

ASX OEX.AX
0.060 (0.0100)

AIM OEX.L
3.125 (0.2500)

[BACK TO ANNOUNCEMENTS](#)

MAY 14, 2015

JPDA 06-103 Joint Venture

Oilex Ltd ("Oilex"), in its capacity as Operator, on behalf of the Joint Venture Participants in the Joint Petroleum Development Area ("JPDA") 06-103 Production Sharing Contract ("PSC"), has received a Notice of Intent to Terminate the PSC ("Notice") from the Autoridade Nacional do Petroleo ("ANP"). The Notice follows on from the recent rejection by the ANP of the Joint Venture Request to Terminate the PSC by mutual agreement, in good standing and without penalty ("Request to Terminate").

The Notice asserts a monetary claim against the Joint Venture for payment of the estimated cost of exploration activities not carried out in 2013 and certain local content obligations set out in the PSC. The total amount sought to be recovered by the ANP in the Notice is approximately USD17M (Oilex share USD1.7M). The Company has not provided for a monetary settlement in its accounts and given the significant overpayment in the work programme would not anticipate making such a provision.

The Joint Venture has previously requested credit for excess expenditure on the approved work program in the amount of circa USD56M and this issue remains unresolved. The Notice does not include any reference to, nor allowance for, credit for excess monies which have been spent by the Joint Venture during the PSC term. Oilex considers such excess expenditure should be included as part of any financial assessment incorporated in the termination process.

The ANP has requested the Joint Venture submit a written response to the Notice by 12 June 2015. In accordance with this request, the Operator, and the Joint Venture, will review the Notice and deliver a formal response within the specified period.

The PSC remains in formal suspension until 15 July 2015.

[JPDA 06-103 Notice of Intent to Terminate](#)

Level 1 / 660 Newcastle Street, Leederville, WA 6007 Australia
PO Box 38, Leederville WA 6902 Australia

Phone +61 8 9485 3200
Fax +61 8 9485 3290

© Copyright Oilex 2015