

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)

COMPANY NAME:

SDX Energy PLC (“SDX” or the “Company”)

COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) :

38 Welbeck Street
W1G 8DP, London
United Kingdom

COUNTRY OF INCORPORATION:

United Kingdom

COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26:

sdxenergy.com

COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING POLICY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED:

SDX Energy Inc (the Company’s parent company and sole shareholder) (“SDX Inc”) has had its common shares (the “Common Shares”) admitted to trading on the Toronto Venture Exchange (“TSX-V”) (with CUSIP number 811375) since 11 July 2008. The Common Shares were admitted to trading on AIM on 20 May 2016 (with ISIN CA78410A1075 and SEDOL BYYLJV0).

SDX Inc proposes to complete a Canadian plan of arrangement under section 192 of the Canada Business Corporations Act (the “Arrangement”) to introduce the Company as the new holding company of the SDX group and pursuant to the Arrangement, the current shareholders of SDX Inc will have their Common Shares exchanged for Ordinary Shares in the Company, the Common Shares will cease to be listed on the TSX-V and admitted to trading on AIM (the “De-listing”).

It is proposed that following the De-listing, the Ordinary Shares (defined herein) will be admitted to trading on AIM (with ISIN GB00BJ5JNL69 and SEDOL BJ5JNL6).

The London Stock Exchange has confirmed that the Company will be treated as a quoted applicant for the purposes of the AIM Rules for Companies as the Common Shares are admitted to trading on AIM and that information in the public record relating to SDX Inc, can be attributed to the Company for the purposes of Admission.

SDX Inc is a North Africa focused oil and gas company, with a strategy to create value through organic and inorganic production growth and exploration success and is underpinned by a portfolio of low cost onshore producing assets combined with onshore

exploration prospects in Egypt and Morocco.

SDX Inc's portfolio contains interests in seven concessions in Egypt and Morocco. In Egypt, SDX Inc has a working interest in two producing assets (50% North West Gemsa and 50% Meseda) located onshore in the Eastern Dessert, adjacent to the Gulf of Suez. In Morocco, SDX has a 75% working interest in the Sebou concession situated in the Gharb Basin. These producing assets are characterised by low operating costs making them particularly resilient in a low oil price environment. With last reported daily production of 3,408 boe/d net to SDX Inc on 21 March 2019, 2P reserves of 13.1 mmbob at 31 December 2018, and positive cash flow at the corporate level down to c.US\$10/bbl Brent, these concessions provide a solid and resilient production base for the SDX group.

SDX Inc's portfolio also includes a near term development opportunity and exploration opportunities at South Disouq (Egypt) where it has a 55% working interest and high impact exploration opportunities in Morocco in Lalla Mimouna (Nord), Gharb Centre and Moulay Bouchta Ouest.

In Morocco, two further concessions; Lalla Mimouna Sud and Moulay Bouchta Ouest, have been granted pending final approvals from the Ministry of Energy and Ministry of Finance.

DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):

204,723,041 ordinary shares of £0.20 each in the capital of SDX (the "Ordinary Shares").

CAPITAL TO BE RAISED ON ADMISSION (AND/OR SECONDARY OFFERING) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION:

No capital to be raised on Admission. Anticipated market capitalisation on admission is approximately £76 million.

PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION:

40.23%

DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM SECURITIES (OR OTHER SECURITIES OF THE COMPANY) ARE OR WILL BE ADMITTED OR TRADED:

None.

Prior to the Arrangement becoming effective and Admission, the Common Shares have been admitted to trading on the TSX-V and AIM. Following the Arrangement becoming effective, SDX Inc. will apply to delist the Common Shares from the TSX-V and from trading on AIM and SDX will seek admission of the Ordinary Shares to trading on AIM.

FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known):

Paul Michael Welch – Chief Executive Officer

Mark Reid – Chief Financial Officer
(the “Directors”)

Michael Edmond Doyle – proposed Non-Executive Chairman

David John Woodhams Mitchell – proposed Non-Executive Director

Timothy (“Tim”) James Thornton Linacre – proposed Non-Executive Director

Michael John Raynes – proposed Non-Executive Director
(the “Proposed Directors”)

FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known):

Shareholder	% Issued Share Capital in SDX Inc (Pre-Admission) and SDX (Post-Admission)
<u>SDX SPV</u> Limited (Previously called MEA Energy Investments Limited)	19.48%
<u>Ingalls & Synder</u>	18.35%
<u>River and Mercantile</u>	6.15%
<u>Hargreaves Landsdowne</u>	5.66%
<u>Highclere</u> Investors	5.02%
Mr <u>Nikolaos</u> D Monoyios	4.37%
Dr <u>Valerie</u> A Brackett	3.78%

NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:

Not applicable.

- (i) ANTICIPATED ACCOUNTING REFERENCE DATE
(ii) DATE TO WHICH THE MAIN FINANCIAL INFORMATION IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information)
(iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19:

- (i) 31 December
(ii) 31 December 2018
(iii) By 30 September 2019, Half Yearly Results for six months ended 30 June 2019; by 31 March 2020, Annual Results for year ended 31 December 2019; by 30 September 2020, Half Yearly Results for six months ended 30 June 2020.

EXPECTED ADMISSION DATE:

Admission expected on 28 May 2019

NAME AND ADDRESS OF NOMINATED ADVISER:

Stifel Nicolaus Europe Limited
150 Cheapside
London
EC2V 6ET

NAME AND ADDRESS OF BROKER:

Stifel Nicolaus Europe Limited
150 Cheapside,
London,
EC2V 6ET

Cantor Fitzgerald Europe
One Churchill Place,
London,
E14 5RB

GMP FirstEnergy
85 London Wall, London,
EC2M 7AD

OTHER THAN IN THE CASE OF A QUOTED APPLICANT, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:

Not applicable.

THE CORPORATE GOVERNANCE CODE THE APPLICANT HAS DECIDED TO APPLY

From Admission, the Company will comply (or explain non-compliance) with the Quoted Companies Alliance ("QCA") Corporate Governance guidelines.

DATE OF NOTIFICATION:

8 April 2019

NEW/ UPDATE:

New

QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:

THE NAME OF THE AIM DESIGNATED MARKET UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED:

AIM

THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED:

The Common Shares were admitted to trading on AIM on 20 May 2016

CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE

APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET OR DETAILS OF WHERE THERE HAS BEEN ANY BREACH:

The Directors and the Proposed Directors confirm that, after due and careful enquiry, SDX Inc has adhered to all legal and regulatory requirements involved in having its securities traded on AIM.

AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE:

sdxenergy.com

DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY:

SDX's strategy is to create shareholder value through low cost organic and inorganic production growth and, low cost, high impact exploration success.

The Company intends to organically increase production and cash flow generation through an active work programme, consisting of improvements made to existing fields and high impact exploration and development wells being drilled to increase production at other assets in the portfolio.

SDX also intends to leverage its strong balance sheet and its strong regional networks to grow through the acquisition of suitable high value asset opportunities in North Africa. The Company actively pursues acquisition opportunities within its area of focus, where such opportunities meet the Company's return hurdles, and may be in active processes with multiple parties at any one time.

SDX maintains a strict financial discipline to ensure an efficient use of funds. The short-term objective is to achieve production of circa 10kboe/d through the implementation of this strategy whilst the long-term objective is to become a full cycle E&P Company with production in excess of 75kboe/d.

A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:

There has been no significant change in the financial or trading position of SDX Inc since 31 December 2018, being the end of the last financial period, for which audited statements were published, along with a Management Discussion & Analysis document, on 22 March 2019.

A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:

The Directors and the Proposed Directors have no reason to believe that the working capital available to SDX will be insufficient for its present requirements and for at least 12

months from the date of Admission.

DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:

Not applicable.

A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:

The Ordinary Shares admitted to AIM will be eligible for settlement in CREST.

A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:

sdxenergy.com

INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:

Please refer to the Appendix to the Schedule 1 announcement on the Company's website (sdxenergy.com) for the following details:

- Strategy following Admission;
- Corporate Governance (post admission);
- Application of the City Code on Takeovers and Mergers; and
- Material contracts.

Significant additional information in relation to the Admission is included in the Circular to the shareholders of SDX Inc dated 5 April 2019, which is available on the Company's website (www.sdxenergy.com) and on SEDAR at www.sedar.com.

A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCORDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19:

sdxenergy.com

THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:

None.