

30 August 2011

ADX: Sidi Dhaher-1 Well – Operations Update #1

Activities since spud at 06:00 pm GMT, Friday 26 August 2011.

Please note ASX Release of 29 August 2011 incorrectly stated spud at 07:00 am GMT, Saturday 27 August 2011.

Successfully drilled the 16" hole section to a depth of 652 meters.

The current operation is preparing to RIH.

Weekly Operations Forecast:

Forecast operations during the coming week are as follows:

- Drill 16" hole to approximately 812 meters depth
- Run 13-3/8" casing and perform cement job

The Sidi Dhaher well is targeting an Eocene reservoir with estimated prospective resources of **175 billion cubic feet** (5 billion m³) of recoverable gas and a Cretaceous reservoir with estimated prospective resources of **44 million barrels** (5.9 million tons) of oil. Additional targets exist in the deeper Douleb and Bireno reservoirs that produce oil and gas in the Guebiba-El Hajeb field immediately east of the Chorbane permit.

Participant interests in the Sidi Dhaher -1 well will be as follows;

ADX Energy Ltd	40%	Operator
Gulfsands Petroleum Plc	40%	*
XState Resources Ltd	10%	* (ASX code: XST)
Verus Investments Limited	10%	* (ASX code: VIL)

Note: The respective participant interests in the Sidi Dhaher well and the Chorbane Permit are based on the completion of all farmin obligations.

For further details please contact:

Wolfgang Zimmer
Managing Director
+61 (08) 9226 2822

www.adxenergy.com.au

Ian Tchacos
Chairman
+61 (08) 9226 2822

ADX Energy Ltd

AUSTRALIA

Suite 6, Level 2
11 Ventnor Ave, West Perth
Western Australia 6005
PO Box 913 West Perth
Western Australia 6872

T +61 (08) 9226 2822

F +61 (08) 9226 5333

E admin@adxenergy.com.au

ABN 50 009 058 646

AUSTRIA

Kundratstrasse 6/2/1
A 1100 Vienna, Austria

T +43 (0) 1 641 0189

F +43 (0) 1 641 0189 20

www.adxenergy.com.au