

OGI GROUP LTD

ASX / MEDIA ANNOUNCEMENT

30 June 2014

Production and Drilling Report For the two weeks ending 31st May 2014

OGI Group Ltd (ASX: OGI) ("OGI" or the "Company") provides the following production update from the Company's projects for the two-week period, 16th to 31st May 2014.

Production

Permian Project

Well	Working Interest	Current Period	Current Period	FY2014 YTD	FY2014 YTD
		Oil (bbl)	Gas (MCF)	Oil (bbl)	Gas (MCF)
SRH #1 (1)	100%	(537)	(4,021)	1,423	7,697
SRH #2 (1)	100%	(576)	(4,191)	1,742	8,207
SRH #3	100%	(830)	(6,029)	2,198	11,811
SRH #4	100%	(1,089)	(8,234)	2,889	15,627
SRH #5H	100%	(2,008)	(12,735)	4,686	32,737
Total		(5,040)	(35,210)	12,938	76,079

The sale of the Permian Assets completed on 11 June 2014. The economic effect of the sale was effective from 1 February 2014. The above reflects the reversal of the production recorded since 1 February 2014.

Napoleonville Project

Well	Working Interest	Current Period	Current Period	FY2014 YTD	FY2014 YTD
		Oil (bbl)	Gas (MCF)	Oil (bbl)	Gas (MCF)
D & L #3 (2)	15%	212	9	5,935	9,929
Hensarling #1 (3)	3.99%	259	-	4,450	-
Templet #1	3.28%	-	-	-	-
Total		471	9	10,385	9,929

Bowtie West Project

Well	Working Interest	Current Period	Current Period	FY2014 YTD	FY2014 YTD
		Oil (bbl)	Gas (MCF)	Oil (bbl)	Gas (MCF)
Sugar Valley #1(4)	12%	9	407	130	11,159
Total		9	407	130	11,159

COMPANY INFORMATION

OGI Group Ltd

ABN 34 090 074 785

COMPANY DIRECTORS

Chris Porter - Director

Rob Oliver - Director

Chris Ritchie - Director

MANAGEMENT

Chris Ritchie - CFO / Co Sec

STOCK EXCHANGE LISTING

Australian Stock Exchange

ASX Code: OGI

Current Shares on Issue:

191,940,064

Market Capitalization as at

27 June 2014 based on a share

price of \$0.003 per share:

AUD \$0.6 million

CURRENT PROJECTS

Napoleonville

- Dugas & Leblanc #3

- Hensarling #1

- Templet #1

Bowtie West

- Sugar Valley #1

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Notes:

- (1) The SRH #1 and #2 wells were on production but only producing from the Wolfcamp intervals as the Spraberry Dean intervals, the most productive in vertical wells, were not frac'd primarily due to funding constraints.
The SRH #1 & SRH #4 wells, and the SRH #2 & SRH #3 wells produced to separate tank batteries. A tank battery is where the produced oil and water are collected, and when 2 or more wells are produced to a tank battery, the hydrocarbon production is comingled and therefore not attributable to any particular well. The hydrocarbon production has been split based on the number of frac stages completed for each of the 2 wells on each respective battery. This reporting method is consistent with how production figures are reported to the Texas Railroad Commission and the Texas Scottish Rite Hospital.
- (2) These figures represent GGP's 15% working interest share of oil and dry gas production.
- (3) These figures represent GGP's 3.99% working interest share of oil production.
- (4) These figures represent GGP's 12% working interest share of oil and dry gas production.

For and on behalf of the Board:

Chris Ritchie
Executive Director & Chief Financial Officer