



6 November 2017

ADX Tunisian Offshore Permit Change of Work Program and Permit Renewal. “Relating to the Dougga Condensate Discovery in the Kerkouane Exploration Permit”

ADX Energy Ltd (ASX Code: **ADX**) is pleased to inform its Shareholders that pursuant to a Hydrocarbon Consultative Committee Meeting ^{note 1} held on the 31st of October 2017, the Director General of Hydrocarbons (DGH) has advised ADX via its wholly owned subsidiary Alpine Oil and Gas Pty Ltd (AOG) that its change of work program application has been accepted. The approved change allows AOG to drill the Dougga Sud well and undertake productivity testing of the Dougga reservoirs with a view to establishing their productive potential (the previous work program requirement was the drilling of an exploration well and the acquisition of 500 km² of 3D seismic). The revised work program replaces the previous work program outlined in the Kerkouane license' first renewal period, and is a precondition to the entry for a second renewal period (for Kerkouane) of 3 years.

The DGH has also advised the requirement for a bank guarantee in relation to the modification of the work program which will be lifted upon the testing of the Dougga Sud well. ADX will engage in discussions with the DGH to determine the level, timing and form of the required guarantee. ADX will inform shareholders in relation to the outcome of such discussions in the coming weeks.

The DGH has advised that the renewal of the permit will be granted upon the completion of the drilling and testing of Dougga Sud. ADX executed a drilling contract with Noble Drilling Services Inc enabling the drilling of Dougga Sud utilizing the GlobeTrotter II drill ship on the 9th of October 2017. The contract delivers an excellent technical and commercial option for the drilling and the productivity testing of the well during the second half of 2018.

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ADX has recently commenced discussions with a number of parties interested in participating in and providing funding for the Dougga Sud well. ADX believes that clarity in relation to the committed work program is anticipated to assist those discussions.

Executive Chairman Ian Tchacos stated *“The ability to vary the Kerkouane exploration work program with a view to concentrating on the definition of the large Dougga Gas Condensate resource is a very important potential pathway to the commercialisation of Dougga. We thank our partner ETAP’s ^{note 2} support in achieving this goal.”*

Note 1: The Hydrocarbon Consultative Committee “Comité Consultatif des Hydrocarbures” (HCC) is a Ministerial Committee responsible for providing advice on the granting of title to hydrocarbon permits and/or concessions in Tunisia.

Note 2 Entreprise Tunisienne d'Activités Pétrolières (ETAP) is a state-owned company in Tunisia directly in charge of the petroleum sector as well as the state's partnerships with foreign exploration and production operators.

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