

9 September 2011

ADX Buys Back a further 10% Interest in Lambouka

ADX Energy Ltd (ASX:ADX) is pleased to announce a Sale and Purchase Agreement has been executed to buy back a further 10% interest in the Lambouka Prospect Area in the Kerkouane Permit from PharmAust Limited (ASX:PAA) and to cancel the option of PAA to purchase an interest in that part of the Lambouka prospect that extends into Italian waters.

The key terms of the sale are as follows;

- Upon payment of US\$50,000 by PAA to ADX, ADX will issue to PAA 1,000,000 ADX shares
- As part of the consideration ADX will also forgive outstanding past joint venture costs owed by PAA to ADX totalling \$400,473.
- The transaction is subject to Joint Venture pre-emption.

ADX farmed out a 10% interest in the Lambouka Prospect Area to PAA in early 2010 to provide funding for the Lambouka #1 well. The Lambouka-1 well intersected a gas column interpreted based on comprehensive LWD (logging while drilling) and a wireline logging data set which was recovered during the drilling of the well. Unfortunately due to instability of the borehole while drilling and evaluating Lambouka, it was not possible to test the well.

Lambouka is located approximately 70 km North East of onshore Cap Bon in the Sicily channel. The Dougga gas condensate discovery is located approximately 22 km SSW of Lambouka.

Upon conclusion of this transaction ADX will hold a 60% interest in the Lambouka Prospect Area. ADX holds a 100% interest in the remaining Pantelleria License area, over which some Kerkouane participants have options, and the Kerkouane Permit area. ADX operates all licenses and has recently announced the award of the adjacent offshore exploration permit d 364 C.R.-AX in Italian waters acquired at 100% equity interest. (see map at the end of this release).

ADX is pleased to have the opportunity to further increase its interest in Lambouka on favourable terms. ADX believes Lambouka and the nearby Dougga discovery represent a material appraisal and development opportunity for ADX.

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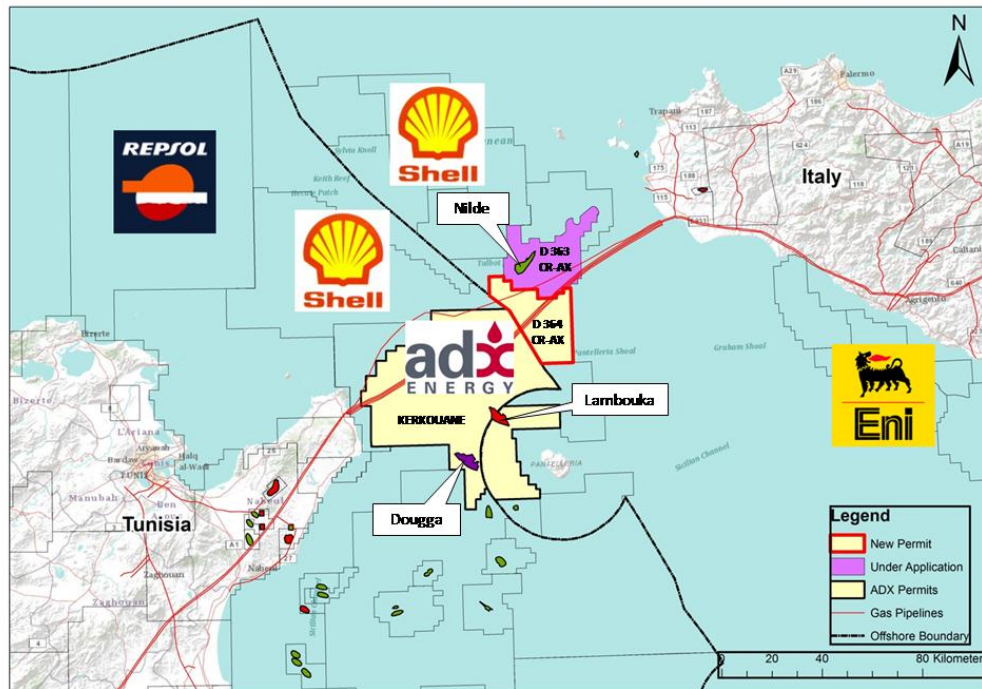
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ADX' Acreage interests in the Sicily Channel offshore Tunisia

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