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26 March 2018

SDX ENERGY INC.

("SDX" or the "Company")

Spud of Ibn Yunus-1X well, Egypt

SDX Energy Inc. (TSXV, AIM: SDX), the North Africa focused oil and gas company, is pleased to announce that it has spud its Ibn Yunus-1X exploration well at South Disouq, Egypt.

The Ibn Yunus-1X well, anticipated to take approximately 30 days to drill, will be targeting the same conventional natural gas bearing Abu Madi intervals discovered in the SD-1X well in April 2017. This is the first of a planned four well program on the South Disouq concession. The Ibn Yunus-1X well will be followed by two appraisal wells (SD-4X and 3X) in the original SD-1X structure which, if successful, will be used as producers thereby completing the base case development plan for the new field. The Company, in its technically approved development plan by the Egyptian authority, forecasts a plateau rate from the SD-1X field of 50 million standard cubic feet per day ("MMscf/d") of conventional natural gas (SDX 55% working interest). However, with any exploration success, the field plateau rate could potentially increase up to 100 MMscf/d. Start-up of production at South Disouq is expected to commence in H2 2018. The final well in the program, Kelvin-1X, will be an exploration well which, if successful, would be tied into the facilities located at the SD-1X field. The Kelvin-1X exploration well is targeting the same package of sands found to be productive at the SD-1X location but in a geologic structure up-dip of SD-1X, thereby reducing the level of risk and uncertainty when compared to a conventional exploration well.

Paul Welch, President and CEO of SDX, commented:

"I am very excited to be back drilling in the South Disouq concession. The success of the SD-1X well proved the existence of source rock in this area which was our biggest uncertainty pre-drill. The technical work that's been completed by our team after the first successful well has provided us with additional confidence in our ability to identify conventional natural gas bearing intervals within the 3D seismic data set.

"We currently have over 300 km² of 3D seismic in the block with identified potential of up to 2 trillion cubic feet (gross) of conventional natural gas. Success at Ibn Yunus will de-risk a large portion of that volume which would be very significant for our shareholders. I look forward to reporting on our results in due course."

About SDX

SDX is an international oil and gas exploration, production and development company, headquartered in London, England, UK, with a principal focus on North Africa. In Egypt, SDX has a working interest in two producing assets (50% North West Gemsa & 50% Meseda) located onshore in the Eastern Desert, adjacent to the Gulf of Suez. In Morocco, SDX has a 75% working interest in the Sebou concession situated in the Rharb Basin. These producing assets are characterised by exceptionally low operating costs making them particularly resilient in a low oil price environment. SDX's portfolio also includes high impact exploration opportunities in both Egypt and Morocco.

For further information, please see the website of the Company at www.sdxenergy.com or the Company's filed documents at www.sedar.com.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Glossary

MMscf/d	Million standard cubic feet per day
TCF	Trillion cubic feet

Forward-Looking Information

Certain statements contained in this press release may constitute "forward-looking information" as such term is used in applicable Canadian securities laws. 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 should be viewed as forward-looking information. In particular, statements regarding the timing of drilling of Ibn Yunus-1X, the use of SD-4X and 3X as producers, production estimates at South Disouq, the start-up date of production at South Disouq, the Company's plans for the Kelvin-1X well and its level of risk and uncertainty, the Company's ability to identify conventional natural gas bearing intervals in its seismic data, the potential volume of natural gas at South Disouq identified by the Company's seismic data and the success at Ibn Yunus de-risking a portion of that volume, all should be regarded as forward-looking information.

The forward-looking information contained in this document is based on certain assumptions and although management considers these assumptions to be reasonable based on information currently available to them, undue reliance should not be placed on the forward-looking information because SDX can give no assurances that they may prove to be correct. This includes, but is not limited to, assumptions related to, among other things, commodity prices and interest and foreign exchange rates; planned synergies, capital efficiencies and cost-savings; applicable tax laws; future production rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labor and services.

All timing given in this announcement, unless stated otherwise is indicative and while the Company endeavors to provide accurate timing to the market, it cautions that due to the nature of its operations and reliance on

third parties this is subject to change often at little or no notice. If there is a delay or change to any of the timings indicated in this announcement, the Company shall update the market without delay.

Forward-looking information is subject to certain risks and uncertainties (both general and specific) that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. Such risks and other factors include, but are not limited to political, social and other risks inherent in daily operations for the Company, risks associated with the industries in which the Company operates, such as: operational risks; delays or changes in plans with respect to growth projects or capital expenditures; costs and expenses; health, safety and environmental risks; commodity price, interest rate and exchange rate fluctuations; environmental risks; competition; ability to access sufficient capital from internal and external sources; and changes in legislation, including but not limited to tax laws and environmental regulations. Readers are cautioned that the foregoing list of risk factors is not exhaustive and are advised to reference SDX's Management's Discussion & Analysis for the three and twelve months ended December 31, 2017, which can be found on SDX's SEDAR profile at www.sedar.com, for a description of additional risks and uncertainties associated with SDX's business, including its exploration activities.

The forward-looking information contained in this press release is as of the date hereof and SDX does not undertake any obligation to update publicly or to revise any of the included forward-looking information, except as required by applicable law. The forward-looking information contained herein is expressly qualified by this cautionary statement.

Oil and Gas Advisory

Certain disclosure in this news release constitute "anticipated results" for the purposes of National Instrument 51-101 of the Canadian Securities Administrators because the disclosure in question may, in the opinion of a reasonable person, indicate the potential value or quantities of resources in respect of the Company's resources or a portion of its resources. Without limitation, the anticipated results disclosed in this news release include estimates of pay thickness and hydrocarbon content attributable to the resources of the Company. Anticipated results are subject to certain risks and uncertainties, including those described above and various geological, technical, operational, engineering, commercial and technical risks. In addition, the geotechnical analysis and engineering to be conducted in respect of such resources is not complete. Such risks and uncertainties may cause the anticipated results disclosed herein to be inaccurate. Actual results may vary, perhaps materially.

Competent Persons Statement

In accordance with the guidelines of the AIM Market of the London Stock Exchange the technical information contained in the announcement has been reviewed and approved by Paul Welch, President and Chief Executive Officer of SDX. Mr. Welch, who has over 30 years of experience, is the qualified person as defined in the London Stock Exchange's Guidance Note for Mining and Oil and Gas companies. Mr. Welch holds a BS and MS in Petroleum Engineering from the Colorado School of Mines in Golden, CO. USA and an MBA in Finance from SMU in Dallas, TX USA and is a member of the Society of Petroleum Engineers (SPE).