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OPHIR OIL DEVELOPMENT PROJECT COMMENCES WELLHEAD PLATFORM CONSTRUCTION

Octanex N.L. (**ASX Code: OXX (Octanex)**) advises that its 50% owned Malaysian joint venture company, Ophir Production Sdn Bhd (OPSB), celebrated a key project milestone in late February with the First Steel Cutting Ceremony marking the commencement of construction of the Ophir Development wellhead platform.

The ceremony was held at the Muhibbah Engineering (M) Bhd (Muhibbah) fabrication facility at Klang, Malaysia, where Muhibbah is fabricating the platform.



Octanex COO, Rae Clark, said "The 1st Steel Cutting Ceremony was a significant milestone for the fabrication of the wellhead platform and towards first oil for the Ophir development. The Ophir oil development project will transform Octanex from an exploration company to a production company."

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About Ophir

The Ophir oil field is being developed via three production wells, a single WellHead Platform (WHP) and an export flowline to a floating vessel.

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%.

Octanex's share of the Ophir project is fully funded via OPSB's 75% project financing and Octanex's strategic alliance and funding arrangements with major shareholder, Sabah International Petroleum (SIP). SIP is an entity wholly owned by the Malaysian State of Sabah, via the Sabah Development Bank.

About Octanex

Octanex is seeking to increase its exposure to production and development assets while moderating exploration activities.

Octanex has a 50% interest in the Ophir oil field development, offshore Malaysia. In addition to pursuing other near-term development opportunities Octanex also has interests in two pre-development assets; the Cornea oil field and Ascalon gas discovery, both offshore Western Australia.

Octanex's exploration interests cover six offshore permits in Western Australia. Octanex's exploration strategy is focused on upgrading prospective acreage through geological and geophysical work with the intention of attracting international companies as farminees. Successful farm outs have resulted in Octanex being partnered with world-class operators.