

26 October 2011

ADX: Sidi Dhaher-1 Rig Demobilization completed

ADX Energy Limited (ASX:ADX) is pleased to announce that following suspension to secure Sidi Dhaher-1 well the Challenger drilling rig has been released from location without incident. All related equipment has been demobilized and the well and camp site have been cleared.

Preparations for selection and contracting of appropriately sized and cost effective equipment to conduct a testing program are nearing completion following the short listing of suitable rigs. Testing of the hydrocarbon bearing zones will determine the commerciality of the discovery and confirm that oil can be produced at commercial rates.

The oil and mud filtrate samples recovered from the well have arrived at the laboratory in the UK. Analysis has commenced with results which will provide information on oil quality and chemical composition expected within one week.

The interpretation and integration of well results with a revised seismic interpretation is progressing well. Finalization of this work is expected early November with a view to providing a potential resource range for the discovery.

The Sidi Dhaher discovery is located in the 2,428km² large Chorbane Exploration Permit onshore central Tunisia near the port city of Sfax. It is surrounded by several producing oil fields and extensive oil and gas infrastructure.

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.

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