

9 June 2011

ADX Energy

Year End	Revenue (A\$m)	PBT* (A\$m)	EPS* (c)	DPS (c)	P/E (x)	Yield (%)
06/09	0.0	(3.1)	(0.2)	N/A	N/A	N/A
06/10	0.0	(2.1)	(0.1)	N/A	N/A	N/A
06/11e	1.4	(8.3)	(0.3)	N/A	N/A	N/A

Note: *PBT and EPS are normalised, excluding intangible amortisation and exceptional items.

Investment summary: Back on the drill radar

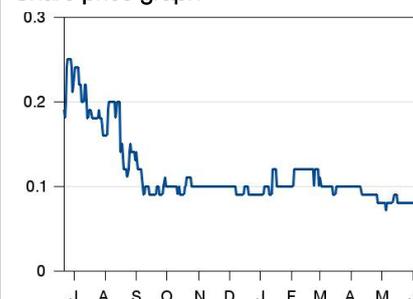
Following a four month delay to its drilling schedule ADX has announced today that the final measures required to commence rig mobilisation have been confirmed and that the company can look forward to drilling its Sidi Dhafer exploration well in the coming weeks. The onshore Tunisian Sidi Dhafer-1 is the key exploration well for ADX in 2011, in which the company's costs are largely carried. Given the size of the prospect we would expect significant share price upside if drilling is successful.

Drilling of Sidi Dhafer-1 has been delayed by several months as ADX has sought assurances from Tunisian Authorities that adequate supervision would be provided for safe rig mobilisation and efficient drilling of the Sidi Dhafer prospect on the Chorbane block. Having confirmed these today the company is looking to mobilise the drilling rig within two weeks, with drilling expected to start early July.

The Sidi Dhafer structure has encouraging resource potential, with both a strong Direct Hydrocarbon Indicator identified in the Marlaoui reservoir, with estimated prospective resources of 175bscf of recoverable gas, and a large closure at the Abiod reservoir, with prospective resources of 44mmbbls of oil. ADX is largely cost carried for this well as part of its 60% farm-down to partners Gulfsands, Xstate and Verus Investments.

Price 9c
Market Cap A\$36m

Share price graph



Share details

Code ADX
Listing ASX
Sector Oil & Gas
Shares in issue 399m

Price

52 week High Low
25c 7c

Business

ADX Energy is an oil and gas exploration business listed in Australia with exploration activities in Tunisia, offshore Italy and Romania. It has mining interests that have been demerged and relisted in Australia under the name of Riedel Resources.

Analysts

Ian McLelland +44 (0)20 3077 5756
Elaine Reynolds +44 (0)20 3077 5700
oilandgas@edisoninvestmentresearch.co.uk

EDISON INVESTMENT RESEARCH LIMITED

Edison Investment Research is Europe's leading investment research company. It has won industry recognition, with awards in the UK and internationally. The team of more than 70 includes over 40 analysts supported by a department of supervisory analysts, editors and assistants. Edison writes on more than 350 companies across every sector and works directly with corporates, fund managers, investment banks, brokers and other advisers. Edison's research is read by institutional investors, alternative funds and wealth managers in more than 100 countries. Edison, founded in 2003, has offices in London and Sydney and is authorised and regulated by the Financial Services Authority (www.fsa.gov.uk/register/firmBasicDetails.do?sid=181584).

DISCLAIMER

Copyright 2011 Edison Investment Research Limited. All rights reserved. This report has been commissioned by ADX Energy and prepared and issued by Edison Investment Research Limited for publication in the United Kingdom. All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report. Opinions contained in this report represent those of the research department of Edison Investment Research Limited at the time of publication. The research in this document is intended for professional advisers in the United Kingdom for use in their roles as advisers. It is not intended for retail investors. This is not a solicitation or inducement to buy, sell, subscribe, or underwrite securities or units. This document is provided for information purposes only and should not be construed as an offer or solicitation for investment. A marketing communication under FSA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. Edison Investment Research Limited has a restrictive policy relating to personal dealing. Edison Investment Research Limited is authorised and regulated by the Financial Services Authority for the conduct of investment business. The company does not hold any positions in the securities mentioned in this report. However, its directors, officers, employees and contractors may have a position in any or related securities mentioned in this report. Edison Investment Research Limited or its affiliates may perform services or solicit business from any of the companies mentioned in this report. The value of securities mentioned in this report can fall as well as rise and are subject to large and sudden swings. In addition it may be difficult or not possible to buy, sell or obtain accurate information about the value of securities mentioned in this report. Past performance is not necessarily a guide to future performance. This communication is intended for professional clients as defined in the FSA's Conduct of Business rules (COBs 3.5).

Edison Investment Research

Lincoln House, 296-302 High Holborn, London, WC1V 7JH ■ tel: +44 (0)20 3077 5700 ■ fax: +44 (0)20 3077 5750 ■ www.edisoninvestmentresearch.co.uk
Registered in England, number 4794244. Edison Investment Research is authorised and regulated by the Financial Services Authority.