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## US\$1.5 Million Farm-in Funding for Parta License Binding Heads of Agreement to fund US\$1.5million of 3D Seismic to earn a 50% interest in the Parta Exploration License excluding the Parta Appraisal Program Area

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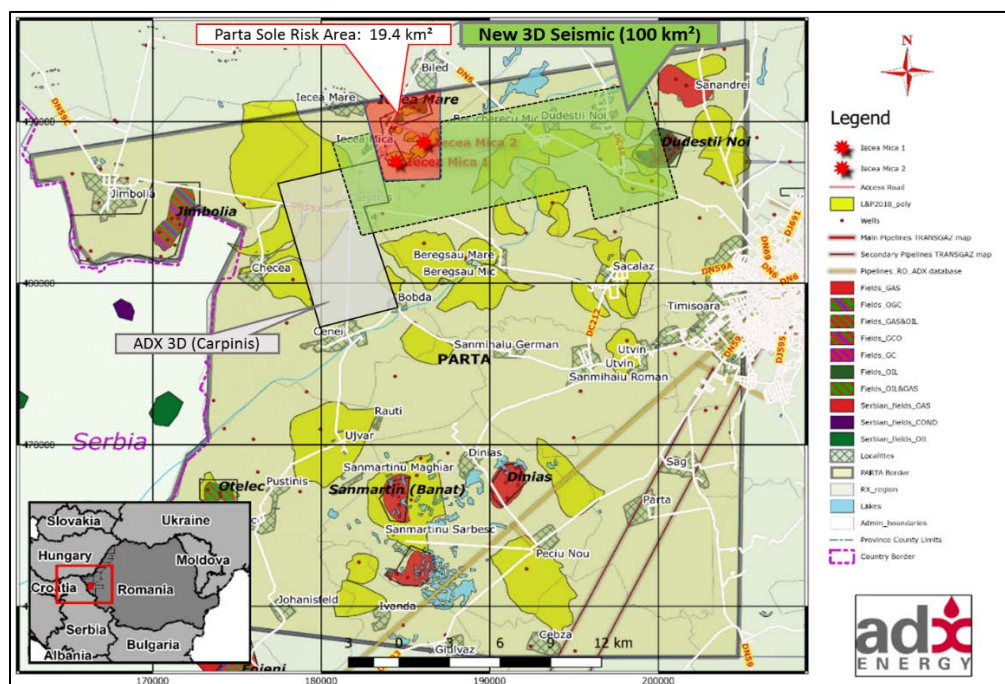
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### SUMMARY

- ADX Panonia holds a 100% interest in the Parta Exploration License following the withdrawal of its previous partner RAG on 31 March 2019
- ADX Panonia has executed a binding Heads of Agreement for the funding of a 3D Seismic program planned for Q4 2019
- Farm-in excludes the Parta Appraisal Program Area which includes Iacea Mare Production License
- Farminee to fund a planned US\$1.5 million 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
- The agreement is conditional on 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 executed a farm-in 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. The license interest is now available due to the withdrawal on 31 March 2019 by the previous exploration license partner RAG. RAG is in the process of selling or withdrawing from all its exploration and production activities. ADX will remain the contract operator for the Parta Exploration License. ADX holds a 67% 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 drill the Iecea Mare 1 appraisal well in mid 2019 (“Parta Farm-in Rights”). ADX has applied for an extension of the Parta Exploration License phase one work program based on a maximum work program of 100 km<sup>2</sup> of 3D seismic, 60km 2D seismic and 2 exploration wells. Based on ADX discussions with the designated authority in Romania ADX expects a license extension of at least 2 years from 23 June 2019. 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 km<sup>2</sup> of 3D seismic to earn a 50% participating interest in the Parta Farm-in Rights. Farm-in funding is subject to the following conditions;

- The agreement of a Joint Operating Agreement
- The extension of the Parta Exploration License for an additional 2 years
- The finalisation of a work program and budget for the 3D Seismic acquisition and processing

ADX expects all farm-in funding conditions to be met by the end of June 2019 and will commence seismic programming and planning work during Q3 2019 with a view to 3D seismic acquisition occurring during Q4 2019. ADX has previously acquired approximately 100km of 2D seismic, 50km<sup>2</sup> of 3D seismic (surface area), has reprocessed approximately 470 km of vintage 2D seismic and has licensed (with landowners) an area of approximately 200km<sup>2</sup> for future 3D seismic acquisition within the Parta Exploration License.

The planned 3D exploration seismic program 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 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 67% 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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