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QUARTERLY REPORT TO SHAREHOLDERS
30 March 2004

SUMMARY

Oilex as operator drilled the Giligulgul North-1 well in ATP 574P in the Surat Basin. Shows seen at the top of the Precipice Sandstone are interpreted as being from a residual oil column.

Oilex has applied for four permits on the Nebine Ridge of the Eromanga Basin, ATPs 773P, 774P, 775P and 776P. The play style is oil trapped in basement wash with seal provided by the Evergreen Formation.

Agreement on terms has been reached with the Native Title parties in ATP 589P in the Eromanga Basin and this is expected to lead to a formal agreement. PSDM work has commenced on the Barcoo Junction North prospect to optimize the location of the well.

Subsequent to the end of the quarter, Oilex is earning a 10% interest in ATP 548P through the drilling of Morney North-1, and has also farmed into ATP 545P, in which it will earn an interest of up to 55% through the drilling of Connolly-1. Both of these permits are in the Eromanga Basin. Oilex is also in negotiation to expedite the drilling of its Surat Basin interests.

TENEMENTS

Oilex has the following Tenement Interests:

Tenement Interests	Oilex % Interest
BLOCK	Current
ATP 574P-Conloi	34.5
ATP 593P	40
ATP 608P-Rookwood Block	20.78
ATP 608P-Remainder	40
ATP 654P-Moonie	40
ATP 589P-Barcoo Block	40
ATP 589P-Regleigh Block	16
ATP 589P-Springfield Block	16
ATP 589P-Barcoo Junction Block	88
ATP 589P-Bright Spot	10

ATP 589P-Part 2	40
<i>Applications</i>	
ATP 774P	100
ATP 775P	100
ATP 776P	100
ATP 773P	100
ATP 677P	50

SURAT BASIN

ATP 574P

Oilex as operator drilled the Giligulgu North-1 well to 1,410 metres. Shows seen at the top of the Precipice Sandstone are interpreted as being from a residual oil column. No further work is planned for this permit in the near term.

ATP 608P and ATP 593P

Oilex is in discussions to expedite the drilling of prospects in these permits.

EROMANGA BASIN

ATP 589P

Agreement on terms has been reached with the Native Title parties in ATP 589P in the Eromanga Basin and this is expected to lead to a formal agreement which will allow access for drilling. PSDM work has commenced on the Barcoo Junction North prospect to optimize the location of the well.

ATP 548P

Subsequent to the end of the March quarter, Oilex farmed into this permit to earn a 10% interest in the permit by contributing 20% of the cost of the Morney North-1 well. That well reached Total Depth of 1,985 m on 30th April.

ATP 545P

Subsequent to the end of the quarter, Oilex farmed into this permit to earn up to a 55% interest in the permit by contributing 100% of the cost of the Connolly-1 well, less \$100,000 to be contributed by Roma Petroleum, the farmor, upon Connolly-1 reaching basement. Oilex may farm down its equity in this well prior to spud.

The Connolly Prospect is a large, four-way dip closure formed by drape over a basement high. The structure has had continuous palaeo-closure since the Jurassic. Vertical relief is 35 metres. The primary objectives are the Hutton and Basal Jurassic Sandstones. Secondary objectives are the Murta and Birkhead Formations. Based on an assumed net pay interval of 20 metres, the potential recoverable pool size is assessed as being 26 million barrels, if oil is present. The chance of a commercial discovery being made at Connolly-1 is assessed at 30%. Oilex NL considers that the Connolly prospect has very favourable risk/reward characteristics. Connolly-1 has a proposed total depth of 1,770 metres.

CANNING BASIN

Oilex made an application for gazettal area L03-7 in the Canning Basin.

CORPORATE

Presently Oilex has a total issued capital of 29,557,007 Ordinary shares of which 19,907,007 are listed with the balance of 9,650,000 being escrowed as follows:

2,650,000 Shares escrowed until 14/10/05

7,000,000 Shares escrowed until 17/10/04

In addition there are 2,000,000 unlisted options exercisable at 20 cents by 28/2/08 which are escrowed until 24/10/05.

As at 30th March, 2004, Oilex had \$1.378 million in available funds.

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

For and on behalf of the Board



David C. Archibald
Managing Director

29th April, 2004

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 NL

ABN

ABN 50 078 652 632

Quarter ended ("current quarter")

31 MARCH 2004

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	-	-
1.2 Payments for		
(a) exploration and evaluation (net)	(417)	(473)
(b) development	-	-
(c) production	-	-
(d) administration (net)	(69)	(127)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	19	48
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(467)	(552)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	(600)
(b)equity investments	-	-
(c) other fixed assets	(29)	(65)
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities (Sequoil Pty Ltd)	(33)	(88)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(62)	(753)
1.13 Total operating and investing cash flows (carried forward)	(529)	(1,305)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(529)	(1,305)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares. (net)	-	2,423
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(95)
1.18	Dividends paid	-	-
1.19	Other – Trade Creditors/etc..	72	256
	Net financing cash flows	72	2,584
	Net increase (decrease) in cash held	(457)	1,279
1.20	Cash at beginning of quarter/year to date	1,835	99
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,378	1,378

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	21
1.24	Aggregate amount of loans to the parties included in item 1.10	33

1.25 Explanation necessary for an understanding of the transactions

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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

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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

Sequoil Pty Ltd, a 100% wholly owned subsidiary has been advanced funds to satisfy J/V costs.

+ 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	Nil	Nil
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
Total	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 N/A
5.1 Cash on hand and at bank	58	114
5.2 Deposits at call	1,305	1,706
5.3 Bank overdraft	-	-
5.4 Other (provide details) Bonds	15	15
Total: cash at end of quarter (item 1.22)	1,378	1,835

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	-	None	-	-
6.2 Interests in mining tenements acquired or increased	ATP 773P ATP 774P ATP 775P ATP 776P	Application – 100% Application – 100% Application – 100% Application – 100%	Nil Nil Nil Nil	Application Application Application Application

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+ 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	29,557,007	19,907,007	Various	
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	4,140,556	Shares Ex-Escrow	
	-	-	-	
	-	-	-	
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil	-	
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	2,000,000	-	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 28/2/2008
7.8 Issued during quarter	-	-		
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 (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: ... **30 April 2004**....

(Director/Company Secretary)

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

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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