

21 May 2015

**MX Oil plc ('MX Oil' or the 'Company')
Potential Investment and Trading Update**

MX Oil plc, the AIM quoted oil and gas investment company, is pleased to announce that besides its focus on Mexico, it is considering a number of near term, cash generative investments in geographies outside of the Americas that could assist in funding the work programmes of its target Mexican assets. However, against this background, it can confirm that it currently has no plans to enter the Indonesian energy sector.

In particular, due diligence is currently being undertaken in relation to an opportunity to acquire an indirect, non-operating, minority interest in a substantial development stage project with proven, flow tested discoveries. A CPR has previously been completed by the project partners and it is anticipated that the asset may provide net cash flow from Q1 or Q2 2016. The Directors have initiated a new CPR which is expected to be completed in the near term.

If successful, the Directors anticipate completing this investment by the end of June 2015 at which point further details will be released to the market. The Company, however, emphasises that discussions remain subject to contract and the completion of due diligence.

Mexico update

MX Oil has registered as a bidder for the current onshore bid round (Phase 3 of Bid Round 1) and is preparing to access the data room on 1 June to begin the due diligence process. In tandem with this, the Company is preparing to submit the pre-qualification filing. It is the opinion of the Directors that MX Oil is well placed to pre-qualify. The key steps of the bidding process are as follows:

- Step 1 - Registration as a participant in the bid
- Step 2 - Access to data room and analysis
- Step 3 - Visit to the field sites
- Step 4 - Meetings to clarify bidding bases and form of contract
- Step 5 - Pre-qualification filing
- Step 6 - Publication of list of pre-qualified bidders
- Step 7 - Submit bid
- Step 8 - Awards to successful bidders
- Step 9 - Execution of contracts for fields awarded

In the Company's announcement of 13 May 2015, the pre-qualifying criteria for parties looking to secure mature onshore conventional fields in Mexico, as part of Phase 3 of Bid Round 1, were set out. The financial criteria are as follows:

- Operators participating directly must meet a minimum equity of US\$5m for each Type 1 block
- Operators participating through a consortium or a joint venture must meet a minimum equity of US\$3m for each Type 1 block. In any such consortium or joint venture, the Operator must have an economic participation of at least one third.

The Company is discussing with its partner in its joint venture company (the 'JVCo'), leading local operator Geo Estratos ('Geo') the alternatives to participate in Phase 3 of Bid Round 1 and in determining what would be the preferred legal structure. In this regard, the Company has received confirmation that Geo currently has more than US\$15m of equity, therefore, subject to an independent audit of the financial statements of Geo, its current equity would satisfy the required financial criteria outlined above to bid for up to five Type 1 blocks through a consortium or in a joint venture in which the Company would participate.

MX Oil's Chief Executive Officer Stefan Olivier said, "It is important to consider opportunities to acquire assets that have the potential to provide MX Oil with access to cash in the near term, which we would use to partly or fully fund the work programme(s) for our target Mexican asset(s). Our focus remains on participating in the opening up of the Mexican Energy market, but we remain open to opportunistic transactions that can assist us in positioning MX Oil as a strong participant in the forthcoming onshore bid rounds.

"The licences that we are targeting in Mexico are highly exciting and potentially transformative and any investment we make in the meantime would be synergistic from a forward cash flow perspective. If we can succeed in completing this investment opportunity and see it into production early next year in tandem with securing company-making assets in Mexico in the current bid round, we could be in a position whereby no further equity is required to deliver our Mexican obligations, subject to how many assets we secure. With this in mind I look forward to updating our shareholders on all fronts in the near future and remain confident that we will both succeed in our strategic stated objectives in Mexico which would be assisted considerably, subject to concluding this opportunity to obtain an indirect interest in this development asset in the near term."

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