



ABN 61 005 632 315

Level 21
500 Collins Street
Melbourne Victoria 3000 Australia

Tel: +61 (0)3 8610 4702
Fax: +61 (0)3 8610 4799
Email: admin@octanex.com.au
Website: www.octanex.com.au

WINCHESTER-1/ST-1 – WA-323-P – DAMPIER SUB-BASIN

WEEKLY PROGRESS REPORT No. 15

Octanex N.L. (ASX Code: **OXX**) (Company) has been advised by Santos Offshore Pty Ltd, the Operator of the Winchester-1/ST-1 exploration well being drilled in the Dampier Sub-basin permit WA-323-P, that at 06:00 hours (WST) on Tuesday, 23 July 2013, the well was at a depth of 3771m MDRT (measured depth below rotary table) and cementing in a 7" liner.

Operations over the last week have seen the completion of wireline logging over the open hole section to 3730m MDRT, analysis of this initial log data and the announcement of a discovery (*see separate announcement made to ASX on 18 July 2013 for details*). The 8½" sidetrack hole was then drilled on to the current depth and wireline logs run over the interval 3455m to 3771m MDRT.

Planned operations over the coming week are to analyse the new log data, complete cementing of the liner, and then carry out function and pressure testing of the blow-out preventer prior to performing leak-off tests and drilling ahead in a 6¾" hole.

Winchester-1/ST-1 is a sidetrack to Winchester-1. It is being drilled by the Ensco-109 jack-up rig (Figure 1), in approximately 75m of water.



Figure 1: *The Ensco-109 Jack-up Rig*

Winchester-1/ST-1 is targeting the hydrocarbon potential of Triassic aged, sandstones of the Mungaroo Formation, mapped within a tilted horst structure that is sealed by onlapping and draped Jurassic claystones of the Athol and Dingo formations. The well has been designed, *inter alia*, to target stacked reservoir zones associated with a series of high amplitude seismic events (Figure 2). The well is located on the northeast trending Parker Terrace, representing a horst block structural high separated from and situated to the southeast of the productive Rankin Trend.

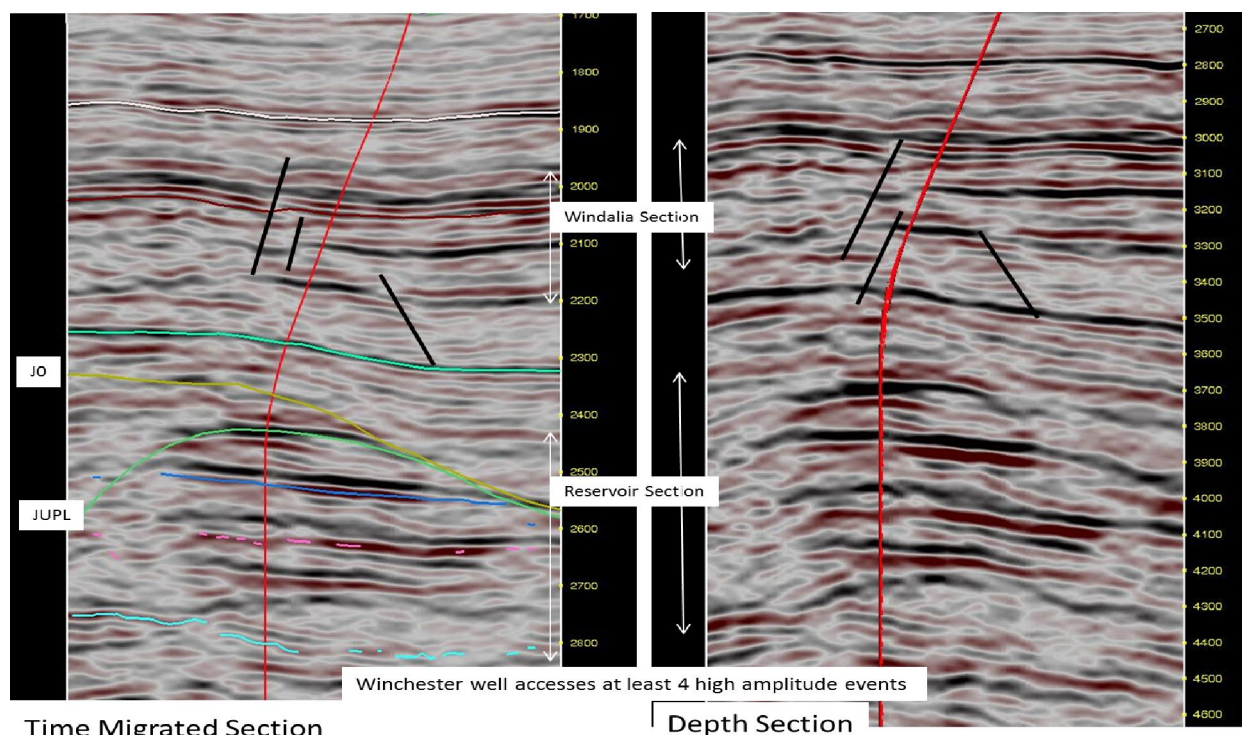


Figure 2: Winchester-1 Well Design

The Company's wholly-owned subsidiary, Winchester Resources NL, holds a 25% participating interest in the WA-323-P and WA-330-P permits (see the *Location Map* of the Permits and Winchester-1/ST-1 at Figure 3 on the following page). This interest has been free carried through the drilling of the Winchester-1/ST-1 well, up to the completion of the initial wireline logging operations and discovery announcement. The Company will contribute its 25% share of the costs of drilling the 6¾" section of the well, up to a maximum of A\$5,000,000.

The participants in the WA-323-P and WA-330-P permits and their Joint Venture are:

Santos Offshore Pty Ltd (Subsidiary of SANTOS Limited (ASX Code: STO)	75%
Winchester Resources NL (Subsidiary of Octanex N.L. (ASX Code: OXX)	25%

On behalf of the Board

J.G. Tuohy
Company Secretary

23 July 2013

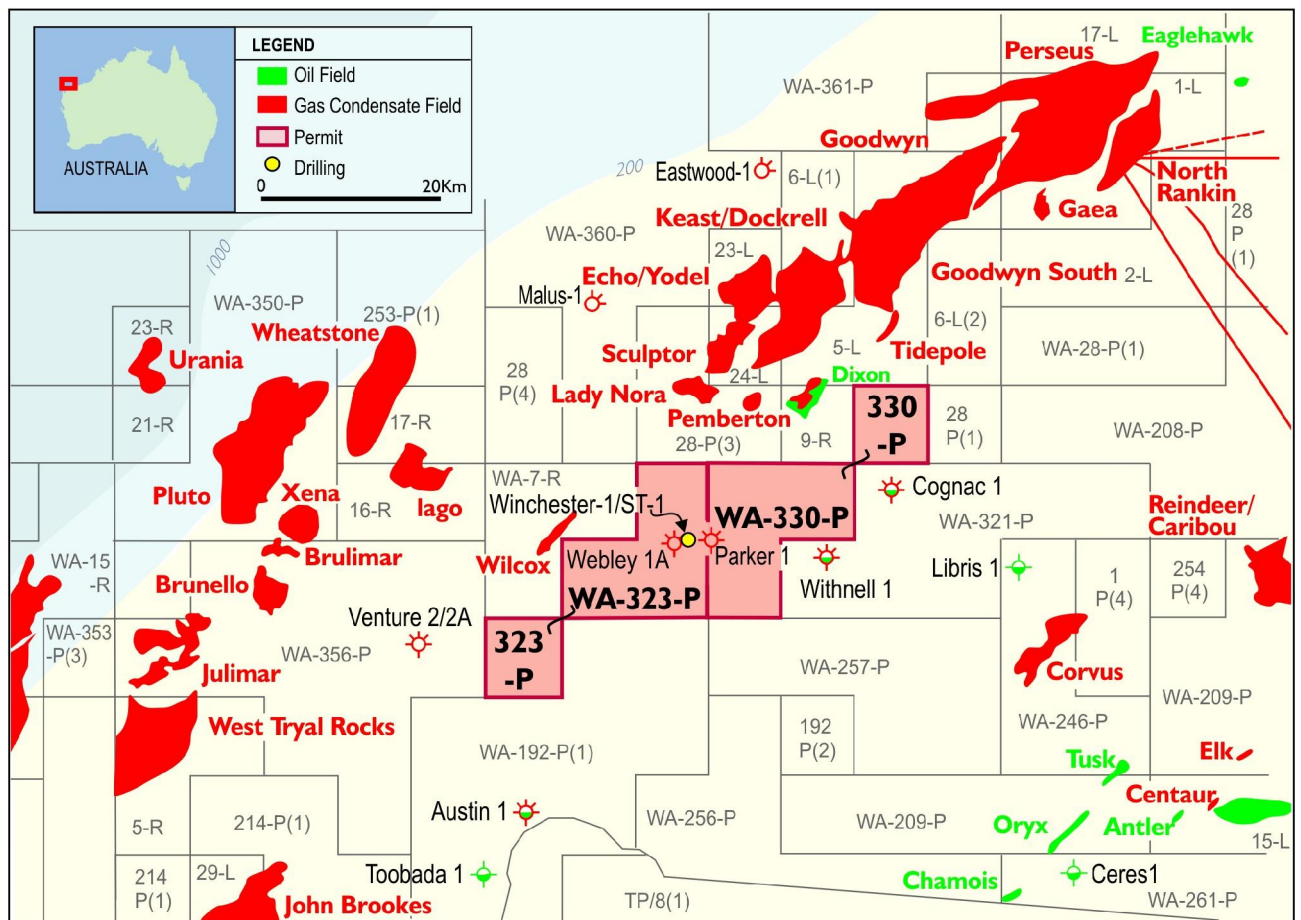


Figure 3: WA-323-P & WA-330-P and Winchester-1/ST-1 Location Map