

27 July 2015

MX Oil plc ('MX Oil' or the 'Company')
Drilling of Aje 5 Development Well Commences Offshore Nigeria and Exercise of Warrants

MX Oil plc, the AIM quoted oil and gas investment company, is pleased to announce that drilling has commenced of the Aje 5 production well located in the proven Aje Field on the OML 113 licence offshore Nigeria. Once Aje 5 has been drilled and completed, which is expected to take approximately 70 days, the rig will proceed to re-enter and complete the Aje 4 well. These two wells represent the first of a three phase development programme of Aje. Phase 1 is targeting first oil in December 2015 and peak gross production of 41 API oil from these two wells is expected to reach 11,000 bopd, as stated in the June 2015 Competent Persons Report (“CPR”). The CPR also states that Phase 2 is targeting an increase in gross production to 19,000 bopd from an additional two well development. As announced on 13 July 2015, MX Oil has agreed to invest in a 5% revenue interest in OML 113 via Jacka Resources.

The Scarabeo 3 semi-submersible rig was mobilised from its location near Lagos, Nigeria to conduct the drilling of the two wells, Aje 5 as a new production well followed by Aje 4 as a re-entry production well for Phase 1 of the development. Aje 5 is a twin to the legacy Aje 2 well which was production tested at the Cenomanian level in 1997, flowing approximately 3,700 bopd. Aje 5 is being drilled from a seabed location close to Aje 4 in 300 meters water depth.

Once drilling operations are completed, the wells will be tied back to a Floating Production Storage and Offloading vessel (“FPSO”), the Front Puffin, which is currently being refurbished in Singapore ahead of installation and commissioning. Installation of the production manifold, flowlines, umbilicals and risers will take place in Q4 2015. The Company anticipates that production could commence from Phase 1 by the end of 2015.

MX Oil’s Chief Executive Officer Stefan Olivier said, “This is a major milestone for MX Oil. Having only very recently invested in the Aje field via Jacka Resources and with Aje 5 now being spudded, MX Oil is now progressing quickly towards significant near term production. This is the first of two planned wells in Phase 1 from which our CPR states a target peak gross production of 11,000 bopd. These production figures are expected to increase to 19,000 bopd gross in Phase 2. We look forward to providing further updates on the drill programme as we progress towards anticipated production by December 2015 and in the process build a cash generative platform from which to develop concessions we are targeting in the vast re-opening Mexican energy sector.”

Background Information

OML 113 covers an area of 835 sq km offshore Nigeria close to the Benin border and holds the Aje field as well as a number of exploration prospects. Aje, which was discovered in 1997, has multiple oil, gas and gas condensate reservoirs in the Turonian, Cenomanian and Albian sandstones, similar to the producing Jubilee field offshore Ghana. The field is situated in water depths ranging from 100 to 1,000 meters approximately 24km from the coast of Nigeria. To date four wells have been drilled: Aje 1 and Aje 2 both flow tested oil and gas condensate at high rates, while Aje-4 intersected significant pay in four productive reservoirs.

The Government of Nigeria approved the Aje Field Development Plan ('FDP') in March 2014 and by October 2014, the Final Investment Decision ('FID') for the project was agreed. The FDP involves a three phase development programme. Phase 1 will focus on the Aje Cenomanian oil reservoir and include the drilling of two subsea wells and a leased FPSO vessel. Phase 2 of the FDP will see two further wells drilled which is expected to increase total Cenomanian oil production to 19,000 bopd. Phase 3, which will target the development of the Turonian gas condensate reservoir, is currently in the planning stage.

In tandem with the development of the field, work is on-going to interpret the newly acquired 3-D seismic data. This new data will be used for planning Phases 2 and 3 on Aje and also to fully evaluate the exploration potential over the whole of the OML 113 licence, including the syn-rift exploration play that has been significantly de-risked following the 2013 Ogo discovery on contiguous block OPL 310.

Exercise of Warrants

The Company has received a notice to exercise 1,250,000 warrants to acquire 1,250,000 new ordinary shares in MX Oil ("New Ordinary Shares") at an exercise price of 1p per share. Application for the admission of the 1,250,000 New Ordinary Shares to trading on AIM has been made and trading in these shares is expected to commence on or around 31 July 2015.

In accordance with the Financial Conduct Authority's Disclosure and Transparency Rules, the Company hereby announces that, following admission to trading on AIM of the New Ordinary Shares, it has 379,295,737 ordinary shares in issue, each share carrying the right to one vote. The Company does not hold any ordinary shares in treasury.

The above figure of 379,295,737 ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

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