

7 July 2014

Company Announcements Office
ASX Limited
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Sydney NSW 2000

CAMBAY-77H WELL – Fracture Stimulation Operations Complete

- All stages have been successfully fracture stimulated
 - Elevated overpressure remains ~ 5,000 psi
 - Preparing site for milling out plugs
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Oilex Ltd (ASX: OEX, AIM: OEX) is pleased to announce that fracture stimulation operations have been completed at Cambay-77H. The 4 stages have been successfully completed and preparations are underway for mill-out operations to remove the plugs and open all 4 stages to the well bore.

Since the previous update on 2 July 2014:

- ✓ Stage 3 and 4 were successfully frac'ced
- ✓ ~20,000 bbls of frac fluid and ~550 tonnes of sand were used in the operations

Currently the frac equipment is being demobilised and the site is being prepared for the plug mill-out using the coiled tubing unit, which has successfully supported frac ops to date. As previously reported, subsequent to Stage 1 activities, gas was detected at surface and elevated overpressure of ~5,000psi was measured indicating a pressure increase of 670psi. The original reservoir pressure of ~4,330psi was interpreted from the micro frac programme. No decrease in the elevated overpressure has been noted and the reservoir section has responded to all fracs in a similar manner.

In addition to preparing for mill-out operations, previously mobilised well testing equipment is being positioned and commissioned at site. This equipment will be used during flowback and production testing.

Managing Director of Oilex, Ron Miller, said;

“We are very pleased with the reservoir response to fracture stimulation on all 4 stages. Importantly, Cambay-77H had indications of gas during frac ops, highlighting the possibility of excellent reservoir deliverability. Oilex is looking forward to successful mill-out operations and production testing after sufficient frac fluid has been recovered from the well.”

For and on behalf of Oilex Ltd



Ron Miller
Managing Director

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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. Peter Bekkers, Chief Geoscientist employed by Oilex Ltd. Mr. Bekkers has over 17 years' experience in petroleum geology and is a member of the Society of Petroleum Engineers and AAPG. Mr. Bekkers 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. Bekkers 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.