

ASX Announcement

26 July 2018

ASX: OEX
AIM: OEX

Loan Funding & Cash Call Receipt

Oilex Ltd (the Company) is pleased to advise that it has entered into a binding loan agreement with existing investors to secure funding of A\$300,000 (**Loan Funding**).

Summary of Key Terms

Term:	26 July 2019 (One Year)
Interest Rate:	5%
Repayments	100% payable at maturity
Options Issued:	83,333,333 options over ordinary shares
Option Exercise Price:	A\$0.0036
Option Expiry Date:	On or about 26 July 2019
Security:	Unsecured
Key Undertakings:	Not to dispose of assets having an aggregate value more than A\$1 million Not to incur any financial indebtedness more than A\$50,000 Not to incur any aggregate payment or outgoing exceeding A\$1 million (except for wages)

Customary additional provisions regarding events of default, undertakings, covenants and representations and warranties have also been agreed.

As part of the Loan Funding, 83,333,333 Options will be issued to subscribers with an exercise price of A\$0.0036, which, if exercised in their entirety, will result in a further cash inflow to the Company of A\$300,000, the proceeds of which will be applied to the outstanding loan balance.


The issue of the Options is subject to shareholder approval under ASX Listing Rule 7.1 within 75 days after drawdown. Failure to secure shareholder approval will require immediate repayment of the loan principal and accrued interest. The Company is currently preparing the necessary notice of general meeting, which will be sent to shareholders shortly.

The loan proceeds will be applied to meet the expected working capital requirements of the Company over the short term.

Related Party Transaction

Republic Investment Management Pte Ltd (Republic) participated in A\$300,000 of the Loan Funding amount.

Republic has a shareholding in the Company of 12.2% and is therefore categorised as a Substantial Shareholder of the Company pursuant to the AIM Rules for Companies (**AIM Rules**). Accordingly, the entering into the Loan Funding with Republic is classified as a related party transaction pursuant to the AIM Rules.

 +61 (8) 9485 3200

 oilex@oilex.com.au

ABN 50 078 652 632

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

GSPC Cash Call Receipt

The Company wishes to advise that it has received the equivalent of approximately US \$172,000 as a contribution to outstanding cash calls.

For and on behalf of Oilex Ltd



Mark Bolton
Chief Financial Officer Company Secretary

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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
Tel: +618 6160 4900
Australia