Q1 2020 Results Highlights

20 May 2020

"Supplying energy in an environmentally-conscious manner to the benefit of all our stakeholders"

Contents

Business Environment and Outlook

Resilience in challenging environment

Sound defensive qualities with downside protection against oil prices:

- Fixed-price gas-weighted portfolio with minimal linkage to oil price
- Post-tax operating cash flows c. 90% weighted in 2020 and 2021 at Brent oil price of $35/bbl

Strong liquidity position and entering a period of lower capex activity:

- US$8.8 million of cash and US$7.5 million of additional liquidity from the undrawn EBRD credit facility as at 31 March 2020 (unaudited)
- Majority of 2020 capex is completed - sharp focus on capital discipline and cash generation

Focussed on NAV accretive growth and shareholder returns:

- c.20 bcf of near term P50 prospective resource de-risked in Morocco
- Sobhi discovery in period drilled at 100% working interest adding estimated 24Bcf of recoverable resource to be tied in to South Disouq processing plant

Business Environment and Outlook

Resilience in challenging environment

Resilience and continuity during COVID-19 :

Morocco

- Temporary shut in from three customers re-started in early May at partial capacity with c.40% of capacity having returned at 19 May 2020
- Remaining five customers have continued uninterrupted
- Moroccan business remains extremely resilient and can breakeven with customer consumption levels at 20% of Q1 2020 levels

Egypt

- No disruption to production to date
- South Disouq gas sold to EGAS for use predominantly in electricity generation
- With bulk of capex spent in early part of year no disruption to scheduled programme expected

London

- London Head Office functions continue to operate using internal HSE protocols facilitating distance working

Q1 2020 Financial Highlights

Production growth, robust operating cash flow, capital discipline and good liquidity

- Production of 8,061 boe/d up 117% vs Q1 2019 as South Disouq performed well

- Revenues of US$16.0 million (unaudited) for period with realised Moroccan gas price of US$10.33/mcf and US$2.85/mcf in Egypt (fixed)

- Netback of US$12.1 million (unaudited) up 30% vs Q1 2019

- Q1 2020 EBITDAX of US$11.1 million (unaudited) was 42% higher vs Q1 2019

- Q1 2020 capex of US$15.5 million (unaudited), reflecting:
  - US$10.7 million for Moroccan drilling campaign;
  - US$3.6 million for the drilling of the SD-6X (SDX: 55% interest) and SD-12X up to 31 March (SDX: 100% interest)

- Strong liquidity position (unaudited):
  - Cash balance of US$8.8 million
  - Undrawn US$7.5 million EBRD credit facility

Q1 2020 Production

Production exceeds or at upper end of 2020 guidance

Asset	Gross production boe/d		SDX entitlement production boe/d	
	Actual - 3 months ended 31 March 2020	Guidance - 12 months ended 31 December 2020	Actual 3 months ended 31 March 2020	Actual 3 months ended 31 March 2019
Core assets				
South Disouq – WI 55%	54.5 MMscfe/d	47 - 49 MMscfe/d	4,994	-
West Gharib – WI 50%	3,494 bbl.d	3,200 - 3,300 bbl/d	666	826
Morocco – WI 75%	6.9 MMscf/d	6.7- 6.9 MMscf/d	863	761
Non-core assets				
NW Gemsa – WI 50%	3,076 boe/d	2,000 - 2,100 boe/d	1,538	2,128
Total			**8,061**	**3,715**

- South Disouq has performed above expectations during Q1 2020, with all four wells producing strongly and the CPF achieving higher than planned levels of uptime
- Moroccan production was robust throughout much of the period, however, during the second half of March three of the Company's customers, together accounting for 50% of daily consumption, were required to temporarily shut down due to COVID-19 restrictions
- During the week commencing 4 May the three customers re-started their operations and began to take gas again

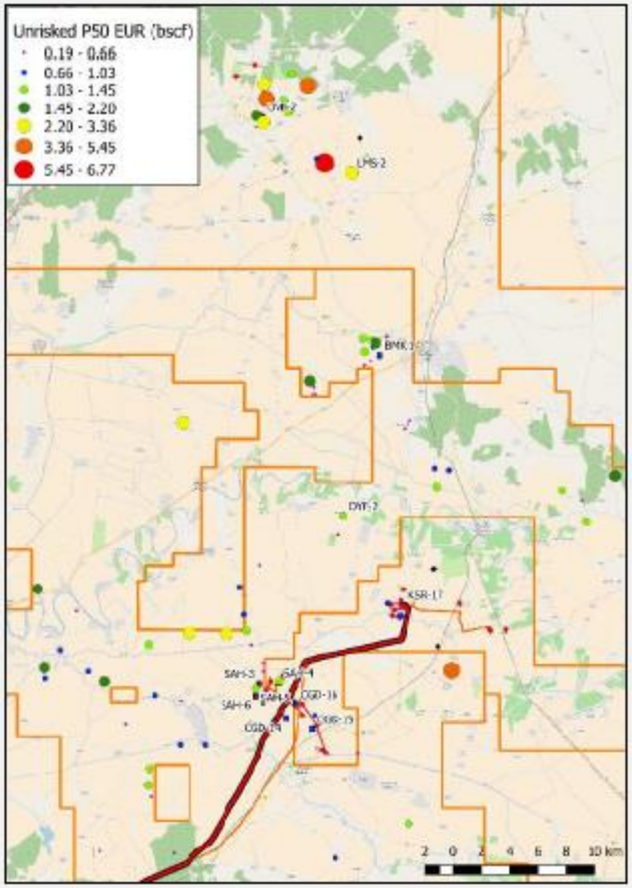
Morocco Drilling Update

Q1 2020 Morocco Drilling & Operations – growing production, reserves and resources

Drilling success in Morocco has significantly increased the Group's recoverable resources and its production capabilities

- Two appraisal/development wells were drilled in Q1 2020:
  - Near to infrastructure
  - SAH-3 encountered 0.5 bcf recoverable from this well - tied into production infrastructure later in 2020
  - SAH-5 sub-commercial
- OYF-2 and BMK-1, confirmed Company's core productive area extends to the north
  - Management estimates that 1.3–1.9 and 0.9 bcf of gas is recoverable respectively
- LMS-2 encountering a 10.6 metre net gas with 30.9% porosity - to be perforated and tested
- Tie-ins and future drilling activity being considered in context of optimised capital allocation

Morocco prospects map



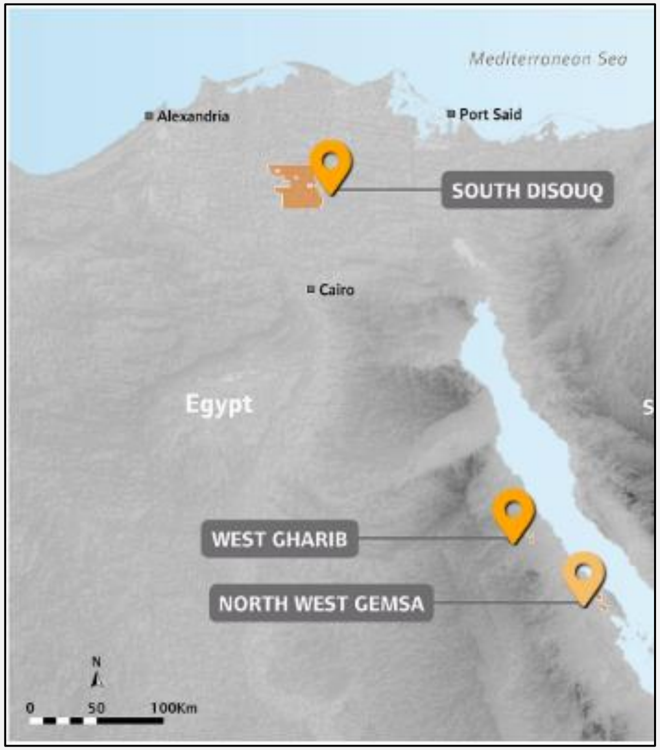
Egypt Drilling Update

Q1 2020 Egypt Drilling & Operations – Significant discovery on flagship asset

Discovery at Sobhi well has significantly increased resource figures at South Disouq and means Group can sustain production for longer at its flagship asset

- SD-6X (Salah) drilled in Q1 2020 - sub-economic (SDX: 55% W.I.)
- SD-12X (Sobhi) exploration discovery (SDX: 100% W.I.) encountered 108 feet net of high-quality gas-bearing sands
  - Drill stem test achieved max rate of 25 MMscf/d on a 54/64" choke, 15 MMscf/d on a 28/64" choke, 10 MMscf/d on a 16/64" choke
- Best estimate c. 24 bcf of recoverable gas resources
- If partner elects to back in to the discovery, it is required to pay its full 45% share of the well cost, plus a premium of a further 300% of this amount
- Sobhi expected to be tied in during 2020/21 via a 5.8 kilometre connection to the Ibn Yunus-1X location, cost estimated at US$3.5 million

Egypt asset map



2020 Capex Guidance

Capital discipline

- FY20 capex guidance revised from US$24.7 million to US$28.2 million following Sobhi discovery in South Disouq, as well tie-in project to CPF will begin later in 2020
- US$15.5 million (unaudited) of capital expenditure has been invested into the business during the three months ended 31 March 2020, see table below. Following the completion of the SD-12X drilling, the majority of 2020 capex has been incurred.
- Company will continue to exercise prudent capital discipline when evaluating expenditure for the remainder of this year, particularly given current macroeconomic circumstances

Asset	FY2020 Capex Guidance	Actual - 3 months ended 31 March 2020	Notes
Core assets			
South Disouq – WI 55%	US$10.7 million	US$4.3 million	Q1 2020: US$3.6 million for the drilling of the SD-6X (SDX: 55% interest) and SD-12X (SDX: 100% interest) wells and US$0.7 million for additional work and insurance spares at the South Disouq CPF
West Gharib – WI 50%	US$2.0 million	US$0.5 million	Q1 2020: Drilling and workovers
Morocco – WI 75%	US$13.5 million	US$10.7 million	Q1 2020: Moroccan drilling campaign spend of US$10.7 million (including $0.5 million of decommissioning provisions)
Non-core asset			
NW Gemsa – WI 50%	US$2.0 million	US$nil million	
Total	**US$28.2 million**	**US$15.5 million**	

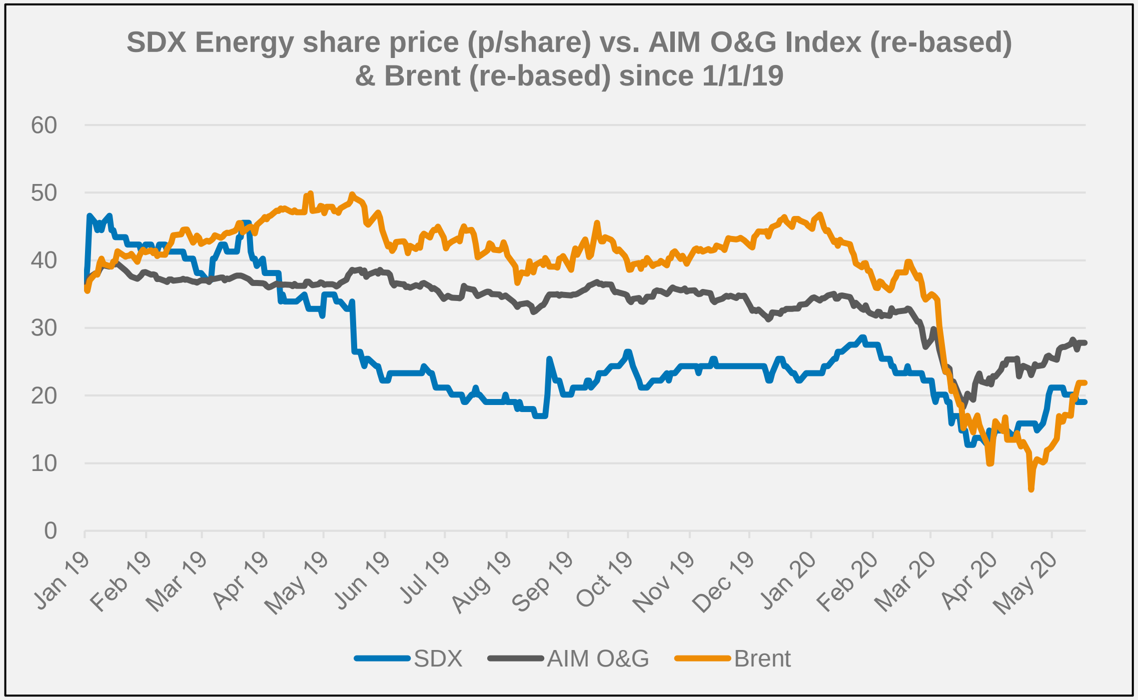
Valuation & share price performance

- Shares at 17.0p/sh trade at an operating cash flow (2019) multiple of 1.7x:

Summary valuation / liquidity information	US$ million
Independent 2P reserves valuation (31/12/19)[1]	102.4 NPV_{10}
2P reserves valuation assuming \$35/bbl Brent in 2020 and \$40/bbl in 2021+ (31/12/19)[2]	81.3 NPV_{10}
Market cap (18/5/20)	42.0
Net cash (31/03/20 - unaudited)	8.8
Liquidity (31/03/20) (cash \$8.8 million plus EBRD \$7.5 millon undrawn facility - unaudited)	16.3

(1) The Company's Forms 51-101F1, F2 and F3, including details of Price Deck used available on SEDAR.

(2) Based on Independent 2P reserves valuation and adjusts for lower Brent oil price assumption only.



Summary

Significant production and revenue growth QoQ

Free cash flow from fixed-price gas contracts

Strong balance sheet with robust liquidity

Resilient, gas-weighted portfolio, with low operating costs

Growth opportunities in current environment

Positive outlook for remainder of 2020 as resilient portfolio continues to generate cash allowing optionality to grow business both organically and through M&A

Appendix

Q1 2020 Financial Results

Production growth, robust operating cash flow, capital discipline and good liquidity

	Three months ended 31 March (unaudited)	
US$ million except per unit amounts	**2020**	**2019**
Net revenues	16.0	12.7
Netback (1)	12.1	9.3
Net realised average oil/service fees - US$/barrel	43.03	54.58
Net realised average Morocco gas price - US$/mcf	10.33	10.26
Netback – US$/boe	16.47	27.84
EBITDAX (1) (2)	11.1	7.8
Exploration & evaluation expense ("E&E") (3)	(4.8)	(0.2)
Depletion, depreciation and amortisation	(6.7)	(5.9)
Total comprehensive (loss)/income	(3.2)	0.1
Capital expenditure	15.5	13.0
Net cash generated from operating activities	6.3	7.0
Cash and cash equivalents	8.8	11.4

(1) Refer to the "Non-IFRS Measures" section of this release below for details of Netback and EBITDAX.
(2) EBITDAX for Q1 2020 and 2019 includes US$2.1 million and US$1.0 million respectively of non-cash revenue relating to the grossing up of Egyptian corporate tax on the North West Gemsa (both periods) and South Disouq (2020 only) PSCs which is paid by the Egyptian State on behalf of the Company.
(3) US$4.5 million of non-cash Exploration & Evaluation ("E&E") write offs in total are included within this line items.

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The forward-looking information contained in this presentation is as of 20 May 2020 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.

Non-IFRS Measures

This news release contains the terms "Netback," and "EBITDAX" which are not recognized measures under IFRS and may not be comparable to similar measures presented by other issuers. The Company uses these measures to help evaluate its performance.

Netback is a non-IFRS measure that represents sales net of all operating expenses and government royalties. Management believes that netback is a useful supplemental measure to analyze operating performance and provide an indication of the results generated by the Company's principal business activities prior to the consideration of other income and expenses. Management considers netback an important measure as it demonstrates the Company's profitability relative to current commodity prices. Netback may not be comparable to similar measures used by other companies.

EBITDAX is a non-IFRS measure that represents earnings before interest, tax, depreciation, amortization, exploration expense and impairment. EBITDAX is calculated by taking operating income/(loss) and adjusted for the add-back of depreciation and amortization, exploration expense and impairment of property, plant and equipment (if applicable). EBITDAX is presented in order for the users of the financial statements to understand the cash profitability of the Company, which excludes the impact of costs attributable to exploration activity, which tend to be one-off in nature, and the non-cash costs relating to depreciation, amortization and impairments. EBITDAX may not be comparable to similar measures used by other companies.

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

Prospective Resources

The prospective resources estimates disclosed or referenced herein have been prepared by Dr. Rob Cook, a qualified reserves evaluator, in accordance with the Canadian Oil and Gas Evaluation Handbook and in accordance with NI 51-101. The prospective resources disclosed herein have an effective date of 1 January 2020. Prospective resources are those quantities of gas, estimated as of the given date, to be potentially recoverable from undiscovered accumulations through future development projects. As prospective resources, there is no certainty that any portion of the resources will be discovered. The chance that an exploration project will result in a discovery is referred to as the "chance of discovery" as defined by the management of the Company. There is no certainty that it will be commercially viable to produce any portion of the resources discussed herein; though any discovery that is commercially viable would be tied back to the Company's pipeline in Morocco and then connected to customers' facilities within 9 to 12 months of discovery. Based upon the economic analysis undertaken on any discovery, management has attributed an associated chance of development of 100%.

There are uncertainties associated with the volume estimates of the prospective resources disclosed herein, due to the level of information available on prospective resources, but ranges are defined based on data from the Company's nearby existing analogous wells. Some of the risks and uncertainties are outlined below:

- Petrophysical parameters of the sand/reservoir;
- Fluid composition, especially heavy end hydrocarbons;
- Accurate estimation of reservoir conditions (pressure and temperature);
- Reservoir drive mechanism;
- Potential well deliverability; and
- The thickness and lateral extent of the reservoir section, currently based on 3D seismic data.

"P50" means that there is at least a 50% probability that the quantities actually recovered will equal or exceed the best estimate.

SDX ENERGY