OCTANEX

ANNUAL REPORT 2016

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Cover: *Depicts various elements and stages of the Ophir wellhead platform fabrication*

Chairman's Letter

Dear Shareholders

2015/16 was a year in which Octanex increased its exposure to production and development activities. Given the ongoing downturn in oil price, we continued to moderate exploration activities. Quite simply, high risk exploration cannot be justified in the current oil price environment.

Following the approval by PETRONAS of the revised field development plan for the Ophir oil field (offshore Peninsular Malaysia) construction and development activities have accelerated. Octanex has a 50% interest in the Ophir development which is expected to commence production in the second half of next year.

During the year the contract for the engineering, procurement, construction, installation and commissioning of the wellhead platform was tendered and awarded, and the fabrication phase is now nearing completion. Photographs throughout this report show various stages of fabrication of the wellhead platform.

Following completion of reservoir studies, drilling and completions design work was prepared for the three proposed production wells. This resulted in increased estimates of oil production and reduced capital cost estimates. The tender process for the drilling rig was commenced during the year and the contract will soon be awarded for the drilling of three production wells in quarter two 2017.

Both the wellhead platform and the drilling rig contracts attracted rates significantly below those initially budgeted, and even below the reduced cost estimates adopted by the company in its revised field development plan in August 2015. The current low oil price regime is enabling low development costs to be captured.

We have also advanced our pre-development assets, being the Greater Cornea Fields and the Ascalon Gas discovery. For Cornea, both technical and commercial work was carried out. Technical work included drilling studies, particularly the use of technology to address key uncertainties. However, economic modelling completed during the year demonstrated the fundamental negative shift in the field's commerciality in the current low oil price environment. Accordingly, the Cornea Joint Venture has agreed to apply to vary the conditions of WA-54-R in order that the work programme is focussed on the "oil price" barrier to development that we now squarely face.

During the year we lodged applications for Retention Leases in respect to the Ascalon gas discovery. This followed two Declaration of Locations during the year for an aggregate of 13 graticular blocks. The Ascalon gas discovery is a large gas field in the Bonaparte Basin which is not presently commercial. However, its proximity to both the Bayu-Undan and Ichthys pipelines may be significant to its future commerciality.

Consistent with our strategy of surrendering or divesting exploration acreage where results have been unfavourable or which has held out little hope of farmout or with onerous work commitments, we exited PEP51906 in New Zealand during the financial year, following interpretation of the Kaka 3D seismic survey.

In prior years investments were made in Peako Limited, to assist Peako to fund seismic activities at a time when a merger of Peako into Octanex was contemplated. The extent of these investments reduced during the year. Following the receipt of a $440,000 partial loan repayment in July 2015, we reached agreement with Peako in November 2015 whereby the balance of the loan outstanding (which we had already fully impaired) was satisfied through a proceeds sharing arrangement whereby Octanex will share in any proceeds that Peako might receive in connection with its disputed Cadlao interests up until November 2017. Octanex did not participate in the pro-rata non renounceable rights issue conducted by Peako during the year, and accordingly, its shareholding was diluted.

A number of new venture opportunities were considered during the year with significant due diligence activities undertaken. A substantial effort was made to acquire an existing operating oil field in the offshore Carnarvon Basin which had been offered by industry for tender. Octanex continues to seek development opportunities that are synergetic with its corporate strategy and portfolio. Although the current industry cycle invariably results in an increased number of acquisition opportunities, many of these opportunities require aggressive oil price forecasts in order to generate attractive returns. Octanex will continue to review opportunities, seeking a risk / reward balance in assets that fit with its strategy and forward capacity.

Sabah International Petroleum (SIP), continued its support of Octanex and our involvement in the Ophir project. Following the revision of the timetable for the Ophir development, SIP agreed to extend the dates applicable to the convertible notes, commensurate with the new proposed first oil production date. I extend my thanks to SIP for their ongoing support of Octanex and the Ophir project.

We continued to maintain extreme fiscal discipline during the year. Directors have agreed to forgo directors fees.

Having built an excellent team in Malaysia, captured attractive development costs, and developed a robust geological model, Octanex is now placed to realise financial rewards from its Ophir interest. Moreover, the lessons learned from Ophir are of benefit to our pre-development assets; Cornea and Ascalon. I look forward to sharing with you the future progress of the development of the Ophir oil field and Octanex, generally.

EG Albers
Melbourne
29 September 2016

Operational Review

Summary of Operations

Octanex's focus in 2015/16 was in bringing the Ophir field closer to production, advancing its pre-development asset interests (Cornea and Ascalon), while maintaining its interest in exploration permits with potential for high-impact discoveries.

PROJECTS	OIL	GAS	INTEREST
DEVELOPMENT			
Ophir Oil Field	●		50%
PRE-DEVELOPMENT			
Greater Cornea Fields	●		18.75%
Ascalon Gas Discovery		●	100%
EXPLORATION			
Carnarvon Basin			
WA-362-P & WA-363-P	●	●	33.33% Carried by ENI
WA-323-P & WA-330-P		●	25% Carried by Santos
WA-387-P		●	100%

Strategy

We are focused on growing the value of our portfolio.

Development Interest

Ophir Oil Field, Malaysia, 50% Interest
Octanex has a 50% interest in Ophir Production Sdn Bhd (OPSB), the joint venture company that holds the Risk Service Contract (RSC) for the development of the Ophir oil field, offshore Peninsular Malaysia.

Under the terms of the RSC the Contractor (OPSB) is the service provider and Operator of the field, while PETRONAS is the resource owner. Upfront investment of capital is contributed by the Contractor with the Contractor compensated via the reimbursement of costs plus a remuneration fee for services rendered. The remuneration fee is linked to production volumes and capital costs. RSC terms provide that reimbursement of approved capital and operating costs is guaranteed by PETRONAS.

OPSB was formed by Octanex together with its two Malaysian joint venturers, Scomi Energy Services Bhd (Scomi) and Vestigo Petroleum Sdn Bhd (Vestigo). Octanex holds a 50% interest in OPSB with Scomi 30% and Vestigo 20%. Scomi is a Malaysian upstream oil and gas services company listed on the Main Board of Bursa Malaysia. Vestigo is a wholly owned subsidiary of PETRONAS Carigali Sdn Bhd with a focus on marginal field development.

Figure 1 Ophir Oil Field Location Map

Octanex's share of the Ophir project is fully funded via OPSB's 75% project financing and Octanex's $17Million Share Placement and Convertible Note Agreement with Sabah International Petroleum (SIP). SIP is wholly owned by Sabah Development Bank Berhad ("SDB"). SDB itself is wholly owned by the Ministry of Finance Sabah.

The Ophir development is now benefitting from current reduced industry costs and a low risk development concept involving three production wells, a single wellhead platform and oil export via a leased floating production storage and offloading (FPSO) unit.

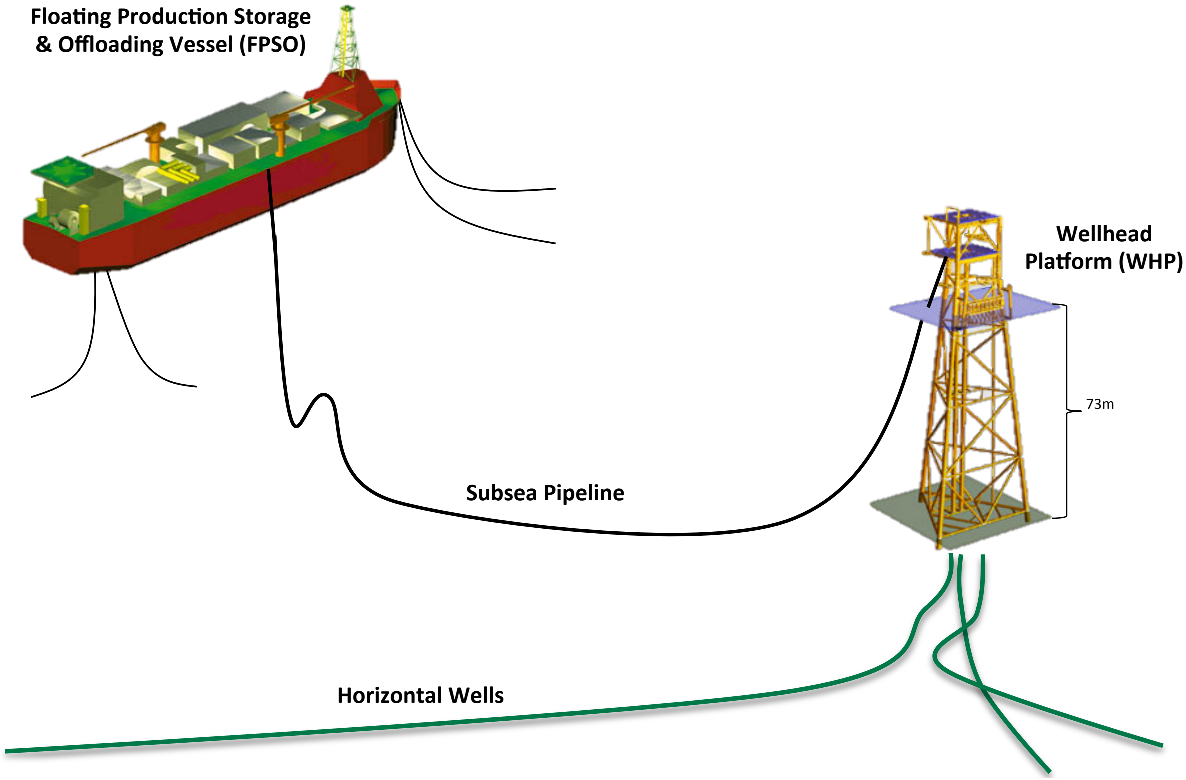

Figure 2 Ophir Development Schematic

"First Oil" from the Ophir field is scheduled to be produced in the second half of 2017, following an agreement with Petronas to extend the project schedule. This timetable avoids risks associated with the monsoon season, enabled greater cost savings to be realised and offers the project a greater opportunity to realise higher oil prices.

During the year a contract for the Engineering, Procurement, Construction, Installation and Commissioning (EPCIC) of a Wellhead Platform for the Ophir Oil field offshore Peninsular Malaysia was awarded to Muhibbah Engineering (M) Bhd.

The contract award followed a successful tender by Muhibbah, a large Malaysian engineering company with a track record of platform construction and installation. Significant progress was made on both the jacket and topsides construction during the year.

Significant work was completed in respect to Ophir drilling and completions, with the well basis of design completed during the year. The drilling rig procurement process commenced during the year, in preparation for the drilling of the three Ophir production wells in 2017.

Pre-Development Interests

Greater Cornea Fields, Western Australia, 18.75% interest

The company holds a 18.75% interest in the Cornea Joint Venture. The Cornea Joint Venture ownership is the following:

Octanex	18.750%
Enegex Limited (ASX: ENX)	14.875%
Cornea Resources Pty Ltd (Operator)	13.100%
Others	53.275%

The assets of the Cornea Joint Venture being, The Greater Cornea Fields, comprising the Cornea (Central and South), Focus and Sparkle Oil Fields and the Cornea North (Tear) Gas Field, are located in the Browse Basin, offshore from Western Australia and held via a Retention Lease (WA-54-R) over 6 graticular blocks, amounting to an area of 497km2.

The oil volumes in the Greater Cornea Fields are such that, if threshold production flow rates can be demonstrated, but dependent on oil price, the economics may provide a reasonable expectation of commercial development.

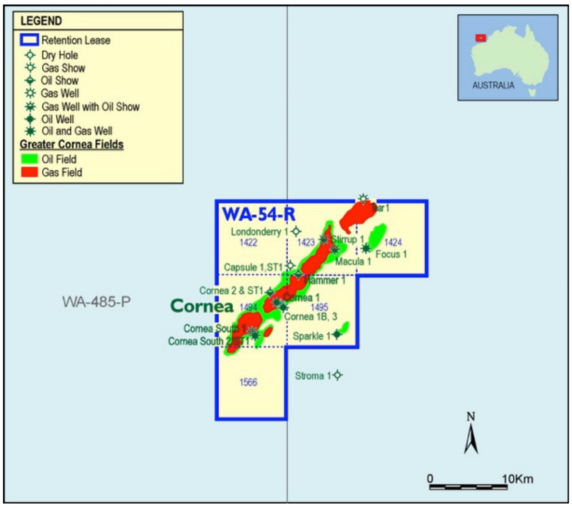

Figure 3 Greater Cornea Fields Retention Lease location map

Middle Albian B & C Sands	P90	P50	P10
Oil In-place mmbbl	**298.0**	**411.7**	**567.2**
Recovery Factor %	**2**	**7**	**25**
Cont. Oil Resources	**7.9**	**28.8**	**101.9**
Octanex 18.75%	**1.48**	**5.40**	**19.11**

Table 1 Cornea Central and South Fields - Probabilistic Contingent Oil Resources (no development risk applied)

The WA-54-R work program is aimed at overcoming the various challenges likely to be faced in bringing the Greater Cornea Fields into commercial production.

At the time the Retention Lease was granted, production uncertainty was considered to be the greatest barrier to the development of the Greater Cornea Fields. Given the potential size of the oil resource, and the oil price then prevailing (in the order of US$110/bbl), it was understood that resolving the production uncertainty could provide a reasonable expectation for future development.

Accordingly, the Retention Lease work program substantially addressed the technical challenges of the Fields; with the first three years of the Lease designed to support the quantification of drilling challenges, culminating in a Year-4 production test, with the Year-5 work programme involving review of the Year-4 outcomes. The work programme was thus designed on the premise that Cornea's challenge was whether it would produce, rather than whether production would be economic.

An economic study was completed during the year which used assumptions based on present date oil price, capex and opex assumptions. The economic modelling demonstrated the fundamental shift in the field's commerciality in the current sustained low oil price environment, as well as demonstrating that the Greater Cornea Fields are not presently economic (even were the production uncertainties resolved). "Oil price" was identified as the input to which the field is now most sensitive, rather than "production", which was the case in 2013.

Recent technical work has included drilling studies, particularly focusing on the use of technology to address key uncertainties. Additional field development concept work has focussed on an appropriate production system. The presently preferred configuration being a Mobile Drilling and Production Unit (MODPU) and tanker.

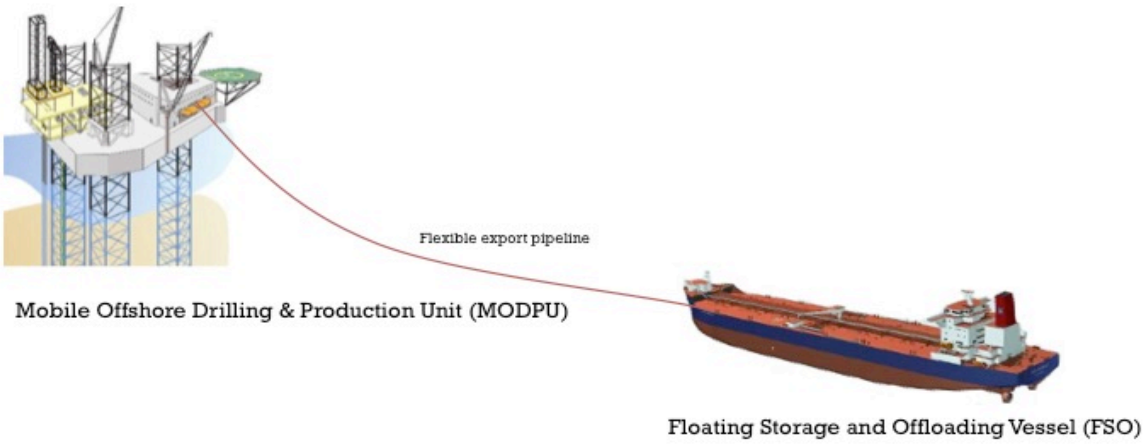

Figure 4 Preferred Cornea Field Development Concept using MODPU and FSO

Our studies indicate that the material and sustained fall in the price of oil since the grant of the Retention Lease has resulted in an assessment that a development of the Greater Cornea Fields would not be presently commercial, even were the production uncertainties to be resolved.

Given the ~60% decline in oil price, the most significant hurdle to commerciality of the Greater Cornea Fields is no longer producibility, but is "oil price". As such, the WA-54-R work program no longer appropriately addresses the Greater Cornea Fields' most significant barrier to development. Accordingly, the Cornea Joint Venture intends to apply to vary the conditions of WA-54-R in order that the work programme is focussed on the "oil price" barrier to development now faced by the Greater Cornea Fields.

Ascalon Gas Discovery, Bonaparte Basin 100% interest

Discovered in 1995 by Mobil, the Ascalon gas accumulation is currently located mostly within exploration permit WA-407-P and extending into the adjacent WA-420-P. During the year Octanex received Declarations of Location in respect to the Ascalon discovery extending across both exploration permits over an aggregate 13 graticular blocks. Octanex lodged applications for Retention Licences in respect to each Location in March 2016.

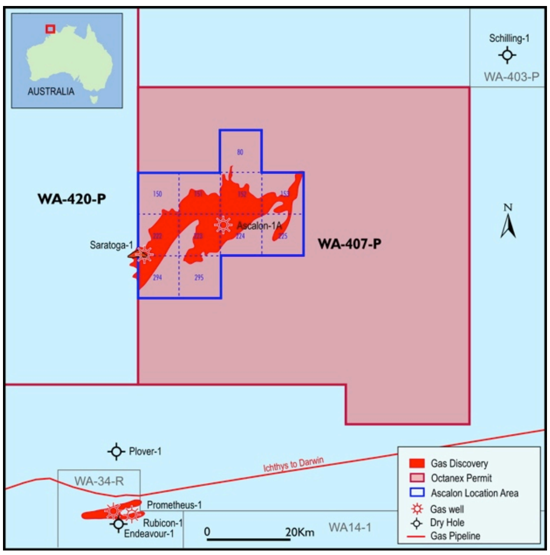

Figure 5 Ascalon Gas Discovery Retention Lease location map

The gas is contained in a faulted horst structure within shallow marine sandstones of the Late Permian, Cape Hay Formation of the Hyland Bay Subgroup. Mapping on modern 3D seismic database, which we acquired over the feature, and newly reprocessed 2D seismic, indicates a closure over an area of 260km2 with a maximum closure height of 380m. The lowest closing contour appears coincident with lowest known gas defined from logs in the Ascalon-1A well. Modern petrophysics indicates a 146m gross gas column within the Cape Hay Formation in the Ascalon-1A well, which is located off the crest of the structure. The reservoir sandstones within the Cape Hay Formation are tight, not unlike those in the nearby Petrel and Tern gas discoveries.

The probabilistically determined contingent resources estimates for the Ascalon Gas Discovery, are shown in Table 2 below, and a statement from a Qualified Petroleum Reserves and Resources Estimator is provided on page 64 of this report.

	P90	P50	P10
Contingent gas resource - Octanex 100% (TCF)	1.04	3.01	8.74

Table 2 Ascalon gas discovery – Probabilistic Contingent Gas Resources
(no development risk applied)

The key contingency that stands in the way of classification of the Contingent Resources of the Ascalon gas accumulation as "Reserves", is the distinction between commercial and sub-commercial accumulations. On the basis of the SPE/WPC/AAPG Resource Classification System, it is clear that the Ascalon accumulation must be assessed as commercial before any "Reserves" classification should be assigned to it.

The commerciality of Ascalon is dependent on gas market factors; both gas market demand, and pricing, as well as access to market. Located offshore from northern Australia, the most likely market for Ascalon's gas is presently considered to be LNG, which would necessitate access to pipeline and LNG infrastructure. The P50 estimate of the contingent resource at Ascalon is 3 TCF of natural gas, which at current LNG gas prices would not support a standalone LNG development.

Ascalon is located in proximity to a number of gas discoveries some of which will, or may, be commercialised in coming years. The development of other nearby gas discoveries can be expected to provide opportunities for Ascalon to be developed to tie-back to another development.

Exploration Interests

Carnarvon Basin Exploration Interests

Octanex has various interests in five high impact permits in the Dampier sub-basin and the Exmouth Plateau of the Northern Carnarvon Basin. Its participation in four of these permits is presently fully carried.

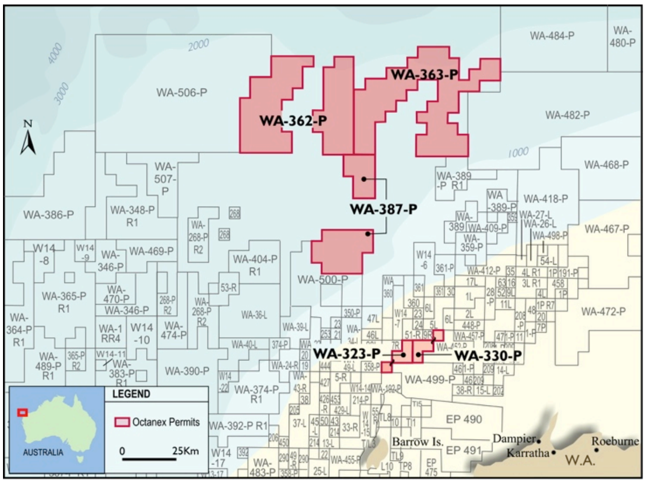

Figure 6 Carnarvon Basin interests

Dampier Sub-Basin WA-323-P & WA-330-P
25% interest, free carried by Santos as Operator

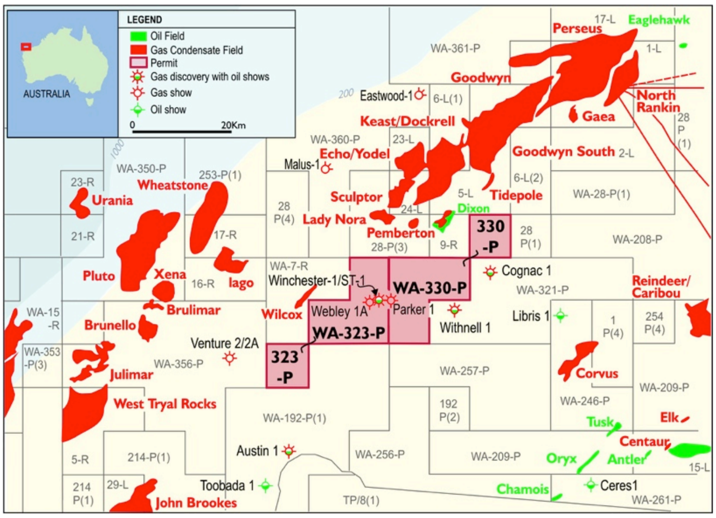

Figure 7 Dampier Sub-basin permits

WA-323-P and WA-330-P comprise a discrete project area of 640 km² on the Parker Terrace, in proximity to the onshore Devils Creek gas processing facility. The Winchester-1/ST1 discovery well was drilled from a location within WA-323-P during 2013. The estimated size of the Winchester discovery, by itself, is considered to be insufficient to be developed economically. Further contributions from possible deeper or adjacent hydrocarbon zones to the Winchester location would be required to augment the discovered resource. The Winchester discovery is located near existing pipeline and processing infrastructure and likely future infrastructure extensions.

Interpretation of the reprocessed data Winchester 3D seismic survey by the operator is continuing with the Prospects and Leads inventory being updated to incorporate prospects and leads identified from the reprocessed Winchester 3D survey. Octanex is currently being carried by Santos though exploration activity in each permit.

Exmouth Plateau interests

Octanex has interests in three permits in the Exmouth Plateau area of the Carnarvon Basin as shown.

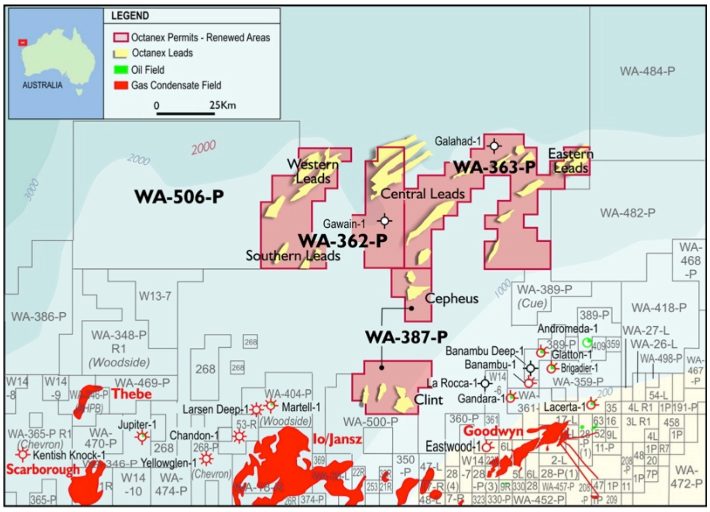

Figure 8 Exmouth Plateau Permits

Exmouth Plateau WA-362-P & WA-363
33.33% interest, free carried by Eni as Operator

The WA-362-P and WA-363-P permits are located on the northern margin of the Exmouth Plateau, 300 – 400 km northwest of the Western Australian coastline and comprise a combined exploration area of approximately 10,956 km^2.

The work program in both permits calls for reprocessing, interpretation and mapping of 2D data together with a studies program, to be followed by a new 3D seismic survey and an exploration well in the last two years of each permit's term. A tender process for the seismic reprocessing was conducted during the year with reprocessing work having recently commenced.

Octanex is fully carried by Eni though all exploration activity, including the next well in each permit, should a well be drilled in either or both of the permits.

Exmouth Plateau WA-387-P 100% interest

WA-387-P is considered to be prospective for gas within fluvial and deltaic sandstones of the Triassic Mungaroo Formation. This play is the main reservoir in the Wheatstone and Pluto gas fields located 35km and 45km due south of the permit respectively. The Mungaroo Formation is also the reservoir for the giant Goodwyn gas field located 65km to the east of the permit. A secondary play is the Late Jurassic, Oxfordian Jansz Sandstone, which is the reservoir for the giant Jansz/Io gas discovery located 35km southwest of the permit.

The current work program calls for the acquisition of 2D seismic surveys and studies. Octanex is seeking participation of other exploration and speculative seismic companies to join with it in this work.

Taranaki Basin, New Zealand PEP 51906
35% interest, divested

Octanex exited PEP 51906 offshore New Zealand during the year, following our interpretation of the Kaka 3D seismic survey.

New Ventures

A number of new venture opportunities were considered during the year, with significant due diligence activities undertaken. Octanex continues to seek opportunities that are synergetic with its corporate strategy, experience and portfolio. Although the current industry cycle invariably results in an increased number of acquisition opportunities, many of these opportunities require aggressive oil price forecasts in order to generate attractive returns. Octanex will continue to review opportunities, seeking a risk / reward balance in assets that fit with its portfolio and strategy.

Corporate Governance Statement

A corporate governance statement reporting on Octanex's governance framework, principles and practices is provided on the Octanex website www.octanex.com.au.

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Auditor's Independence Declaration
To the Directors of Octanex N.L.

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Octanex N.L. for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Brad Taylor
Partner - Audit & Assurance

Melbourne, 29 September 2016

Annual Financial Statements
Directors' Report
Directors

Mr Geoff Albers LL.B, FAICD
Executive Chairman
Appointed 2 October 1984

Mr Albers has over thirty five years oil and gas industry experience, having first became involved in oil exploration in 1977. Mr Albers is a law graduate of the University of Melbourne and extensive experience as a director and administrator in corporate law, petroleum exploration and resource sector investment.

Mr Albers founded Octanex NL and is a substantial shareholder in the company. On 1 October 2015 Mr Albers became a director in the ASX listed Enegex Limited (ASX: ENX). He is also a director in the ASX listed Peako Limited (ASX: PKO). Mr Albers is a substantial shareholder in both of those companies.

Mrs Rae Clark B.Bus(dist), CA, MAICD, AGIA, ACIS
Executive Director
Appointed 17 October 2014

Mrs Clark has more than fifteen years experience focussed primarily on the natural resource sector. She has wide operational, commercial and project development knowledge and her experience includes business development, financial modelling and analysis, capital raising and mergers and acquisitions, as well as managing joint venture partners, government, regulator and investor relations.

Mrs Clark was previously Commercial Manager of Octanex. Having commenced her career with Deloitte in 1997, Mrs Clark has worked with oil and gas companies since 2005. She is a Director and Company Secretary of Peako Limited (ASX: PKO). On 12 October 2015 Mrs Clark became a director in the ASX listed Enegex Limited (ASX: ENX).

Mrs Clark holds a Bachelor of Business (with distinction), a Graduate Diploma (ICAA) and Graduate Diploma in Applied Corporate Governance and is a member of the Australian Institute of Company Directors, the Chartered Accountants Australia New Zealand and Governance Institute of Australia.

Mr David Coombes LL.B, M Tax, CTA
Independent Non-Executive Director
Appointed 15 May 2012

Mr Coombes is a partner in the law firm, Gadens Lawyers, and is a member of the firm's corporate advisory and tax group. His practice involves advising clients on a range of corporate, commercial and taxation law matters, trusts and superannuation law and estate and succession planning. Mr Coombes acts for a number of Australian and overseas listed and private clients in numerous industry sectors.

Mr Coombes was admitted as a barrister and solicitor of the Supreme Court of Victoria in 1971 after graduating from Melbourne University Law School in 1970. He has completed a postgraduate degree in taxation law, is a Chartered Tax Advisor and has been accredited as a Tax Law specialist by the Law Institute of Victoria.

Mr Coombes is a director of several charitable organisations including Wintringham Limited, Wintringham Housing Limited and Newsboys Foundation Limited. He is also a director of the Wynn Group of Companies.

Mr Tino Guglielmo B.Eng(Mech), FIEAust, GAICD
Independent Non-Executive director
Appointed 18 December 2014

Mr Guglielmo is a Petroleum Engineer with over thirty three years of technical, managerial and senior executive experience in Australia and internationally.

Mr Guglielmo was the CEO and Managing Director of two successful ASX listed companies; Stuart Petroleum Ltd for seven years and Ambassador Oil & Gas Ltd for three years. Both companies merged with larger ASX listed companies generating significant value for shareholders following the identification of compelling resource potential in their respective petroleum resource portfolios.

Mr Guglielmo also worked at Santos Ltd, Delhi Petroleum Ltd, and internationally with NYSE listed Schlumberger Corp. Mr Guglielmo is currently a member of the Resources & Infrastructure Task force and the Minerals & Energy Advisory Council, both South Australian Government advisory bodies. He is a Fellow of the Institution of Engineers, Australia, a member of the Society of Petroleum Engineers and Australian Institute of Company Directors. Mr Guglielmo is also a director of ASX listed Bass Strait Oil Company Limited and during the past three years was a director of ASX listed Ambassador Oil & Gas Limited.

Datuk Kevin Kow How FCA
Non-Executive director
Appointed 18 December 2014

Datuk Kevin How Kow is a director of Sabah Development Bank. He is a member of the Malaysian Institute of Accountants, the Malaysian Institute of Certified Public Accountants and a fellow member of the Institute of Singapore Chartered Accountants and the Institute of Chartered Accountants in England & Wales. He was made a partner of Ernst & Young ("EY"), Malaysia in 1984 and served as the partner-in-charge of EY's offices in Sabah and Sarawak. Later, from 1996 onwards, he was the partner-in-charge of EY's practice in Sabah and Labuan until his retirement at the end of 2003. He also serves as a Director of Cahya Mata Sarawak Berhad, K&N Kenanga Holdings Berhad, Kenanga Investment Bank Berhad, Saham Sabah Berhad, Sarawak Cable Berhad, M3nergy Berhad and several private limited companies.

Ms Suhnylla Kler FCCA, BSc (Hons) Monetary Economics
Non-Executive director
Appointed 18 December 2014

Ms Kler has extensive experience in the financial services industry, having worked with the Arab-Malaysian Banking Group, HSBC Bank (M) Berhad and ABN AMRO. She is currently an Executive Director and CEO of Sabah Development Bank Asset Management and also serves as a Director of M3nergy Berhad and Group.

Ms Kler is registered as Associate Member of Persatuan Kewangan Malaysia (PKM) or Forex Association of Malaysia, and is a member of the Corporate Finance Faculty of the Institute of Chartered Accountants of England & Wales (ICAEW). She received her Bachelor degree in Monetary Economics from the London School of Economics and Political Sciences (LSE) and subsequently studied Japanese at the School of Oriental and African Studies (SOAS), U.K. Having completed her stint with KPMG Peat Marwick, she is additionally registered as a Chartered Accountant and fellow of the Association of Chartered Certified Accountants (FCCA).

Mr James Willis LL.M (Hons), Dip Acc
Independent Non-Executive Director
Appointed 18 August 2009

Previously an executive director of Octanex (2009-2011) Mr Willis is an upstream petroleum consultant who has held governance positions with and consulted to various participants in the oil and gas exploration sector. Mr Willis is a former partner in the leading New Zealand law firm of Bell Gully where his practice speciality was in the upstream oil and gas area, particularly relating to issues concerning gas contracting and the development of oil and gas reserves, joint ventures and upstream petroleum related acquisitions.

Mr Willis is a director of New Zealand Energy Corp, a company listed on the TSX Venture exchange.

Company Secretaries

Mr Jack Tuohy BCA, CA

Mr Tuohy has almost thirty years experience of public and private company administration, especially as this relates to the oil and gas exploration sector and to public listed company activities, obligations and requirements.

He has acted as Company Secretary for a number of listed public companies, and has been a director of various public companies. Mr Tuohy is a chartered accountant in New Zealand.

Mr Robert Wright B Bus, CPA

Mr Wright is a senior financial professional with over 25 years commercial experience in the resource, energy and manufacturing industries gained at various companies and locations, including 14 years at BHP.

He is the Chief Financial Officer (CFO) and the Company Secretary of Octanex and CFO of several listed and unlisted exploration companies. Mr Wright is a member of CPA Australia.

Principal Activities

The principal activities of the consolidated entity during the year were petroleum exploration and development and investment in that sector.

Financial Results

The net loss of the consolidated entity for the financial year was $1,815,272 (2015: loss of $11,524,294).

Dividends

No dividend was declared or paid during the year and to the date of this report.

Review of Operations

A review of the consolidated entity's Operations during the financial year is provided in the Operational Review.

Divestments and surrenders

During the year, Octanex divested its 35% interest in PEP 51906.

Change in State of Affairs

Other than as described in these annual financial statements there have been no changes in the state of affairs of the company.

Subsequent Events

Since the end of the financial year there have been no subsequent events.

Directors' Meetings

The table below sets out the number of meetings held during the year and the number of those meetings that were attended by each director.

	Board Meetings		**Audit Committee Meetings**		**Nomination & Remuneration Committee Meetings**	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
EG Albers	4	4	2	2		
RL Clark	4	4	2	2		
DC Coombes	4	4	2	2	2	2
G Guglielmo	4	4	2	2	2	2
KK How	4	2	2	-		-
S Kler	4	3	2	1	2	1
JMD Willis	4	4	2	1		

Future Developments

Future developments in the company's operations and the expected result from those operations are dependent on exploration and development success in the permit areas in which the group holds interests.

Share Capital

Ordinary Shares

During the year ended 30 June 2016, a voluntary payment of $720,000 was received, comprised of $0.10 per share payment in respect of 7,200,000 partly paid shares, making each share fully paid to $0.25. Accordingly, Octanex now has 7,200,000 fewer partly paid ordinary shares on issue and 7,200,000 more fully paid ordinary shares on issue.

In September 2015 the directors resolved that no call would be made before the date that First Oil is produced at the Ophir oil field, or 31 December 2018, whichever is earlier, on account of any part of the unpaid amount of 10 cents per share on the partly paid shares.

3,000,000 ordinary fully paid shares were purchased from the Trustee of the Octanex Trustee Share Scheme (Scheme) at a price of $0.10 per share pursuant to the Scheme. Octanex, accordingly, received $300,000 before costs as proceeds from the Trustee in respect to these shares.

As at 30 June 2016 and to the date of this report the number of fully paid ordinary shares on issue is 202,465,561 (excluding the 30,000,000 trustee shares also quoted as ordinary fully paid shares).

As at 30 June 2016 and to the date of this report the number of partly paid ordinary shares on issue is 67,078,910.

Trustee Stock Scheme

As at 30 June 2016 and to the date of this report, 30,000,000 ordinary shares, previously issued to the Trustee pursuant to the Scheme, remain unsold. The Trustee does not exercise voting rights in respect of the shares held pursuant to the Scheme.

Unlisted Options

No options were granted during the year and to the date of this report. The following options were granted in prior years and remained on issue at 30 June 2016 to Octanex staff and other individuals. The option terms are summarized below:

Number	Expiry Date	Exercise price	Vesting criteria
7,600,000	15 October 2018	$0.1534	No
1,000,000	19 May 2018	$0.15	No
1,000,000	11 June 2018	$0.15	No
1,000,000	11 June 2018	$0.15	Yes
4,000,000	11 June 2018	$0.15	Yes and varying expiry dates
250,000	1 February 2018	$0.20	No
250,000	1 February 2018	$0.25	No

	2016 Options	**2015 Options**
Unlisted Options		
Balance at beginning of year	15,100,000	4,850,000
Options granted	-	18,100,000
Options surrendered/ cancelled	-	(7,285,000)
Options expired	-	-
Balance at end of year	15,100,000	15,100,000
	==========	========

Convertible Notes

Octanex has a US$12Million convertible note facility (Notes) with Sabah International Petroleum (SIP), a company ultimately wholly owned by Ministry of Finance of the Malaysian state of Sabah. The facility was approved by shareholders in February 2015 and consists of three US$4million tranches with rights of conversion into fully paid ordinary shares of the Company at prices of 15, 20 and 25 cents per share for each of the tranches.

The Notes have a maturity date of 31 December 2018 when they may be redeemed or converted at SIP's election.

The facility is primarily to be utilized to fund the Ophir development. As at 30 June 2016, and at the date of this report, no amount has as yet been drawn under the facility.

Indemnification of Directors and Officeholders

During the year and to the date of this report, the company did not pay premiums in respect of contracts insuring officers or auditors of the company against liabilities arising from their position of officers or auditor of the company.

The Company has entered into Deeds of Access and Indemnity with each of the Directors referred to in this report who held office during the year indemnifying each against all liabilities incurred in their capacity as directors of the Company to the full extent permitted by law.

Remuneration report

This remuneration report is set out on pages 23 to 25 and forms part of the Directors' Report for the financial year ended 30 June 2016.

Corporate Governance

The Board is responsible for the strategic direction of the Company, the identification and implementation of corporate policies and goals, and the monitoring of the business and affairs of the Company on behalf of its shareholders.

The Board delegates responsibility for the day-to-day management of Octanex to the Chief Executive Officer. All Directors have unrestricted access to Company records and information and receive detailed financial and operational reports.

The Board is currently comprised of five Non- Executive Directors and two Executive Directors. In accordance with the Company's Constitution and the ASX Listing Rules, the Directors (other than the Chief Executive Officer) are subject to re-election by shareholders every three years.

The Board meets regularly throughout the year. Where appropriate, presentations are given to the Board from management who may be questioned directly by Board members on technical, operational and commercial issues.

Details of the Company's corporate governance practices are included in the Corporate Governance statement found on the Company's website.

Auditor independence and non–audit services

A copy of the auditor's independence declaration, as required under Section 307C of the Corporations Act 2001, is attached and forms part of this Directors' Report for the year ended 30 June 2016.

No fees were paid to the auditor for non-audit services.

This Directors' Report is made in accordance with a resolution of the directors and forms part of the financial statements.

On behalf of the Directors:

EG Albers
Director
29 September 2016

Remuneration Report

This Remuneration Report for the year ended 30 June 2016 outlines the key management personnel remuneration arrangements of the Company in accordance with the requirements of the Corporations Act 2001 (Act) and its regulations. The disclosures in this Remuneration Report have been audited as required by section 308(3C) of the Act.

Key Management Personnel

For the purpose of this report, Key Management Personnel (KMPs) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company directly or indirectly.

The following have been identified as KMPs for the purpose of this Remuneration Report:

Executive Directors

EG Albers	Chairman & Chief Executive Officer
RL Clark	Chief Operating Officer

Non-executive Directors

DC Coombes	Director
G Guglielmo	Director
KK How	Director
SK Kler	Director
JMD Willis	Director

The board of directors is responsible for determining and reviewing compensation arrangements for the directors and executives. The board assesses the appropriateness of the nature and amount of emoluments on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executives.

Remuneration levels for directors and executives of the company are competitively set to attract and retain appropriately qualified and experienced directors and executives. The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structure takes into account:

- The capability and experience of the directors and executives;
- The ability of directors and executives to control the entity's performance; and
- The requirement that directors apply a portion of their remuneration to the purchase of shares in the company, at market price, so as to align the interests of directors with that of shareholders.

In accordance with the company's constitution, directors' non-executive remuneration was approved by shareholders on 28 November 2014 at $250,000 per annum.

During the year, non-executive director remuneration of $nil was paid and payable (2015: $166,375). Adjustments from the signing of deeds of release (see Note 1 to the remuneration table on page 24) were $(95,305). Total director remuneration (exclusive of consulting fees which are included at note 24) of $219,000 was paid and payable during the year (2015: $395,759). Adjustments from the signing of deeds of release (see Note 1 to the remuneration table on page 24) were $(151,104).

There is no performance related remuneration for directors. Remuneration paid to directors covers all board activities, including serving on committees.

Apart from a retirement benefit for the chairman and four weeks annual leave for RL Clark, the other directors do not receive employee benefits such as annual leave and long service leave, but remuneration may include the grant of options over shares of the company to align directors' interests with that of the shareholders. There is no direct relationship between remuneration and the company's performance for the last five years.

Components of directors' compensation paid and otherwise payable (refer Note (1)) are disclosed below.

		Short Term		*Post Employment*		*Equity Settled*	*Total*
		Directors Fees	*Salary*	*Super-annuation*	*Retirement Benefits*	*Options*	
		$	*$*	*$*	*$*	*$*	*$*
EG Albers (1)(2)	**2016**	**(30,000)**	**-**	**(2,850)**	**-**	**-**	**(32,850)**
	2015	30,000	-	2,850	9,334	-	42,184
DC Coombes (1)	**2016**	**(15,000)**	**-**	**(1,425)**	**-**	**-**	**(16,425)**
	2015	30,000	-	2,850	-	10,991	43,841
JMD Willis (1)	**2016**	**(32,850)**	**-**	**-**	**-**	**-**	**(32,850)**
	2015	32,850	-	-	-	10,991	43,841
GA Menzies	**2016**	**-**	**-**	**-**	**-**	**-**	**-**
	2015	13,993	-	**1,329**	-	10,991	26,313
RL Clark (1)	**2016**	**(20,959)**	**200,000**	**17,010**	**-**	**-**	**196,051**
	2015	20,959	150,000	16,241	-	-	187,200
S K Kler (1)	**2016**	**(14,285)**	**-**	**-**	**-**	**-**	**(14,285)**
	2015	17,460	-	-	-	-	17,460
K K How (1)	**2016**	**(14,285)**	**-**	**-**	**-**	**-**	**(14,285)**
	2015	17,460	-	-	-	-	17,460
G Guglielmo (1)	**2016**	**(15,945)**	**-**	**(1,515)**	**-**	**-**	**(17,460)**
	2015	15,945	-	1,515	-	-	17,460
TOTAL	**2016**	**(143,324)**	**200,000**	**11,220**	**-**	**-**	**67,896**
	2015	178,667	150,000	24,785	9,334	32,973	395,759

(1) All seven directors have signed a deed of release effective 30 June 2016. This releases the Company from any obligation to pay those Director's Fees that have not been paid and would have otherwise been payable from 1 July 2014. All fees and related superannuation disclosed at 30 June 2015 were accrued but not declared or paid for each director, with the exceptions being David Coombes, who was paid $16,425 (fee $15,000 and superannuation $1,425) for the period 1 July 2014 to 31 December 2014, and Kevin How Kow and Suhnylla Kler, who were each paid $3,175 in April 2015.

(2) On 29 October 1997, a Deed of Appointment was signed with EG Albers. The deed detailed terms of continuation of his appointment as chairman of Octanex NL. Among other things, it provides for a payment of a retirement benefit to EG Albers as chairman.

Interests in Equity Instruments of Octanex N.L.
The disclosures relating to equity instruments of directors includes equity instruments of personally related entities, being relatives and the spouses of relatives of the director and any entity under the joint or several control or significant influence of the director.

All equity transactions with directors, other than options granted as remuneration, have been entered into under terms and conditions, applicable to all shareholders.

Interests in fully paid ordinary shares

	Balance	Received as Remuneration	Options Exercised	Net Change Other	Balance
	01/07/2015				**30/06/2016**
EG Albers	113,963,757	-	-	7,797,684	121,761,441
RL Clark	57,551	-	-	-	57,551
DC Coombes	165,000	-	-	-	165,000
G Guglielmo	-	-	-	3,000,000	3,000,000
KK How	50,000	-	-	-	50,000
SK Kler	50,000	-	-	-	50,000
JMD Willis	2,398,130	-	-	-	2,398,130

Interests in partly paid ordinary shares

	Balance	Received as Remuneration	Options Exercised	Net Change Other	Balance
	01/07/2015				**30/06/2016**
EG Albers	51,837,357	-	-	(7,200,000)	44,637,357
RL Clark	-	-	-	-	-
DC Coombes	41,500	-	-	-	41,500
G Guglielmo	200,000	-	-	-	200,000
KK How	-	-	-	-	-
SK Kler	-	-	-	-	-
JMD Willis	1,198,752	-	-	-	1,198,752

Interests in unlisted options

	Held at	Granted as Compensation	Exercised	Other Changes	Held at 30 June	Vested during the year	Vested and exercisable at 30 June
	1 July 2015				**2016**		**2016**
EG Albers	-	-	-	-	-	-	-
RL Clark	2,000,000	-	-	-	2,000,000	-	2,000,000
DC Coombes	500,000	-	-	-	500,000	-	500,000
JMD Willis	500,000	-	-	-	500,000	-	500,000
G Guglielmo	-	-	-	-	-	-	-
KH Kow	-	-	-	-	-	-	-
SK Kler	-	-	-	-	-	-	-

End of Remuneration Report.

Directors Declaration

The directors of the company declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:

   (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and

   (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date.

   (c) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. The remuneration disclosures included in pages 23 to 25 of the directors' report, (as part of audited Remuneration Report), for the year ended 30 June 2016, comply with section 300A of the Corporations Act 2001.

4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

EG Albers
Director
Melbourne, 29 September 2016

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Independent Auditor's Report
To the Members of Octanex N.L.

Report on the financial report

We have audited the accompanying financial report of Octanex N.L. (the "Company"), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company .

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion
In our opinion:

a the financial report of Octanex NL is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the Company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

  ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report
We have audited the remuneration report included in pages 23 to 25 of the directors' report for the year ended 30 June 2016. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Octanex NL for the year ended 30 June 2016, complies with section 300A of the Corporations Act 2001.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Brad Taylor
Partner - Audit & Assurance

Melbourne, 29 September 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year Ended 30 June 2016

	NOTE	2016 $	2015 $
Revenue - interest received		4,867	9,818
Other income	2	339,786	956,755
Finance costs		-	(371,039)
Expenses	3	(1,403,318)	(12,192,533)
Share of loss of Ophir Production Sdn Bhd	8	(1,261,490)	(1,738,234)
Share of profit / (loss) of Peako Limited	9	237,960	(1,074,973)
Impairment of investment in Peako Limited	9	(355,842)	-
Loss before tax		(2,438,037)	(14,410,206)
Income tax benefit	4	622,765	2,885,912
Net Loss after tax		(1,815,272)	(11,524,294)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operation		101,884	765,937
Income tax effect		-	-
Items that will not be reclassified subsequently to profit or loss			
Changes in financial assets at fair value through other comprehensive income		(1,179,797)	(161,195)
Income tax on items of comprehensive income		353,938	48,358
Other comprehensive income for the year net of tax		(723,975)	653,100
Total comprehensive income for the year		(2,539,247)	(10,871,194)
Basic loss per share (cents per share)	25	(0.758)	(5.415)
Diluted loss per share (cents per share)	25	(0.758)	(5.415)

The above Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2016

	NOTE	2016 $	2015 $
CURRENT ASSETS			
Cash and cash equivalents	5	3,147,294	5,832,084
Trade and other receivables	6	382,323	852,380
TOTAL CURRENT ASSETS		3,529,617	6,684,464
NON-CURRENT ASSETS			
Trade and other receivables	6	6,568,663	5,420,021
Financial assets at fair value through other comprehensive income	7	21,235	126,830
Investments in an associate and a joint venture	8,9	142,449	260,332
Property, plant and equipment	10	-	1,832
Exploration and evaluation assets	11	41,208,791	40,974,942
TOTAL NON-CURRENT ASSETS		47,941,138	46,783,957
TOTAL ASSETS		51,470,755	53,468,421
CURRENT LIABILITIES			
Trade and other payables	12	634,419	1,257,408
Provisions	13	130,176	125,068
TOTAL CURRENT LIABILITIES		764,595	1,382,476
NON-CURRENT LIABILITIES			
Deferred tax liabilities	14	8,521,949	8,370,487
TOTAL NON-CURRENT LIABILITIES		8,521,949	8,370,487
TOTAL LIABILITIES		9,286,544	9,752,963
NET ASSETS		42,184,211	43,715,458
EQUITY			
Issue capital	15	68,856,339	67,848,339
Reserves	16	1,572,649	2,296,624
Accumulated losses		(28,244,777)	(26,429,505)
TOTAL EQUITY		42,184,211	43,715,458

The above Statement of Financial Position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

Year Ended 30 June 2016

	Contributed equity	Accumulated losses	Financial assets at fair value through other comprehensive income	Foreign currency translation reserve	Option reserve	Total
	$	$	$	$	$	$
CONSOLIDATED ENTITY						
At 1 July 2015	67,848,339	(26,429,505)	(1,505)	1,350,113	948,016	43,715,458
Loss after tax	-	(1,815,272)	-	-	-	(1,815,272)
Other comprehensive income						
Exchange differences of translation of foreign operations net of tax	-	-	-	101,884	-	101,884
Changes in fair value on financial assets at fair value through other comprehensive income net of tax	-	-	(825,859)	-	-	(825,859)
Total other comprehensive income	-	-	(825,859)	101,884	-	(723,975)
Total comprehensive income for the year	-	(1,815,272)	(825,859)	101,884	-	(2,539,247)
Transactions with owners in their capacity as owners						
Share issue	1,020,000	-	-	-	-	1,020,000
Cost of issue	(12,000)	-	-	-	-	(12,000)
At 30 June 2016	68,856,339	(28,244,777)	(827,364)	1,451,997	948,016	42,184,211

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

Year Ended 30 June 2015

	Contributed equity	Accumulated losses	Financial assets at fair value through other comprehensive income	Foreign currency translation reserve	Option reserve	Total
	$	$	$	$	$	$
CONSOLIDATED ENTITY						
At 1 July 2014	61,602,959	(14,905,211)	111,332	584,176	763,494	48,156,750
Loss after tax	-	(11,524,294)	-	-	-	(11,524,294)
Other comprehensive income						
Exchange differences of translation of foreign operations net of tax	-	-	-	765,937	-	765,937
Changes in fair value on financial assets at fair value through other comprehensive income net of tax	-	-	(112,837)	-	-	(112,837)
Total other comprehensive income	-	-	(112,837)	765,937	-	653,100
Total comprehensive income for the year	-	(11,524,294)	(112,837)	765,937	-	(10,871,194)
Transactions with owners in their capacity as owners						
Share Placement	6,393,860	-	-	-	-	6,393,860
Cost of issue	(128,485)	-	-	-	-	(128,485)
Share buy back	(19,995)					(19,995)
Share-based payments expense	-	-	-	-	184,522	184,522
At 30 June 2015	67,848,339	(26,429,505)	(1,505)	1,350,113	948,016	43,715,458

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

Year Ended 30 June 2016

	NOTE	2016 $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Administration fees received		42,120	432,500
Interest received		4,828	13,571
Tax paid		-	(34,566)
Payments to suppliers		(1,948,108)	(2,806,587)
Net cash outflow from operating activities	(i)	(1,901,160)	(2,395,082)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to suppliers - exploration		(206,949)	(996,475)
Proceeds from sale of permit interest		-	350,000
Repayment of loan from Peako Limited	6,9	440,000	260,000
Loan to Peako Oil Limited	6,9	-	(1,047,038)
Loans to Ophir Production Sdn Bhd	8	(2,268,364)	(4,931,924)
Proceeds from sale of investments		53,964	-
Net cash outflow from investing activities		(1,981,349)	(6,365,437)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowing	12	-	6,637,991
Proceeds from share issue	15	1,020,000	-
Cost of share issue	15	(12,000)	(128,485)
Share buy-back	15	-	(19,995)
Repayment of borrowing	12	-	(1,316,483)
Net inflow from financing activities		1,008,000	5,173,028
Net decrease in cash and cash equivalents		(2,874,509)	(3,587,491)
Exchange gains		189,719	913,001
Cash and cash equivalents at beginning of the year		5,832,084	8,506,574
CASH AND CASH EQUIVALENTS AT 30 JUNE	5	3,147,294	5,832,084

(i) RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES WITH LOSS AFTER INCOME TAX

	NOTE	2016 $	2015 $
Loss after income tax		(1,815,272)	(11,524,294)
Non cash items:			
Impairment of exploration assets		-	8,487,470
Borrowing Costs		-	381,040
Exchange rate changes on the balances held in a foreign currency		(229,603)	(957,821)
Employee Provisions expense		5,108	52,277
Depreciation		1,832	4,510
Loss of disposal of asset		-	19,939
Share based payments expense		-	184,522
Share of loss and impairment of Peako Limited	9	117,883	1,074,973
Share of loss of Ophir Production Sdn Bhd	8	1,261,490	1,738,234
Impairment of loan receivable from Peak	6	-	1,274,381
OPSB transaction costs		-	(819,995)
Changes in assets and liabilities:			
Decrease in receivables		30,056	13,155
Increase in payables		(649,889)	653,876
Decrease in tax liabilities		(622,765)	(2,977,349)
Net Cash outflow from Operating Activities		(1,901,160)	(2,395,082)

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

Notes to the Financial Statement
30 June 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Octanex NL ("Octanex" or "the company") is a for-profit company incorporated and domiciled in Australia with its registered office and principal place of business located at Level 21, 500 Collins Street, Melbourne, Victoria 3000. The consolidated financial report of the company for the year ended 30 June 2016 comprises the company and its subsidiaries (together referred to as the "consolidated entity" or "the group") and the consolidated entity's interest in joint operations.

Financial information for Octanex NL as an individual entity is included in Note 26.

The financial report was authorised by the directors for issue on 29 September 2016.

(a) Statement of compliance
The consolidated financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, including the Accounting Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The consolidated financial statements and notes comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

(b) Basis of preparation
The financial report is presented in Australian dollars, which is the consolidated group's functional currency, rounded to the nearest dollar. It has been prepared under the historical cost convention as modified by the revaluation of the available for sale investments at fair value.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial report and estimates with a significant risk of material adjustment in the next year are discussed in note 1(q).

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(c) Early adoption of standards
From 1 July 2010 the group has elected to apply AASB 9 Financial Instruments (as issued in December 2009) and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 from 1 July 2010, because the new accounting policies provide more reliable and relevant information for users to assess the amounts, timing and uncertainty of future cash flows. In accordance with the transition provisions, comparative figures have not been restated. Refer Note 1(k) for further details on the impact of the change in accounting policy.

As permitted under the transitional provisions, the group has elected not to adopt the December 2010 revised version of AASB 9, which addresses the accounting for financial liabilities and derecognition of financial assets and liabilities.

Classification – from 1 July 2010
As from 1 July 2010, the group classifies its financial assets in the following measurement categories:
those to be measured subsequently at fair value and those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(d) Principles of consolidation
The consolidated entity financial statements consolidate those of the company and all of its subsidiaries as at year end.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Subsidiaries

The company controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Investments in subsidiaries are carried at their cost of acquisition in the parent entity note.

All transactions and balances between companies within the consolidated entity are eliminated on consolidation, including unrealised gains and losses on transactions between group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a consolidated entity perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the consolidated entity.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

(ii) Investments in associates and joint ventures

Associates are those entities over which the consolidated entity is able to exert significant influence but which are not subsidiaries. Peak Oil & Gas Limited is an Associate of Octanex for the purposes of these accounts.

A joint venture is an arrangement that the consolidated entity controls jointly with one or more other investors, and over which the consolidated entity has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the consolidated entity has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation. Ophir Production Sdn Bhd is treated as a joint venture company for the purposes of these accounts.

Investments in associates and joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising the consolidated entity's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

Any goodwill or fair value adjustment attributable to the consolidated entity's share in the associate or joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the consolidated entity's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the consolidated entity.

When the consolidated entity's share of losses exceeds its interest in the associate or joint venture the entity discontinues recognising its share of further losses. The interest in an associate or joint venture is the carrying amount of the investment in the associate or joint venture (refer Notes 8 and 9) together with long-term interests that in substance form part of the entity's net investment in the associate or joint venture (refer Note 6).

Unrealised gains and losses on transactions between the consolidated entity and its associates and joint ventures are eliminated to the extent of the consolidated entity's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

(iii) Joint operations

Jointly controlled operations and assets

The interest of the company and of the consolidated entity in unincorporated joint operations and jointly controlled assets are brought to account by recognising in its financial statements the assets it controls, the liabilities that it incurs, the expenses it incurs and its share of income that it earns from the sale of goods or services by the joint operation.

The financial statements of the jointly controlled operations and assets are prepared for the same reporting period as the parent company using consistent accounting policies.

Notes to the Financial Statement
30 June 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(iv) Transactions eliminated on consolidation
Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated to the extent of the consolidated entity's interest in the entity with adjustments made to the 'Investment in associates' and 'Share of associates' net profit accounts.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Gains and losses are recognised as the contributed assets are consumed or sold by the associates or, if not consumed or sold by the associate, when the consolidated entity's interest in such entities is disposed of.

(e) Taxes
Income Tax
Income taxes are accounted for using the comprehensive balance sheet liability method whereby:

- The tax consequences of recovering (settling) all assets (liabilities) are reflected in the financial statements;
- Current and deferred tax is recognised as income or expense except to the extent that the tax related to equity items or to a business combination;
- A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to realise the asset;
- Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period where the asset is realised or the liability settled.

Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Tax Consolidation
The company and its wholly owned resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Octanex NL.

Current tax expense / income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of the assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised by the Company as amounts payable (receivable) to / (from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts. Any difference between these amounts is recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Notes to the Financial Statement
30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(f) Foreign Currency Translation

The functional and presentation currency of Octanex NL and its Australian subsidiaries is Australian dollars (A$).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into dollars at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss and Other Comprehensive Income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(g) Receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default) that the company will not be able to collect all amounts due according to the original terms.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call bank deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(i) Payables

Trade, accruals and other payables are recorded initially at fair value and subsequently at amortised cost. Trade and other payables are non-interest bearing and are normally settled on 60-day terms.

(j) Assets Held for sale

When the group intends to sell a non-current asset or a group of assets (a disposal group), and if sale within 12 months is highly probable, the asset or disposal group is classified as 'held for sale' and presented separately in the statement of financial position. Liabilities are classified as 'held for sale' and presented as such in the statement of financial position if they are directly associated with a disposal group

Assets classified as 'held for sale' are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some 'held for sale' assets such as financial assets or deferred tax assets, continue to be measured in accordance with the group's accounting policy for those assets.

(k)Equity investments

All equity investments are measured at fair value. Equity investments that are held for trading are measured at fair value through profit or loss. For all other equity investments, the group can make an irrevocable election at initial recognition of each investment to recognise changes in fair value through other comprehensive income ("OCI") rather than profit or loss.

Notes to the Financial Statement
30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Equity investments (continued)
At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed as profit or loss.

The group subsequently measures all equity investments at fair value. The directors have elected to present fair value gains and losses on equity investments in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other revenue when the group's right to receive payments is established and as long as they represent a return on investment.

(l) Property, plant and equipment
Computer and other equipment
Computer and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management. Computer equipment and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.
Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of computer equipment and other equipment. The following useful lives are applied:

- Computer equipment: 4 years
- Other equipment: 10 years

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

(m) Share capital
Ordinary share capital is recognised at the fair value of the consideration received by the company. Transactions costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the consideration received, net of any income tax benefit. Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration

(n) Impairment

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the profit or loss where the asset's carrying value exceeds its recoverable amount.

(i) Calculation of recoverable amount
Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other groups or assets, in which case, the recoverable amount is determined for the class of assets to which the asset belongs.

(ii) Reversals of impairment
Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o)Restoration, rehabilitation and environment expenditure
Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are provided for as part of the cost of those activities. Costs are estimated on the basis of current legal requirements, anticipated technology and future costs that have been discounted to their present value. Estimates of future costs are reassessed at each reporting date.

(p)Exploration and evaluation assets
Exploration and evaluation assets, including the costs of acquiring permits or licences, are capitalised as exploration and evaluation assets on an area of interest basis. Exploration and evaluation assets are only recognised if the rights to tenure of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale or partial sale: or
(ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Proceeds from the sale of exploration permits or recoupment of exploration costs from farmin arrangements are credited against exploration costs previously capitalised. Any excess of the proceeds overs costs recouped are accounted for as a gain on disposal.

Farmouts in the exploration and evaluation phase
The group does not record any expenditure made by the farminee on its account. It also does not recognise any gain or loss on its exploration and evaluation farmout arrangements, but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any additional cash consideration received directly from the farminee is credited against costs previously capitalised in relation to the whole interest, with any excess accounted for as a gain on disposal.

(q) Accounting estimates and judgements
Management determine the development, selection and disclosure of the company's critical accounting policies and estimates and the application of these policies and estimates. There are no estimates and judgements that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

There is, however, a risk that actual expenditure to achieve minimum work obligations could differ from estimates disclosed in the notes to the financial statements (see Note 17). The estimated amounts represent the higher end of possible future expenditure. Work requirements achieved by farm-ins materially reduce the level of expenditure incurred by the company to comply with work program commitments.

Per Notes 1(p), management exercises judgement as to the recoverability of exploration expenditure. Any judgment may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes, once activities in the area of interest have reached a stage which permits a reasonable assessment of technical feasibility and commercial viability, that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through the statement of profit or loss and other comprehensive income.

The consolidated entity is subject to income taxes in numerous jurisdictions. The determination of the consolidated entity's provision for current income tax as well as deferred tax assets and liabilities involves significant judgements and estimates on certain matters and transactions, for which the ultimate outcome may be uncertain. If the final outcome differs from the consolidated entity's estimates, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Notes to the Financial Statement
30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Accounting estimates and judgements (continued)
Management has assessed the company's investment in Ophir Production Sdn Bhd (OPSB) and Peako Limited (Peak). Management has concluded that OPSB is a joint venture company and that Peak meets the definition of an associate. AASB 128 requires the use of equity accounting for investment in joint venture companies and associates.

Management has assessed recoverability of the advance to Ophir Production Sdn Bhd ("OPSB') and has decided its carrying value to be appropriate (Refer Note 6). In determining the recoverable amount management have made assumptions and estimates regarding the present value of future cashflows based on the latest data; including oil prices, production levels, interest rates and an appropriate risk based discount rate. These cash flows are particularly sensitive to future production and oil prices.

(r) Revenue
Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest
Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(s) Share-based payment transactions
Equity settled transactions
The fair value of options granted are recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the grantee become unconditionally entitled to the options.

The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

(t) Fair value
Fair values may be used for financial asset and liability measurement as well as for sundry disclosures.

Fair values for financial instruments traded in active markets are based on quoted market prices at reporting date. The quoted market price for financial assets is the current bid price and the quoted market price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at reporting date. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Notes to the Financial Statement
30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Borrowing Costs
Borrowing costs incurred for the construction of a qualifying asset are capitalised during the period of time that it is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed when incurred.

(v) Earnings per Share
Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to members of Octanex by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year.

In calculating the weighted average number of ordinary shares outstanding, the partly paid shares are accounted for on a pro-rata basis according to the amount of call outstanding in relation thereto.

Diluted earnings per share
Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(w) New and revised accounting standards issued not yet effective
The company has adopted all of the new and revised Accounting Standards issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2015.

The Directors do not believe that new and revised standards issued by AASB that are not yet effective will have any material financial impact on the financial statements.

	NOTE	Consolidated 2016 $	2015 $
NOTE 2 OTHER INCOME			
Sundry income – director related	20	18,840	234,556
Net foreign exchange gain		271,943	604,483
Sundry income - other		49,003	117,716
Total income		339,786	956,755

Notes to the Financial Statement

30 JUNE 2016

NOTE 3 EXPENSES

	NOTE	Consolidated 2016 $	Consolidated 2015 $
Audit fees	22	66,955	79,292
Consulting		191,246	534,824
Directors' remuneration	19	(151,104)	189,203
Directors' retirement benefit		-	9,334
Exploration expensed		575	6,031
Legal fees		-	11,343
Management fees		75,000	96,500
Reporting, registry and stock exchange		41,383	90,113
Office expenses		234,622	459,809
Other expenses		200,069	416,591
Project costs		206,939	-
Salaries		412,100	353,120
Share based payments: fair value of			
- options at grant date - directors	15	-	32,973
- options at grant date – other individuals	15	-	151,549
Impairment of exploration assets		125,533	8,487,470
Impairment of loan receivable from Peako Limited	6	-	1,274,381
Total expenses		1,403,318	12,192,533

NOTE 4 INCOME TAX

	2016 $	2015 $
Components of income tax benefit		
Current tax expense		
Current period	(351,418)	(2,885,912)
Adjustment for prior period	(271,347)	-
Deferred tax expense		
Origination and reversal of temporary differences	-	-
Total	(622,765)	(2,885,912)
Reconciliation between tax benefit and pre-tax loss		
Loss before tax	(2,438,037)	(14,410,206)
Income tax benefit using statutory income tax rate of 30%	(731,411)	(4,323,062)
Tax effect of adjustment recognised in the period for:		
Prospectus costs	(3,005)	(12,152)
Adjustment for prior periods	(271,347)	-
Non-assessable income	(108,220)	(304,421)
Other non–deductible expenses	491,218	1,679,390
Effect of different tax rates in foreign jurisdictions	-	74,333
Income tax benefit	(622,765)	(2,885,912)
Franking credit balance:		
Franking account balance as at end of year	1,741,532	1,741,532

Notes to the Financial Statement

30 JUNE 2016

	NOTE	Consolidated 2016 $	2015 $
NOTE 5 CASH AND CASH EQUIVALENTS			
Cash at bank and on hand		3,417,294	5,832,084
Bank deposits at call		-	-
		3,417,294	5,832,084

Cash at bank and on hand includes $2,346,405 held with the OCBC Bank in Singapore (2015: $5,023,806l). As required by the financing arrangement with Sabah International Petroleum Ltd ("SIP"), there are restrictions on the use of these funds such that they are primarily to be used to fund cash calls for the Ophir project or to repay borrowings from SIP.

Cash and cash equivalents are subject to interest rate risk as they earn floating rates. In the year to 30 June 2016 the average floating rate for the consolidated entity was 0.1% (2015: 0.1%). Details of interest rate risk and sensitivity can be found in Note 21. At 30 June 2016 all bank deposits are at call.

NOTE 6 TRADE AND OTHER RECEIVABLES

	NOTE	2016 $	2015 $
CURRENT			
Other receivables		367,044	375,013
Loan to Peako Limited	9, 20	-	440,000
Director-related entities - other receivables	20	15,279	37,367
		382,323	303,173
NON CURRENT			
Advance to Ophir Production Sdn Bhd	8	6,568,663	5,420,021

The carrying amount of all receivables is equal to their fair value as they are short term.

The current loan to Peako Limited was impaired down from $1,714,381 to $440,000 at 30 June 2015; an impairment loss of $1,274,381 (2015: Nil). The impaired value of $440,000 was received in full on 2 July 2015. Octanex reached agreement with Peako in November 2015 whereby the balance of the loan outstanding ($1,274,381 prior to impairment) was satisfied through a proceeds sharing arrangement whereby Octanex will share in any proceeds that Peako might receive in connection with its Cadlao interests up until November 2017 (Note 28).

At 30 June 2016 no receivables are impaired or past due except for the impairment of the non-current advance to Ophir Production Sdn Bhd (Note 8).

The maximum credit risk for the company is the gross value of all receivables. All receivables are non-interest bearing.

Notes to the Financial Statement
30 JUNE 2016

		Consolidated 2016 $	Consolidated 2015 $
NOTE 7 OTHER FINANCIAL ASSETS (NON-CURRENT)			
Financial Assets at fair value through other comprehensive income			
Investment in director-related equities	7(a)	21,234	57,744
Investment in other listed equities		-	69,085
	7(b)	21,234	126,829
At cost:			
Shares in controlled entities	7(c)	1	1
		21,235	126,830
(a) Director-related Entities:			
Moby Oil & Gas Pty Ltd			
Principal activity is oil and gas exploration		-	57,744
Enegex Limited			
Principal activity is oil and gas exploration (Note 20)		21,234	-
(b) Reconciliation of the carrying amount of Financial Assets at fair value through other comprehensive income			
Balance at beginning of year		126,830	288,025
Net revaluation (decrement) increment		(105,595)	(161,195)
		21,235	126,830

Details of market price risk and sensitivity can be found in Note 21.

(c) Shares in Controlled Entities

	2016	2015
United Oil & Gas Pty Ltd	1	1

United Oil & Gas Pty Ltd, a company incorporated in Australia, is owned 50% by Octanex and 50% by a fully owned subsidiary of Octanex, Strata Resources Pty Ltd.

The consolidated entity did not consolidate United Oil & Gas Pty Ltd on the grounds that balances were not considered material. Summary financial information is listed below:

	Current assets $	Non-Current assets $	Total assets $	Current Liabilities $	Non-Current Liabilities $	Total Liabilities $	Revenue $	Expenses $	Profit (Loss) $
2016	-		-	2,000	-	2,000	-	-	-
2015	904	-	904	2,000	-	2,000	-	12	(12)

NOTE 8 INVESTMENT IN A JOINT VENTURE COMPANY

The consolidated entity has a 50% (2015: 50%) interest in Ophir Production Sdn Bhd (OPSB), a jointly controlled entity, incorporated in Malaysia and involved with offshore oilfield development in Malaysia.

The consolidated entity's interest in OPSB is accounted for using the equity method in the consolidated financial statements. Summarised financial information in the joint venture, based on Malaysian accounting standards, and a reconciliation with the carrying amount of the investment in the consolidated financial statements are set out below:

Notes to the Financial Statement

30 JUNE 2016

NOTE 8 INVESTMENT IN A JOINT VENTURE COMPANY (Continued)

	Note	Consolidated 2016	Consolidated 2015
Current Assets (including cash $2,582,720 (2015: $3,769,319)		3,345,180	4,135,444
Non-Current Assets		26,519,092	13,562,837
Current liabilities		(2,712,944)	(2,722,212)
Non-Current Liabilities		(30,704,191)	(16,395,509
Equity		(3,552,862)	(1,419,440)
Proportion of the consolidated entity's ownership		50%	50%
Cost of the investment		1,458,920	1,458,920
Share of equity accounted loss required by accounting standards		(1,458,920)	(1,458,920)
Carrying amount of the investment		-	-

The investment is carried at nil cost at 30 June 2016 due to the application of accounting standards which requires the company to apply its 50% share of OPSB's losses to the carrying value of the investment in OPSB. Once that investment value is extinguished to nil value, the losses then are applied to the advance made to OPSB to fund Octanex's share of OPSB's development and related expenditure, as it represents part of the Group's net investment in OPSB. The cost of the investment in OPSB and the advance to OPSB are, however expected to be recovered from capital return and revenue in the form of dividends from production following the development of the Ophir oil field.

Advance to Ophir Production Sdn Bhd

	Note	2016	2015
Advance		8,109,467	5,699,335
Share of equity accounted loss required by accounting standards		(1,540,804)	(279,314)
Carrying amount of advance	6,20	6,568,663	5,420,021

Summarised statement of profit or loss of Ophir Production Sdn Bhd

	2016	2015
Revenue	13,194,382	13,031,461
Expenses	(15,717,362)	(16,507,929)
Loss before tax	(2,522,980)	(3,476,468)
Income tax benefit	-	-
Loss after tax	(2,522,980)	(3,476,468)
Consolidated entity's share of loss for the year	(1,261,490)	(1,738,234)

There are no contingent liabilities in the joint venture.

On 4 November 2014, OPSB executed a Facilities Agreement for syndicated term loan facilities of up to US$118.76 million for 75% of the planned capital expenditure for the development of the Ophir field, 75% of the first three quarters of operating expenditure and a bank guarantee facility of US$13.5 million. On 4 January 2016 a supplemental letter was signed reducing the facility to US$84.0 million and the bank guarantee facility to US$9.0 million. The loan term is up to four years and Octanex has provided a proportionate corporate guarantee and undertaking in respect of the facilities. Octanex has also provided a proportionate corporate undertaking to PETRONAS for the contract performance obligations of OPSB in relation to the Ophir Risk Service Contract.

On 4 December 2014 Octanex executed a Share Placement and Convertible Note Facility with Sabah International Petroleum Ltd for US$12 million. The Facility remains unused at 30 June 2016 and to the date of signing this report. It is secured by a charge over the shares of Octanex Pte Ltd; the entity which holds the 50% interest in Ophir for the group.

Notes to the Financial Statement
30 JUNE 2016

NOTE 8 INVESTMENT IN A JOINT VENTURE COMPANY (Continued)

	Note	Consolidated 2016	Consolidated 2015
Capital commitments are:			
Payable not later than one year		20,243,839	847,666
Payable later than one year but not later than three years		-	-
		20,243,839	847,666

NOTE 9 INVESTMENT IN AN ASSOCIATE

The company has a 13.96% (2015: 20.94%) interest in Peako Limited ("Peako"), an Australian Securities Exchange listed company involved with natural resources exploration.

The company's interest in Peako is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the company's investment in Peako:

	NOTE	Consolidated 2016	Consolidated 2015
Current Assets		279,606	620,022
Non-Current Assets		6,850	10,201
Current liabilities		(41,342)	(1,775,778)
Equity		245,114	(1,145,555)
Cost of the investment		1,335,305	1,335,305
Share of equity accounted loss required by accounting standards		(837,013)	(1,074,973)
Impairment of investment		(355,843)	-
Carrying amount of the investment		142,449	260,332

There are no contingent liabilities in the associate

Exploration commitments are:			
Payable not later than one year		-	-
Payable later than one year but not later than three years		-	-
		-	-

NOTE 10 PROPERTY, PLANT & EQUIPMENT

Office Equipment			
At cost		7,258	7,258
Accumulated depreciation		(7,258)	(5,426)
		-	1,832
Balance at beginning of year		1,832	26,281
Additions		-	-
Depreciation		(1,832)	(4,469)
Disposal of Assets		-	(19,980)
Balance at end of year		-	1,832

Notes to the Financial Statement
30 JUNE 2016

NOTE 11 EXPLORATION AND EVALUATION ASSETS

Carrying amount at beginning of year	40,974,942	48,842,991
Impairment of exploration assets	(125,533)	(8,487,470)
Exchange revaluation of NZD exploration and evaluation asset	-	(156,885)
Cost incurred during the year	359,382	1,126,306
Costs recovered	-	(350,000)
Carrying amount at end of year	41,208,791	40,974,942

Exploration and evaluation assets relate to the areas of interest in the exploration phase for petroleum exploration permits and a retention lease.

30/06/2016	30/06/2015
Permits	Permits
WA-323-P	WA-323-P
WA-330-P	WA-330-P
WA-362-P	WA-362-P
WA-363-P	WA-363-P
WA-387-P	WA-387-P
WA-407-P	WA-407-P
WA-420-P	WA-420-P
-	PEP 51906
Retention Lease	Retention Lease
WA-54-R	WA-54-R

WA-54-R, WA-323-P, WA-330-P, WA-362-P and WA-363-P are held through joint operations and details of the interests held in the retention lease and six the exploration permits can be found in Note 19.

WA-407-P and WA-420-P are 100% held by the wholly-subsidiary, Goldsborough Energy Pty Ltd. WA-387-P is held 100% by the wholly-owned subsidiary, Exmouth Exploration Pty Ltd.

Ultimate recovery of exploration and evaluation assets is dependent upon exploration success and/or the company maintaining appropriate funding to support continued exploration activities.

Notes to the Financial Statement
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	NOTE	Consolidated 2016 $	2015 $
NOTE 12 TRADE AND OTHER PAYABLES			
Financial liabilities at amortised cost			
Current			
Trade creditors and accruals		361,381	548,384
Director-related entities - other payables	20	273,038	709,024
		634,419	1,257,408
		========	=======

Trade and other payables are current liabilities of which the fair value is equal to the current carrying amount. Information about the company's exposure to foreign exchange risk in relation to trade payables, including sensitivities to changes in foreign exchange rates, is provided in Note 21.

NOTE 13 PROVISIONS

	2016 $	2015 $
Current		
Annual Leave	16,644	15,207
Directors' retirement benefit (1)	82,125	82,125
Long service leave	31,407	27,736
	130,176	125,068
	=======	=======

(1) On the 29th October 1997 a deed of appointment was signed by EG Albers. The deed detailed terms of continuation of his appointment as chairman of Octanex NL. Amongst other things, it provides for a payment of a retirement benefit to EG Albers as chairman. A deed of variation was signed 16 August 2016, and effective 30 June 2016, that varied the terms of calculation of the Retirement Benefit under the original Deed. The amount reflects the 23 years of service EG Albers has provided to the company.

NOTE 14 DEFERRED TAX LIABILITIES

	Deferred Tax Assets		Deferred Tax Liabilities		Net Deferred Tax	
Consolidated	**2016 $**	**2015 $**	**2016 $**	**2015 $**	**2016 $**	**2015 $**
Investment revaluations	(1,593)	(775,820)	-	-	(1,593)	(775,820)
Exploration costs	-	-	12,844,311	13,046,016	12,844,311	13,046,016
Interest receivable	-	-	-	24,589	-	24,589
Accrued expenses	(9,000)	(9,450)	-	-	(9,000)	(9,450)
Provisions	(39,053)	(36,534)	-	-	(39,053)	(36,534)
Carried forward tax losses	(4,272,716)	(3,878,314)	-	-	(4,272,716)	(3,878,314)
	(4,322,362)	(4,700,118)	12,844,311	13,070,605	8,521,949	8,370,487
	========	========	========	========	========	========

Notes to the Financial Statement
30 JUNE 2016

NOTE 14 DEFERRED TAX LIABILITIES (Continued)

Consolidated	Opening Balance At 1 July 2015 $	Charged/ (credited) to Income Statement $	Charged/ (credited) directly to Equity $	Closing Balance at June 2016 $
Investment revaluations	(775,820)	-	774,227	(1,593)
Exploration costs	13,046,016	(201,705)	-	12,844,311
Interest receivable	24,589	(24,589)	-	-
Accrued expenses	(9.450)	450	-	(9,000)
Provision	(36,534)	(2,519)	-	(39,053)
Carried forward tax losses	(3,878,314)	(394,402)	-	(4,272,716)
	8,370,487	(622,765)	774,227	8,521,949

Consolidated	Opening Balance At 1 July 2014 $	Charged/ (credited) to Income Statement $	Charged/ (credited) directly to Equity $	Closing Balance at June 2015 $
Investment revaluations	(727,462)	-	(48,358)	(775,820)
Exploration costs	14,979,205	(1,933,189)	-	13,046,016
Interest receivable	1,126	23,463	-	24,589
Accrued expenses	(9,810)	360	-	(9,450)
Provision	(21,837)	(14,697)	-	(36,534)
Carried forward tax losses	(2,815,747)	(1,062,567)	-	(3,878,314)
	11,405,475	(2,986,630)	(48,358)	8,370,487

NOTE 15 CONTRIBUTED EQUITY

Issued Capital	2016 Shares	2015 Shares	2016 $	2015 $
Ordinary shares fully paid (a)	202,465,561	192,265,561	58,894,364	56,806,364
Ordinary shares partly paid(b)	67,078,910	74,278,910	9,961,975	11,041,975
Ordinary shares issued pursuant to trustee stock scheme(c)	30,000,000	33,000,000	-	-
Balance at end of year	299,544,471	299,544,471	68,856,339	67,848,339
	=========	=========	=========	=========

Notes to the Financial Statement
30 JUNE 2016

NOTE 15 CONTRIBUTED EQUITY (Continued)

(a) Ordinary shares fully paid

	2016 Shares	2015 Shares	2016 $	2015 $
Movements during the year				
Balance at beginning of year	192,265,561	152,122,898	56,806,364	50,560,984
Trustee share issue (1)	3,000,000	-	300,000	-
Issue costs	-	-	(12,000)	-
Share placement	-	40,332,663	-	6,393,860
Placement costs	-	-	-	(128,485)
Partly paid shares fully paid (2)	7,200,000	-	1,800,000	-
Share buy back	-	(190,000)	-	(19,995)
Balance at end of year	202,465,561	192,265,561	58,894,364	56,806,364

(1) 3,000,000 ordinary fully paid shares were acquired by an entity associated with Octanex director Mr Guistino Guglielmo pursuant to the Octanex Trustee Share Scheme in accordance with approval of shareholders in general meeting on 26 November 2015. The shares were issued on 29 January 2016.

(2) On 6 January 2016, the company's share register was updated to reflect that in December 2015 National Gas Australia Pty Ltd (NGA), a company associated with Octanex Chairman Mr Geoffrey Albers made a voluntary payment of the unpaid amount of 10c per share on the partly paid shares (previously paid to 15c) making such shares fully paid.

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(b) Ordinary shares partly paid(i)

	2016 Shares	2015 Shares	2016 $	2015 $
Movements during the year				
Balance at beginning of year	74,278,910	74,278,910	11,041,975	11,041,975
Partly paid shares fully paid (1)	(7,200,000)	-	(1,080,000)	-
Balance at end of year	67,078,910	74,278,910	9,961,975	11,041,975

(1) On 6 January 2016, the company's share register was updated to reflect that in December 2015 National Gas Australia Pty Ltd (NGA), a company associated with Octanex Chairman Mr Geoffrey Albers made a voluntary payment of the unpaid amount of 10c per share on the partly paid shares (previously paid to 15c) making such shares fully paid.

(i) The partly paid shares are paid to 15 cents; with the balance of 10 cents due in one or more calls payable not before the date that First Oil is produced at the Ophir field, or 31 December 2018, whichever is earlier.

(c) Ordinary Shares Issued Pursuant to Trustee Stock Scheme

	2016 Shares	2015 Shares	2016 $	2015 $
Movements during the year				
Balance at beginning of year	33,000,000	33,000,000	-	-
Trustee share issue (1)	(3,000,000)	-	-	-
Balance at end of year	30,000,000	33,000,000	-	-

Notes to the Financial Statement
30 JUNE 2016

NOTE 15 CONTRIBUTED EQUITY (Continued)

(1) 3,000,000 ordinary fully paid shares were acquired by an entity associated with Octanex director Mr Guistino Guglielmo pursuant to the Octanex Trustee Share Scheme in accordance with approval of shareholders in general meeting on 26 November 2015. The shares were issued on 29 January 2016.

In November 2015, the members of Octanex voted to extend the existing trustee stock scheme by five years. When the trustee sells those shares the trustee must pass the net proceeds of their sale to the company.

The company has unlimited authorised capital with no par value.

Terms and Conditions of Contributed Equity
Ordinary shares confer on the holder the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of (irrespective of the amounts paid up on) shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

Trustee Stock Scheme
Octanex is party to a Trustee Stock Scheme, pursuant to which ordinary shares ranking equally with other ordinary shares on issue were issued to a trustee. When those shares are sold by the trustee the net proceeds are paid to the Company by way of subscription moneys. At reporting date all shares issued to the trustee remained unsold. The trustee does not exercise voting rights in respect of shares held pursuant to the scheme.

Unlisted Options - (Share Based Payment)

No options were granted during the year. Existing options are

Number	Expiry Date	Exercise price	Vesting criteria
7,600,000	15 October 2018	$0.1534	No
1,000,000	19 May 2018	$0.15	No
1,000,000	11 June 2018	$0.15	No
1,000,000	11 June 2018	$0.15	Yes
4,000,000	11 June 2018	$0.15	Yes and varying expiry dates
250,000	1 February 2018	$0.20	No
250,000	1 February 2018	$0.25	No

	2016 Options	2015 Options
Unlisted Options		
Balance at beginning of year	15,100,000	4,850,000
Options granted	-	18,100,000
Options surrendered/ cancelled	-	(7,850,000)
Balance at end of year	15,100,000	15,100,000
	==========	========

	Consolidated 2016 $	Consolidated 2015 $
NOTE 16 RESERVES		
Financial assets at fair value through other comprehensive income reserve	(827,364)	(1,505)
Option reserve	948,016	948,016
Foreign currency translation reserve	1,451,997	1,350,113
	1,572,649	2,296,624
	========	=======

Notes to the Financial Statement
30 JUNE 2016

	Consolidated 2016 $	Consolidated 2015 $
NOTE 16 RESERVES (Continued)		
Financial assets at fair value through other comprehensive income reserve		
Balance at beginning of financial year	(1,505)	111,332
Changes in fair value on financial assets at fair value through other comprehensive income	(1,179,797)	(161,195)
Income tax on other comprehensive income	353,938	48,358
	(827,364)	(1,505)

The financial assets at fair value through other comprehensive income reserve represents the changes in fair value on the group's equity instruments including realised gains or losses on those investments. Further information on the investments is set out in Notes 7 and 21.

	2016 $	2015 $
Option reserve		
Balance at beginning of financial year	948,016	763,964
Share based payment expense	-	184,522
	948,016	948,016

The options reserve relates to share options granted to the company secretary, the directors and individuals (Note 15).

	2016 $	2015 $
Foreign currency translation reserve		
Balance at beginning of financial year	1,350,113	584,176
Movement for the year	101,884	765,937
	1,451,997	1,350,113

The foreign currency translation reserve relates to the consolidation of foreign currency denominated fully owned subsidiary entities. At 30 June 2016 the following companies and currencies held in those companies were consolidated.

Octanex NZ Limited – New Zealand Dollars
Octanex Pte Ltd – United States Dollars
Octanex Malaysia Sdn Bhd – Malaysian Ringgits

NOTE 17 EXPLORATION EXPENDITURE COMMITMENTS

The consolidated entity share of minimum work requirements in exploration permit interests held by the consolidated entity or in joint operations is estimated at reporting date:

	2016 $	2015 $
Payable not later than one year	116,406	1,557,292
Payable later than one year but not later than three years	1,758,594	490,625
	1,875,000	2,047,917

Notes to the Financial Statement
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NOTE 18 INTEREST IN UNINCORPORATED JOINT OPERATIONS
The consolidated entity has an interest in the assets, liabilities and output of joint operations for the exploration and development of petroleum in Australia. The consolidated entity has taken up its share of joint operations transactions based on its contributions to the joint operations. The consolidated entity's interests in the joint operations:

Joint Operation	2016 Interest	2015 Interest	Permits Held
Winchester Project	25%	25%	WA-323-P & WA-330-P
Northern Deeps	33.33%	33.33%	WA-362-P & WA-363-P
Cornea	18.75%	18.75%	WA-54-R
Matuku (1)	-	22.5%	PEP 51906

(1) During the year, following preliminary interpretation of the Kaka 3D seismic survey over PEP51906 in the Taranaki Basin offshore New Zealand, Octanex exitted the permit.

Assets and liabilities of the joint operations are included in the financial statements as follows:

	NOTE	2016 $	2015 $
CURRENT ASSETS			
Cash and cash equivalents		12,411	1,231
Receivables	6	249	1,259
NON-CURRENT ASSETS			
Exploration and evaluation assets	11	30,731,805	30,664,632
CURRENT LIABILITIES			
Payables	12	5738	728
Payables – director-related entity	12, 20	11,968	17,854

There are no contingent liabilities in any of the joint operations. Minimum work requirements in exploration permit interests held in joint operations is estimated at reporting date:

	Consolidated 2016 $	Consolidated 2015 $
Payable not later than one year	116,406	103,125
Payable later than one year but not later than three years	58,594	140,625
	175,000	243,750
	========	========

Notes to the Financial Statement
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NOTE 19 KEY MANAGEMENT PERSONNEL

Executive Directors	**Non-Executive Directors**	
EG Albers	DC Coombes	SK Kler
RL Clark	G Guglielmo	JMD Willis
	KK How	

Individual compensation disclosures
Information regarding individual director's compensation is provided in the remuneration report section of the directors' report. There are no employees who meet the definition of key management personnel other than the executive directors of the company. A summary of the remuneration report is shown below.

		Short Term		*Post Employment*		*Equity Settled*	*Total*
		Directors Fees	*Salary*	*Super*	*Retirement Benefits*	*Options*	
		$	*$*	*$*	*$*	*$*	*$*
TOTAL	**2016**	**(143,324)**	**200,000**	**11,220**	**-**	**-**	**67,896**
	2015	178,667	150,000	24,785	9,334	32,973	395,759

NOTE 20 RELATED PARTY DISCLOSURES

The consolidated financial statements of the Group include:

Name	**2016 Interest**	**2015 Interest**	**Country of Incorporation**
Octanex Operations Pty Ltd	100%	100%	Australia
Strata Resources Pty Ltd	100%	100%	Australia
Exmouth Exploration Pty Ltd	100%	100%	Australia
United Oil & Gas Pty Ltd	100%	100%	Australia
Octanex NZ Limited	100%	100%	New Zealand
Goldsborough Pty Ltd	100%	100%	Australia
Goldsborough Energy Pty Ltd	100%	100%	Australia
Braveheart Energy Pty Ltd	100%	100%	Australia
Cornea Energy Pty Ltd	100%	100%	Australia
Winchester Resources Pty Ltd	100%	100%	Australia
Winchester Exploration Pty Ltd	100%	100%	Australia
Octanex Pte Ltd	100%	100%	Singapore
Octanex Malaysia Sdn Bhd	100%	100%	Malaysia

Director-related Entities
Companies in which an Octanex director controls or significantly influences, that provide services to the group or to a joint operation in which the group has an interest, or that also hold an interest in those joint operations or in which the group holds an investment.

(i)Providers of Services by Related Party

During the year services and/or facilities were provided under normal commercial terms and conditions by:

Exoil Pty Ltd, (Exoil), a director-related entity of EG Albers
Gresham Management Pty Ltd (Gresham), a director-related entity of GA Menzies up to 18 Dec 2014
Natural Resources Group Pty Ltd (NRG), a director-related entity of EG Albers
Upstream Consulting Limited, (Upstream), a director-related entity of JMD Willis
Peako Limited, (Peak), a director-related entity of EG Albers and RL Clark
Petroleum Advisors (PA), a director related entity of G Guglielmo

Notes to the Financial Statement
30 JUNE 2016

NOTE 20 RELATED PARTY DISCLOSURES (Continued)

Consolidated	Service Provided	2016 $	2015 $
Exoil	Office services and amenities in Melbourne	234,875	326,618
Peak	Consulting services to Ophir project	-	162,398
NRG	Management and administration services to the Group	80,000	96,500
NRG	Management of exploration tenements	59,000	104,438
NRG	Management services to Ophir project	120,000	120,000
Gresham	Management and consulting services to the Group	-	190,745
PA	Management services to Ophir project	28,000	18,500
Upstream	Management and consulting services to the Group	-	7,029
Upstream	Management of exploration tenements	7,188	11,738
Upstream	Management services to Ophir project	3,000	68,599
Upstream	Provision of office services and amenities in NZ	-	6,419

The group holds interests in petroleum exploration joint operations with certain director-related entities:

As a participant of the Cornea Joint Venture with Cornea Petroleum Pty Ltd, Cornea Oil & Gas Pty Ltd, Coldron Pty Ltd, Cornea Energy Pty Ltd, Moby Oil & Gas Pty Ltd, Enegex Limited, Cornea Resources Pty Ltd and Auralandia Pty Ltd, all director-related entities of EG Albers..

Amounts payable to related parties including those under joint operation arrangements:

	Consolidated	
	2016 $	**2015 $**
Payables		
Exoil Pty Ltd	72,288	83,230
Natural Resources Group Pty Ltd	195,750	623,044
Petroleum Advisors	5,000	2,750
	273,038	709,024
	=======	=======

(ii)Providers of Services to Related Party
During the year accounting services were provided under normal commercial terms and conditions to:

Cornea Resources Pty Ltd, a director-related entity of EG Albers
Enegex Limited, a director-related entity of EG Albers
Peako Limited, a director-related entity of EG Albers

Sundry Revenue		
Moby Oil & Gas Pty Ltd	-	4,420
Alpha Natural Resources Pty Ltd	-	10,107
Enegex Limited	11,210	-
Cornea Resources Pty Ltd – Operator Cornea JV	520	6,470
Seaquest Petroleum Pty Ltd	-	6,601
Ophir Production Sdn Bhd (Note 20 (iv)	-	124,995
Peako (Note 20 (iii) & (iv))	7,110	81,963
	18,840	234,556
	=======	======

Notes to the Financial Statement
30 JUNE 2016

	Consolidated 2016 $	2015 $
NOTE 20 RELATED PARTY DISCLOSURES (Continued)		
Receivables from related parties:		
Cornea Resources Pty Ltd – Operator Cornea JV	572	572
Moby Oil & Gas Pty Ltd	-	4,862
Enegex Limited	6,886	-
Peako Limited	7,821	-
Ophir Production Sdn Bhd	-	31,933
	15,279	37,367

(iii) Loan to Peako Limited

	2016 $	2015 $
Carrying amount at beginning of year	440,000	954,613
Drawdowns	-	1,047,038
Accrued interest	-	81,963
Application of trade payables to loan	-	(109,233)
Loan repayments	(440,000)	(260,000)
Impairment of loan	-	(1,274,381)
Carrying amount at end of year	-	440,000

Peako Limited is a director-related entity of EG Albers. The impaired value of $440,000 was received in full on 2 July 2015. Octanex reached agreement with Peako in November 2015 whereby the balance of the loan outstanding ($1,274,381 prior to impairment) was satisfied through a proceeds sharing arrangement whereby Octanex will share in any proceeds that Peako might receive in connection with its Cadlao interests up until November 2017 (Note 28).

(iv) Advance to Ophir Production Sdn Bhd
At 30 June 2016, the company has a gross advance to Ophir Production Sdn Bhd of $8,109,467 (2015 $5,699,335). After impairment, the advance is $6,568,663 (2015 $5,420,021) (Note 8). The advance is expected to be recovered from capital return and revenue in the form of dividends from production from the development of the Ophir oil field. The group holds 50% of Ophir Production Sdn Bhd.

(v) Investments in director-related companies
At 30 June 2016, the company carried an investment in an ASX listed company Peako (formerly name Peak Oil & Gas) Limited, (Note 9), which is a director-related entity of EG Albers.

At 30 June 2016, the company carried an investment in an ASX listed company Enegex Limited, (Note 7), which is a director-related entity of EG Albers.

Notes to the Financial Statement
30 JUNE 2016

	Consolidated 2016 $	Consolidated 2015 $
NOTE 21 FINANCIAL INSTRUMENTS		
Categories of Financial Instruments		
Financial Assets		
Cash & cash equivalents	3,147,294	5,832,084
At fair value through other comprehensive income	21,235	126,830
Trade and other receivables – current ex prepayments	86,064	556,121
Trade and other receivables – non current	6,568,663	5,420,021
	9,823,256	11,935,056
Financial Liabilities at amortised cost		
Trade and other payables	634,419	1,257,408
	634,419	1,257,408

Recognition and derecognition

Purchases and sales of financial assets and financial liabilities are recognised on trade date which is the date on which the consolidated entity commits to purchase or sell the financial assets or financial liabilities. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. Exposure to credit, interest rate, liquidity, foreign currency, market price and currency risks arises in the normal course of the consolidated entity's business. The consolidated entity's overall risk management approach is to identify the risks and implement safeguards which seek to minimise potential adverse effects on the financial performance of the consolidated entity's business.

The board of directors are responsible for monitoring and managing the financial risks of the consolidated entity.

Fair value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 13 requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The consolidated entity's financial assets measured and recognised at fair value at 30 June 2016 and 30 June 2015 on a recurring basis are as follows:

30 June 2016	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Listed securities and debentures	21,235	-	-	21,235
Unlisted securities and debentures	-	-	-	-
Total	21,235	-	-	21,235
Net fair value	21,235	-	-	21,235

Notes to the Financial Statement
30 JUNE 2016

NOTE 21 FINANCIAL INSTRUMENTS (Continued)

30 June 2015	Level 1	Level 2	Level 3	Total
	$	$	$	$
Assets				
Listed securities and debentures	69,085	-	-	69,085
Unlisted securities and debentures			57,745	57,745
Total	69,085	-	57,745	126,830
Net fair value	69,085	-	57,745	126,830

Credit risk
Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. At the reporting date there were is no credit risk as the consolidated entity has no trade sales or trade receivables.

Interest rate risk
All financial liabilities and financial assets at floating rates expose the company to cash flow interest rate risk The consolidated entity has no exposure to interest rate risk at reporting date, other than in relation to cash and cash equivalents which attract an interest rate.

Sensitivity Analysis
At reporting date a 1% (100 basis point) increase/decrease in the interest rate would increase/decrease the consolidated entity by $22,031 (2015: $10,824).

Liquidity risk
Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. Liquidity risk is monitored to ensure sufficient monies are available to meet contractual obligations as and when they fall due.

The following are the contractual maturities of the financial liabilities, including interest payments. Contractual amounts have not been discounted.

	Carrying Amount	**Contractual cash flows**	**0-12 months**	**1-2 years**	**2-10 years**
	$	**$**	**$**	**$**	**$**
30 June 2016:					
Consolidated					
Non-derivative Financial Liabilities					
Trade and other payables	634,419	634,419	634,419	-	-
Non current payables	-	-	-	-	-
	634,419	634,419	634,419	-	-
30 June 2015:					
Consolidated					
Non-derivative Financial Liabilities					
Trade and other payables	1,257,408	1,257,408	1,257,408	-	-
Non current payables	-	-	-	-	-
	1,257,408	1,257,408	1,257,408	-	-

Notes to the Financial Statement
30 JUNE 2016

NOTE 21 FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk
The consolidated entity is exposed to foreign currency risk arising from purchases of goods and services that are denominated in a currency other than the Australian dollar functional currency. The consolidated entity incurs seismic, exploration, development and well drillings costs in US dollars. To this extent, the consolidated entity is exposed to exchange rate fluctuations between the Australian and US dollar. At 30 June 2016 the consolidated entity has a foreign currency exposure by holding US dollars in bank accounts totalling US$2,237,216 (2015: $4,384,787) and an advance to Ophir Production Sdn Bhd of US$6,022,090 (2015: $4,377,090). A one cent movement in the USD/AUD exchange rate would move consolidated equity by AUD$103,448 (2015: $102,649). Loans to Ophir Production Sdn Bhd are in USD and future profit in the Ophir investment will be in USD.

Equity price risks
Equity price risk applies to at fair value through other comprehensive income investments. The portfolio of investments is managed internally by Octanex management who buy and sell equities based on their own analyses of returns. The investments are subject to movements in prices of the investment markets.

	2016 $	2015 $
Financial Assets at fair value through other comprehensive income		
Investments in listed equities		
Oil Basins Limited	-	69,085
Enegex Limited	21,235	-
	21,235	69,085
Investments in unlisted equities		
Moby Oil & Gas Pty Ltd	-	57,745
	-	57,745
	21,235	126,830

The consolidated entity and company investments in listed equities are listed on the Australian Securities Exchange. A 10% increase / decrease at the reporting date in closing share price of each share held would have increased/decreased consolidated equity by $2,123 (2015: $6,909). There would have been no effect on profit.

Capital Management
When managing capital, the directors' objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

It is the company's plan that capital, as and when required, further, will be raised by any one or a combination of the following manners: placement of shares to excluded offerees, pro-rata issue to shareholders, the exercise of outstanding options, and/or a further issue of shares. Should these methods not be considered to be viable, or in the best interests of shareholders, then it would be the consolidated entity's intention to meet its exploration obligations by either partial sale of its interests or farmout.

No company in the consolidated entity is subject to any externally imposed capital requirements.

Notes to the Financial Statement
30 JUNE 2016

NOTE 22 AUDITOR'S REMUNERATION

	Consolidated 2016 $	Consolidated 2015 $
Amounts received or due and receivable by:		
Grant Thornton Audit Pty Ltd - Auditor of the consolidated entity and company	56,730	67,863
Related practices of the parent company auditor		
Audit and review of the financial reports		
SJ Grant Thornton – Auditor of Octanex Malaysia Sdn Bhd	1,652	2,802
Foo Kon Tan Grant Thornton – Auditor of Octanex Pte Ltd	-	8,627
Grant Thornton Singapore – Auditor of Octanex Pte Ltd	8,573	-
Tax services		
SJ Grant Thornton - Octanex Malaysia Sdn Bhd	1,324	-
	68,279	79,292
	=======	=======

NOTE 23 SEGMENT INFORMATION

Under AASB 8 Operating Segments, segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the board of directors

At regular intervals the board is provided management information at a group level for the group's cash position, the carrying values of exploration permits and a group cash forecast for the next twelve months of operation. On this basis, no segment information is included in these financial statements.

All interest received has been derived in Australia, except for $579 from New Zealand. All exploration and evaluation assets are held in Australia.

NOTE 24 EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no significant after balance date events to the date of signing of this report.

NOTE 25 LOSS PER SHARE

	Consolidated 2016 $	Consolidated 2015 $
The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Net loss	(1,815,272)	(11,524,294)
	Number of Shares	**Number of Shares**
Weighted average number of shares	239,487,044	212,827,246

In calculating the weighted average number of shares for the purposes of calculating basic and diluted earnings per share, the partly paid shares are accounted for on a pro-rata basis according to the amount of call outstanding in relation thereto.

Unlisted options outstanding during the year (Refer Note 15) are not dilutive at the 30th June 2016 as the exercise price is higher than the average share price for the year then ended.

Notes to the Financial Statement
30 JUNE 2016

NOTE 26 PARENT ENTITY INFORMATION

The following details information related to the parent entity, Octanex NL at 30 June 2016. The information presented here has been prepared using consistent accounting policies as presented in Note 1, except for the use of the cost method for investment in subsidiary companies by the parent.

	2016 $	2015 $
Current assets	3,510,120	6,407,769
Non-current assets	67,579,803	65,233,828
Total assets	71,089,923	71,641,597
Current liabilities	654,535	1,287,533
Non-current liabilities	13,115,577	13,536,052
Total liabilities	13,770,112	14,823,585
Contributed equity	68,856,339	67,848,339
Options reserve	948,016	948,016
Financial assets at fair value through other comprehensive income reserve	(639,113)	(435,163)
Accumulated losses	(11,845,431)	(11,543,180)
Total equity	57,319,811	56,818,012
Loss for the year	(302,251)	(7,550,528)
Other comprehensive income for the year	(203,950)	(88,063)
Total comprehensive income for the year	(506,201)	(7,638,591)

The company has no contingent liabilities.

No dividends were paid by the parent entity in 2016 (2015: Nil).

The company's share of minimum work requirements contracted for under exploration permit interests held in joint operation is estimated at reporting date:

	2016 $	2015 $
Payable not later than one year	63,635	56,375
Payable later than one year but not later than three years	32,031	76,875
	95,666	133,250

NOTE 27 CONTINGENT LIABILITIES

Performance Guarantee

Octanex has provided a proportionate corporate undertaking to PETRONAS for the contract performance obligations of OPSB in relation to the Ophir RSC.

Corporate Guarantee

Octanex has provided a proportionate corporate guarantee to OPSB's lenders in connection with OPSB's term loan facilities. The facilities are held with a syndicate of three banks (Malayan Banking Berhad (Maybank), RHB Bank (L) Ltd and United Overseas Bank Limited Offer) for 75% of the planned capital expenditure for the development of the Ophir Oil Field as well as 75% of the first three quarters of the planned operating expenditure, and a bank guarantee in favour of PETRONAS.

NOTE 28 CONTINGENT ASSET

Peako Limited Loan – Proceeds Sharing Agreement

In lieu of the balance of monies of $1,284,744 owing on the Peako Limited ("Peako") loan (Note 6), Octanex has agreed to accept a proceeds sharing arrangement with Peako whereby Octanex will share proportionately in any proceeds received by Peako in relation to any of its Cadlao interests in the period to 26 November 2017 up to a limit of $1,603,683. The loan was fully impaired at 30 June 2015.

Additional Information (unaudited)

As at 15 September 2016 Octanex holds the following interests in Petroleum Tenements:

Octanex Licences

Permit	Location	Octanex interest %	Operator
Ophir SFRSC	Malay Basin. Offshore Peninsular Malaysia	50% (via Octanex Pte Ltd)	Ophir Production Sdn Bhd
WA-330-P	Dampier Sub Basin, Carnarvon Basin, Offshore Western Australia	25% via Winchester Resources NL	Santos Offshore Pty Ltd
WA-323-P	Dampier Sub Basin, Carnarvon Basin, Offshore Western Australia	25% via Winchester Resources NL	Santos Offshore Pty Ltd
WA-362-P	Exmouth Plateau, Carnarvon Basin, Offshore Western Australia	33.33% comprised of: 11.667% via Octanex NL 11.667% via Strata Resources 9.999% via Exmouth Exploration Pty Ltd	Eni Australia Limited
WA-363-P	Exmouth Plateau, Carnarvon Basin, Offshore Western Australia	33.33% comprised of: 11.667% via Octanex NL 11.667% via Strata Resources 9.999% via Exmouth Exploration Pty Ltd	Eni Australia Limited
WA-387-P	Exmouth Plateau, Carnarvon Basin, Offshore Western Australia	100% via Exmouth Exploration Pty Ltd	Exmouth Exploration Pty Ltd
WA-420-P	Bonaparte Basin, Offshore Western Australia	100% via Goldsborough Energy Pty Ltd	Goldsborough Energy Pty Ltd
WA-407-P	Bonaparte Basin, Offshore Western Australia	100% via Goldsborough Energy Pty Ltd	Goldsborough Energy Pty Ltd
WA-54-R	Browse Basin, Offshore Western Australia	18.75% (10.25% via Octanex NL and 8.5% via Cornea Energy Pty Ltd)	Cornea Resources Pty Ltd

Octanex Resource Statement

Economic Interest Contingent Resources (probabilistic, no development risk applied)

	1C		**2C**		**3C**	
	Oil (MMBBL)	**Gas (TCF)**	**Oil (MMBBL)**	**Gas (TCF)**	**Oil (MMBBL)**	**Gas (TCF)**
Cornea	1.48		5.4		19.11	
Ascalon		1.04		3.01		8.74

Statement of a Qualified Petroleum Reserves and Resources Evaluator

The resources information in this statement is based on, and fairly represents, information and supporting documentation prepared by Mr Tim Morison, a director and principal technician of Abraxas Petroleum Pty Ltd. Abraxas Petroleum Pty Ltd is a geological interpretation consultancy based in Vienna, Austria. Mr Morison has been a consultant to Octanex since 2007 and has sufficient experience to compile that information as a Qualified Petroleum Reserves and Resources Evaluator.

The resources information in Octanex's 2016 annual report has been issued with the prior written consent of Mr Morison in the form and context in which it appears.

Mr Morison is a graduate of the University of Adelaide and holds a Bachelor of Science, majoring in Geology & Geophysics. He has over 35 years international and Australasian exploration and development experience in the oil and gas industry, including over 33 years estimating reserves and resources. Mr Morison is a member of the American Association of Petroleum Geologists (AAPG), Formation Evaluation Society of Australia (FESAus) (ex President) and European Association of Geoscientists and Engineers (EAGE).

Shareholder Information

Compiled as at 22 September 2016

1. Ordinary share capital

As at 22 September 2016 the company had on issue the following shares:

Fully Paid Ordinary Shares	Partly Paid Ordinary Shares	Trustee Shares
202,465,561 held by 1,369 shareholders	67,078,910 held by 344 shareholders	30,000,000 held by Doravale Enterprises Pty Ltd (the Trustee)[1]
All issued fully paid ordinary shares carry one vote per share	For each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited)	Other than in extremely limited circumstances, the Trustee has bound itself by the deed of covenant entered into in association with the Scheme not to vote at the meetings of members of Octanex.

2. Options

As at 22 September 2016 the company had on issue 15,100,000 options held by 16 option holders. Options do not carry any voting right or rights to dividends.

3. Distribution of holders

	Number of Holders of			
Holding as at 22 September 2016	**Fully paid ordinary shares**	**Partly paid ordinary shares**	**Trustee Shares**	**Options**
1-1,000	165	53	-	-
1,001-5,000	650	62	-	-
5,001-10,000	146	43	-	-
10,001-100,000	331	126	-	-
Over 100,001	77	60	1	16
Total	**1,369**	**344**	**1**	**16**
Number holding less than marketable parcel	1,033	310	-	-

[1] These ordinary shares were issued to the Trustee on trust for sale in accordance with a scheme of arrangement approved by the Supreme Court of Victoria on 17 November 2010 in Matter SCI 210 04962 (the Scheme). As previously advised to the ASX and to members, those shares are ordinary shares held on trust for sale by the trustee on the basis that the net proceeds of sale will present the subsection moneys thereof. The shares may be sold as fully paid up or as partly paid up. Until sold, by the terms of the Scheme, the Trustee will not participate in dividends or distributions are to the account of the members of Octanex pro rata their respective shareholdings.

4. Substantial shareholders

Substantial shareholders as disclosed in substantial shareholding notices given to the Company are as follows:

Shareholder	Interest in voting rights	% of Voting Rights
The Albers Group	152,260,730	55.83
Sabah International Petroleum	40,332,663	14.95

5. Twenty largest shareholders as at 22 September 2016

Fully paid ordinary shares

Holder	Fully paid ordinary shares	% of Fully Paid Shares
Sabah International Petroleum Ltd	40,332,663	19.92
Gascorp Australia Pty Ltd	30,926,968	15.28
Mr Ernest Geoffrey Albers & Mrs Pamela Joy Albers	21,093,399	10.42
Sacrosanct Pty Ltd	12,050,960	5.95
Mr Ernest Geoffrey Albers	9,593,765	4.74
National Gas Australia Pty Ltd	7,200,000	3.56
Great Missenden Holdings Pty Ltd	6,918,568	3.42
Great Australia Corporation Pty Ltd	5,265,000	2.60
Bass Strait Group Pty Ltd	4,033,058	1.99
The Albers Companies Incorporated Pty Ltd	3,780,491	1.87
Fugro Exploration Pty Ltd	3,691,721	1.82
Cue Petroleum Pty Ltd	3,511,634	1.73
Auralandia Pty Ltd	3,152,603	1.56
Mrs Pamela Joy Albers	3,062,500	1.51
Australis Finance Pty Ltd	3,046,250	1.50
Miller Anderson Pty Ltd	3,000,000	1.48
Great Missenden Group Pty Ltd	2,765,060	1.37
Seaquest Petroleum Pty Ltd	2,248,000	1.11
Albers Family Custodian Pty Ltd	2,152,500	1.06
Bond Street Custodians Limited	2,125,010	1.05
Total	169,950,150	83.94

Partly paid ordinary shares

Holder	Partly paid ordinary shares	% of Partly Paid Shares
Great Missenden Holdings Pty Ltd	10,045,726	14.98
Mr Ernest Geoffrey Albers & Mrs Pamela Joy Albers	7,957,724	11.86
Gascorp Australia Pty Ltd	7,121,742	10.62
Sacrosanct Pty Ltd	3,975,201	5.93
Cue Petroleum Pty Ltd	3,752,871	5.59
Bass Strait Group Pty Ltd	3,376,651	5.03
Auralandia Pty Ltd	2,097,335	3.13
Mr Ernest Geoffrey Albers	2,025,420	3.02
Great Australia Corporation Pty Ltd	1,710,000	2.55
Troca Enterprises Pty Ltd	1,504,750	2.24
Australis Finance Pty Ltd	1,211,562	1.81
Appledore Superannuation Pty Ltd	1,157,502	1.73
Rivermore Pty Limited	1,055,969	1.57
Mr Neil Clifford Massey Abbott	958,960	1.43
Mrs Pamela Joy Albers	765,625	1.14
Albers Family Custodian Pty Ltd	650,625	0.97
Mr John Cumming	618,221	0.92
Mr David Hugo Rankin	612,259	0.91
Wilstermere Corporation Pty Ltd	577,500	0.86
Dr Paul Mark Halley	565,914	0.84
Total	51,741,557	77.14

Trustee ordinary shares

Holder	Fully paid ordinary shares	% of Trustee Shares
Doravale Enterprise Pty Ltd	33,000,000	100

Glossary

ASX	Australian Securities Exchange
AUD/A$	Australian currency
Bbl(s)	Barrel(s), an oil barrel is equivalent to 0.159 cubic metres
BCF	One billion cubic feet of natural gas
BOE	Barrel of oil equivalent. The factor used to convert gas to oil equivalent is based upon an approximate energy value of 6,000 cubic feet per barrel and not price equivalence at the time
BOPD	Barrel of oil per day
Contingent resources	Quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies
Economic interest	The working interest share of production which is adjusted for production that is delivered to host governments under the petroleum contracts
FDP	Field Development Plan
Group	Parent entity and its subsidiaries
GST	Goods and services tax
IFRS	International Financial Reporting Standards
MMBBL	One million barrels
MMBOE	One million barrels of oil equivalent
MMCFD	One million standard cubic feet of natural gas per day
Octanex or company	Octanex NL and includes, where the context requires, its subsidiaries
PRMS	Petroleum Resources Management System
RSC	Risk Service Contract
TCF	One trillion cubic feet of natural gas
SPE	Society of Petroleum Engineers
USD/US$	United States currency
WI%	Working Interest Percentage

Directory

Board of directors

Mr Geoffrey Albers
Chairman & Chief Executive Officer

Mrs Raewyn Clark
Executive Director

Mr David Coombes
Independent Non Executive Director

Mr Guistino Guglielmo
Independent Non Executive Director

Datuk Kevin Kow How
Non-executive Director

Ms Suhnylla Kler
Non-executive Director

Mr James Willis
Independent Non Executive Director

Company Secretaries
Mr Robert Wright
Mr John Tuohy

Share Registry

Link Market Service Limited
Tower 4, 727 Collins Street
Melbourne, Victoria 3008 Australia
61 (03) 9615 9947

Auditor

Grant Thornton Audit Pty Ltd
Level 30, 525 Collins Street
Melbourne, Victoria 3000 Australia

Stock Exchange

ASX Limited
Level 45, South Tower, Rialto,
525 Collins Street,
Melbourne Victoria 3000 Australia

ASX Codes:

OXX	Fully Paid
OXXCB	Partly Paid

Registered office

Level 21,
500 Collins Street,
Melbourne, Victoria 3000

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E-mail: admin@octanex.com.au
Website: www.octanex.com.au

Incorporation

Incorporated in Victoria on 13 March 1980.