

**31 October 2013**

**Activities Report**

**Period Ending 30 September 2013**

## Highlights

- **Parta Permit, Onshore Romania New seismic confirms Prospectivity:**

Following the Q1 seismic acquisition campaign in the Parta license the processing completed during the quarter did not only result in high resolution seismic data not seen before in the area, but also identified a dual gas and oil target prospect, supported by a seismic AVO (“amplitude versus offset) anomaly at the potentially gas bearing reservoir sections.

- **Kerkouane License, Offshore Tunisia: Independent Estimate of over 400 Million Barrels Prospective Barrels in Place Resource for Sicily Channel Oil Prospect:**

During the period ADX has concluded an independent competent person’s review of the Dougga West Prospect in its Tunisian operated Kerkouane permit. Perth based ISIS Petroleum Consultants (“ISIS”) have confirmed the prospective upside resource potential for the proven Upper Birsa sandstone reservoir in excess of a billion barrels and estimated the most likely OIP (“oil in place”) at 423 mmbbls. The prospect contains further potentially hydrocarbon bearing reservoir intervals in the deeper section, which were not subject to the independent review but add to the large upside potential.

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### **Romania: Parta Concession – Pannonian Basin**

ADX is the operator and holds a 50% interest.

During the period the seismic data processing of the 2D acquired earlier in the year was completed. The seismic data quality is significantly better quality and higher resolution than data acquired by state owned oil companies in the past (mostly in the eighties and early nineties). Also, a better effort than in the past was made to avoid any data acquisition gaps in populated areas such as villages.

From prospectivity viewpoint the new seismic data proved to be especially encouraging because ADX acquired the Parta license on the expectation that new technology would be able to discover previously overlooked or even new prospects in an area with a highly prolific source rock. The discovery of a new AVO supported multi target prospect which will be covered with further new seismic in the upcoming 2D and 3D campaign confirmed ADX's strategy in that respect.

Preparations for the 2D and 3D seismic acquisition commenced during the period. While most of the permitting was successfully and timely completed, obtaining a number of special additionally requested permits from various local authorities resulted in a delay of the startup date initially anticipated for mid September (ASX announcement 12 August 2013). The expected delay is in the order of one month.

### **Offshore Tunisia & Italy - Kerkouane - Pantelleria Permit; d364 C.R-.AX permit (all ADX operated)**

ADX is the operator and holds a 60% interest in Kerkouane and 100% in Pantelleria.

During the quarter ADX has concluded an independent competent person's review of the Dugga West Prospect. Perth based ISIS Petroleum Consultants have reviewed the potential of the primary and shallowest oil target in this prospect. ISIS have confirmed the prospective upside resource potential for the proven high quality Upper

Birsa sandstone reservoir in excess of a billion barrels and estimated the **most likely OIP (“oil in place”) at 423 mmbbls.**

In addition to that deeper targets such as the Lower Birsa sandstone, the Ain Grab and Abiod carbonate reservoir are well defined on the 3D seismic. All of these potentially oil and/or gas bearing reservoirs have been proven by producing discoveries in the area and add to the large upside potential of the prospect.

Further technical work continued on the close by Dougga gas condensate appraisal project. Detailed 3D interpretation and attribute analysis of the crestal location of the 40+ sqm closure have revealed the very likely possibility of enhanced reservoir properties further up dip from the Dougga-1 discovery well. Future appraisal and development wells will specifically target this area which is approximately 200 to 300 meters up dip of the discovery well.

ADX continued to hold meetings in Tunisia with the relevant government authorities during the quarter. They provided again positive feedback on the Dougga West oil prospect, the extension of the current permit period for another 2 years and the Dougga appraisal project.

#### **Onshore Tunisia - Chorbane Permit ADX holds a 30% interest**

Following a farmout of a 10% interest to Gulfsands PLC ADX now holds a 30% interest in the permit. As of 1<sup>st</sup> February 2013 Gulfsands assumed operatorship as a result of the farmout.

According to information from the operator work is being conducted on the design, tender and execution of the seismic program.



**New Ventures Activities**

In order to enhance its portfolio ADX has continued to screen opportunities especially in Eastern Europe and the FSU, with a focus on the next Romanian bid round where 36 blocks are be expected to be offered.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Wolfgang Zimmer', written in a cursive style.

**WOLFGANG ZIMMER**  
Managing Director