



12 January 2017

Mr Chris Bailey
Advisor, Listings Compliance (Perth)
ASX Limited

By Email: Chris.Bailey@asx.com.au

Dear Chris

ADX Energy Ltd (`ADX`) Price Query

We refer to your letter dated 12 January 2017 and respond as follows:

1. ADX is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities. ADX are planning to release an announcement today to confirm that the Romanian authorities have finalised the ratification of the extension of ADX's EX-PARTA 10 permit. This ratification was expected as a standard procedure and ADX had previously advised this fact to the market on 19 June 2015. ADX do not believe this ratification would have a material effect on the price of ADX's securities as the ratification was merely a formality, and ADX does not believe it has any impact on the recent trading of its securities.
2. ADX is unaware of any explanation for the recent trading, however ADX considers the following factors may have influenced the buying activity:
 - a. On 10 January 2017, Jetosea Pty Ltd lodged a Notice of Initial Substantial Holder based on its 7.48% interest in ADX. The individual managing Jetosea is a well regarded private fund manager.
 - b. On 11 January 2017, StockAnalysis by Peter Strachan, released a broker report which included a section highlighting ADX as 'Potentially 2017's Star Oil Stock'.
3. ADX confirms it is in compliance with the Listing Rules, including Listing Rule 3.1.
4. These responses have been authorised by the Chairman of ADX.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Tchacos', written over a light grey horizontal line.

IAN TCHACOS
Executive Chairman

ADX Energy Ltd

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12 January 2017

Ms Amanda Sparks
ADX Energy Limited
Suite 14, 210 Bagot Road
SUBIACO WA 6008

By Email

Dear Ms Sparks

ADX Energy Limited (“ADX”): Price Query

We note a change in the price of ADX’s securities from closing price \$0.008 on Tuesday 10 January 2017 to an intra-day high at the time of writing of \$0.016 today, Thursday 12 January 2017.

We also note an increase in the trading volume of ADX’s securities today to a level that is significantly above the average trading volume on days when ADX’s securities are traded.

In light of this, ASX asks ADX to respond separately to each of the following questions and requests for information:

1. Is ADX aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is ADX relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in ADX’s securities would suggest to ASX that such information may have ceased to be confidential and therefore ADX may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. Is there any other explanation that ADX may have for the recent trading in its securities?
4. Please confirm that ADX is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm ADX's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ADX with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **10:00am AWST today, Thursday 12 January 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in ADX's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ADX's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me copying in TradingHaltsPerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to ADX's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that ADX's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in ADX's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.



We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Chris Bailey

Adviser, Listings Compliance (Perth)