

ADX Energy Ltd

AGM Presentation Update

A European focused appraisal and development company

By Ian Tchacos - Executive Chairman

31 May 2019

www.adxenergy.com

DISCLAIMER

This document has been prepared by ADX Energy Ltd for the purpose of providing an activity update to interested analysts/investors and shareholders. Any statements, opinions, projections, forecasts or other material contained in this document do not constitute any commitments, representations or warranties by ADX Energy Ltd or its directors, agents and employees. Except as required by law, and only to the extent so required, directors, agents and employees of ADX Energy Ltd shall in no way be liable to any person or body for any loss, claim, demand, damages, costs or expenses of whatsoever nature arising in any way out of, or in connection with, the information contained in this document. This document includes certain statements, opinions, projections, forecasts and other material, which reflect various assumptions. The assumptions may or may not prove to be correct. ADX Energy Ltd recommends that potential investors consult their professional advisor/s as an investment in the company is considered to be speculative in nature.

CONTINGENT & PROSPECTIVE RESOURCES & DEFINITIONS

Tunisia: Refer to ASX announcements 17/7/2018 (contingent) and 26/9/2012 (prospective). **Italy:** Refer to ASX announcements 17/2/2016 & 29/3/2018 (contingent) and 21/4/2016 (prospective). **Romania:** Refer to ASX announcement 11/7/2018 (contingent and prospective) and 20/3/2019 (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. Prospective Resources: those estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further explorations appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

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).

COMPANY OVERVIEW

ASSET SUMMARY

Nilde Oil Redevelopment Project

- ✓ Offshore Sicily
- ✓ 100% equity
- ✓ 33 MMBO 2C Resources

Recently secured Farm out to fund Euro 21 million work program for 50% equity (subject to ratification to operate and 18 month E&P Moratorium)

Dougga Gas Condensate Project

- ✓ Offshore Tunisia
- ✓ 100% equity
- ✓ 122 MMBOE 2C Resources

Independent Auditor rates Project 70% chance of commercialisation

Parta Appraisal Project

- ✓ Onshore Romania
- ✓ Interest held via UK SPV (63% interest Danube Petroleum)
- ✓ 50 BCF 2C & Prospective Resources* (*Danube share)

Funding Received for First Well in Q3 2019

163MMBOE
2C Contingent Resources
"Independently Assessed"

CORPORATE SUMMARY

ASX Code	ADX
Shares on Issue	1,213 million
No of Shareholders	2,545
Market Cap @ 0.6 cents	\$ 7.3mill
Cash at 30 September 2018 <i>Includes funds held for Parta Drilling</i>	A\$2.7 mil

NEAR TERM ACTIVITY

Romania Appraisal Drilling

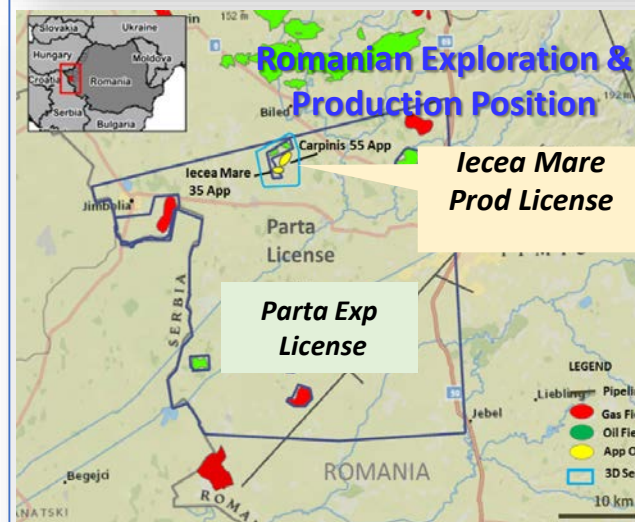
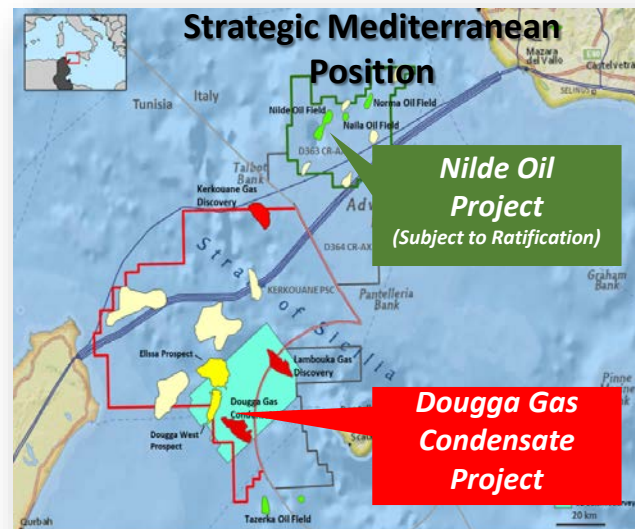
- ✓ Commence Q3 2019
- ✓ Re drill of tested gas discoveries

Nilde License Ratification

- ✓ Financial backing from SDP farm out expected to yield license ratification
- ✓ Farm in values ADX @ significant premium to current share price

Dougga Appraisal Funding

- ✓ All technical work completed
- ✓ In discussions with multiple parties to secure appraisal drilling funding



2018 REVIEW

Key Achievements

Corporate

- Set up of Danube Petroleum Limited as a funding and operating vehicle for Romanian activities

Asset Acquisitions

- Purchased 100% of Iecea Mare Production License at low cost
- Secured 50% interest in Parta Exploration license Interest at no cost

Asset development

- Resource and Project Concept studies have been completed for all assets
- Independent Evaluation (Resource) Reports Completed for all assets
- Information Memorandums and Data Rooms available for all assets
- Operational readiness for Parta Appraisal Drilling, onshore Romania
- Permitting readiness for Parta 3D exploration work program, Onshore Romania

Funding

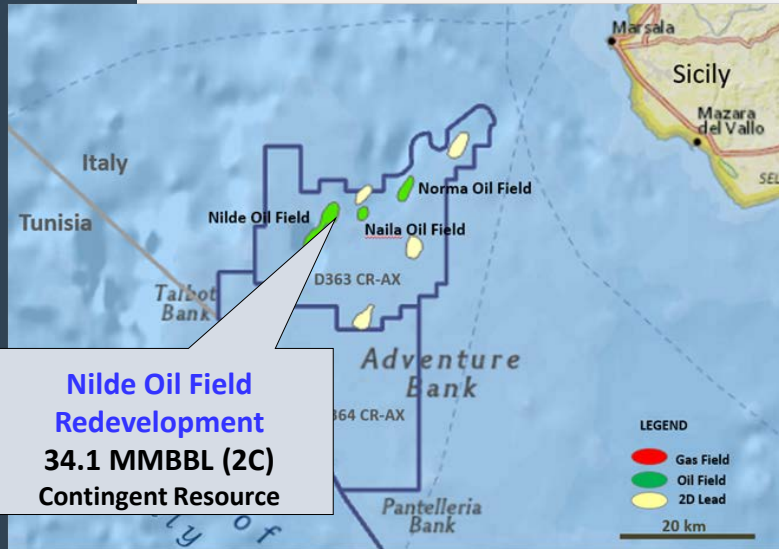
- Parta Appraisal Program - Secured US\$ 2.5 million funding for 1st well
- Nilde Appraisal – Secured Euro 21 million funding from company with strong balance sheet and cash flow (subject to Ratification of license)
- Dougga Appraisal - Ongoing discussions with multiple funding partners

Setbacks

- 18 month Moratorium on Exploration and Production activities in Italy

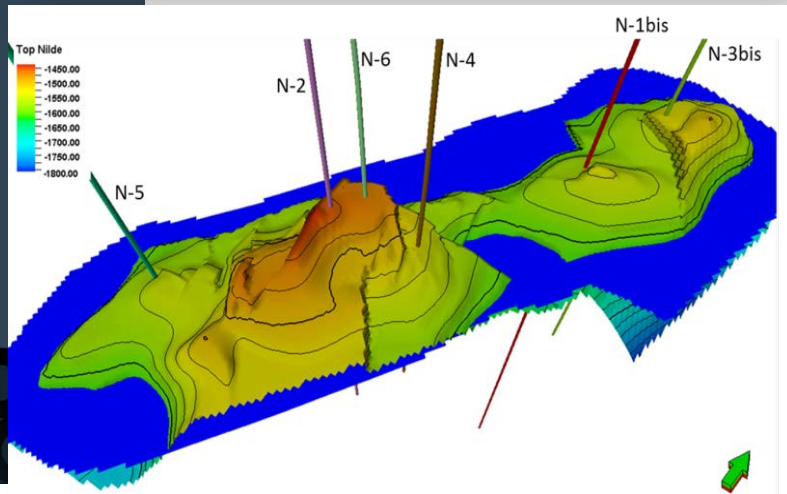
KEY ASSET STATUS

- Nilde Oil Redevelopment Project (100% Equity)



Project Summary

- Material remaining oil resource (*Independently Assessed*)
- Field prematurely abandoned due to low oil price and primitive FPSO technology
- Proven, highly productive reservoirs, high quality crude (20,000 BPD predicted from 3 wells)
- Shallow water depths, shallow drill depths and optimal development concept using leased facilities
- Excellent economics with low Capex per Barrel, favourable fiscal terms and rapid paybacks
- Further upside with two other tested oil discoveries and on trend exploration.



- Nilde Oil Redevelopment Project (continued)

Commercial Situation

- Achieved fully funded work program with SDP farmout in October 2018 (Euro 20.8 million)
- Informal recognition by licensing authority that farmout has satisfied financial conditions required to have license ratified.
- Populist Five Star Movement (M5S) forced the imposition of an 18 month moratorium in February 2019
- SDP has confirmed ongoing commitment to Farmout
- Additional ongoing interest from multiple parties to participate in project

Looking Forward

- Awaiting formal recognition of satisfaction of all license requirements including technical and HSE (achieved previously) and financial capability has been satisfied.
- Continue discussions with further investors seeking to participate at asset or subsidiary level
- Wait for moratorium to be lifted OR is political situation likely to change in Italy

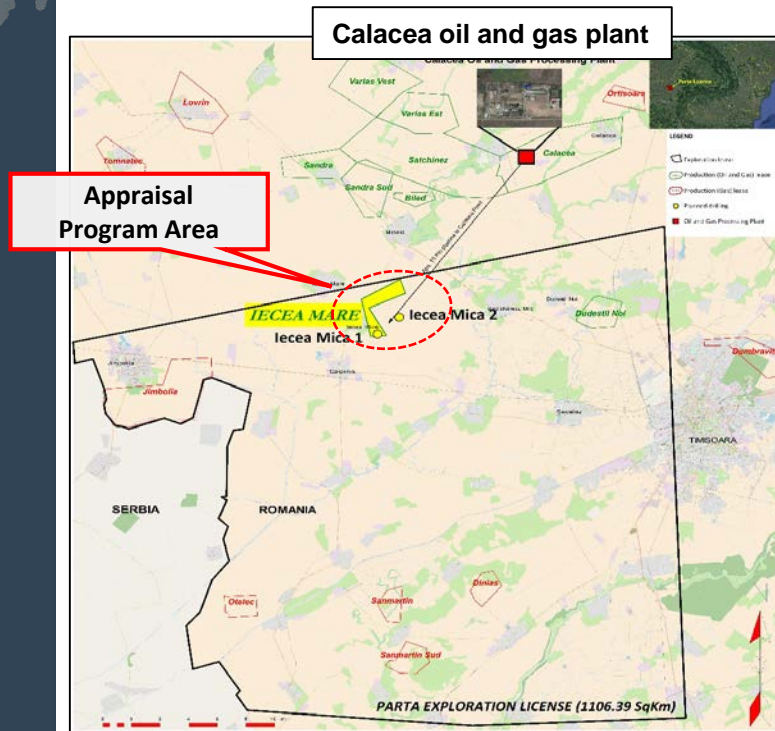
Far-right League victory in EU vote strains Italy coalition



Italian far-right leader Matteo Salvini is now likely to try to force the M5S's hand on every plan it has contested since the coalition formed in June 2018 – *Source: Agency France Press 27 May 2019*

KEY ASSET STATUS

- Parta Appraisal Project (63% interest via Danube SPV)



Project Summary

- Proven appraisal potential assessed by Independent Expert - redrill of previously tested wells with multiple pay zones now defined on 3D seismic
- Low risk exploration upside in Parta License with a licensed 100Km² 3D program planned for 2019 (60% COS track record with 3D seismic in basin)
- Established exploration (Parta License) and production license (Iecea Mare License) position.
- ADX is licensed to operate exploration and production.
- Rig contract secured, Long Lead Items purchased and all approvals obtained for Q3 2019 drilling of IM – 1 well
- Proximal gas plant and strong gas demand enables rapid and low cost tie in (Cash flow target Q4 2020)
- Excellent Economics due to low CAPEX, low royalty (3.5 - 5%), Low corporate tax rate (16%) and strong gas price (US\$ 5.00 per MMBTU+)



- Parta Appraisal Project (Continued)

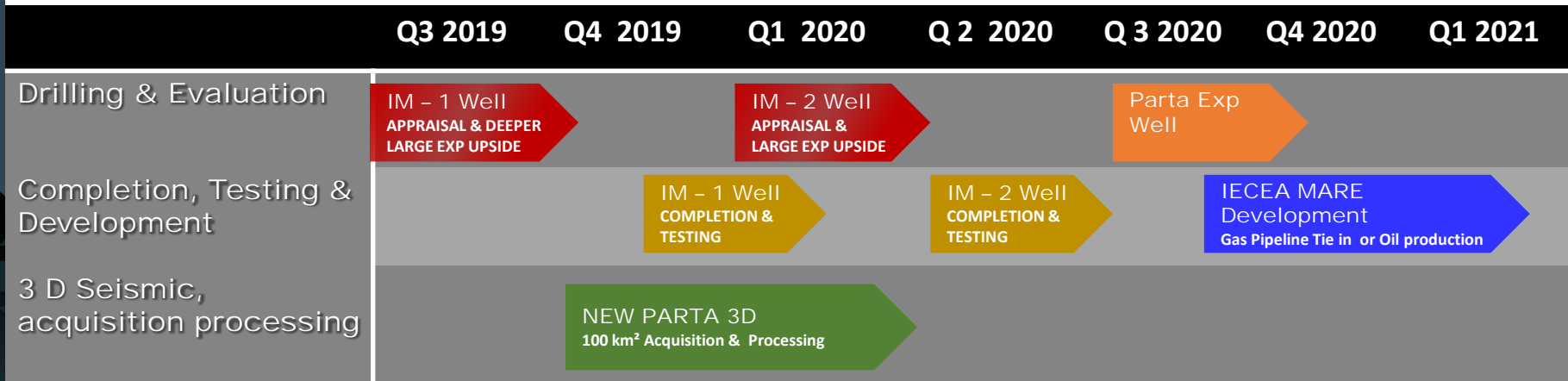
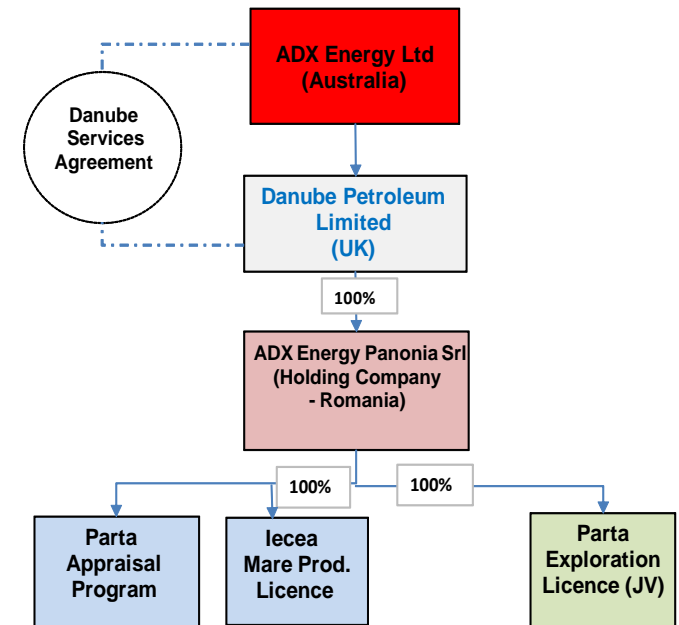
Commercial

- The formation of Danube has provided an excellent platform for growth and funding
- US\$ 3 million Danube funding obtained for first well (from AIM listed Reabold)
- Further US\$ 1.5 million farmin funding to be concluded for 3D seismic in prospective Parta Exploration License

Looking Forward (*Very Active Program*)

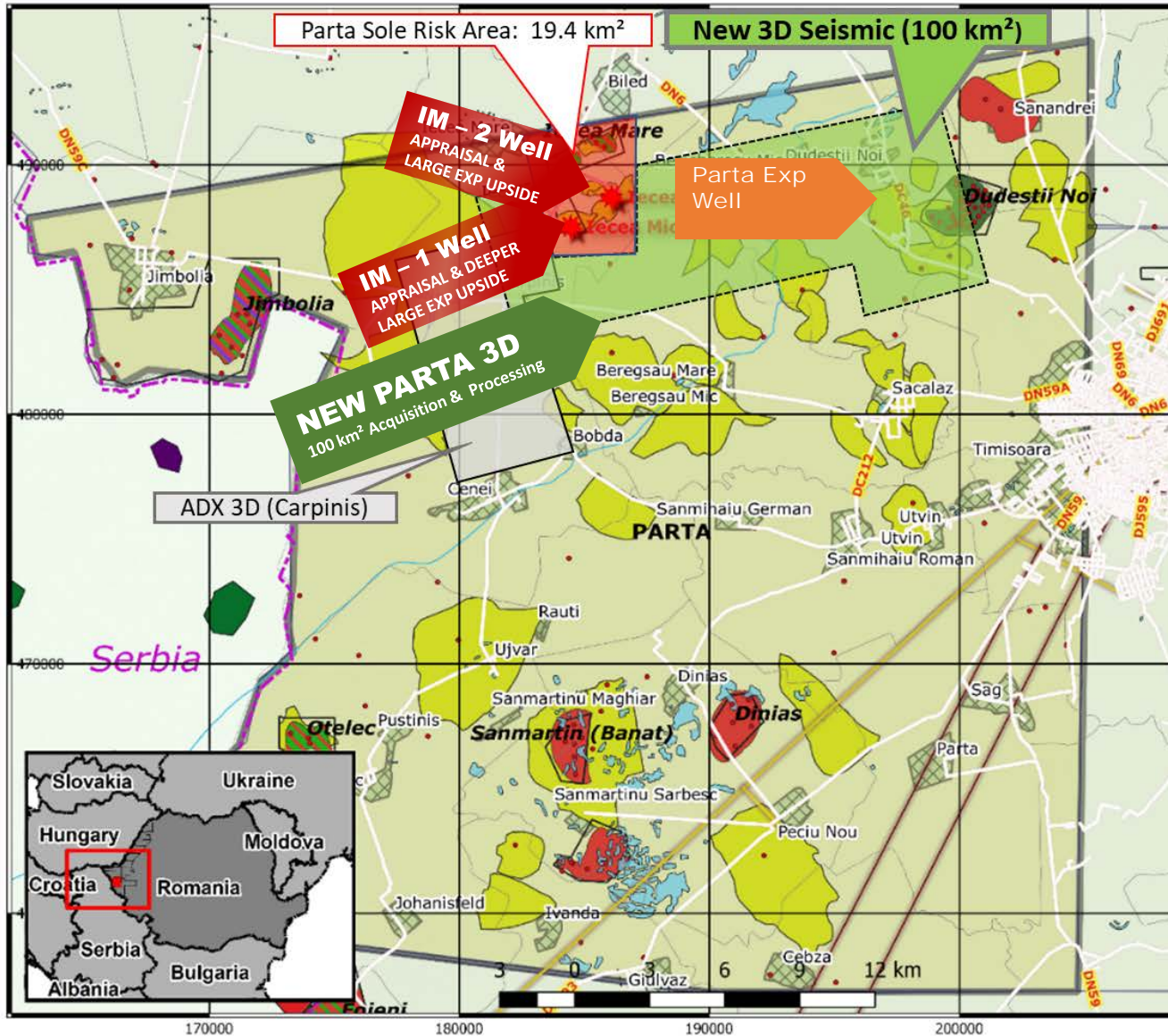
- Poised for imminent appraisal drilling (IM -1 well) activity in the recently acquired Iecea Mare Production license.
- IM -1 Well completion and testing approximately 3 months after drilling and evaluation completed.
- Commence 100 KM² 3D seismic program planned for Q4 2019 following Parta License extension in June 2019

Parta Assets and Commercial Structure



- Parta Appraisal Project (Continued)

"Location of key Appraisal & Exploration Activities"



Parta Appraisal Project (Continued)

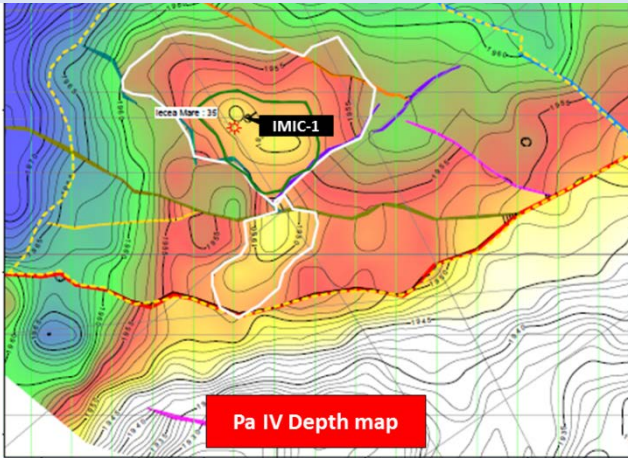
"IM-1 Well to Appraise Discovery & Test Basement Play"

TEST SHALLOW PROVEN GAS:

6.1 bscf 2C Contingent Resources

2007 m MD, gas reservoir Pa IV

Note: ERCE Experts Report, ADX report Date 11/7/2018

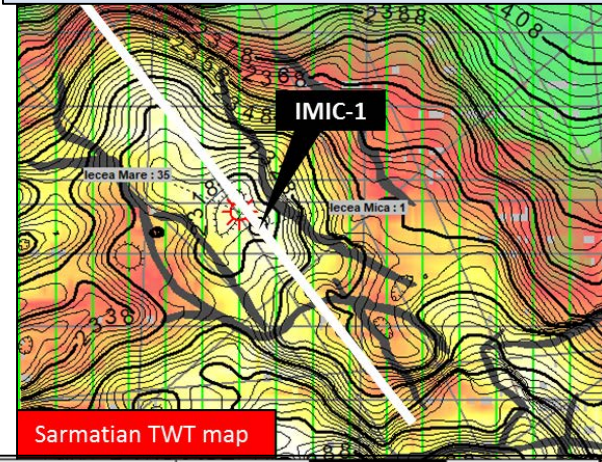


EXPLORE DEEPER OIL / GAS

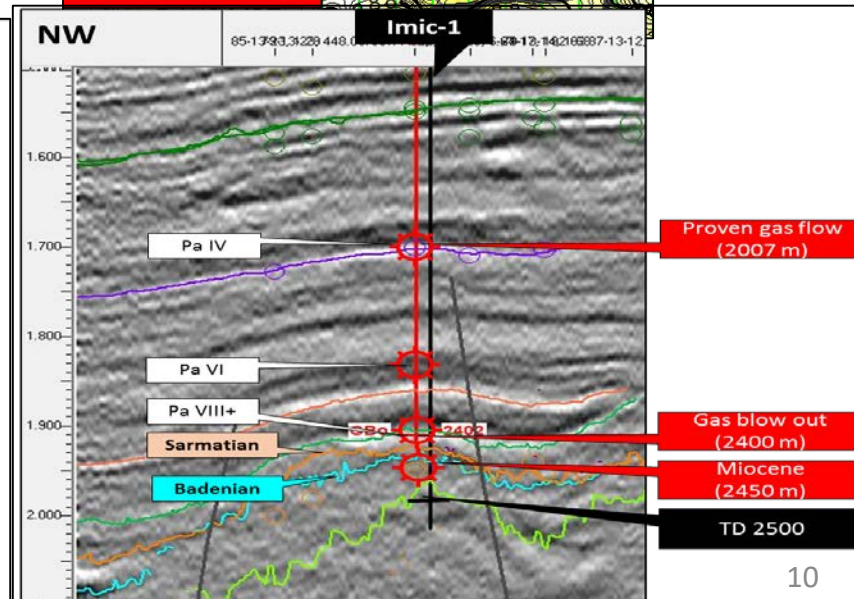
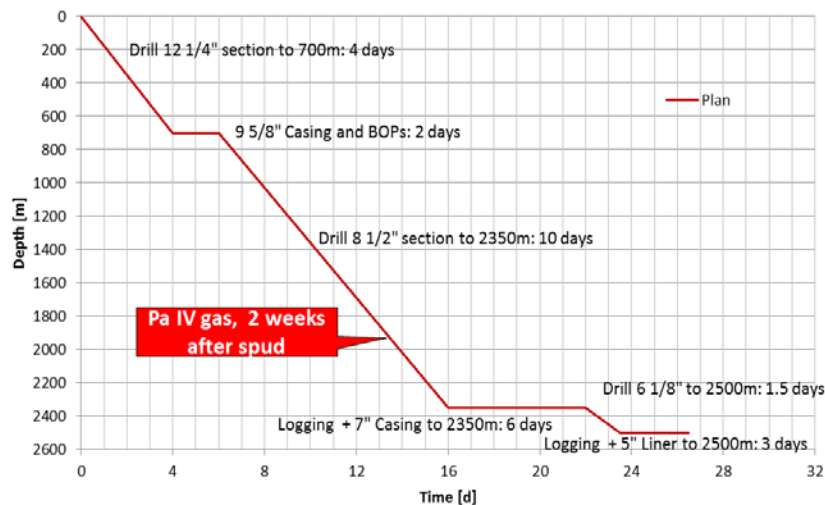
16 bscf Prospective Best Case Resources

2500 m MD, Badenian/ fractured basement

Note: ADX estimate, ADX Reporting Date 20/3/2019

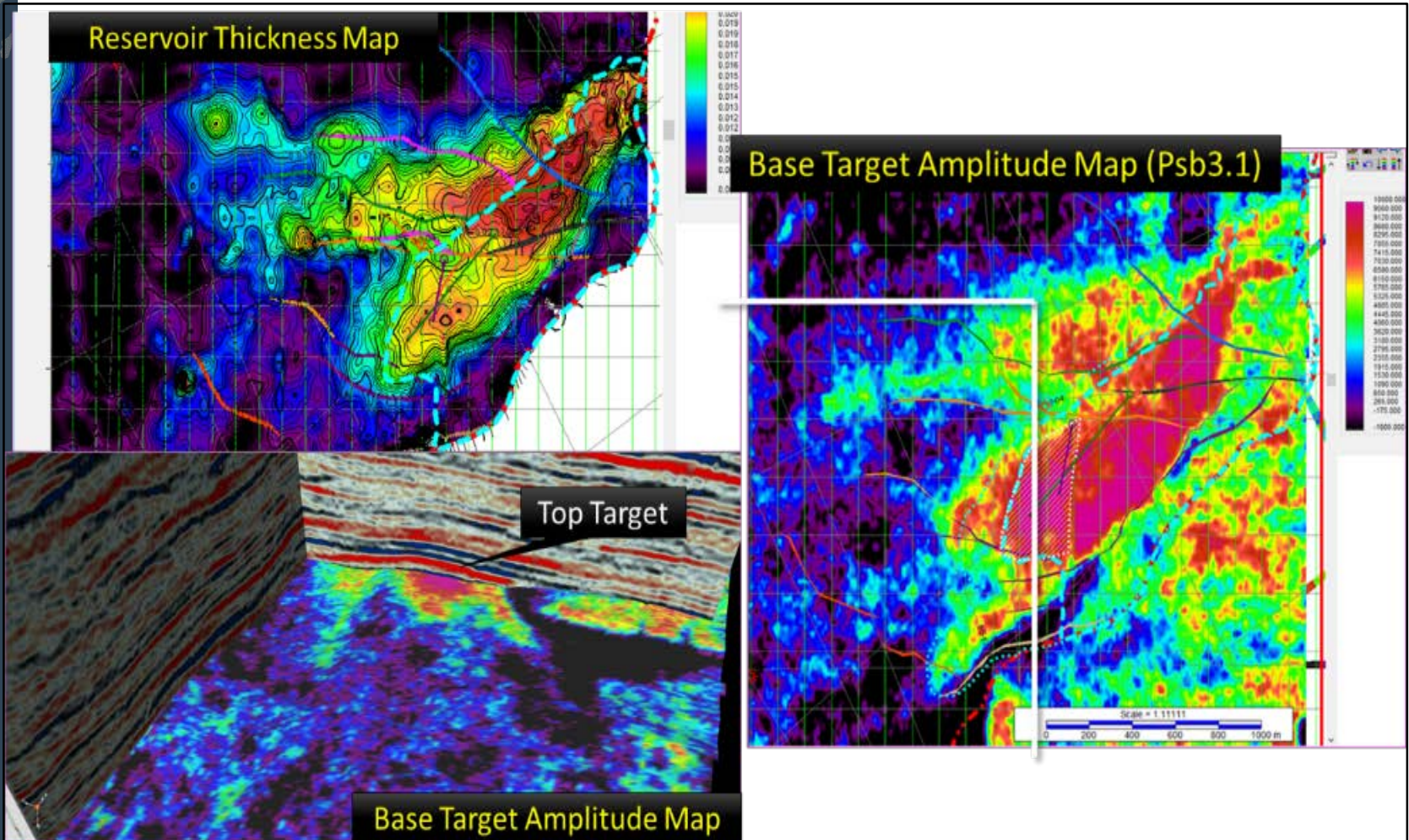


IECEA MICA 1 Time vs. Depth



Parta Appraisal Project (Continued)

“IM- 2 Well Shallow Gas Target (3D defined Stratigraphic Trap) “



15.6 BSCF Best Case Prospective Resources + Deeper 15.5 bscf 2C resources at ~ 2000 m SS

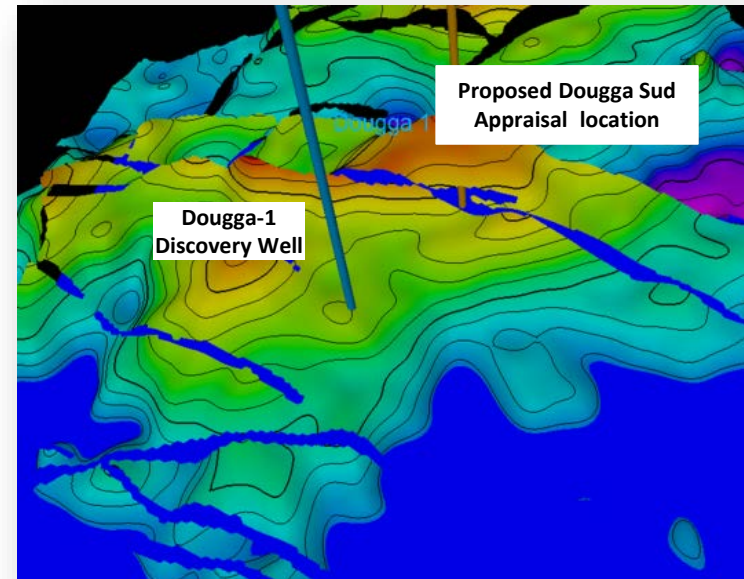
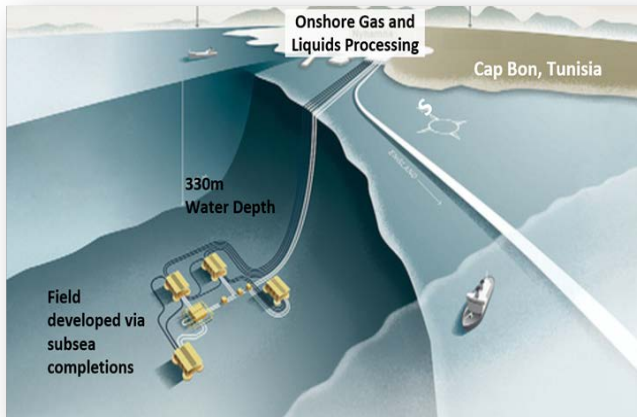
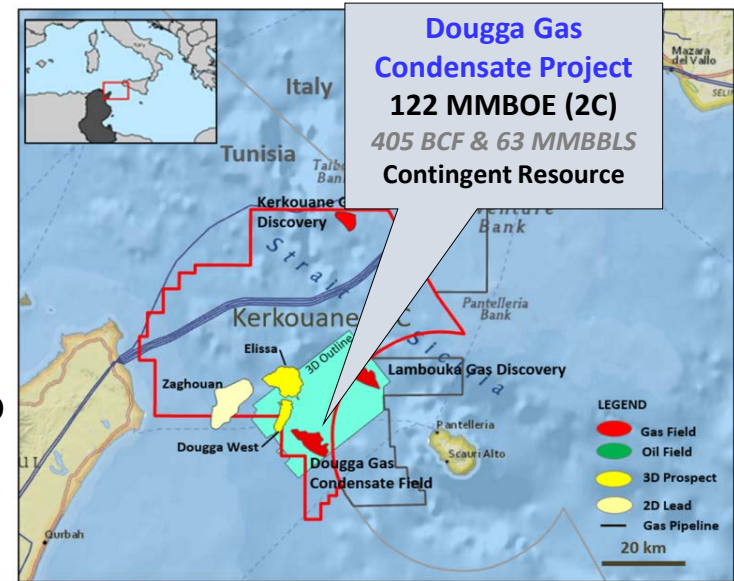
Note: ERCE Experts Report, ADX report Date 11/7/2018

All Government & Landowner Approvals in Place

KEY ASSET STATUS

– Dougga Gas Condensate Project (ADX 100%)

- Large Gas Condensate Resource & Exploration Potential defined on 3D seismic (*Independently Assessed*)
- Discovered by Shell when no gas demand or infrastructure available
- Well defined project – by Technip FMC Concept Study, high chance of commercial & technical success (70%) opined by ERCE independent review.
- Long term cash flow potential - 84 MMCFPD Gas & 12,800 BPD Liquids
- Strategic project due to desperate gas demand, Gas Pricing linked to oil paid in US\$
- Proximal to domestic & export gas infrastructure provides expansion potential
- Expansion potential, 3rd Party Gas and large exploration potential



- Dougga Gas Condensate Project (Continued)

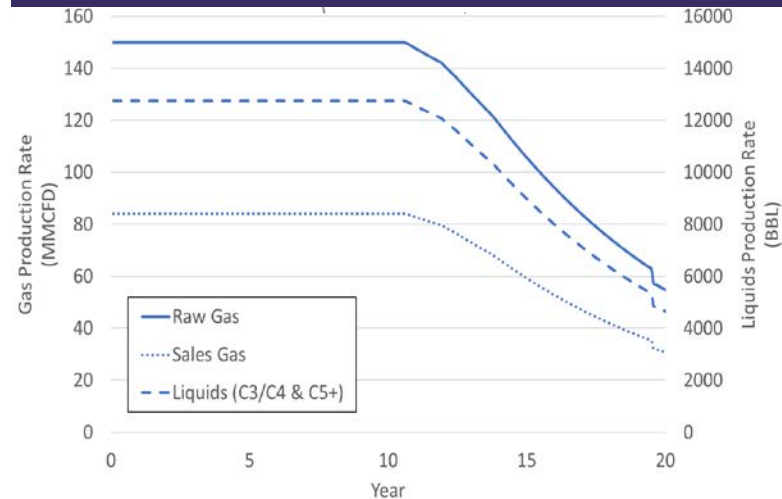
Commercial

- ADX requires investment support to drill and test Dougga Sud Appraisal Well
- There is interest in the Dougga development after the resource has been de-risked by the drilling of an appraisal well however appraisal funding is challenging in this market.
- The funding requirement is approximately US\$27million

Looking Forward

- Seeking a farminee, Vendor finance or Co-investor in a special purpose vehicle
- Farmout efforts are ongoing focusing on well funded MENA companies
- A different approach may needed such as incorporating Dougga into a larger complimentary asset base.
- Reviewing opportunities to merge Dougga with other complimentary assets in region where the combination can be scaled up to attract larger scale finance.

Dougga Base Case Production (Ideal Product Yields)



Globe Trotter II Drillship
Contracted to drill Dougga Sud Well



2019 OBJECTIVES

A Pragmatic Strategy is Required for Challenging Markets

1. Keep administrative costs low and maintain a capable team
2. Build near term activity where funding can be readily sourced >> Romania then Italy subject to politics
3. Seek to increase presence in complimentary equity markets like UK >> funding via Special Purpose Vehicles (eg Danube) or AIM listing.
4. Continue to build position in Romania with a view to developing a diversified cash flow base in a short time frame
5. Maintain operatorship in key jurisdictions and leverage position to secure further assets on favourable terms
6. Compliment offshore long game with onshore Strategic New Ventures focussed on
 - Cash flow producing assets with contingent resource upside
 - Favourable political and fiscal jurisdictions
 - Where we have on the ground knowledge and access to people
 - Where strong energy markets and access to infrastructure exists

INVESTMENT OVERVIEW

- Three technically mature Appraisal & Development Assets – *All are transformational for ADX*
- Operated assets with high equity interests & material Independently Assessed Contingent Resources
- Well developed and credible Development Concepts have been matured.
- Creating multiple funding pathways at an asset level via Farm outs, Vendor Finance and industry investment in SPV's – *Credibility, Capital & Activity*
- Position Company in a sympathetic market that best values its assets – *Dual Listing on AIM*

NEAR TERM VALUE CREATION OPPORTUNITES

Parta Appraisal Drilling

- Near Term, Low Risk, Funded, Appraisal Drilling capable of delivering rapid Cash Flow

Nilde Oil Field Redevelopment

- **Euro 21 million** SDP Farm Out provides financial capability required by Italian Authorities
- Appraisal development drilling late 2020 for high value project after E&P Moratorium lifted

Dougga Gas Condensate Project

- Farm out will provide validation of a long term strategic asset – ongoing discussions with multiple parties.
- Potential to also unlock large exploration in the permit.

Thankyou for you Support

Ian Tchacos – Executive Chairman

www.adx-energy.com