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US\$1.5million Romanian Farm-in Completed

Farm-in Agreement executed to fund 3D Seismic acquisition in the Parta Exploration License on shore Romania.

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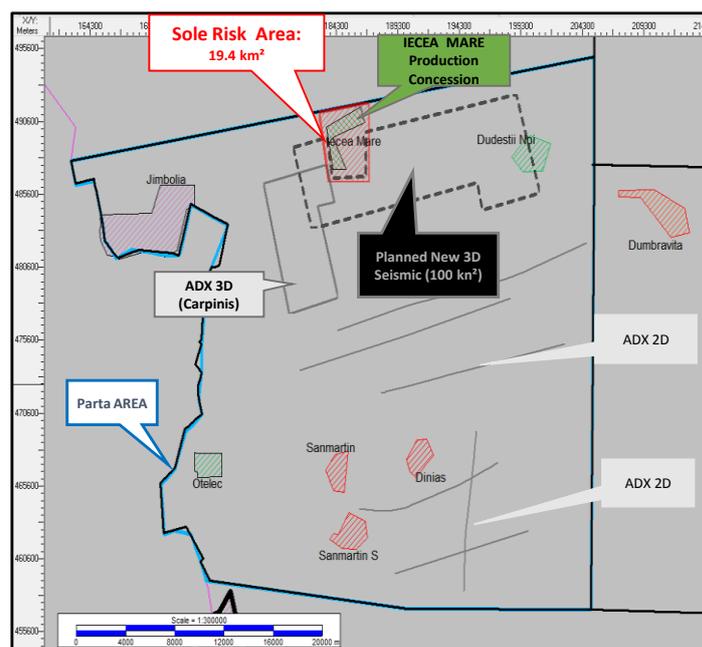
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SUMMARY

- A Heads of Agreement was announced on the 8th of April 2019 for the funding of a 3D Seismic program planned for Q4 2019 in the Parta Exploration License.
- ADX Panonia holds a 100% interest in the Parta Exploration License following the withdrawal of its previous partner RAG on 31 March 2019.
- The Farm-in Agreement excludes the Parta Appraisal Program Area which includes Iecea Mare Production License.
- Farminee will fund the first US\$1.5 million of a 3D Seismic program to earn a 50% interest in Parta Exploration License
- Farminee is an Australian Private Company formed to undertake exploration in Romania, with guaranteed financial support to undertake its Farm-in obligations
- Conditions precedents have been satisfied including the finalisation of a joint operating agreement and the extension of the Parta Exploration License.

ADX Energy Ltd (ASX Code: **ADX**) is pleased to advise that it has finalized a Farm-in Agreement including the satisfaction of conditions precedent on behalf of Danube Petroleum Limited (Danube) and ADX Energy Panonia Srl (Panonia) to fund a 3D seismic program in the Parta Exploration License (License) onshore Romania. Parta Energy Pty Ltd (Farminee) will fund a US\$ 1.5 million 3D Seismic program to secure a 50% interest in the License. ADX will remain the contract operator for the Parta Exploration License. ADX holds a 63% shareholding in Danube which in turn holds a 100% interest in ADX Panonia.



Map showing Parta Exploration License, Sole Risk Exclusion Area and New 3D Seismic

The farm-in rights include the Parta Exploration License but exclude any rights relating to the Sole Risk Area which includes the Iecea Mare Production license where ADX is planning to commence drilling of the Iecea Mare 1 appraisal well in the coming weeks (“Parta Farm-in Rights”). ADX was awarded a two year extension for the Parta Exploration License phase one work program in early June 2019. This was a key condition precedent for the finalization of this farm-in. The license extension is based on a work program of 100 km² of 3D seismic, 60km 2D seismic and 2 exploration wells. One of the planned appraisal wells which is part of the Parta Appraisal Program is expected to satisfy one of the Parta Exploration License phase one work program commitment wells.

The Farminee will fund the first US\$1,500,000 of expenditure for the acquisition of approximately 100 km² of 3D seismic to earn a 50% participating interest in the Parta Farm-in Rights. ADX has previously acquired approximately 100km of 2D seismic, 50km² of 3D seismic (surface area), has reprocessed approximately 470 km of vintage 2D seismic and has licensed (with landowners) an area of approximately 200km² for future 3D seismic acquisition within the Parta Exploration License.

The planned 3D exploration seismic acquisition program is expected to commence in November 2019. The new data will be integrated with previous 3D seismic acquired by ADX and 3D seismic purchased by ADX in conjunction with the acquisition of the Iecea Mare Production License. The 3D Seismic is intended to focus on an area with proven prospectivity for both oil and gas.

The Parta Exploration License activities are intended to provide low risk, high reward exploration follow up drilling locations for ADX and Danube following on from the Parta Appraisal Drilling Program.

Asset Ownership Structure

ADX holds a 63% shareholding in Danube Petroleum Limited (Danube). The remaining shareholding in Danube is held by Reabold Resources Plc. Danube via its’ Romanian subsidiary, ADX Panonia, holds a 100% interest in the Parta Exploration license (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production license.

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