

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

For personal use only

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	4,311	4,311
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(539)	(539)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,992)	(2,992)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	779	779

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	779	4,311
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)	779	4,311

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

**Current quarter
\$A'000**

300

-

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.

Directors and other related parties' salaries, director fees and superannuation.

For personal use only

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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	1,041	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	1,041	-
7.5	Unused financing facilities available at quarter end		1,041
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.		
<p>The Company previously obtained an unsecured loan facility with two of its JPDA 06-103 joint venture partners (Japan Energy E&P JPDA Pty Ltd and Pan Pacific Petroleum (JPDA 06-103) Pty Ltd) for US\$800k. The loan was in credit of US\$162k at 30 September 2021, and the balance of the facility available to be drawn was US\$750k at 30 September 2021, with no further amounts drawn during the Quarter.</p> <p>The interest rate of the loan facility is 11% and the balance of any loan amounts are to be repaid prior to the loan's maturity on 17 August 2023.</p>			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(539)
8.2	(Payments for exploration & evaluation classified as investing activities) (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(539)
8.4	Cash and cash equivalents at quarter-end (Item 4.6)	779
8.5	Unused finance facilities available at quarter-end (Item 7.5) (also see note in Item 8.7.1 below)	1,041
8.6	Total available funding (Item 8.4 + Item 8.5)	1,820
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3) (also see note in Item 8.7.1 below)	3.38
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.7.1	<p>Note: The unused finance facilities as per item 8.5 and as detailed in section 7 is specifically allocated for the purposes of funding the committed settlement of US\$800k (for further details refer to the heading "JPDA 06-103, Timor Sea" on page 3). Without the unused finance facilities, the estimated quarters of funding available is 1.45 quarters.</p>	

For personal use only

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

8.8.1 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: Yes.

The Company expects that it will continue to have the current level of net operating cash flows for the time being.

8.8.2 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: Yes.

The Company has on hand investments in listed equity securities (with a market value of \$417k at quarter end), which it plans to sell during the December 2021 quarter.

The Company also aims to arrange an equity capital raise of approximately \$3 million in the next 3 months.

8.8.3 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.

With the funds from the Company's planned sale of its investments in listed equity securities, the Company expects to be able to meet its planned expenditures for at least the next two quarters.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 28 October 2021

Authorised by: By the Board

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.

For personal use only