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**QUARTERLY REPORT TO SHAREHOLDERS
31 MARCH 2007**

HIGHLIGHTS

- **Cambay Field (Oilex 45%, Operator) “Best Estimate” for in-place resources upgraded to 62 million barrels oil and condensate and 356 billion cubic feet gas**
- **Oligocene OS II flowed oil** and no formation water on test in Cambay-72 before test was aborted.
- **Eocene EP IV flowed oil at initial rate of 70 barrels per day** after fracture stimulation in Cambay-72 with no formation water.
- **22 locations selected for potential phase 2 drilling programme of up to 8 wells in 2007** and the work programme has been approved
- **Award of rig contract for 9 month Cambay Field programme imminent.**
- **2-3 wells planned in Block 56, Oman Q3 2007**
- Negotiations continuing for drilling rig for EPP 27, offshore Otway Basin
- Retain **cash resources of approximately A\$9.8 million**

**CORPORATE
DETAILS**

Board of Directors

Max D.J. Cozijn	Non-Executive Chairman
Bruce McCarthy	Managing Director
Ray Barnes	Technical Director
L. L. Bhandari	Non-Executive Director

Capital Structure

Ordinary Shares	76,883,885
Unlisted Options	29,925,100

Stock Exchange Listing

Australian Stock Exchange
ASX Code: OEX
AIM Market of London Stock Exchange
AIM Code: OEX

Principal & Registered Office

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Share Registry

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OPERATIONS REVIEW

<p>INDIA</p> <p><i>Oilex holds material interests in 3 oil and gas field redevelopment projects onshore India acquired from Niko Resources</i></p>	<p>ASSIGNMENT OF INTEREST – CAMBAY, BHANDUT, SABARMATI</p> <p>Oilex acquired interests in three fields onshore Gujarat from Niko Resources under an agreement made in 2006. All conditions were fulfilled in February 2007 and final settlement took place.</p> <p>Interests in each of the PSC's is:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <tr> <th style="width: 25%;">Joint Venture Party</th> <th style="width: 25%;">Cambay PSC¹</th> <th style="width: 25%;">Bhandut PSC</th> <th style="width: 25%;">Sabarmati PSC</th> </tr> <tr> <td>Oilex (Operator)</td> <td style="text-align: center;">45%</td> <td style="text-align: center;">40%</td> <td style="text-align: center;">40%</td> </tr> <tr> <td>GSPC</td> <td style="text-align: center;">55%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">60%</td> </tr> </table> <p>1. Oilex acquired an additional 23.33% equity interest in the Cambay PSC from Niko and GSPC acquired an additional 8.33% equity interest in the Cambay PSC from Oilex.</p>	Joint Venture Party	Cambay PSC ¹	Bhandut PSC	Sabarmati PSC	Oilex (Operator)	45%	40%	40%	GSPC	55%	60%	60%							
Joint Venture Party	Cambay PSC ¹	Bhandut PSC	Sabarmati PSC																	
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GSPC	55%	60%	60%																	
<p><i>Major upgrade of Cambay resource based on 3D seismic and new well data</i></p> <p><i>Best estimate now 62 mmstb oil and 356 bcf gas resource in place.</i></p> <p><i>Testing of Cambay-72 Eocene potential reservoir successfully completed</i></p>	<p>OPERATIONS - CAMBAY FIELD, GUJARAT</p> <p>OILEX OPERATOR 45%</p> <p>RESOURCE ESTIMATE UPGRADED</p> <p>The Cambay Joint Venture submitted the annual in-place resource estimate for the Cambay Field, in accordance with the regulations, to the Directorate General of Hydrocarbons (DGH), the representative of the Government of India in the Cambay Production Sharing Contract. This estimate (Table 1) incorporated the interpretation of the recently acquired Cambay 3D seismic survey and new well data and is confined to the OS II and EP IV reservoir intervals in the Cambay Field.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr style="background-color: #ffffcc;"> <th rowspan="2" style="width: 50%;">RESOURCES</th> <th colspan="3" style="width: 50%;">ORIGINAL VOLUME-IN-PLACE*</th> </tr> <tr style="background-color: #ffffcc;"> <th style="width: 16.6%;">Low Estimate</th> <th style="width: 16.6%;">Best Estimate</th> <th style="width: 16.6%;">High Estimate</th> </tr> </thead> <tbody> <tr> <td>OIL (million stock tank barrels) <i>(May 2006 estimate)</i></td> <td style="text-align: center;">26 (16)</td> <td style="text-align: center;">48 (43)</td> <td style="text-align: center;">91 (108)</td> </tr> <tr> <td>#GAS (billion cubic feet) <i>(May 2006 estimate)</i></td> <td style="text-align: center;">186 (105)</td> <td style="text-align: center;">356 (173)</td> <td style="text-align: center;">702 (432)</td> </tr> <tr> <td>CONDENSATE (million stock tank barrels) <i>(May 2006 estimate)</i></td> <td style="text-align: center;">7 (1.6)</td> <td style="text-align: center;">14 (3.7)</td> <td style="text-align: center;">28 (9.8)</td> </tr> </tbody> </table> <p>* Reported as proved, probable and possible resources to DGH per regulation # Includes approximately 52 BCF of gas produced to date.</p> <p>Table 1 - Total discovered hydrocarbon-resource-in-place estimation, March 07. Depth structure mapping of the Cambay 3D seismic survey, data acquired recently from the latest drilling and the substantial existing well data base were integrated to quantify the discovered hydrocarbon-in-place resources identified to date in the Oligocene OS II and Eocene EP IV sandstones in each of several major hydrocarbon-bearing structural compartments. The presence and distribution of in-place hydrocarbons is demonstrated by test and production data combined with wireline log responses from approximately 65 wells drilled in the Contract Area.</p>	RESOURCES	ORIGINAL VOLUME-IN-PLACE*			Low Estimate	Best Estimate	High Estimate	OIL (million stock tank barrels) <i>(May 2006 estimate)</i>	26 (16)	48 (43)	91 (108)	#GAS (billion cubic feet) <i>(May 2006 estimate)</i>	186 (105)	356 (173)	702 (432)	CONDENSATE (million stock tank barrels) <i>(May 2006 estimate)</i>	7 (1.6)	14 (3.7)	28 (9.8)
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Oil to surface in tests of both potential reservoir intervals in Cambay-72

The hydrocarbon distribution is now better defined by more accurate fault mapping and seismic amplitude extraction from 3D data and is supported by well data in the field area. The remaining uncertainty in calculating hydrocarbon volumes rests with the definition of hydrocarbon fluid boundaries and reservoir net pay. These uncertainties were accommodated in the resource estimate by applying probability analysis to generate a range of oil and gas volumes which will be addressed during the Phase 2 drilling campaign.

As illustrated in Table 1, the evaluation has resulted in redistribution of some of the oil resources compared to the May 2006 estimate. The recognition of additional gas resources based on seismic attribute analysis is reflected by a substantial increase in gas and condensate volumes.

An estimate of undiscovered (exploration) resources of 60 million barrels of oil and 120 billion cubic feet of gas was also provided to the DGH to account for potential resources mainly in deeper stratigraphic units.

PHASE 1 DRILLING PROGRAMME – WELL TESTS

The **Cambay-72** well (see Figure 1) was tested successfully at the level of the Eocene EP IV and the Oligocene OS II, both zones flowing oil to surface at unstabilised rates due to limitations on the test equipment and reservoir characteristics. The first test was conducted on the Eocene EP IV interval, a secondary objective in the well. Significantly, although the flow rate was modest, no formation water was produced and the formation characteristics are such that close study of various engineering options to produce the oil at commercial rates will be undertaken. Further testing of the EP IV in areas where seismic data indicate better quality reservoir are planned for the next drilling campaign.

The second test in Cambay-72 was conducted at the OS II interval where it was expected the well would produce oil at rates that would be restricted by the tendency to also produce sand from the friable reservoir unit. The test was designed to limit the inflow of sand and the fact that the test was being conducted in a cased hole should limit the problem. On opening the well slowly during normal cleanup operations when completion water flowed back to surface and the oil flow commenced, sand influx caused erratic flow by blocking downhole equipment and the test was ultimately terminated.

Cambay-72 flowed oil, completion water and natural gas at variable, unstabilised rates until the test was prematurely terminated. An average flow rate calculated from a period of actual flow and volume produced was about 200 barrels per day of which we estimate about 60% is oil and the balance 40% is completion water. The indications are that no formation water was being produced, oil volume was increasing with time and that the flow was restricted by sand incursion into the well bore.

While there have been operational difficulties which required some compromise to the test program, results to date indicate that the OS II reservoir is capable of producing at significant, commercial rates and that the oil rim with overlying gas cap fluid model interpreted in this part of the Cambay field is valid. Sand influx is a common problem in friable sandstone reservoirs and we are confident that with the application of conventional completion techniques, the problem will be mitigated. The test will be resumed when suitable equipment is imported later in April.

3D SEISMIC SURVEY

Oilex acquired a 3D seismic survey over the entire Cambay contract area at the end of 2006. The final processed data were received in March and we have revised the original mapping of 10 horizons that were produced from the interim processed data. The quality of the data is excellent. Fault patterns and deep seismic events are much more clearly defined on the new data and indicate some significant new plays that were not identifiable on the old data. Work continues on developing the application of the seismic attributes as direct indicators of hydrocarbons.



8 wells approved for Phase 2 drilling in 2007

Award of rig contract imminent

PHASE 2 DRILLING PROGRAMME

A selective drilling programme designed to prove a reserves base by the end of 2007 is the centrepiece of the 2007-2008 Cambay Field Work Program that was approved in March at a series of meetings in India. The main element is a drilling programme of 8 wells, with 6 firm wells currently approved by the Cambay Joint Venture for immediate drilling.

More than 22 possible locations have been selected for future wells in Cambay Field that will constitute the core of the phase 2 drilling programme. A Letter of Award for a rig on a 9 month continuous contract is expected to be awarded in April following the completion of a successful tender process.

A combination of re-entry, sidetrack and new wells has been sanctioned with the primary objective of acquiring new reservoir and fluid data for the Oligocene and Eocene hydrocarbon zones that have been identified from the field's production and well testing history. Along with data from existing wells, this information will be used to determine oil and gas reserves in the major compartments of the field and will form the basis for planning the re-development of the Cambay field.

A number of wells are also planned to be extended to target deeper exploration objectives in settings analogous to nearby oil discoveries.

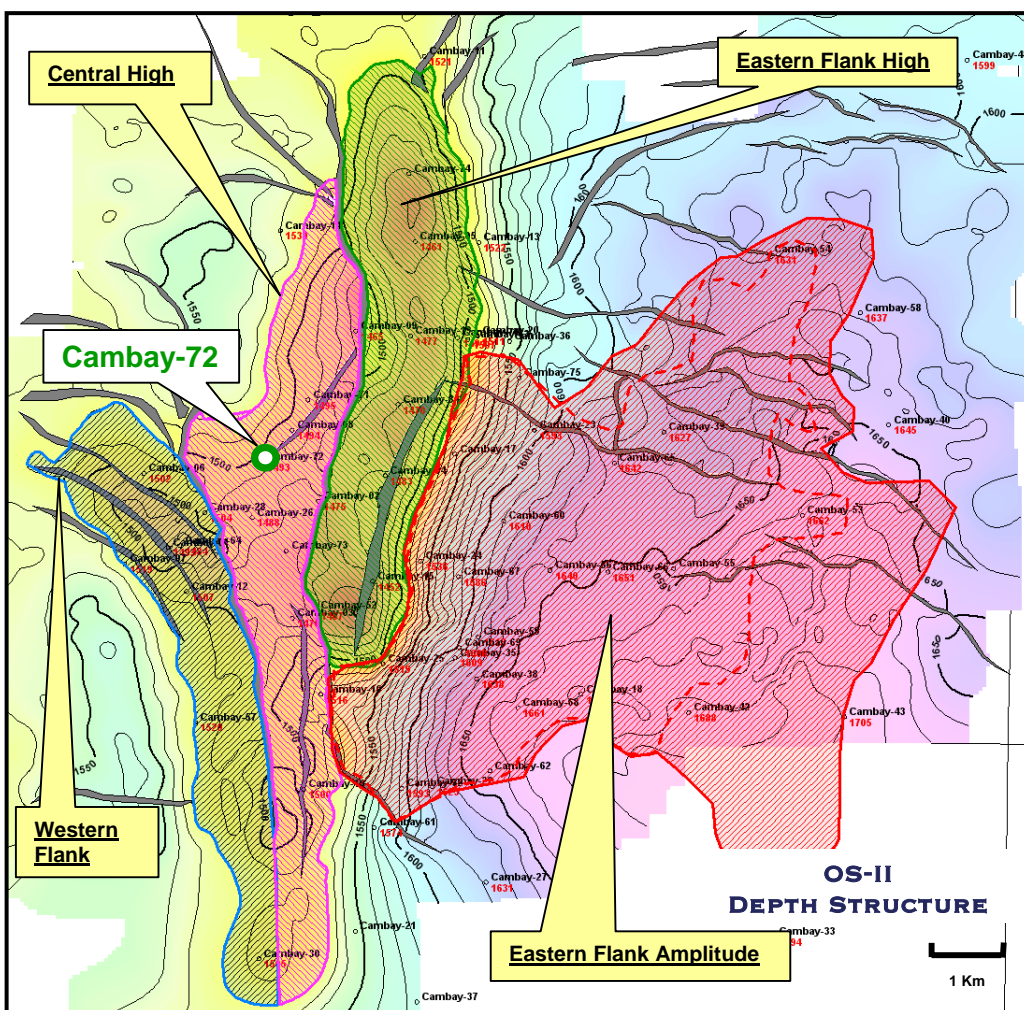


Figure 1 – Cambay-72 well appraising oil resource in OS II sand, Central High, Cambay Field



<p><i>Sabarmati Field on trend with large producing fields</i></p> <p><i>Workover of Sabarmati-1 well to start April</i></p>	<p>SABARMATI FIELD, GUJARAT</p> <p>OILEX OPERATOR 40%</p> <p>The work programme and budget has been approved by the Joint Venture and the Government of India. The main elements of the work programme are workover of Sabarmati-1 well with the expectation of increasing the production rate from the current average 2-5 bopd to a sustainable rate of 75-90 bopd and acquiring a seismic survey over the block.</p> <p>The field is located on the southern culmination of a trend of producing oil fields on the outskirts of Ahmedabad, the largest city in Gujarat. Oil has been produced from the one well in the Sabarmati Field Contract Area at very low rates on an intermittent basis since 2001 when the Niko-GSPC Joint Venture intervened in the well.</p> <p>PLANNED WORKOVER - The workover is planned to start by mid-April 2007 and the rig is under contract, ready to mobilise when work on Cambay-72 is completed.</p> <p>Sabarmati-1 has produced, in total, about 9,800 barrels of oil since it started producing in 2001 and is currently producing at 5-10 barrels of fluid (2-5 barrels of oil) per day under natural flow from an Eocene age reservoir which is about 5m thick, through 2m of perforations. The results of an influx study indicate that the flow rate could be increased to an average sustainable rate of about 75-90 barrels of oil per day with the installation of a hydraulic sucker rod pump. Existing production facilities at Sabarmati Field are capable of handling more than 600 barrels of fluid (oil plus water) per day.</p> <p>PLANNED SEISMIC - Work to procure appropriate seismic acquisition equipment is progressing.</p> <p>In the event that the seismic survey and estimates of potential reserves justify further work, the intent is to drill additional wells, subject to Joint Venture approval, later this year.</p>
<p><i>3D seismic survey completed – excellent quality</i></p> <p><i>Drilling and workover planned for 2007</i></p> <p><i>Structural closure and amplitude anomalies mapped at deeper level</i></p>	<p>BHANDUT FIELD, GUJARAT</p> <p>OILEX OPERATOR 40%</p> <p>Approval from all parties has been received for the proposed 2007 work programme and budget. The main element of the work programme is drilling two wells including the sidetrack or workover of Bhandut-6 and drilling of one additional well. The second well location is defined by the new, high resolution seismic data that was acquired by Geofizyka Toruń, in February over the Bhandut block area. Acquisition is expected to be completed by the end of April 2007. A structural interpretation has been carried out on these data and work is currently underway to integrate a number of seismic amplitude anomalies (see Figure 2) with the available well data to identify targets for drilling later in 2007.</p> <p>The Bhandut Field has produced about 700,000 barrels of oil since 1993. In 2002, Bhandut Field was producing oil at rates of about 400 barrels per day (“bopd”) before suffering likely formation damage incurred during workover activities at which time the average daily rate declined to the current rate of about 20 bopd per well from 2 wells. The workover at the time had the objective of doubling the production rate to 800 bopd and we expect that objective could be achieved from the current production interval.</p>

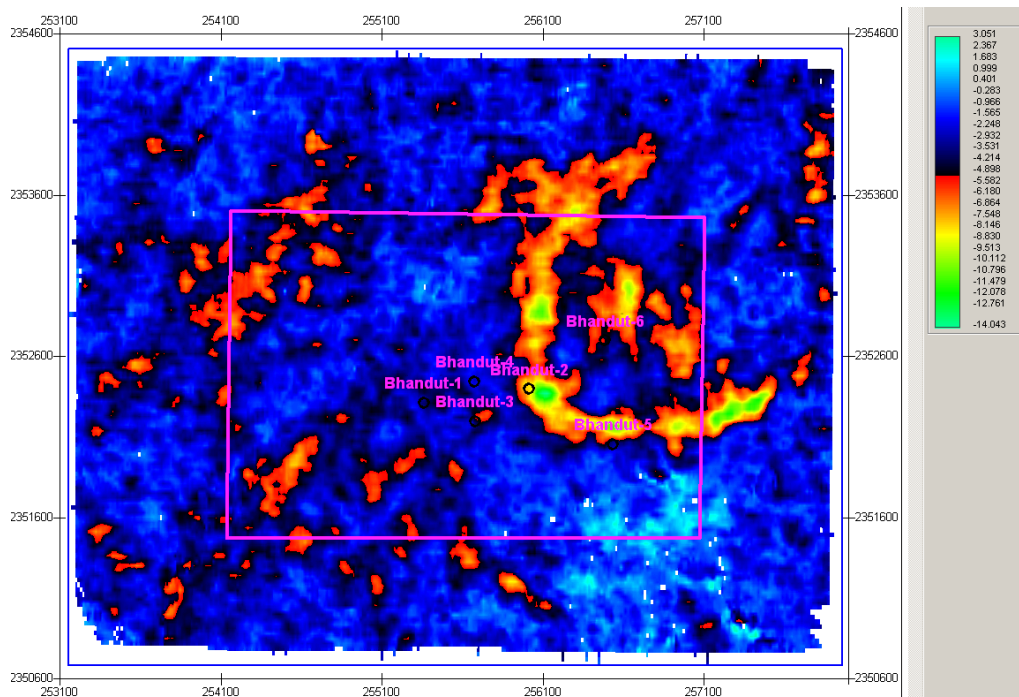


Figure 2 Amplitude anomalies identified on preliminary Bhandut 3D seismic data, Miocene reservoir level

<p>OMAN</p> <p><i>Seismic to be acquired in Q2</i></p> <p><i>2-3 wells planned to be drilled early in 3rd quarter 2007</i></p> <p><i>Prospects developing very well</i></p>	<p>BLOCK 56 SOUTH OMAN (OILEX OPERATOR – 25%)</p> <p>Reprocessing of the existing seismic data base was awarded to Fugro Seismic Imaging Pty Ltd and the project to reprocess about 1,000 km of data is about 25% complete. Results have been used in preparing specifications for the acquisition programme for which tenders close on 30 April, to commence as soon as possible thereafter. Work on the Environmental Impact Assessment and Environmental and Social Management Framework has begun.</p> <p>Further work to delineate drilling locations in the western part of the block, on the flank of the South Oman Salt Basin, has made good progress. There is a significant area covered by 3D and dense 2D seismic surveys and mapping of those data indicates several targets that could be drilled on the existing data base. Seven potential well locations in this area and along the main salt wall trend in the east central part of the block are being confirmed with 2-3 of those locations to be drilled in Q3 2007.</p> <p>Oilex has appointed a Project Office Manager, Adil Said and a Finance Manager V, Ganesh, based in the Project Office in Muscat which is now being fitted out. The commercial registration certificate enabling Oilex to conduct business in Oman was received in March.</p>
<p>AUSTRALIA</p> <p><i>8 prospects mapped with range of potential volumes of 40-150 million barrels of oil in place</i></p>	<p>EPP 27 – OTWAY BASIN OFFSHORE SOUTH AUSTRALIA (OILEX OPERATOR earning 20%)</p> <p>Seismic Acquisition and Interpretation - Eight prospects in water depths of 70-105 metres have been mapped in the southeastern sector of the block and a preferred drilling location has been selected on a prospect that may contain 80 mmstboip.</p> <p>Rig Contract – Oilex is a member of a consortium of Operators led by Apache that have drilling commitments in the southeastern Australian basins. The consortium is negotiating to deliver a rig that would guarantee a slot for a well in EPP 27 in early to mid-2008. The contract has been submitted to the rig owner.</p>



<p>Permit term extended to February 2008</p> <p>Drilling contract has been submitted to the rig owner</p>	<p>Permit Term – An application for extension of the suspension period of the permit term has been approved by the Designated Authority in South Australia (PIRSA). The basis of the request for seeking a further extension to the EPP 27 permit was the difficulty in securing a rig.</p> <p>Oilex, GSPC and Videocon Industries Ltd (“Videocon”) are conducting as part of the farmin agreement signed with Great Artesian Oil & Gas Ltd (“GOG”) in February, 2006. Oilex, Videocon and GSPC are funding the seismic programme 33.3% each as part of their commitment to earn 20% each in the permit. GOG holds the balance of 40% equity in the permit.</p>
<p>Seismic acquisition to start late 2007 or early 2008</p>	<p>WA-388-P CARNARVON BASIN, OFFSHORE WESTERN AUSTRALIA (OILEX OPERATOR – 20%)</p> <p>Work has commenced on the data base and seismic reprocessing activities that will assist in planning of the seismic survey later this year or early next year. The block is located to the north of the Goodwyn / North Rankin gas fields trend and to the northeast of the Jansz-Lo gas discoveries in the Exmouth Sub-basin.</p> <p>The commitment work programme comprises reprocessing of existing seismic data and acquisition of 3D seismic over parts of the block, anticipated to commence in 2008.</p>
<p>JOINT PETROLEUM DEVELOPMENT AREA BETWEEN TIMOR-LESTE AND AUSTRALIA</p>	<p>JPDA 06-103, FLAMINGO BASIN OFFSHORE JOINT PETROLEUM DEVELOPMENT AREA (OILEX OPERATOR – 25%)</p> <p>Oilex has established an office in Dili, Timor-Leste and has appointed a Corporate Adviser, Ms Felicidade Guterres and a Finance Manager Mr P. Rajesh. It is the first company awarded a Production Sharing Contract (PSC) or operating in the Joint Petroleum Development Area to do so.</p> <p>Planning is well advanced for the acquisition of a 3D seismic survey covering a large part of the block and preliminary investigations on the availability of a rig to commence drilling in 2008 have begun.</p> <p>The block was offered in a competitive bidding round that closed on 26 May 2006. It is located immediately to the east of the Laminaria, Corallina, Kakatua, Kuda Tasi and Elang discoveries/oil and gas fields and to the north of the Bayu-Undan gas condensate field.</p> <p>As part of its training obligation under the PSC, Oilex and the Joint Venture have established a medical assistance and training programme in conjunction with the Ministry of Health. This scheme is being run by Australian Aid International with professional doctors and nurses attending the needs of rural communities concentrating on the south coast of Timor-Leste.</p>
<p>CORPORATE</p>	<p>LINQ MEZZANINE FINANCE FACILITY</p> <p>In March, Oilex reached agreement with LinQ Resources Fund to extend the term of the existing A\$5 million finance facility provided by last year and to provide an additional A\$5 million mezzanine finance facility to assist Oilex in funding the development of its Indian production and exploration interests including the drilling of wells in Cambay Field. The term of the existing facility has been extended by 12 months and the additional facility is to be repaid in 24 months.</p>



	<p>ONSHORE QUEENSLAND</p> <p>The shareholders of Bow Energy Limited approved the purchase of Oilex's Queensland assets at a meeting of shareholders held on 31 October 2006. All of the assets have been transferred with the exception of ATP 548P for which pre-emptive rights pertaining to Oilex's interest (11.35%) remain to be resolved.</p>
	<p>CONTINGENT LIABILITY - INTEREST FORMERLY HELD BY OILEX LTD IN ATP 794P, QUEENSLAND</p> <p>Further to the information provided in its Half Yearly Accounts released by Oilex Ltd in February 2007, Oilex Ltd advises that Abrolhos Oil & Gas Pty Ltd and Pacific & Oriental Investments Ltd (Claimants) continue to threaten legal action against Oilex.</p> <p>One of the Claimants (Abrolhos) was the vendor of an interest in the permit area known as Barcoo Junction Prospect Area in ATP 794P (formerly ATP 589P) (Title). An agreement entered into by the other Claimant (P&O) and Oilex provided that P&O was entitled to recover 5% of the net profit interest in oil recovered by or on behalf of Oilex in the Barcoo Junction Prospect Area.</p> <p>The Claimants allege that, as part of the contract for the sale of the interest in the Title to Oilex Ltd, Oilex was obliged to use best endeavours to drill the Barcoo Junction North #1 Well in the Barcoo Junction Prospect Area and that Oilex breached its agreement because it did not drill the well within the specified time frame.</p> <p>The Claimants allege that had Oilex drilled the well a commercial oil reserve would have been discovered and produced. To date they have given 3 different sizes for that reserve: not less than 36 million barrels, alternatively 11.3 million barrels or 6 million barrels. The Claimants allege that they would have received 5% of the net profit interest in the recovered oil had the well been drilled.</p> <p>Oilex rejected drilling the well, and maintains it was not required to drill the well, because of the high technical risk and lack of a commercially viable target. Oilex maintains that the Claimants are not entitled to any compensation.</p> <p>Oilex no longer has an interest in the Title, having sold its interest in the Title to Bow Energy Ltd in 2006.</p> <p>Oilex will vigorously defend any legal action initiated by the Claimants.</p>
<p><i>Implementation of rights plan attracts new employees</i></p> <p><i>Net cash resources of A\$9.8 million</i></p>	<p>COMPANY STRUCTURE</p> <p>The Company presently has 76,883,885 shares on issue. These shares are traded on the ASX in Australia and on the AIM market of the London Stock Exchange under the code: OEX.</p> <p>Oilex also has 29,925,100 unlisted options on issue, the majority of these being held by executive staff.</p> <p>In January Oilex instituted a new Employee Performance Rights Plan that is designed to provide an incentive to all staff to perform to the best of their abilities and to align the interests of shareholders and employees. The new plan allows greater flexibility to reward the efforts of employees at all levels in the organization on the basis of individual performance and the performance of the company as measured by its share price. We believe that the scheme has provided a very significant incentive for new employees to join Oilex at a time when most companies in our business are suffering attrition.</p> <p>At 31 March, 2007 the Company retained net cash resources of approximately A\$9.8 million.</p>

Oilex regularly updates its website at www.oilex.com.au



For and on behalf of the Board

A handwritten signature in blue ink, appearing to read 'B. H. McCarthy'.

Dr B. H. McCarthy
Managing Director
17 April 2007

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 27 years experience in petroleum geology. The estimates of hydrocarbons in place were reviewed by Ray Barnes, the Technical Director of Oilex Ltd who has over 35 years experience in petroleum geology and is a member of the AAPG. Mr Barnes reviewed this announcement and consents to the inclusion of the estimated hydrocarbons in place in the form and context in which they appear.



PERMIT SCHEDULE

Offshore Australian Joint Ventures:

PERMIT	BASIN	PARTIES	% HELD	OPERATOR
EPP 27 Note 1	Otway Offshore	Oilex Ltd	20.00	Oilex
		Gujarat State Petroleum Corporation Ltd	20.00	
		Videocon Industries Ltd	20.00	
		Great Artesian Oil & Gas Ltd	40.00	
WA-388-P	Carnarvon Offshore	Oilex Ltd	20.00	Oilex
		Gujarat State Petroleum Corporation Ltd	20.00	
		Videocon Industries Ltd	20.00	
		Bharat Petroleum Corporation Ltd	20.00	
		Hindustan Petroleum Corporation Ltd	20.00	

Note 1: Oilex, Gujarat State Petroleum Corporation Ltd and Videocon Industries Ltd are each earning 20% interest in return for funding 33.3% each of an agreed work programme.

International Joint Ventures:

PERMIT	COUNTRY/ STATE	PARTIES	% HELD	OPERATOR
Cambay Field	India / Gujarat	Oilex NL Holdings (India) Ltd Note 1, 2	45.00	Oilex
		Gujarat State Petroleum Corporation Ltd	55.00	
Bhandut Field	India / Gujarat	Oilex NL Holdings (India) Ltd Note 1	40.00	Oilex
		Gujarat State Petroleum Corporation Ltd	60.00	
Sabarmati Field	India / Gujarat	Oilex NL Holdings (India) Ltd Note 1	40.00	Oilex
		Gujarat State Petroleum Corporation Ltd	60.00	
Block 56	Oman	Oilex Ltd	25.00	Oilex
		Videocon Industries Limited	25.00	
		Hindustan Petroleum Corporation Ltd	12.50	
		Bharat Petroleum Corporation Ltd	12.50	
		GAIL (India) Ltd	25.00	
JPDA 06-103	Joint Petroleum Development Area between Timor Leste and Australia	Oilex (JPDA 06-103) Ltd Note 1	25.00	Oilex
		Videocon Industries Limited	25.00	
		Gujarat State Petroleum Corporation Ltd	25.00	
		Bharat Petroleum Corporation Ltd	25.00	

Note 1: wholly owned subsidiary of Oilex Ltd

Note 2: pending approval by Government of India of the assignment of 30% participating interest held by Oilex Ltd to Oilex NL Holdings (India) Ltd.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

OILEX LTD

ABN

50 078 652 632

Quarter ended ("current quarter")

31 MARCH 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	35
1.2 Payments for		
(a) exploration and evaluation (net)	(4,405)	(9,219)
(b) development	-	-
(c) production	-	-
(d) administration (net)	(644)	(2,605)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	117	581
1.5 Interest and other costs of finance paid	(124)	(389)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(5,056)	(11,597)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	(4,723)	(4,723)
(b)equity investments	-	-
(c) other fixed assets	(117)	(394)
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(4,840)	(5,117)
1.13 Total operating and investing cash flows (carried forward)	(9,896)	(16,714)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(9,896)	(16,714)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc	-	18,346
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings (net)	4,900	4,900
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	4,900	23,246
	Net increase (decrease) in cash held	(4,996)	6,532
1.20	Cash at beginning of quarter/year to date	14,794	3,266
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	9,798	9,798

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	183
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

-

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	10,000	10,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	6,500
4.2 Development	-
Total	6,500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,923	1,271
5.2 Deposits at call	7,875	13,523
5.3 Bank overdraft	-	-
5.4 Other (provide details) Bonds	-	-
Total: cash at end of quarter (item 1.22)	9,798	14,794

Changes in interests in mining tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2 Interests in mining tenements acquired or increased	Refer to Permit Schedule in Quarterly Report		

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	-	-	-	
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	
7.3 +Ordinary securities	76,883,885	76,883,885	Various	
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -	- -	- -
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
		2,200,000	-	\$0.20	28/02/2008
		500,000	-	\$1.00	31/12/2009
		3,000,000	-	\$1.50	31/12/2009
		1,000,100	-	\$0.50	07/12/2008
		2,000,000	-	\$0.40	14/12/2008
		3,250,000	-	\$0.50	14/12/2008
		4,250,000	-	\$0.80	14/12/2008
		1,000,000	-	\$0.50	16/02/2009
		4,500,000	-	\$0.50	31/03/2010
		775,000	-	\$0.50	31/07/2009
		775,000	-	\$0.65	31/07/2009
		775,000	-	\$0.90	31/07/2010
		250,000	-	\$0.45	31/07/2009
		250,000	-	\$0.55	31/07/2009
		500,000	-	\$1.50	31/10/2009
		500,000	-	\$1.75	31/10/2009
		500,000	-	\$2.00	31/10/2010
		500,000	-	\$1.40	31/01/2010
		450,000	-	\$2.00	31/01/2010
		450,000	-	\$2.50	31/01/2011
		2,500,000	-	\$2.00	31/03/2011
		269,000	Performance Rights Tranche 1 expire 1/07/2011		
		294,000	Performance Rights Tranche 2 expire 1/07/2011		
		294,000	Performance Rights Tranche 3 expire 1/07/2011		
7.8	Issued during quarter	500,000	-	\$1.40	31/01/2010
		450,000	-	\$2.00	31/01/2010
		450,000	-	\$2.50	31/01/2011
		2,500,000	-	\$2.00	31/03/2011
		269,000	Performance Rights Tranche 1 expire 1/07/2011		
		294,000	Performance Rights Tranche 2 expire 1/07/2011		
		294,000	Performance Rights Tranche 3 expire 1/07/2011		
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	Nil	Nil		
7.12	Unsecured notes <i>(totals only)</i>	Nil	Nil		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act **or other standards acceptable to ASX** .

- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: ... **17 April 2007**....
(Director/Company Secretary)

Print name:**Max D.J. Cozijn**.....

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