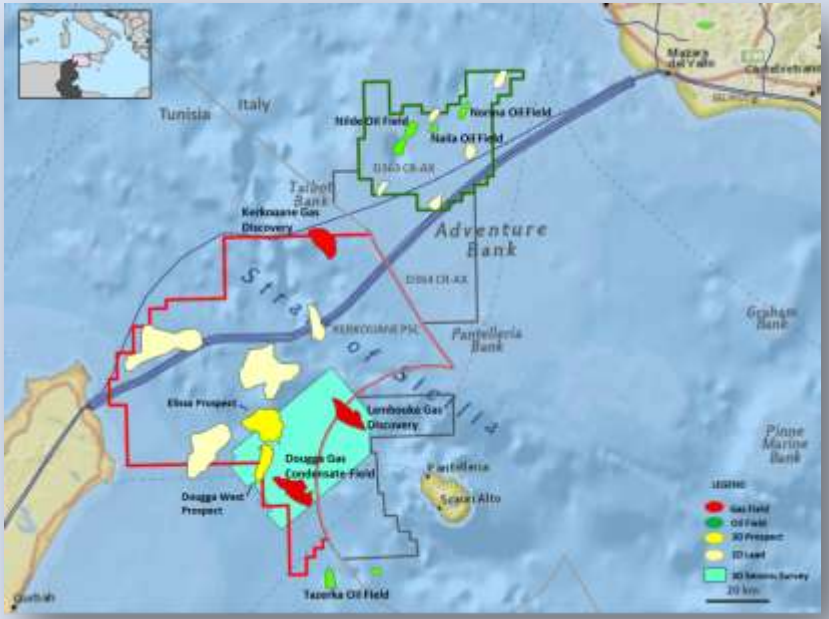
121 OIL & GAS CONFERENCE

30 OCTOBER 2017, LONDON



ADX ASSETS & STRATEGY

"A PIVOTAL PERIOD AHEAD"

A European focused appraisal and development company

By Ian Tchacos

www.adxenergy.com

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CONTINGENT RESOURCES & DEFINITIONS

Tunisia: Refer to ASX announcements 26/9/2012 (contingent) and 6/9/2013 (prospective). **Italy:** Refer to ASX announcements 17/2/2016 & 14/2/2017 (contingent) and 21/4/2016 (prospective). **Romania:** Refer to ASX announcement 8/8/2017 (contingent and prospective). ADX confirms that it is not aware of any new information or data that affects the information included in those market announcements and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Contingent Resources: those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations but, for which the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies.

1C, 2C, 3C Estimates: in a probabilistic resource size distribution these are the P_{90} (90% probability), P_{50}, and P_{10}, respectively, for individual opportunities**.** Totals are by arithmetic summation as recommended under PRMS guidelines. This results in a conservative low case total and optimistic high case total.

Persons compiling information about Hydrocarbons.

Pursuant to the requirements of the ASX Listing Rules 5.41 and 5.42, the technical and resource information contained in this presentation has been reviewed by Paul Fink, Technical Director of ADX Energy Limited. Mr. Fink is a qualified geophysicist with 23 years of technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr. Fink has reviewed the results, procedures and data contained in this presentation and considers the resource estimates to be fairly represented. Mr. Fink has consented to the inclusion of this information in the form and context in which it appears. Mr. Fink is a member of the EAGE (European Association of Geoscientists & Engineers) and FIDIC (Federation of Consulting Engineers).

CORPORATE OVERVIEW

A EUROPEAN FOCUSED APPRAISAL AND DEVELOPMENT COMPANY

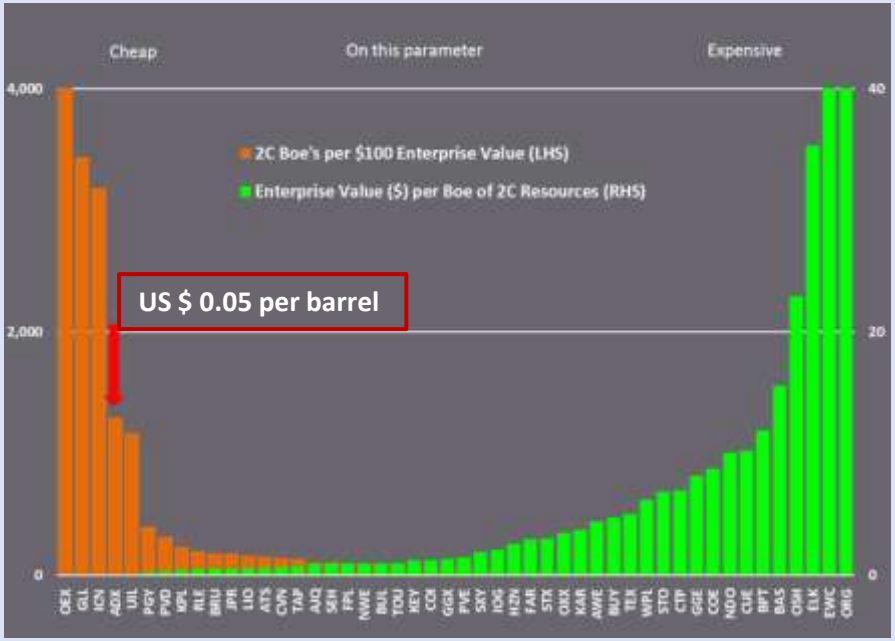
Assets Across Mediterranean and Central Europe

- ✓ Operated Assets @ 100% Equity
- ✓ Material Contingent Resources
  - 200 million barrels 2C Total
- ✓ 3 transformational appraisal and development assets
- ✓ Targeting appraisal in 2018
- ✓ Rich near field exploration portfolio
- ✓ Multiple funding pathways suits current investment climate
- ✓ Enabling partnerships expanding financial and technical capability

➢ ***Our Goal is to Convert a Material Contingent Resource to Reserves in the next 18 months***

Capital Structure

ASX Code	ADX
Shares on Issue	1098 million
No of Shareholders	2,545
Market Cap @ 1.4cents	$15.4 million
Cash at 30 Sept 2017	A$ 2.4 million

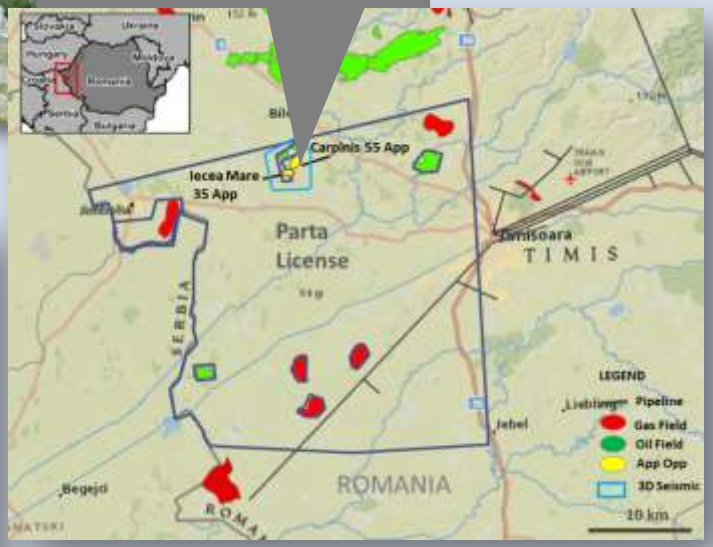


Source: Resource Invest

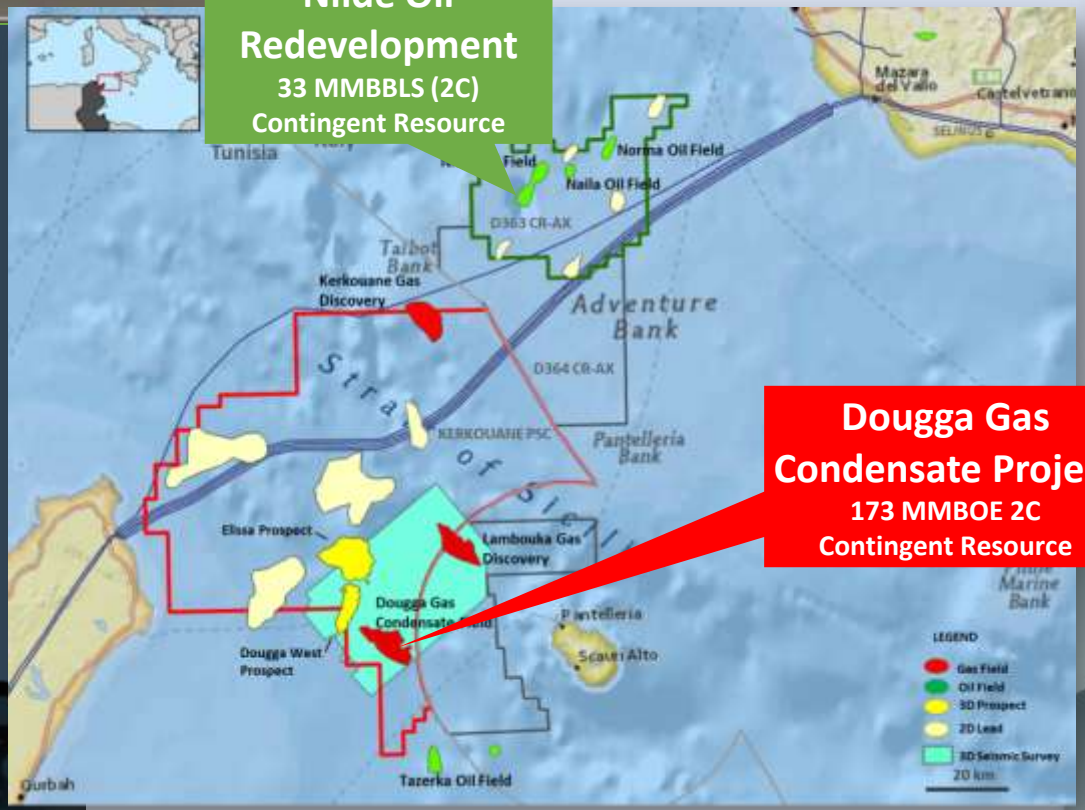
APPRAISAL & DEVELOPMENT PORTFOLIO

- *OFFSHORE MEDITERRANEAN AND ONSHORE ROMANIA*

Parta Gas ReDrill Project
33BCF 2C Potential close to infrastructure



Nilde Oil Redevelopment
33 MMBBLS (2C)
Contingent Resource



Dougga Gas Condensate Project
173 MMBOE 2C
Contingent Resource

PORTFOLIO & CORPORATE DEVELOPMENT

KEY ASSET ATTRIBUTES:

Nilde Oil Field (Offshore Sicily)

- Oil field prematurely abandoned in the 80's with 33mmbls 2C resource remaining
- One well produced 10,000 bopd for 6 years
- Excellent economics expected due to high productio rates (20,000 bopd), low capex per barrel and low fiscal take.

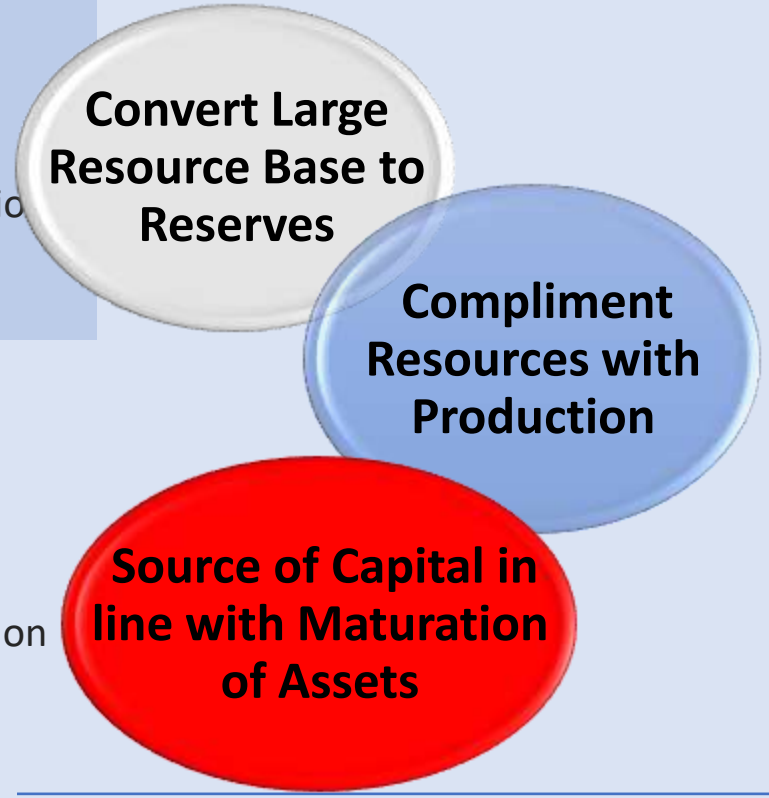
Dougga Gas Liquids Discovery (Offshore Tunisia)

- Large Gas Resource with high liquids content (173 mmboe 2C) discovered in the 80's, tested but productivity not established. No gas market at the time.
- Appraisal well targeting 600m gas column mapped on 3D seismic
- Recent development studies indicate viable subsea development with long lived production
- Excellent market for gas and liquids in Tunisia

Parta Gas Re-drill Project (Onshore Romania)

- 2 proven gas drilling opportunities targeting 33Bcf resource defined on 3D seismic
- Excellent economics due to low drilling & capex, high gas price and low royalties
- Rapid cash flow due to proximal infrastructure

ASSET & CORPORATE DEVELOPMENT



"The combination of all three assets provide an immediate, medium term and long term growth platform at current oil pricing"

COMMERCIALISATION STRATEGY

"All assets have been generated organically and defined in preparation for investment at an asset level … a pivotal period ahead"

Source Assets
- *Identify*
- *Evaluate*
- *Secure*

Demonstrate Asset Potential
- *Technical Studies*
- *Commercial Definition*
- *Regulatory Alignment*
- *Partnership Development*

Attract Funds
- *Funding options now underway*

Appraisal & Development Drilling
- *Transformational Break out step?*

Commercialise

ASX:ADX Recent Share Price Accretion

CAPABILITY – *FOCUS ON COMMERCIALISATION*

ADX Board
4 Australia, 1 UK, 1 Europe

Geotechnical	Subsurface Engineering	GE Plan Europe	HOT Engineering Europe
1 Australia* 3 Europe	2 Australia*	Geology and Petrophysics	Reservoir Characterization

Project Engineering	Drilling & Prod. Operations	Brian Chang Holdings	Spec Engineering	AWES Well Services
1 Australian* 1 Europe	1 Australian* 1 Europe	Facilities Engineering & Fab.	Process Eng, Fabrication & Ops.	Drilling, Engineering & Management

Finance & Corporate	Business Dev & Commercial
4 Australia*	2 Australia* 1 Europe

Government Relations & Commercial		
2 Tunisia*	2 Italy*	1 Romania*

Core Strengths
- *Resource Definition,*
- *Project Commercialization*
- *Strong local relationships and contacts*

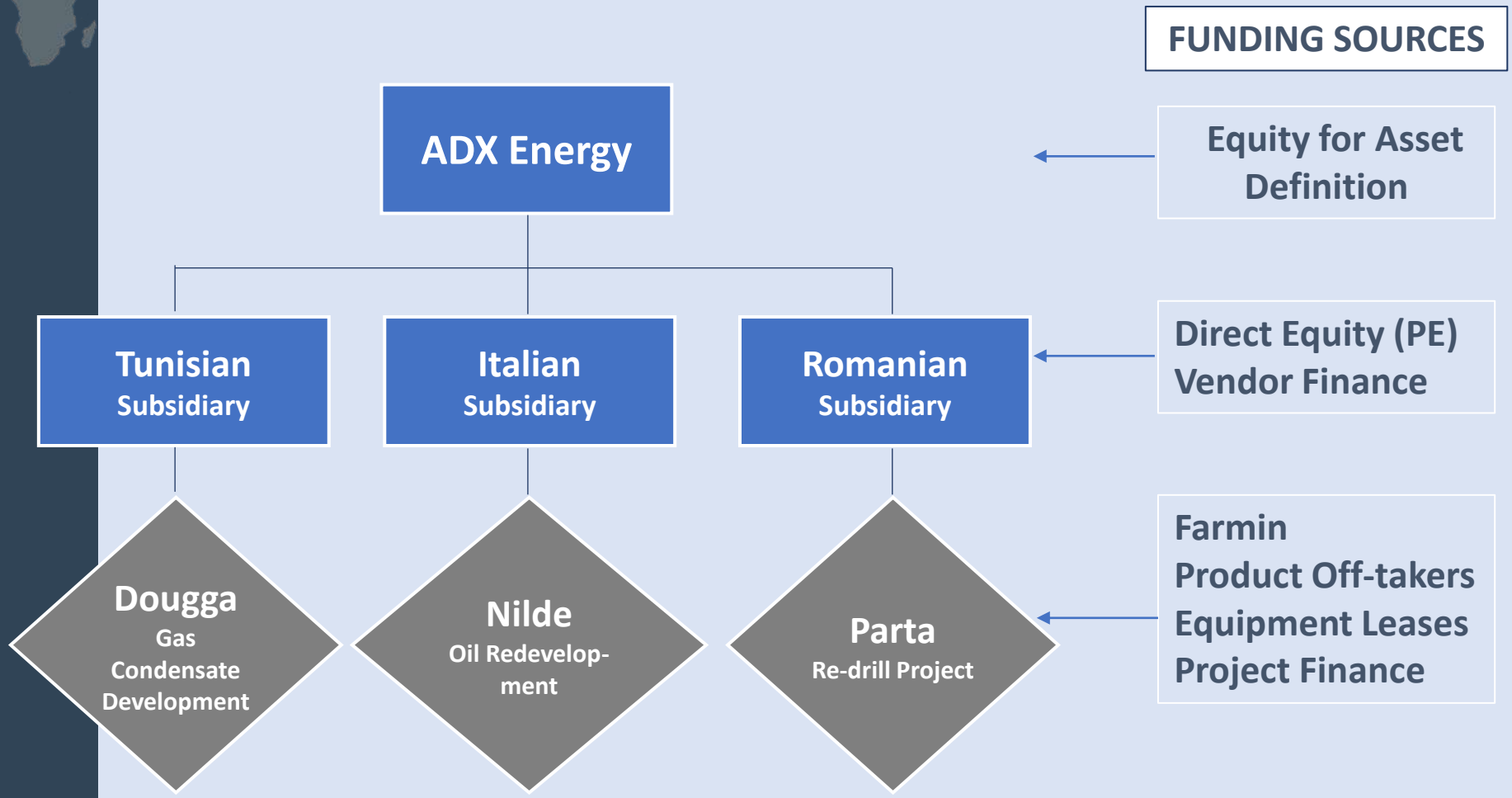
Supplementary Skills
- *Reservoir Characterization*
- *Facilities & Process Engineering*
- *Drilling & Operations*

Internal Position

External (Part time) Consultancy

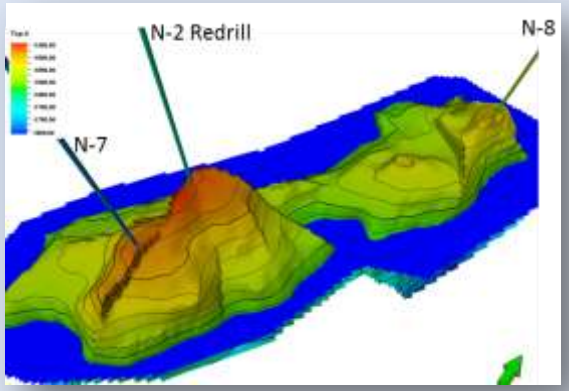
**All internal positions are permanent/part time*

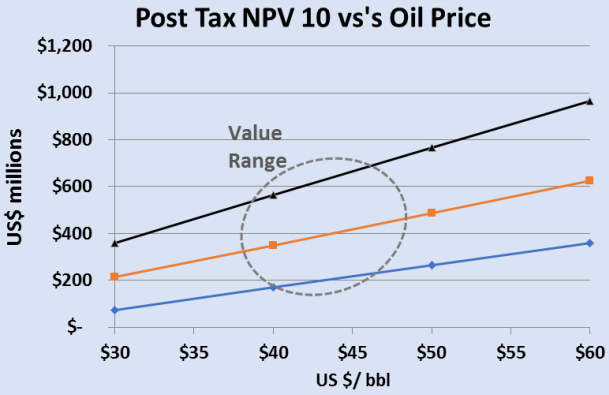
FUNDING OPTIONS FOR ASSET DEVELOPMENT



"The Current Industry Environment requires alternative funding models to enable industry players to invest capital and resources directly into projects that are viable at current oil pricing"

NILDE OIL REDEVELOPMENT – *WAY FORWARD*





Findings from Recent Studies:

- High-quality matrix and connected fracture system supports very high well productivities (20,000 bopd from 3 wells)
- Less than 10% recovery factor from interpreted thickest, highest quality "C-zone" section - Majority unproduced
- High quality matrix reservoir with good porosity facilitates resupply/recharge of fracture system since 1980s
- 2 nearby high productivity discoveries remain undeveloped
- Integrated surface facilities solution offers significant well cost, lease & operability improvements over traditional FPSO
- Excellent economics with low break even oil price

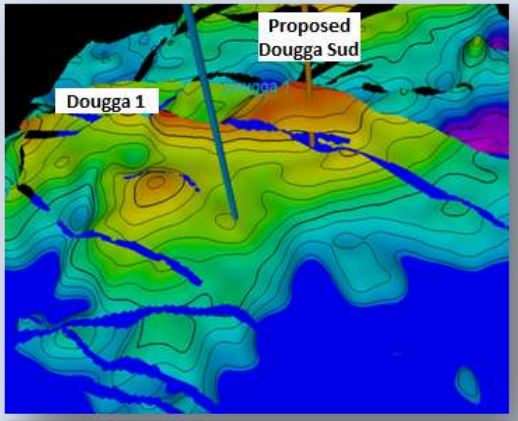
Appraisal Objectives: (Re-drill of Nilde-2 production well)

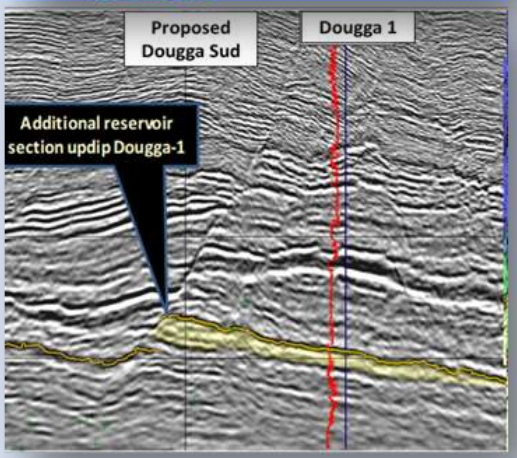
1. Productivity of unproduced "C-zone" section
2. Fracture Recharge; Present-day OWC
3. Confirm volumes to support final investment decision

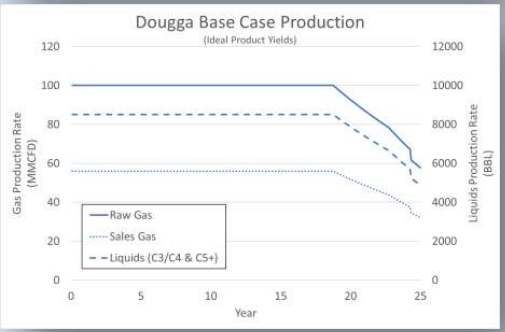
Nilde Resource Base	
2C Contingent Resource[1]:	**Nilde : 32.8 MMBBL remaining** Norma : 3.9 MMBBL Naila : 1.7MMBBL **Permit Total : 38.4 MMBBL**
Prospective Resource[1]:	90 MMBBL (best case estimate)

Note 1: Refer ASX announcements 17/2/2016 & 14/2/2017 (contingent) and 21/4/2016 (prospective).

DOUGGA GAS-CONDENSATE PROJECT – *WAY FORWARD*







Findings from Recent Studies:

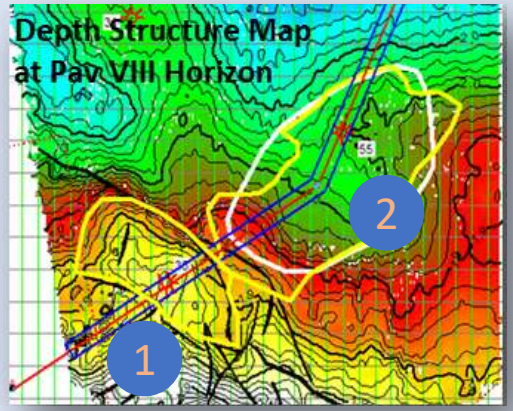
- 3D Seismic mapping indicates ~180m updip potential from Dougga1, with better quality reservoir prognosed and a large gas and liquids contingent resource
- High productivity, dual-porosity system based on conventional log analysis and fracture networks identified on 3D seismic
- Original well tests results are not representative due to drilling damage and aborted test.
- Subsea tie-back to shore development concept confirmed as technically optimal and viable by TechnipFMC study

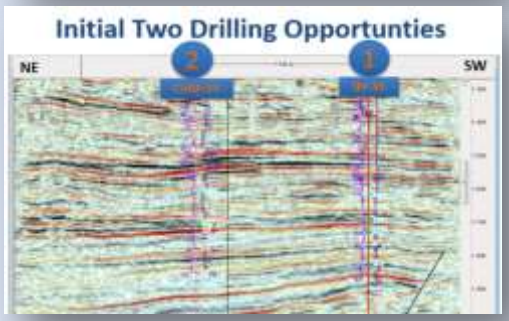
Appraisal Objectives:

- Drill and test Abiod Formation at the crest of the Dougga structure to confirm:
  1. Thickness and composition of gas column
  2. Reservoir quality and deliverability of Abiod Formation
- Determine well numbers for optimal development

Kerkouane PSC Resource Base		
2C Contingent Resource:	**Dougga:**	517 Sales Gas 91 MMBBLS (LPG & Cond) 173 MMBOE
Prospective Resource:	**1027 MMBOE (Best Estimate)**	

PARTA GAS REDRILL PROJECT – *WAY FORWARD*





Findings from Recent Studies:

- Amromco renounced Iecea Mare Production Licence in 2016, and ADX acquired Amromco's existing 3D dataset
- 2 redrill opportunities in Parta license identified from existing discoveries in addition to the significant exploration potential.
- 3D seismic amplitudes appear to correlate with tested gas pools
- Gas wells can be brought into production quickly, with the Calacea Oil and Gas Processing plant only 15km to the NW.

Appraisal Objectives:

- Re-drill and test two discoveries to confirm:
  1. Productivity of gas saturated reservoirs
  2. Appraise/explore new potential gas reservoirs
  3. Presence and composition of hydrocarbons
- Complete wells for tie back to Calacea Gas Facility (15km NE)

IM-35 and Carp55 Resource Base		
2C Contingent Resource[1]:	IM-35 Carp-55 **TOTAL**	3.2 BCF Rec Gas 17.4 BCF Rec Gas **20.6 BCF Rec Gas**
Prospective Resource: (best estimate)	IM-35 Carp-55 **TOTAL**	4.8 BCF Rec Gas 8.0 BCF Rec Gas **12.8 BCF Rec Gas**

CORPORATE GROWTH PROPOSITION

Portfolio Development

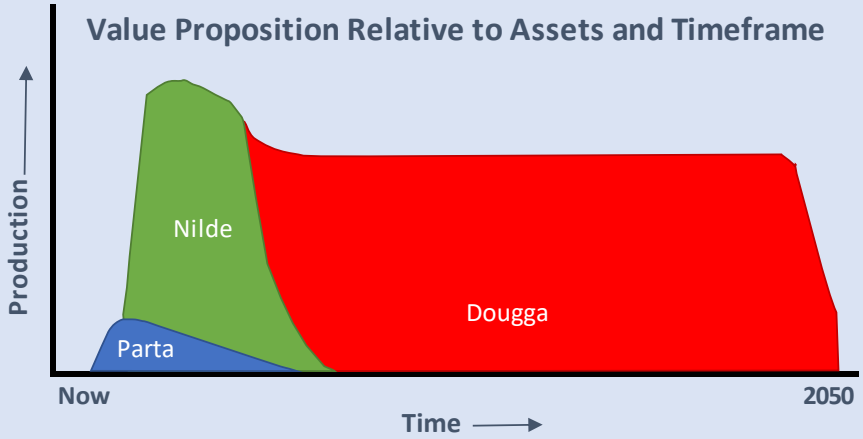
- Immediate, short and long term growth opportunities
- Value accretion possible at every step
- Increasing capital requirements offset by greater financial capacity

Asset Definition and Funding

- 100% equity has enabled rapid definition and funding at asset level
- Ability to utilise subsidiary equity or project equity to fund value realisation

Corporate Progression and Value Recognition

- Arms-length transaction at asset level will demonstrate see-through value at a corporate level
- Exposure to more sympathetic capital markets



SUMMARY OF OPPORTUNITY

WHAT: **A Large Appraisal and Development Resource**

WHERE: **Offshore Sicily Channel and Onshore Romania**

WHY: **Portfolio ready for exploitation**

- **Nilde** - a half-produced gem fortuitously recognised and re defined using historical data as well as modern geological and reservoir modelling techniques
- **Dougga** – a large gas liquids resource ignored due to lack of market, poor definition prior to 3D seismic and then Arab dislocation now redefined with modern geological modelling and concept studies utilising sub sea technologies
- **Parta** – combination of tested gas and gas shows in historical wells that are defined on 3D seismic.

WHEN: **Planned activities over next 18 months**

A. Nilde Appraisal and Testing

B. Onshore Romania Re-drill wells

- capable of rapid tie-in & cash flow

A. Dougga Sud Appraisal and Testing

"Poised for the next phase of growth - a big prize for matching the right capital to our assets and unlocking their potential"

Ian Tchacos	**Executive Chairman**
Paul Fink	**Chief Executive**

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