

SDX Energy Inc. Announces Fourth Quarter and Year-End 2015 Financial and Operating Results and Provides Guidance For 2016

LONDON, April 29, 2016 /CNW/ - SDX Energy Inc. ("**SDX**" or the "**Company**") (TSXV: SDX), an oil and gas exploration and production company with assets in Egypt, is pleased to announce its financial and operating results for the three months and year ended December 31, 2015. All dollar values are expressed in United States dollars net to the Company unless otherwise stated.

2015 Highlights:

Corporate and Financial and Highlights

- Completed a business combination between Sea Dragon Energy Inc. ("**Sea Dragon**") and Madison PetroGas Ltd. ("**Madison**") on October 1, 2015 to create "SDX Energy Inc.";
- 12 months to December 31, 2015 realized net revenues of US\$17.6 million ("**MM**") and netback of US\$11.5MM (2014: US\$44.5MM and US\$32.8MM, respectively);
- 12 months to December 31, 2015 realized average oil price of US\$41.55 per barrel ("**bbl**") (2014: US\$82.34/bbl);
- Exited 2015 with cash on hand of US\$8.2MM and zero debt after repaying a US\$1.65MM reserves based loan and a US\$2.05MM debenture;
- Invested US\$6.4MM of capital expenditure into business;
- 12 months to December 31, 2015, total comprehensive income of US\$7.4MM compared to total comprehensive (loss) of US\$(1.0)MM for the 12 months to December 31, 2014;
- In SDXs 2015 financial statements which, under International Financial Reporting Standards ("**IFRS**") are required to reflect 12 months financial results of Madison and three months financial results of Sea Dragon, total comprehensive income in 2015 will be US\$9.4MM compared to US\$7.9MM in 2014; and
- Total comprehensive income for the 12 months to December 31, 2015 and under IFRS includes an US\$18.3MM gain on the business combination and a US\$6.8MM impairment charge.

Operational Highlights

- Average daily oil sales in 2015 of 1,519 barrels of oil equivalent ("**BOE**") per day ("**BOE/D**");
- Average daily natural gas and natural gas liquids production in 2015 of 152 BOE/D (to be invoiced in 2016);
- As at December 31, 2015, pursuant to the Degolyer and MacNaughton Report (as defined below), proved and probable reserves net to SDX of 7.34MM BOE (North West Gemsa and Meseda) and gross mean prospective resources of 490 billion cubic feet ("**BCF**") of gas and 16.33MM barrels of oil and liquids (269.5 BCF and 8.98 MM barrels of oil and liquids net to SDX) at South Disouq;
- In North West Gemsa, completed seven successful work-over wells and spudded Al Amir SE-23 development well, which was completed and tested at 4,080 BOE/D in February 2016;
- In Meseda the MSD-6 well logged 146 feet of net pay and was brought on production at 330 BOE/D. Two further wells were drilled during the year and will be used for water injection needs and to delineate the northern boundary of the field;
- Contractor appointed to carryout 300km² 3D seismic survey at South Disouq. Government approvals obtained and mobilisation commenced;
- Well planning and surveys completed for Manatee-1 exploration well at West Bakassi in Cameroon; and
- Completed technical review of prospectively at South Ramadan development concession.

Subsequent to year-end:

- Al Amir SE-23 brought onto production and Al Amir SE-24 development well spud in February 2016, with results expected in late April/early May 2016;
- South Disouq 300km² 3D seismic survey acquisition commenced March 2016; and
- Manatee-1 spud on March 2, 2016 and on March 27, 2016 reached a total depth of 1,447 meters ("**m**") after intersecting 26m of gas bearing section of varying quality. Results being assessed.

2016 Guidance and Outlook:

- Complete drilling of AASE-24 development well at North West Gemsa and carryout nine well workover program;
- Progress 11 well workover programme, infill drilling and a waterflood programme at Meseda;
- Complete South Disouq 300km² 3D seismic survey and drill carried exploration well before year end;
- Assess result of Manatee-1 well in Cameroon and technical review at South Ramadan and decide on optimum way forward for these assets; and
- Continue to work to reduce G&A post business combination.

Commenting, Paul Welch, President and CEO of SDX, said:

"SDX Energy has experienced a truly transformational year in 2015 with the Company experiencing significant positive benefits from the merger in early October 2015. The combination has created a stronger company with a stable financial base which provides resilience in these challenging markets. We are fortunate to have a high margin production business, with significant growth potential, that has allowed us to remain profitable throughout the period. However, we maintain a strict financial discipline to ensure we run the company and its assets as efficiently and effectively as possible. We have already reported on several significant operational developments this year and that will be a running theme throughout the coming year as we execute our active work programme which will aim to increase production and discover new resources."

Proforma Combined Business	Three months ended		Twelve months ended	
	December 31		December 31	
\$000s except per unit amounts	2015	2014	2015	2014
FINANCIAL				
Gross Revenues	4,128	12,946	23,030	71,331
Royalties	(686)	(4,760)	(5,467)	(26,879)
Net Revenues	3,442	8,186	17,563	44,452
Operating costs	(2,482)	(3,131)	(6,039)	(11,630)
Netback	960	5,055	11,524	32,822
Net Income/(Loss)	8,542	(2,784)	7,358	(1,024)
per share	0.15	(0.02)	0.20	(0.02)
Funds from operations	(934)	1,389	758	14,269
per share	(0.02)	0.04	0.02	0.25
Cash, end of period	8,170	17,935	8,170	17,935
Working capital (excl. cash)	3,382	(3,522)	3,382	(3,522)
Capital expenditures	1,578	(519)	6,358	17,950
Total assets	60,016	49,092	60,016	49,092
Shareholders' equity	55,246	39,449	55,246	39,449
Common shares outstanding (000's)	37,642	56,348	37,642	56,348

OPERATIONAL				
Oil sales (bbl/d)	652	1,239	759	1,346
Gas sales (mcf/d)	-	-	-	705
NGL sales (bbl/d)	-	-	-	16
Production Service Fee (bbl/d)	704	904	760	894
Total boe/d	1,356	2,143	1,519	2,373

	Three months ended		Twelve months ended	
	December 31		December 31	
Brent Oil Price (\$/bbl)	43.56	76.37	52.30	98.94
West Gharib Oil Price (\$/bbl)	34.35	69.82	42.81	90.16
Net realized price (\$/bbl)	33.09	65.65	41.55	82.34
Royalties (\$/bbl)	5.50	24.14	9.86	31.03
Operating costs (\$/bbl)	19.90	15.88	10.89	13.42
Netback (\$/bbl)	7.69	25.63	20.80	37.89

Audited Financial Statements	Three months ended		Twelve months ended	
	December 31		December 31	
<i>\$000s except per unit amounts</i>	2015	2014	2015	2014
FINANCIAL				
Gross Revenues	4,128	4,831	12,058	24,533
Royalties	(686)	-	(686)	-
Net Revenues	3,442	4,831	11,372	24,533
Operating costs	(2,482)	(1,159)	(4,973)	(3,639)
Netback	960	3,672	6,399	20,894
Total comprehensive income / (loss)	8,542	(993)	9,400	7,936
per share	0.23	(0.02)	0.20	0.15
Funds from operations	(934)	2,652	1,902	17,020
per share	(0.02)	0.05	0.04	0.30
Cash, end of period	8,170	17,935	8,170	17,935
Working capital (excl. cash)	3,382	(3,522)	3,382	(3,522)
Capital expenditures	2,404	685	5,120	13,634
Total assets	60,016	49,092	60,016	49,092
Shareholders' equity	55,246	39,449	55,246	39,449
Common shares outstanding (000's)	37,642	56,348	37,642	56,348

OPERATIONAL				
Oil sales (bbl/d)	652	-	164	-
Gas sales (mcf/d)	-	-	-	-
NGL sales (bbl/d)	-	-	-	-
Production Service Fee (bbl/d)	704	904	760	894
Total boe/d	1,356	904	924	894
Brent Oil Price (\$/bbl)	43.56	76.37	52.30	98.94
West Gharib Oil Price (\$/bbl)	34.35	69.82	42.81	90.16
Net realized price (\$/bbl)	33.09	58.07	35.74	75.15
Royalties (\$/bbl)	5.50	-	2.03	-
Operating costs (\$/bbl)	19.90	13.94	14.74	11.15
Netback (\$/bbl)	7.69	44.13	18.97	64.00

CEO's Message:

SDX Energy has experienced a truly transformational year in 2015 with the Company benefitting significantly from the merger between TSX listed Sea Dragon Energy and privately held Madison PetroGas in early October 2015. The rationale for the merger was to create materiality and scale through consolidation. Specifically, we sought to create a combined entity with an enhanced ability to grow shareholder value through production growth and exploration success and, which also had the ability to access capital and provide greater liquidity for our shareholders. The merger significantly strengthened and diversified our portfolio which contains four concessions in Egypt and one in Cameroon. The Egyptian concessions consist of two producing assets, North West Gemsa and Meseda, a development asset, South Ramadan and an exploration asset, South Disouq and in Cameroon, an exploration asset called West Bakassi.

Throughout 2015 we have continued to refocus SDX's portfolio towards low cost producing assets. Previously, Sea Dragon sold Kom Ombo (with Opex of c. US\$60/bbl) and relinquished Shukheir Marine (with Opex of c. US\$100/bbl). The October 2015 merger saw SDX acquire Meseda, a high margin producing asset in Egypt. Additionally we have set up a task force with our partners NPIC and Circle Oil to reduce Opex at our other producing asset in Egypt, North West Gemsa. In 2015 we achieved average Opex of US\$10.89/bbl and our aim is reduce this further during 2016. This focus on reduction of Opex is a key part of our strategy and has given us two resilient producing assets that will enable the Company to remain profitable even in a sub \$30 oil price environment, whilst also providing leveraged upside to an eventual rebalancing of the oil price.

We continue to focus on increasing production at both North West Gemsa and Meseda and have an active work plan for 2016. In North West Gemsa, 2 development wells will be drilled and nine well workovers will be carried out. In Meseda we will progress an 11 well workover programme, infill drilling and a waterflood programme. The commencement of this work plan has already produced positive results on the North West Gemsa field with the successful Al Amir SE23 development well which flowed on test light 42.21 API oil at a rate of 4,080 BOPD (1.3% water cut; 48/64ths choke). The Al Amir SE-24 development well was spud in February 2016, with results expected in late April/early May 2016. Our already low and falling cost of production ensures that we are uniquely placed

amongst our industry peers to be able to generate positive free cash flow despite the low oil price environment.

Another significant focus for the Company in 2015 has been to reduce our General and Administrative (G&A) expenses. We have re-bid all service company costs and also successfully cut in half the cost of the 3D seismic programme on South Disouq compared to previous estimates. It is our goal to further drive down SDXs G&A in 2016 by c.US\$0.75 million or circa.15%.

Another key aspect of the merger was the financial stability that it brought to the combined entity. We have strengthened our balance sheet by entirely eliminating all Company debt over the course of 2015. At the start of 2015 the Company had over \$10M of debt and this was completely eliminated by October 2015. The rapid and sustained fall in oil prices has put a lot of strain on industry peers leveraged by debt so we are fortunate to be in a position where this is not an issue for SDX. Our focus on cost-cutting combined with our now debt-free balance sheet puts the company on a solid footing going into 2016.

Looking ahead, we have some very exciting exploration opportunities coming up in 2016, which if successful, could transform the Company in the near term. In our South Disouq concession, located onshore in the Nile Delta area of Egypt, the Company has commenced the acquisition of 300km² of 3D seismic. The acquisition will complete mid-year and an exploration well is planned towards the end of 2016 where SDXs drilling costs are carried by our partner IPR. In Cameroon, the Manatee-1 well was spud on March 2, 2016 and on March 27, 2016 reached a total depth of 1,447 meters ("m") after intersecting 26 meters of gas bearing section of varying quality. The well results are currently being assessed and a decision will be made in the near future on the optimum way forward for this asset. We look forward to updating our shareholders on our progress throughout the year.

The combined strength of our low-cost producing assets, stable financial position, and high-impact work programme has created a company which is a solid platform for growth. We are well placed to remain resilient through a sustained low oil price environment with our high value producing fields that require very modest levels of capital expenditure to maintain production levels. Furthermore, our exploration activities, which are already underway, are an exciting extension of our offering to shareholders and provide a number of firm catalysts with the potential to generate significant shareholder value over the next 12 months. Finally, we are uniquely positioned to capitalise on new opportunities that arise in Egypt through our extended network and influence there, and we will be leveraging our stable platform for growth to take advantage of the opportunities we see in the current environment.

To conclude, I would like to personally thank SDXs shareholders, both new and old, for their continued support and belief in our story. I would also like to thank my Board and all my SDX colleagues for their dedication, hard work, creativity and vision which has enabled us to build up such positive momentum as we head into 2016. Despite the industry headwinds that result from the current oil price environment, the Company is in a solid position and the management team is focussed on the main task at hand which is generating value for all of our shareholders. I hope this overview helps convey the enthusiasm and excitement that SDXs management possesses for the future of this company. We anticipate that the year ahead will be as equally transformational as the previous year, and we look forward to utilising the solid platform we have created to achieve our ambitious growth objectives going forward.

Reserves:

The decrease in reserves year on year is primarily based on the amount produced from the existing assets. Technical and commercial (pricing) revisions in North West Gemsa and Meseda have largely offset each other.

**RECONCILIATION OF GROSS RESERVES
AS AT DECEMBER 31, 2015
FORECAST PRICES AND COSTS**

	Light and Medium Oil			Heavy Oil			Natural Gas			Natural Gas Liquids			BOE		
	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable
	(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)	(mmcf)	(mmcf)	(mmcf)	(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)
December 31, 2014	1,551	641	2,192	3,233	2,453	5,686	1,520	1,222	2,742	52	41	93	5,098	3,346	8,444
Technical Revisions	(709)	(432)	(1,141)	586	985	1,571	(590)	(988)	(1,578)	(25)	(34)	(59)	(250)	348	99
Economic Factors	(13)	-	(12)	-	-	-	(16)	-	(17)	(1)	-	(1)	(17)	-	(16)
Production	(270)	-	(270)	(859)	-	(859)	(282)	-	(282)	(8)	-	(8)	(1,186)	-	(1,186)
December 31, 2015	559	209	769	2,960	3,438	6,398	632	234	865	18	7	25	3,645	3,694	7,341

**SUMMARY OF OIL AND GAS RESERVES
AS OF DECEMBER 31, 2015 ⁽¹⁾**

	Light & Medium Crude Oil		Heavy Crude Oil		NGLs		Natural Gas	
Category	Gross (mmbbls)	Net (mmbbls)	Gross (mmbbls)	Net (mmbbls)	Gross (mmbbls)	Net (mmbbls)	Gross (mmcf)	Net (mmcf)
Proved Developed Producing	430	199	2,610	999	14	7	490	226

Proved Developed Non-Producing	106	49	-	-	4	1	121	56
Proved Undeveloped	23	10	350	134	-	-	21	10
Total Proved	559	258	2,960	1,133	18	8	632	292
Probable	210	97	3,438	1,310	7	3	233	108
Total Proved plus Probable	769	355	6,398	2,443	25	11	865	400
Possible	204	89	2,022	770	7	3	235	102
Total Proved plus Probable plus Possible	973	444	8,420	3,213	32	14	1,100	502

**SUMMARY OF NET PRESENT VALUES OF FUTURE NET REVENUES
AS OF DECEMBER 31, 2015
FORECAST PRICES AND COSTS
(IN US\$ MILLIONS)**

Reserve Category	Before Income Tax					After Income Tax				
	Discounted at					Discounted at				
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%
Proved Developed Producing	37,092	31,900	28,119	25,257	23,018	30,643	26,501	23,465	21,153	19,335
Proved Developed Non-Producing	3,099	2,780	2,516	2,292	2,103	3,098	2,780	2,515	2,292	2,103
Proved Undeveloped	2,362	1,757	1,295	939	661	1,878	1,344	938	626	383
Total Proved	42,553	36,437	31,930	28,488	25,782	35,619	30,625	26,918	24,071	21,821
Probable	59,572	46,135	36,935	30,354	25,473	47,110	36,515	29,242	24,027	20,153
Total Proved plus Probable	102,125	82,572	68,865	58,842	51,255	82,729	67,140	56,160	48,098	41,974
Possible	43,054	31,593	24,211	19,212	15,677	34,314	25,264	19,418	15,446	12,629
Total Proved plus Probable plus Possible	145,179	114,165	93,076	78,054	66,932	117,043	92,404	75,578	63,544	54,603

Reserve Definitions:

- (1) Proved reserves are those that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated Proved reserves.
- (2) Proved Undeveloped reserves have been recognized in cases where plans are in place to bring the reserves on production within a short, well defined time frame. Proved Undeveloped reserves often involve infill drilling into existing pools.
- (3) Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of estimated proved plus probable.
- (4) Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

The disclosures required in accordance with National Instrument 51-101 of the Canadian Securities Administrators are available on the Company's Annual Information Form to be filed on the SEDAR website at www.sedar.com.

Advisory

Forward-looking Statements

Certain statements contained in this press release constitute "forward-looking statements" as such term is used in applicable Canadian and US securities laws. These statements relate to analyses and other information that are based upon forecasts of future results, estimates of amounts not yet determinable and assumptions of management. In particular, statements concerning the 2016 drilling and capital expenditure programs of the NW Gemsa, Meseda and South Disouq Concessions and the results referenced or implied herein should be viewed as forward-looking statements.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or are not statements of historical fact and should be viewed as "forward-looking statements". All reserves and resources information contained herein as well as the net present value of such reserves and resources should be considered as forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors include, among others, costs and timing of exploration and production development, availability of capital to fund exploration and development and political, social and other risks inherent in carrying on business in Egypt and Cameroon. There can be no assurance that such statements will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this news release.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements and if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law. Although SDX has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Investors are cautioned that such forward-looking statements involve risks and uncertainties. Actual results may differ materially from those currently anticipated. SDX's Annual Information Form for the year ended December 31, 2015 to be published 30 April 2016 has a full description of the risks and uncertainties associated with the Company's business, including its exploration activities and these risk factors and uncertainties should be referred to and read in their entirety. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Reserves and Resources Data

The determination of oil and natural gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved, probable and possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery. The estimation and classification of reserves requires the application of professional judgment combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions.

The recovery and reserve estimates of oil reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein.

Terms related to reserves classifications referred to herein are based on definitions and guidelines in the Canadian Oil and Gas Evaluation Handbook ("**COGE Handbook**") and are in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

"Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

The qualitative certainty levels referred to in the definitions above are applicable to "individual reserves entities", which refers to the lowest level at which reserves calculations are performed, and to "reported reserves", which refers to the highest level sum of individual entity estimates for which reserves estimates are presented. Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves. This category of reserves can also be denoted as 1P; and
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves. This category of reserves can also be denoted as 2P.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in the COGE Handbook. The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation.

Use of the term "boe" may be misleading, particularly if used in isolation. A "boe" conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Certain volumes provided in this news release represent a pro forma arithmetic sum of multiple estimates of proved plus probable reserves, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of reserves and appreciate the differing probabilities of recovery associated with each class as explained in the annual oil and gas disclosure filings of SDX (available on www.sedar.com) and the effects of arithmetic aggregation. Factors that could affect the accuracy of the reported pro forma aggregated reserves estimates include company level differences in evaluation effective dates, reservoir characteristics and pricing assumptions.

Reserves information in this press release are based on the independent reserves and resources evaluation of Degolyer and MacNaughton (the "Degolyer and MacNaughton Report"), dated December 31, 2015, evaluating SDX's crude oil, natural gas liquids and natural gas reserves and resources between January 1, 2015 and December 31, 2015.

Resources are petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including discovered and undiscovered (recoverable and unrecoverable) plus quantities already produced. Total resources is equivalent to total petroleum initially-in-place.

"Contingent Resources" are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies.

"Prospective Resources" are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

Resources information in this press release is based on the Degolyer and MacNaughton Report.

Non-IFRS and Additional-IFRS Measurements

Readers are cautioned that this press release contains certain Non-IFRS measurements, as defined below.

"Netbacks" represents SDX's petroleum and natural gas revenue, less royalties and production and operating expenses. Netbacks has been presented on an aggregate basis and not on a per BOE basis, as well.

"Capital expenditures" represents capital expenditures less any proceeds received upon the sale of capital assets.

"Cash on hand" represents cash and cash equivalents.

"Total comprehensive income" represents income for the year after all charges including foreign exchange movements.

The measures referenced above do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. Management believes that these terms are useful supplemental measures as they indicate key terms that SDX uses to measure and manage its business. These measures have been described and presented in this press release in order to provide shareholders and potential investors with additional information regarding SDX's financial situation and its ability to generate funds to finance its operations.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE RELEASE.

About SDX

SDX is an international exploration, production and development company, headquartered in London, England, UK, with a principal focus on Egypt. In Egypt, SDX has an interest in two production concessions: NW Gemsa and West Gharib both located in the Eastern desert. SDX's portfolio also consists of South Ramadan, a development asset in the Gulf of Suez; South Disouq, an exploration asset in the Nile Delta; and Bakassi West, an exploration block in Cameroon within the prolific Niger Delta Basin. For further information please see the website of the Company at www.sdxenergy.com or the Company's filed documents at www.sedar.com.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States, in any province or territory of Canada or in any other jurisdiction.

SOURCE SDX Energy Inc.

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CNW 22:15e 29-APR-16