

13 April 2021

Vienna Basin Field Well Work Results in 80% Increase in Production Rate

“Current Production of 430 BOEPD compares with reported production during December 20 quarter of 240 BOEPD”

Key Points:

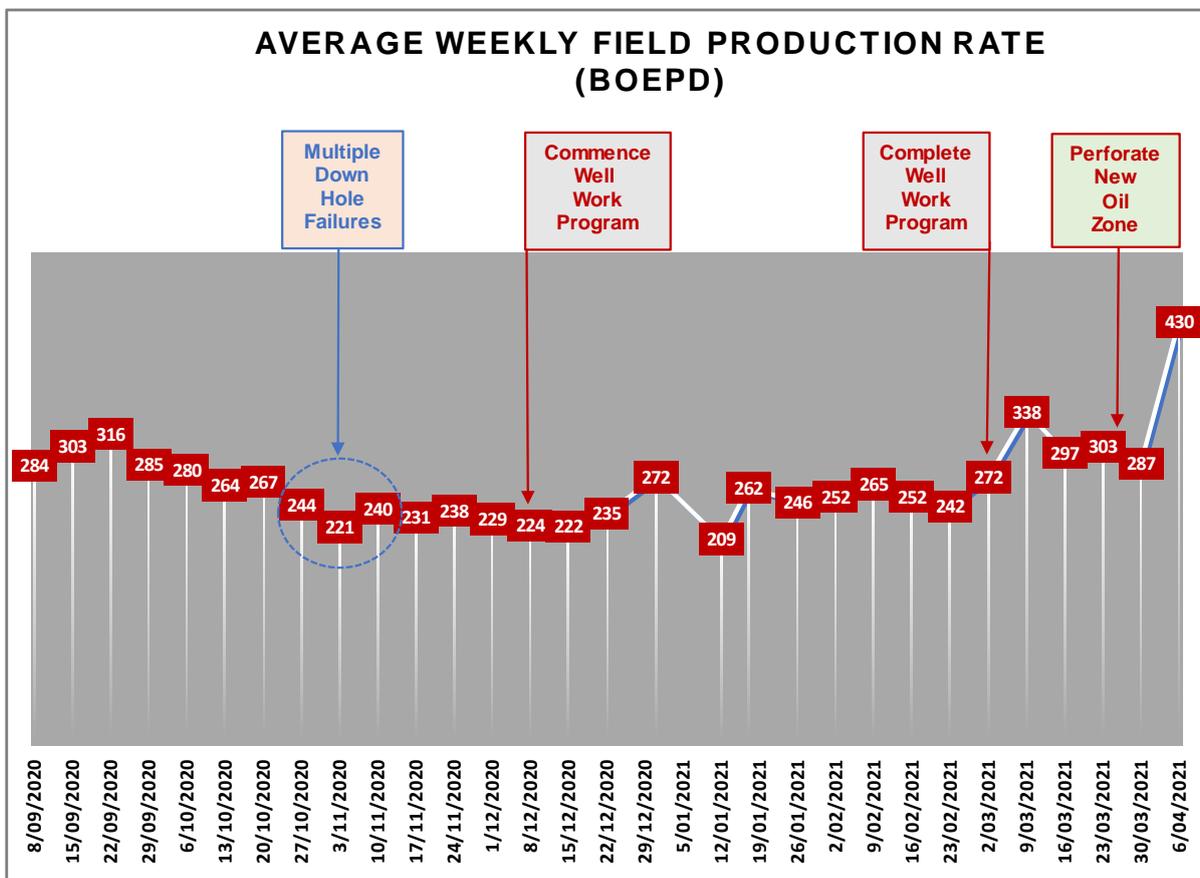
- On 31 January 2021 ADX reported that Gaiselberg and Zistersdorf field production during the December 2020 quarter averaged 240 BOEPD due to production well down time in 5 of the production wells. The down time was mainly the result of pump failures in wells due to an electricity outage from an unprecedented flooding event in October 2020.
- ADX commenced a well work over program on 7 December 2020 which was completed on 1 April 2021. The work resulted in the resumption of production from the 5 failed wells as well as the perforation of a previously unproduced oil zone (behind pipe reserves) in another production well.
- The well restoration work and the perforation of behind pipe potential has resulted in an overall field rate of 430 BOEPD of production which is a significant 80% increase in production from the last reported rate.
- The substantial production increase in combination with the sale of unhedged production based on Brent pricing in excess US\$60 per barrel will make a significant contribution to net revenues from the field.
- The additional production accessed from an existing well demonstrates the potential for reserves additions from the multilayer Gaiselberg and Zistersdorf field. While the new behind pipe production is very promising, a production trend has not yet been established to determine the long term production life of the newly perforated oil zone.

ADX Energy Ltd (**ASX Code: ADX**), is pleased to advise that it has completed a well work program on five production wells on its 100% owned and operated Gaiselberg and Zistersdorf fields in the Vienna basin. The well work has restored production to levels reported prior to production outages that occurred during the previous quarter ending December 2020. In addition to well restoration work, significant additional oil production is being recovered following the perforation of an existing well to access a previously not produced oil zone (behind pipe reserves). The combination of the well restoration work and the access to behind pipe reserves has resulted in an 80% increase in production rate from the reported average rates during the December 2020 quarter. The current field production rate is 430 BOEPD compared to 240 BOEPD average rate in the December 2020 quarter.

The well restoration work in five wells was required due to an extended electricity outage during early October 2020 resulting from an unprecedented flooding event. The majority of the down time was due to pump failures from sand settling in the well bores where the extended shut down seized down hole pumping systems. A number of wells required the installation of sand control measures where production performance was adversely affected by sand production.

The perforation of new behind pipe potential has resulted in approximately 150 BOEPD of water free production which is an excellent result utilising an existing well bore. At this stage approximately 10 days of production has been recorded from the well which is insufficient to assess the long term production. The well work program commenced on the 7th of December 2020 and completed on 1 April 2021 utilising a workover rig.

The field wide significant production increase has been achieved by a combination of rectifying past downhole failures and accessing a new previously bypassed pay zone.



The above figure shows field production on a weekly basis since September 2020 to now. It shows the timing of the down hole well failures and the resulting work program to restore production as well as the perforation of the new oil zone.

ADX Energy Ltd (ASX:ADX)
ASX RELEASE



Well Work Over Operations at Gaiselberg and Zistersdorf in the Vienna Basin



Winter Production Operations at Gaiselberg and Zistersdorf in the Vienna Basin

ADX Executive Chairman, Mr Ian Tchacos, said, *The production restoration work and the substantial new production from the previously behind pipe pay zone in an existing well is an excellent result for the Company. Additional oil sales in combination with higher prevailing oil prices is expected to significantly enhance long term net cash flow if these production trends can be maintained. The results demonstrate the capability of our experienced operations team and the potential to enhance production from the multilayered Gaiselberg and Zistersdorf fields.*

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Authorised for lodgement by Ian Tchacos, Executive Chairman

Persons compiling information about Hydrocarbons. Pursuant to the requirements of the ASX Listing Rule 5, the unaudited prospective resource information contained in this release has been prepared under the supervision of Mr Paul Fink. Mr Fink is Technical Director of ADX Energy Ltd, is a qualified geophysicist with 23 years of technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr. Fink has consented to the inclusion of this information in the form and context in which it appears. Mr. Fink is a member of the EAGE (European Association of Geoscientists & Engineers) and FIDIC (Federation of Consulting Engineers).