



7 April 2009

Company Announcements Office
ASX Limited
10th Floor
20 Bond Street
Sydney NSW 2000

Dear Sir,

LARGE VOLUME PROSPECTS IN TIMOR SEA CONFIRMED

Oilex is pleased to announce that 10 prospects have been identified as potential drilling targets from a portfolio of over 20 prospects and leads in its operated block JPDA 06-103 in the Timor Sea and final prospect selection for the first 2 wells is under way.

The prospect inventory includes a number of structures with the potential to contain mean estimated prospective resources in excess of 100 million barrels of oil with 6 additional features offering mean estimated prospective resources potential in excess of 50 million barrels. Of these high-graded prospects, 4 occur in water depths of less than 470 metres.

On behalf of the JPDA 06-103 Joint Venture (JV), Oilex has completed the seismic acquisition, processing and interpretation phase of the work program in this contract area. A total of over 3,000 km² of 3D seismic data were acquired or reprocessed and all of the open file 2D seismic data in the nearby region were incorporated into the interpretation.

The results of the work confirm the initial view of the JV that this block is very attractive for oil exploration and has the potential to host very significant oil resources near to existing producing fields and the recent discovery, Kitan, by ENI in the adjacent block to the west. The block JPDA 06-103 is the area of Production Sharing Contract (PSC) in the Joint Petroleum Development Area (JPDA) between Timor Leste and Australia, Timor Sea.

The JV has contracted a floating drilling unit which has a capacity to drill in the water depths found in the contract area. It is anticipated that this drilling unit will be available to commence drilling activities in the contract area in the third quarter 2009.

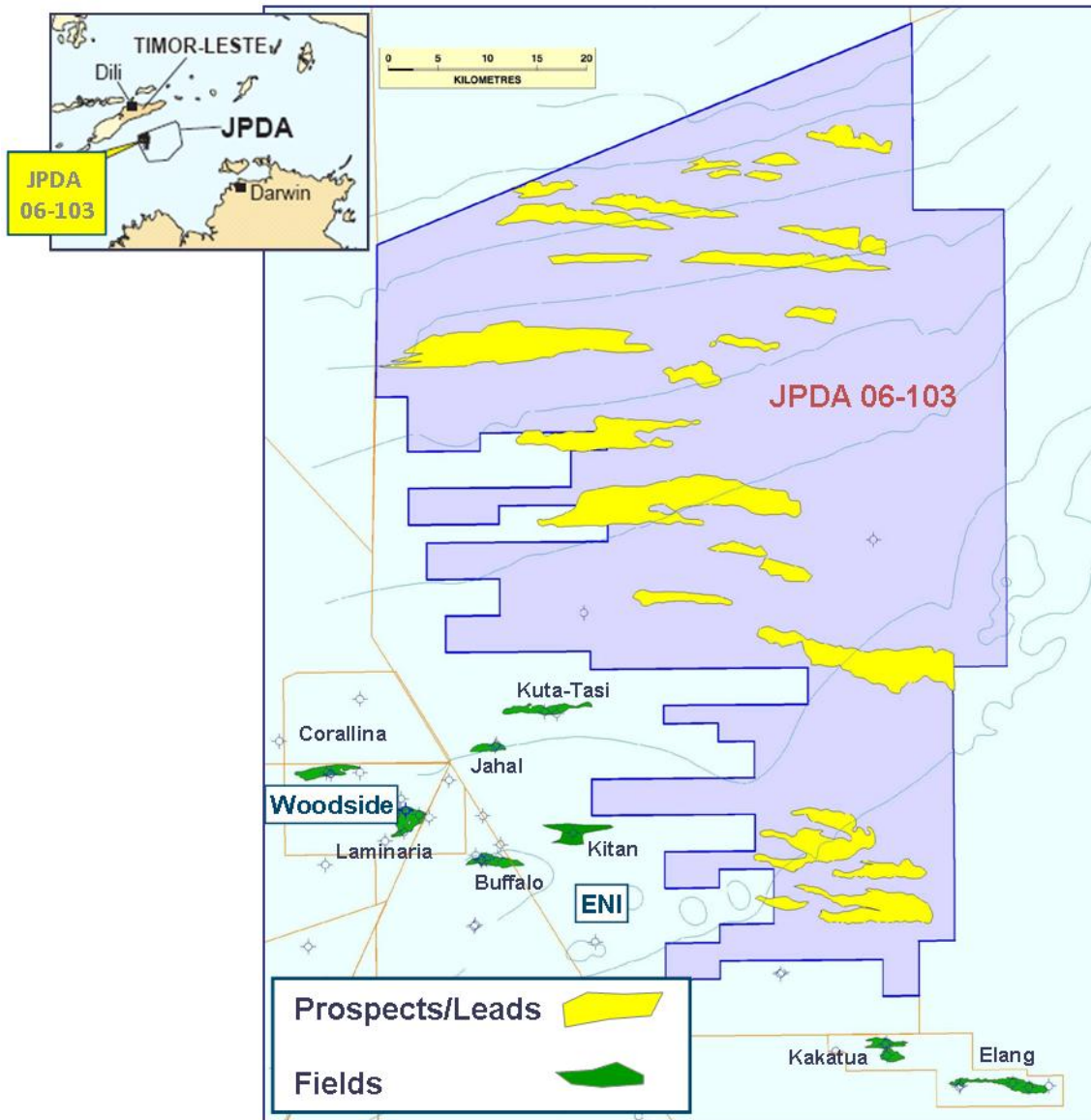
As advised in previous company releases, a farmout program has been initiated whereby Oilex is seeking to reduce its exposure to the costs associated with this offshore drilling program as part of a prudent risk management of the company's asset portfolio. A number of international oil and gas companies are currently reviewing this opportunity and is anticipated that the farmout process will be finalised during this quarter.

Participants in the JPDA 06-103 Production Sharing Contract are:

Joint Venture Party	Participating Interest
Oilex (JPDA 06-103) Ltd (Operator)	25%
Global Energy Limited (Videocon)	25%
GSPC (JPDA) Ltd	25%
Bharat PetroResources JPDA Limited	25%

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Location Leads & Prospects JPDA 06-103

Yours sincerely,

B. H. McCarthy
Managing Director

For further information, please contact:

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RFC Corporate Finance Ltd acts as Oilex's Nominated Adviser, contact Stuart Laing +618 9480 2506.

The information in this report has been compiled by the Managing Director of Oilex Ltd, Bruce McCarthy B.Sc. Hons. PhD (Geology) who has over 29 years experience in petroleum geology and Ray Barnes, B.Sc. Hons. the Technical Director of Oilex Ltd who has over 35 years experience in petroleum geology and is a member of the AAPG & EAGE. Estimates of oil-in-place and prospective resources are reported in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which and a glossary of terms used in the oil and gas industry is available at www.spe.org.