

Activities Report For Quarter Ended 31 March 2022

HIGHLIGHTS FOR QUARTER INCLUDE

Production

Vienna Basin Fields – Austria

- **Oil and Gas Production Rates** increased by 8% (averaging 274 BOEPD for the quarter)
- **Sales Revenues** increased by 37% (A\$ 3,552,191 for the quarter)
- **Brent Oil Price** increased by 27% (averaging USD 101.40 per barrel for the quarter)
- **Gas Price** increased by 20% (averaging EUR 89.43/MWh for the quarter - approx. US\$ 32/mscf)

Exploration

Upper Austria AGS Licenses

- **Anshof-3 Discovery Well** preparations for testing the 6m gross column of the Eocene oil reservoir
- **Anshof-3 Testing (subsequent event)** ADX announced a successful oil flow test on the 26th of April 2022
- **Portfolio enhancement** ongoing technical work to mature further prospects for drilling as well as incorporating Anshof drilling results into Anshof appraisal and development as well as follow up prospects
- **Farmout program** discussions with multiple parties to fund ongoing exploration and appraisal programs
- **Acreage expansion discussions** ongoing with the Austria Licensing Authorities

Iecea Mare Production and Parta Exploration License – Romania

- **Parta Exploration License** study of geothermal opportunities
- **Iecea Mare Production License** ranking and economic evaluation of best infill and side-track opportunities based on reprocessed ADX 3D seismic.

ASX RELEASE

Renewable Energy Projects – Austria

- **Vienna Basin Green H₂ Project** pilot project economic optimisation, electrolyser manufacturer selection, subsurface reservoir storage studies, ongoing discussions with green power sources for the pilot phase and project scale up, green hydrogen marketing and development of ADX's project feasibility team for technical and commercial definition of project
- **Geothermal Pilot Project** ongoing technical evaluation of an identified well site for pilot project execution

Finance and Corporate

- 🔥 **Cash balance at end of quarter** total of A\$ 2.489 million
- 🔥 **Subsidy Support** A\$1.2 million received from the Austrian government pursuant to a COVID subsidy funding program
- 🔥 **Renewable Energy Subsidiaries** establishment of wholly owned subsidiaries Kathari Energia Limited (UK) and Kathari Energia GmbH (Austria) to be utilised for ADX renewable energy projects

PLANNED ACTIVITIES FOR QUARTER 2, 2022

Vienna Basin Production – Austria

- 🔥 **Zistersdorf and Gaiselberg Fields** – planning of further well work to further enhance production.

Exploration

- 🔥 **Upper Austria AGS Licences**
 - **Anshof Discovery** further evaluation of Anshof-3 well testing , running production tubing and pump for production, appraisal and development well planning as well as early production facilities engineering.
 - **Farmout** ongoing farmout program.
 - **Acreage expansion** finalise acreage expansion in Upper Austria, including maturation of new gas prospects and geothermal projects.

Renewable Energy Projects – Austria

- 🔥 **Vienna Basin Green H₂ Project** ongoing pilot project definition and contracting of green power sources to progress pilot project. Development of Basis of Design for the pilot project with a view to finalising electrolyser selection and balance of plant.
- 🔥 **Geothermal**
 - **Pilot Project** ongoing technical evaluation of an identified well site for pilot project execution.
 - **Upper Austria Opportunities** review opportunities for gas exploration and geothermal dual objective opportunities.

ASX RELEASE

Corporate

- 🔥 **Renewable Energy Subsidiaries** integration of wholly owned subsidiaries Kathari Energia Limited (UK) and Kathari Energia GmbH (Austria) to be utilised for ADX renewable energy projects.

OPERATIONS REPORT

Production Activities

ZISTERSDORF AND GAISELBERG PRODUCTION ASSETS – Vienna Basin, Austria

ADX is operator and holds a 100% interest of the production

Production Operations

Field production rate averaged 274 BOEPD (increasing from 238 BOEPD in January to 296 BOEPD in March), an 8% increase compared to the previous quarter. The increase was due to the restoration of production as a result of well workovers in the field.

Workover Operations and Long Term Production Trends

A well workover program on four of its production wells was completed during the quarter increasing production levels by approximately 64 barrels of oil equivalent per day (“BOEPD”) through a combination of production restoration from well maintenance as well as the perforation of additional behind pipe reserves in two existing wells.

The well work was a scheduled routine program required to maintain well productivity and systematically access new behind pipe reserves from wells in the multi layered field as production from already perforated layers are depleted. The cost of the four well work over program was EUR 183,000.

The Field continues to produce efficiently at a stable production rate without decline. The current production rate is approximately 10% higher than the monthly production rate of the Field following its purchase by ADX in December 2019.

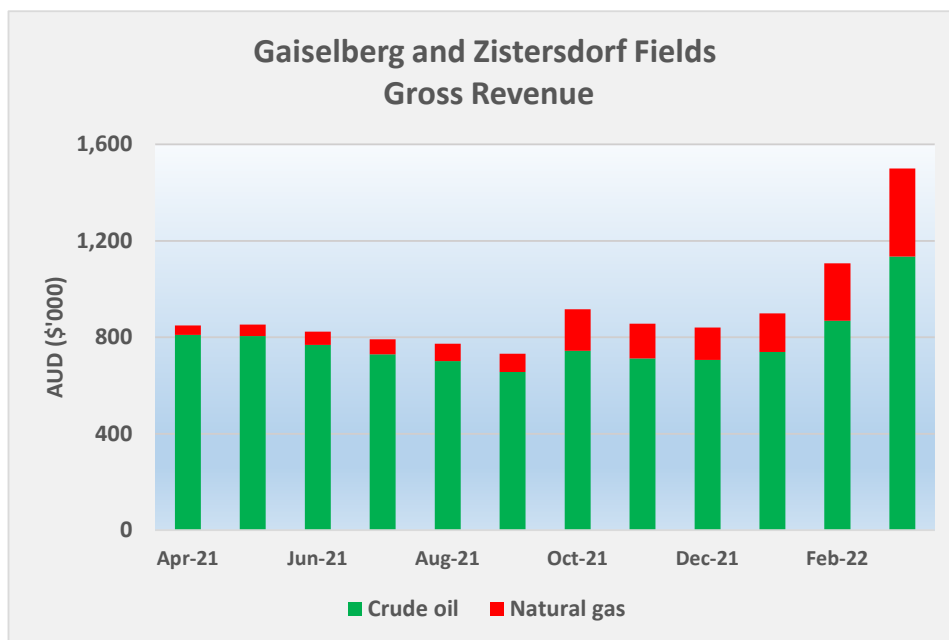
Increased Gas Sales

Gas production from the fields increased by 76% providing an increased contribution to the oil equivalent production during quarter. The combination of increased gas production and strengthening gas prices has resulted in a 68% increase in gas revenues. In US\$ terms gas price averaged approximately US\$ 32 per Mscf for the quarter. Gas represented 20% of total revenue from the field during the quarter. The increasing contribution of gas to field revenue during the last 12 months is shown in the graph below.

ASX RELEASE



Production operations at the Gaiselberg and Zistersdorf fields in Upper Austria



Production histogram showing increasing contribution of gas to field revenue during the last 12 months

ASX RELEASE

Table 1 - Quarterly Production Summary						
	January	February	March	Current Qtr Total	Past Qtr Total	%age Change
Crude Oil Sold (Barrels)	6,560	7,044	7,681	21,285	21,443	-1%
Gas Delivered (M ³)	131,970	181,150	245,970	559,090	318,060	76%
Total Oil Equivalent (BOE)	7,364	8,148	9,179	24,691	23,381	6%
Avg Production Rate (BOEPD)	238	291	296	274	254	8%

Field Revenues and Product Pricing

Average Brent reference oil pricing continued to strengthen during the quarter averaging USD 101.40 per barrel (an increase 27% compared to the previous quarter). Gas prices continued strengthen substantially with an average 20% increase compared to the previous quarter.

Total field revenues (including hedging) increased despite lower production rates due to stronger oil and gas prices as well as revised hedging contracts at substantially higher pricing.

Table 3 below shows sales revenues of EUR 2,263,456 for the March 2022 quarter compared to EUR 1,652,854 in the December 2021 quarter. Hedging losses of EUR 374,767 resulted in net total revenue of EUR 1,888,690 for the March 2022 quarter.

Table 2 - Quarterly Sales Price Summary						
	January	February	March	Current Qtr Total	Past Qtr Total	%age Change
Avg Oil Pricing (US\$ / BBL)	\$ 87.22	\$ 98.19	\$ 118.81	\$ 101.40	\$ 79.73	27%
Avg Gas Price (Euro / MWh)	€ 107.94	€ 81.75	€ 78.60	€ 89.43	€ 74.55	20%

Table 3 - Quarterly Sales & Hedging Revenue Summary						
	January	February	March	Current Qtr Total	Past Qtr Total	%age Change
Oil Revenue (Euro)	€ 463,997	€ 559,786	€ 760,805	€ 1,784,587	€ 1,368,620	30%
Gas Revenue (Euro)	€ 100,407	€ 153,603	€ 224,859	€ 478,869	€ 284,234	68%
Total Sales Revenue (Euro)	€ 564,404	€ 713,389	€ 985,663	€ 2,263,456	€ 1,652,854	37%
Hedging Revenue (Euro) "Swap Contracts"	-€ 50,300	-€ 103,398	-€ 221,069	-€ 374,767	-€ 166,064	126%
Total Revenue (Euro)	€ 514,103	€ 609,992	€ 764,594	€ 1,888,690	€ 1,486,789	27%
Total Revenue (A\$)	\$ 806,817	\$ 957,300	\$ 1,199,929	\$ 2,964,045	A\$/ Euro = 0.6372	

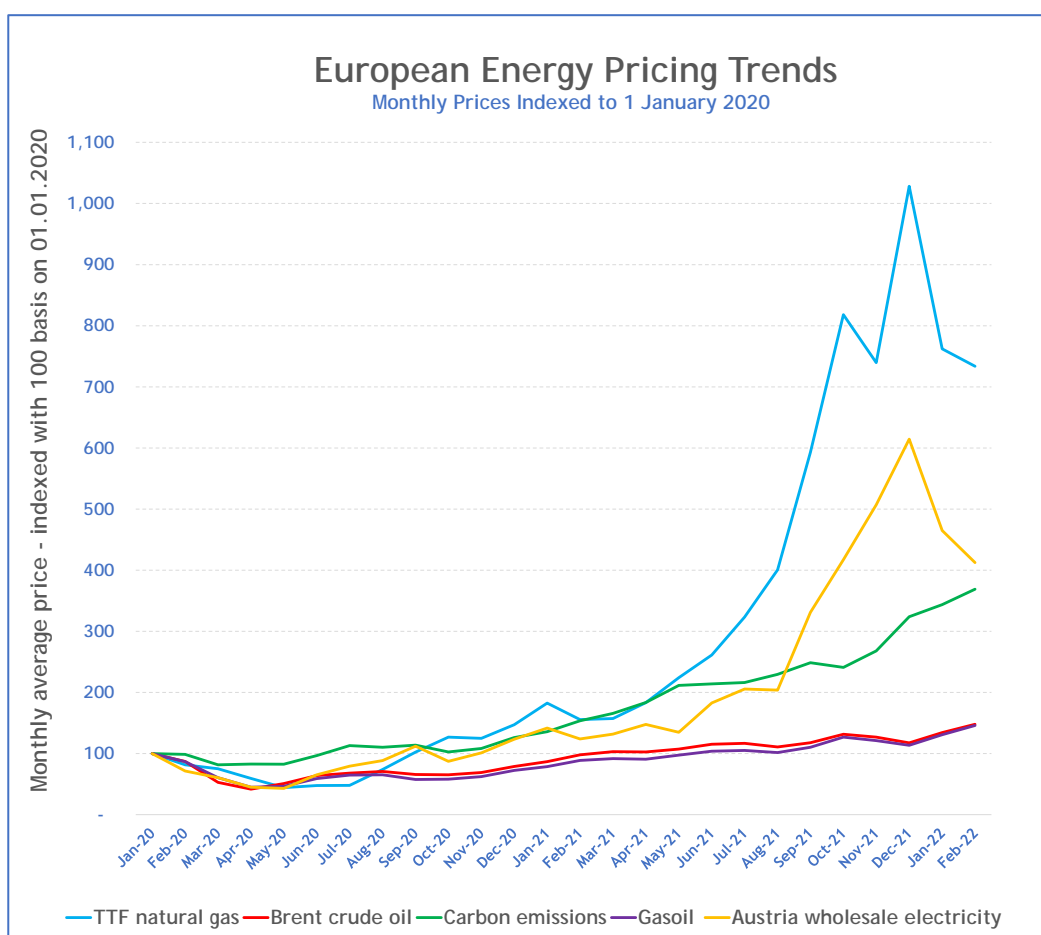
ASX RELEASE

Hedging Strategy

On the 5th of January 2022 ADX executed hedging transactions with BP for a zero-cost collar contract with a pricing floor at USD 73.00 per barrel (put option strike price) and a cap at USD 82.60 per barrel (call option strike price). The contracted volumes represent approximately 35% of the 1P production between 1 January 2022 and 31 March 2022 and 60% of the 1P production for April 2022 from its Gaiselberg and Zistersdorf fields in the Vienna Basin.

The total volume of oil production covered by the zero-cost collar contract was 11,210 barrels during the 4-month period of hedging from January to April 2022 inclusive (the “Hedge Period”). With this zero-cost collar contract, ADX receives for these 11,210 barrels a Brent price of no less than USD 73.00 per barrel and up to USD 82.60 per barrel based on the average Brent price for each month over the Hedge Period.

ADX production is unhedged from 1 May 2022 forward.



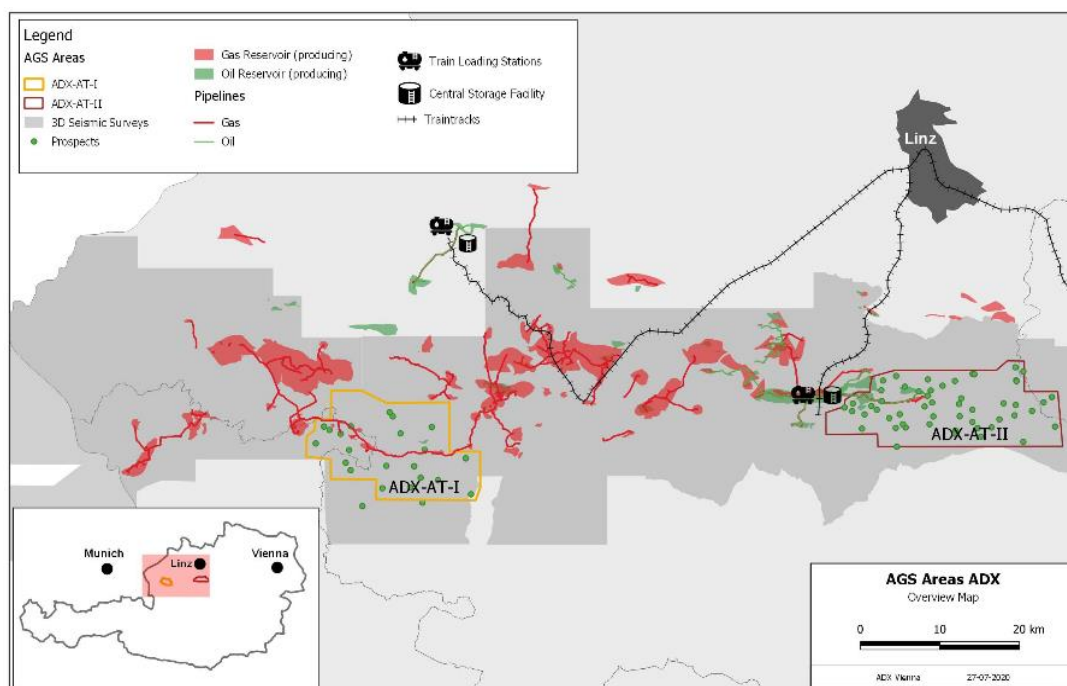
Graph showing European Energy Pricing Trends

ASX RELEASE

Exploration Activities

Upper Austria AGS Licenses – Austria

ADX is operator and holds a 100% interest in the Anshof Prospect Area* and a 100% interest in the remaining licenses * ADX interest will become 80% upon Xstate Resources completing its farm-in obligations to earn a 20% participating interest in the Anshof Prospect. Refer to ASX release dated 22 November 2021.



Map showing ADX Upper Austria AGS licenses (ADX-AT-I and ADX-AT-II) proximal to the RAG Austria AG oil and gas production area of the Molasse Basin east of Munich. Green dots represent prospects & leads mapped on 3D seismic

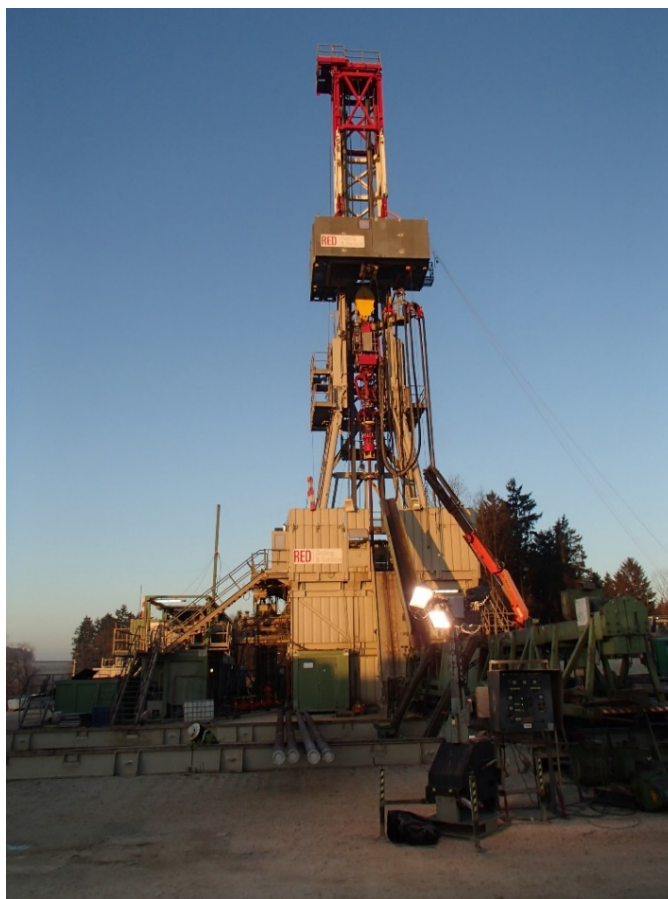
Anshof- Prospect Discovery Well

The Anshof-3 well was spudded at 00.30 hours on the 18th of December 2021. The Anshof-3 well is located in the ADX-AT-II license in Upper Austria. The Anshof well site has provision for up to 3 drilling slots (the well name Anshof-3 stems from the fact that physical surface location number 3 which was the first approved by all necessary authorities to allow spudding of the well). Well operations were concluded following the running and cementing of 7 inch casing to a total depth (TD) of 2499m. The RED Drilling & Services GmbH (RED) E-200 rig was released on 15 January 2022. The well was suspended in preparation for completion with production tubing utilising a workover rig prior to testing and potential long-term production thereafter.

As a subsequent event, in April 2022, water free light crude oil (32° API) flows were recorded at the Anshof-3 well in the ADX-AT-II license in Upper Austria during testing of the Eocene oil zone. Oil was produced to surface at an approximate rate of 75 barrels of oil per day during two flow

ASX RELEASE

periods from the 6 metre gross Eocene reservoir oil column intersected at the Anshof-3 well. The well has been shut in after each flow period to record a pressure build up in the well which is expected to provide further information in relation to the production capacity and possible drainage volumes from the well.



Running casing using the RED E-200 rig at the Anshof-3 drill site

Well productivity in the well was at the upper end of expectation for the relatively thin net pay reservoir thickness encountered at the crest of the Anshof structure. Oil rates in subsequent appraisal wells planned on the eastern flank of the structure where the Eocene reservoirs are expected to thicken are likely to result in significantly higher production rates.

On 10 November 2021 ADX announced an independent review by RISC Advisory Pty Ltd (“RISC”) which assessed that the mean un-risked Prospective Resource for the Anshof prospect is 6.6 Million Barrels of Oil Equivalent. Based on well results to date, ADX believes the previously reported RISC reviewed oil resources do not warrant revision. The successful flow of oil to surface with better-than-expected productivity (at this crestal location with relatively thin reservoir) will however allow that some of the prospective resources will be moved into undeveloped reserves category as per PRMS (“Petroleum Resource Management System) guidelines.

ASX RELEASE



Sample of water free 36 API oil collected from Anshof-3 well flow test. *Source ADX*

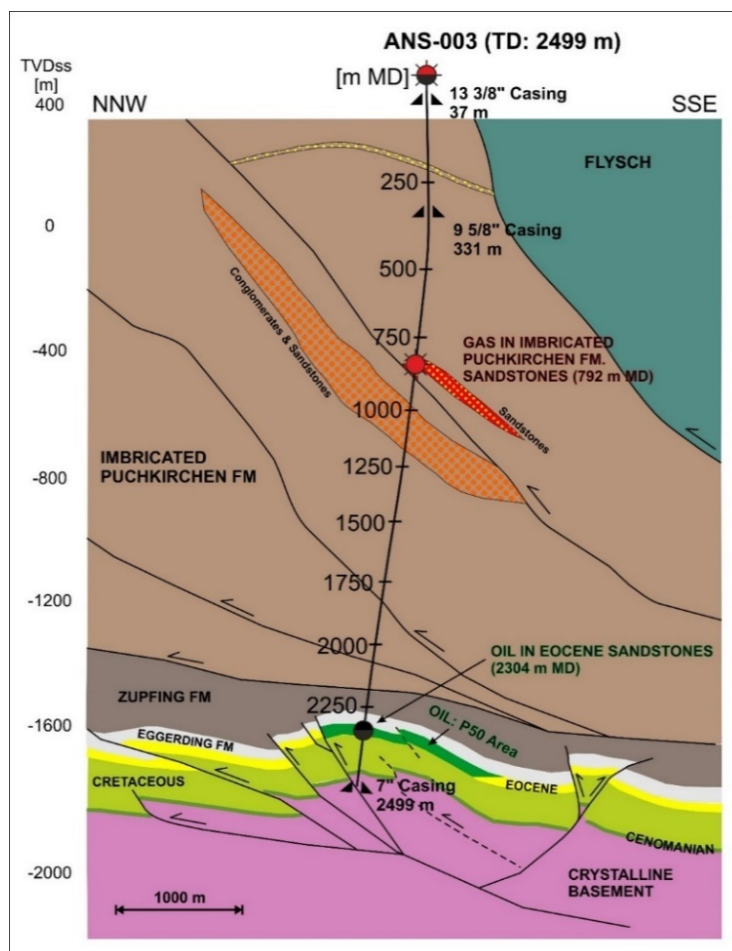


Oil production collected at surface during the Anshof-3 well flow test. *Source ADX*

ASX RELEASE

The Anshof well flowed during the test without any acidization required to overcome reservoir damage from drilling. Acidization has been routinely deployed in offset wells which has resulted in substantial increases in production rates. At the completion of flow testing and the recording of pressure build up data, the well will be acidized to enhance production rates. Following acidization, production tubing will be run in the well together with a down hole pump in preparation for commercial production. Eocene oils produced in the area typically have a low gas oil ratio and require pumping.

Planning has also commenced to install an early production testing processing facility for interim commercial production which will delivered by truck to a nearby oil terminal for transportation and sale. Interim production of up to 37,000 barrels (approximately 100 barrels per day for a period of one year) is allowed under Austrian legislation prior to finalising a production license for the entire discovery area which ADX has mapped to extend over an area of approximately 24 km².



Geological Cross Section schematic along the Anshof-3 well path

ASX RELEASE

Upper Austria Exploration Portfolio Upgrade

ADX has revised its exploration and appraisal prospect inventory for its existing Upper Austrian licenses ADX-AT_I and ADX-AT_II based on new technical work and the recent Anshof discovery. The resource revision summarised in the following table represents a significant increase compared to the previous ASX announcements on 30/03/2021 and 29/07/2021, respectively. The main revisions to the portfolio are the result of the Anshof -3 discovery now being moved to an appraisal category and the large sized newly mapped Gruenburg prospect adjacent to Anshof being matured to a prospect status and added to the portfolio. (Refer to ASX announcement on 21 April 2022)

	Prospect Name	Fluid	Best Technical Recoverable (MMboe)
HIGH IMPACT EXPLORATION	OBERHOLZ (OHO)	GAS (OIL)	20.4
	ZELL AM MOOS (ZAM)	GAS (OIL)	14.6
TREND EXPLORATION	LICHTENBERG (LICHT)	GAS	2.7
	IRRS DORF (IRR)	GAS	3
	TERNBERG (TERN)	OIL	3.2
	WOLFSGRUB (WG)	OIL	2.2
	PERGERN (PERG)	OIL	2.5
	GRUENBURG (GRB)	OIL	8.5
	AUSSERROID (ARD)	GAS	2.2
	SIERNING (SIER)	GAS	1.0
DISCOVERIES & APPRAISAL	ANSHOF (ANS)	OIL	6.6
	STEYR (STEY)	GAS	0.5
	LINDENBERG (LIND)	OIL	0.8
	STEINGRUB (SGB)	OIL	2.8
	BRUNN (BRUNN)	GAS	0.8
	KLEINRAMING (KLE)	OIL	0.6
Total Exploration (MMboe)			60
Total Exploration + Appraisal (MMboe)			72

Table summarising the revised prospect portfolio*

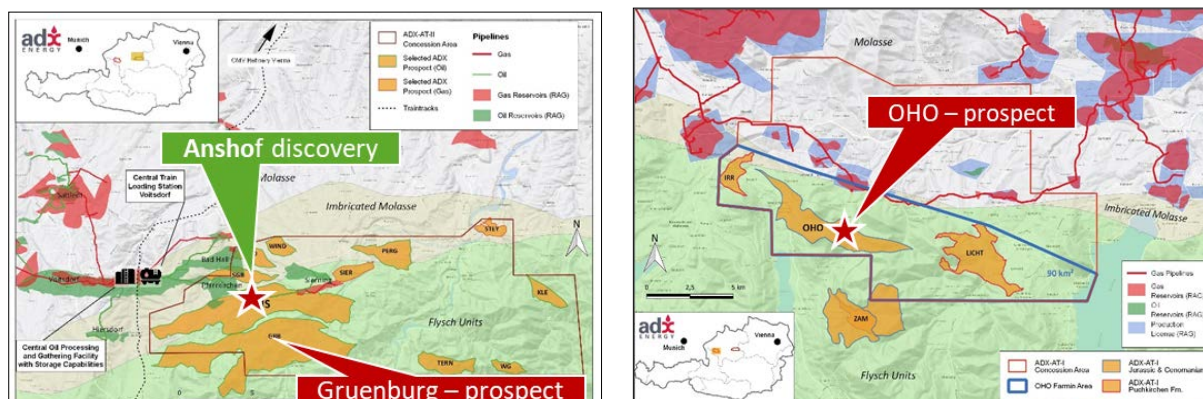
*All resource volumes referred to in the above table are Best Technical Estimate Prospective Resources.

The prospective resource estimates are classified and reported in accordance with the PRMS – SPE Guidelines for the exploration licenses ADX-AT-I and ADX-AT-II, in the Molasse Basin, Austria. Prospective Resources are those estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

ASX RELEASE

The most likely resource estimates for the Anshof discovery have remain unchanged due to the Anshof-3 well intersecting the Eocene primary oil reservoir target very close to prediction (i.e. 4 metres high to prognosis). (Note that the shallow gas discovery within the overthrust imbricate sandstone reservoirs made in Anshof-3 well is not yet included in the resource portfolio due to ongoing technical evaluation work).

The maps below show the location of the drill ready portfolio with key exploration prospects Gruenberg (new) and OHO highlighted.



Location maps high lighting the Anshof discovery as well as the Gruenberg and OHO prospects

The newly mapped and now fully evaluated Gruenberg prospect is located immediately south of the Anshof discovery and could, in the case of a successful exploration well, be developed in conjunction with the Anshof field development. Both prospects are large sized thrust tectonic related anticlines with expected 3D seismic mapped maximum field areas in the order of up to 30 km².

The Gruenberg prospect has already been significantly de-risked by the successfully flow tested Aschach oil discovery which was drilled just north of the Gruenberg prospect into a small thrust and back-thrust fault related compartment. (The discovery was made 1968 on 2D seismic but was never developed due to the then lack of facilities and limited drainage volume estimated from the well test)

Upper Austria Acreage Expansion

As reported in the last quarter ADX has undertaken a review of the prospectivity of surrounding areas to its existing ADX-AT-II and ADX-AT-I exploration licenses in Upper Austria. Austrian licensing legislation allows the extension of existing license positions providing prior commitments have been met by the licensee. The existing portfolio will be expanded by principally 4 new play types and opportunities summarised as follows;

ASX RELEASE

1. Large sized gas exploration opportunities within overthrust areas in analogy to the geology of Kurdistan, PNG and the Italian Apennines
2. Geothermal opportunities
3. An oil field rejuvenation opportunities excellent reservoir quality
4. Underexplored areas with proven oil & gas production and excellent shallow reservoirs without 3D coverage

Discussions with the Austria Licensing Authorities during the quarter resulted in an in-principal agreement for an extension contract for the existing AGS licenses. (Finalisation of a Concession extension agreement is expected during the current quarter).

PARTA APPRAISAL PROJECT and PARTA EXPLORATION PERMIT – Onshore Romania

ADX holds a 49.2% shareholding in Danube Petroleum Limited (Danube). The remaining shareholding in Danube is held by Reabold Resources Plc. Danube via its wholly owned subsidiary, ADX Energy Panonia srl, holds a 100% interest in the Parta Exploration license (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production license. ADX is the operator of the permit pursuant to a services agreement with Danube.

During the quarter ADX continued ranking and economic evaluation of best infill and side-track opportunities based on reprocessed ADX 3D seismic. The tables below show very low risk oil and gas infill as well as side-track opportunities within the license.

ADX has also continued to study geothermal opportunities within its Parta and Iecea Mare licenses, since this energy source is expected to receive significant investment funding from the European Union.

Prospect	Reservoir	MMBOE IN PLACE			MMBOE RECOVERABLE		
		Min	Best	Max	Min	Best	Max
IM 40 CREST ca. 2070 m TVDSS (without Pa VI Exp.)	Pa-IVa	0,16	0,41	0,77	0,05	0,14	0,26
	Pa-IVb	0,18	0,49	0,94	0,06	0,16	0,31
	Pa-V	0,49	0,95	1,54	0,15	0,31	0,51
TOTAL IM 40 CREST	Pa Iva,b, PA V	0,83	1,85	3,25	0,26	0,61	1,08
Prospect	Reservoir	MMBOE IN PLACE			MMBOE RECOVERABLE		
		Min	Best	Max	Min	Best	Max
IM 41 NORTH ca. 2120 m TVDSS	Pa-IVa	0,13	0,38	0,75	0,04	0,13	0,25
	Pa-IVb	0,14	0,55	1,16	0,05	0,18	0,39
	Pa-V	0,56	1,16	1,96	0,17	0,37	0,62
TOTAL IM 41 NORTH	Pa Iva,b, PA V	0,83	2,09	3,87	0,26	0,68	1,26
TOTAL IM 40 - 41 - AREA		1,66	3,94	7,12	0,52	1,29	2,34

Table showing prospective resources estimates for the side-track and infill opportunities on the IM-40 structures (refer ASX announcement on 29 October 2021)

ASX RELEASE

Prospect	Reservoir	MMBOE IN PLACE			MMBOE RECOVERABLE		
		Min	Best	Max	Min	Best	Max
IM 31B (ca. 2100 m TVDSS) (without Badenian Exp.)	Pa-IVa	0,42	0,64	0,91	0,14	0,22	0,32
	Pa-IVb	0,39	0,68	1,05	0,13	0,24	0,37
	Pa-V	0,26	0,47	0,74	0,08	0,16	0,25
TOTAL 31 B	Pa Iva,b, PA V	1,07	1,79	2,7	0,35	0,62	0,94
Prospect	Reservoir	MMBOE IN PLACE			MMBOE RECOVERABLE		
		Min	Best	Max	Min	Best	Max
IM 32 NORTH (ca. 2125 m TVDSS TD)	Pa-IVa	0,23	0,55	0,99	0,08	0,19	0,34
	Pa-IVb	0,21	0,36	0,55	0,073	0,13	0,19
	Pa-V	0,34	0,7	1,17	0,11	0,24	0,4
TOTAL 32 NORTH	Pa Iva,b, PA V	0,78	1,61	2,71	0,263	0,56	0,93
TOTAL IM 31 & 32 N		1,85	3,4	5,41	0,613	1,18	1,87

Table showing prospective resources estimates for the side track and infill opportunities on the IM-31 structures (refer ASX announcement on 29 October 2021)

Note: The prospective resource estimates in the above tables are classified and reported in accordance with the PRMS – SPE Guidelines for the Iecea Mare Production licenses, in the Pannonian Basin, Romania. Refer to the end of this release for an explanation of prospective resource classifications used.

Nilde Oil Field Redevelopment Project (Permit d 363C.R-.AX) – Offshore Italy

ADX is operator and holds 100% interest in the d 363C.R-.AX Exploration Permit

ADX commenced a process with the Italian Designated Authority to convert the exclusively awarded application to a ratified license. This process was commenced after the award by the Ministry of Industry.

No further activities have been undertaken on the permit since ADX was advised on the 4th of February 2019 that the Italian Parliament passed legislation to suspend exploration activities in permits that have been approved or are in the process of being approved for a period of up to 18 months to enable the government authorities to evaluate the suitability of exploration areas for sustainable hydrocarbon exploration and production activities.

ADX is awaiting advice from the Ministry to assess the timing of potential resumption of activities in the d 363C.R-.AX Exploration Permit.

ASX RELEASE

New Ventures

Portfolio Expansion Opportunities

Apart from the portfolio expansion in Austria via the aforementioned AGS extension, ADX has completed the review of a producing gas asset in Romania which offers excellent upside appraisal drilling production. An indicative commercial proposal has been made to the seller.

Also in Romania ADX was invited to an exclusive sales process of producing oil and gas assets.

In conjunction with the Anshof oil discovery, these opportunities offer the potential for a significant expansion of the ADX reserves base. Also, due to the combination of past underinvestment and political uncertainty due to the Russian political situation, gas prices in Europe are expected to remain very high for the next few years. With its Austrian and Romanian operator experience ADX is well positioned to exploit this unique situation.

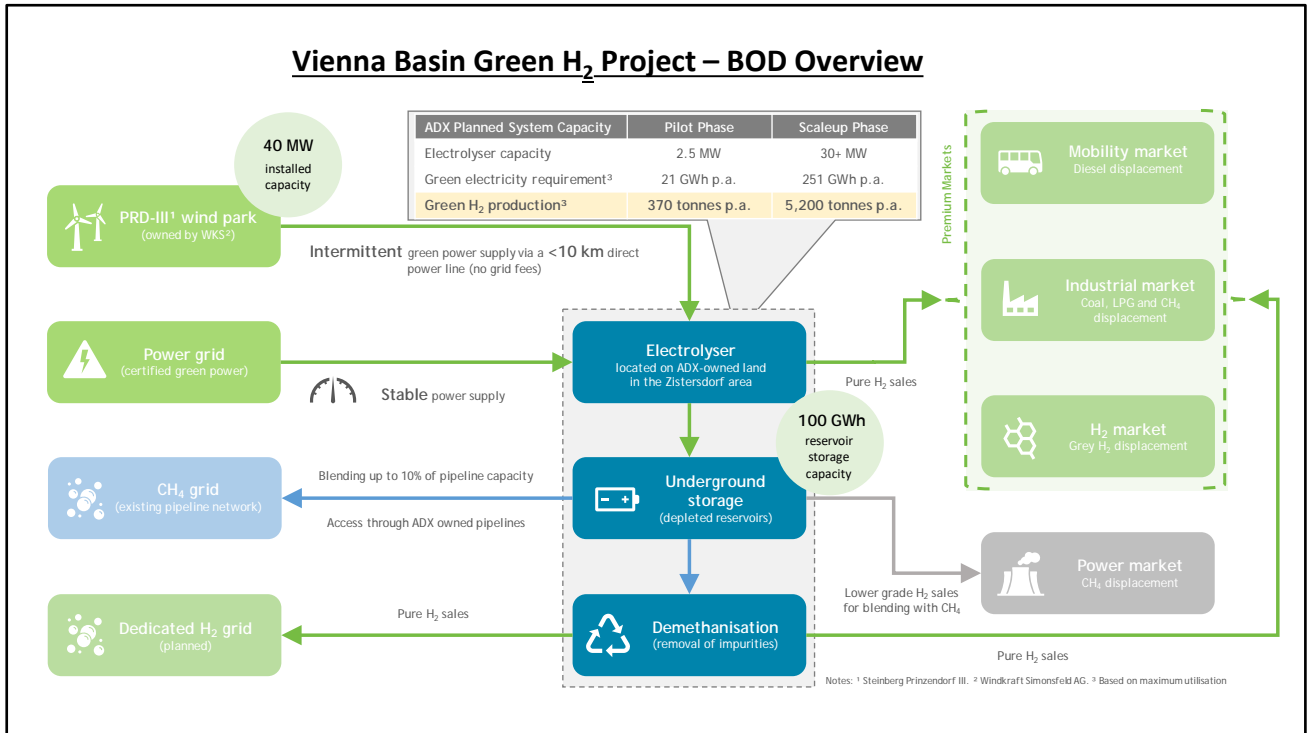
Renewable Energy Projects - Austria

VIENNA BASIN GREEN HYDROGEN PROJECT

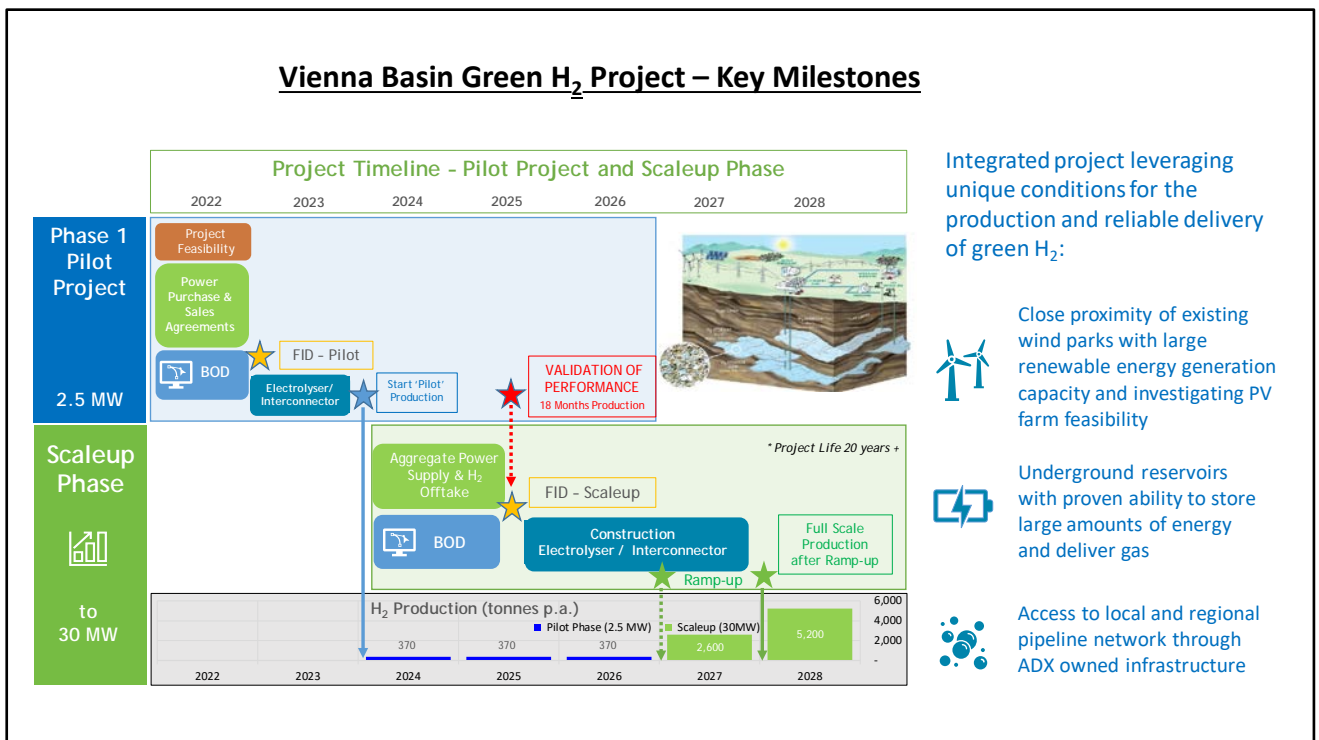
Activities during the quarter focused on project definition and planning work summarised as follows:

- Detailed economic analysis seeking to determine:
 - a) the optimal size of the electrolyser capacity for the pilot phase. It was derived from this work that a 2.5 MW electrolyser capacity meets the objectives of the pilot phase and provides optimal returns; and
 - b) the renewable electricity requirements for the pilot phase and the scaleup phase (30 MW electrolyser capacity).
- Subsurface review for the selection of specific depleted underground reservoirs at the Zistersdorf field for storage of green H₂. To date, reservoirs capable of storing approx. 100 GWh of green H₂ have been identified.
- Discussions with electrolyser manufacturers for the potential supply of a polymer electrolyte membrane (PEM) electrolyser and request of budgetary quotes to firm-up the project's CAPEX budget.
- Discussions with Windkraft Simonsfeld AG (renewable energy producer in Austria) regarding the potential supply of renewable energy for the project and participation in the project entity.

ASX RELEASE



Project Schematic Showing Basis of Design for Project



Project Timeline and Key Success factors for Project

ASX RELEASE

ADX has commenced development of a marketing strategy and plan for the sale of green hydrogen in Austria and neighbouring countries (Czech Republic, Slovakia and Hungary) including a proprietary data base of potential customers located within a 200 km radius from the Zistersdorf field. ADX' marketing strategy is focused on 3 main markets as follows:

1. Premium markets

- **industries with large CO₂ emissions** whereby green H₂ could be substituted to fossil fuels;
- **existing H₂ users** seeking to displace grey H₂; and
- **mobility market** (heavy vehicles) with replacement of diesel by green H₂.

ADX is seeking to introduce green H₂ as part of a gradual transition towards green fuels. Green H₂ will be offered delivered to these markets by truck (tube trailers).

2. Gas and power markets

- Sales to local and regional gas markets which ADX has access to through its own pipeline network (allowance for injection of green H₂ up to 10% of the pipeline capacity); and
- Sales to power generation companies (displacement of natural gas through blending initially).

Blending of green H₂ with natural gas is first step until regulations and the new infrastructure (green hydrogen pipeline system) allow the creation of an integrated green H₂ ecosystem. ADX is already in discussions with a large power generation company in Austria regarding the potential supply of green H₂.

In addition to the above, ADX is exploring the possibility of getting access to financial incentives (grants, subsidies, loans, etc) provided by the State of Austria and the EU to support the expansion of the green H₂ sector.

Over the next quarter, ADX is planning to firm-up the supply of renewable electricity for the pilot phase (21 GWh per annum requirement to achieve maximum utilisation of a 2.5 MW PEM electrolyser) and progress discussions with potential buyers of green H₂. In addition, design and engineering work will be undertaken to further improve project definition.

ASX RELEASE

GEOHERMAL PROJECTS

Geothermal Pilot Project

During the quarter ADX, Siemens Energy and RED continued to evaluate the suitability of a well bore identified for the potential implementation of a geothermal pilot project.

Under commercial arrangements, ADX is the responsible party for all licensing and subsurface execution aspects of the Pilot Project, including permitting, reservoir engineering, geological analysis, operational planning and implementation. Siemens Energy are providing thermodynamic engineering work for the evaluation of the power generation system. RED is responsible to execute all well workover operations required and undertake well performance monitoring.

The parties have determined the well heat transfer attributes, the geothermal gradient and suitability of reservoirs of the well for the pilot project. In the event that the well is not suitable the parties may elect to review an alternative site.

Upper Austria Geothermal Project Evaluation

During the quarter ADX has progressed a geotechnical review of a potential dual gas and geothermal prospect in Upper Austria. The geothermal opportunity is proximal to a successful geothermal project with similar technical attributes. ADX has been approached by a number of parties seeking to partner in geothermal projects in Upper Austria.

ADX expects to be in a position to disclose the results of its evaluation in the coming quarter.

Finance and Corporate

Operations

During the March 2022 quarter, cash revenue received from oil and gas operations in Austria totalled A\$ 3.2 million (for gas sales for the period November to February and oil sales for December to February). March 2022 revenue of EUR 0.985 million (A\$ 1.5 million) was received after the quarter end.

Cash Balances

ADX' cash at the end of the quarter was A\$ 2.489 million. This cash balance includes A\$ 0.2 million held by 49.2% owned subsidiary Danube Petroleum Limited and its Romanian subsidiary ADX Energy Panonia srl for Romanian operations.

Cash excludes funds secured for bonds and guarantees. Secured cash totals A\$ 0.8 million.

ASX RELEASE

Government Subsidy Received from the Austrian Government

In late March 2022, ADX's wholly owned subsidiary, ADX VIE GmbH secured a further COVID-19 Pandemic (COVID) subsidy funding from the Austrian government. Funds received totalled EUR 782,157 (A\$1.2 million). This subsidy was paid by COFAG, Austria's financing agency which supports Austrian companies to mitigate the economic disruption caused by COVID and position those companies for future growth. COFAG focuses on companies with a viable future business model. The fixed cost subsidy assessment was based on eligible fixed business costs during the period September 2020 to February 2021. This is the second subsidy payment received by ADX which is in addition to a previous payment of EUR 107,500 (approximately A\$158,000) received for the period March 2020 to June 2020.

Vesting of Performance Rights

Subsequent to the quarter end, on 1 April 2022, ADX, after a review of the performance criteria for the 2021 Performance Rights previously granted to employees in Vienna, Austria, 43,258,177 Performance Rights were vested into fully paid shares, and 2,827,835 Performance Rights lapsed.

Additional ASX Information

- ASX Listing Rule 5.4.1: Exploration expenditure during the quarter was A\$ 481,000 excluding staff costs. Full details of exploration activity during the quarter are included in this Quarterly Activities Report.
- ASX Listing Rule 5.4.2: Production expenditure in Austria during the quarter was A\$ 1,141,000 excluding staff costs. Appraisal expenditure in Romania during the quarter was A\$ 31,000, excluding staff costs. Full details of production and appraisal activities during the quarter are included in this Quarterly Activities Report.
- ASX Listing Rule 5.4.3: A tenement schedule is provided at the end of this Activities Report. On 22 November 2021, ADX announced that it has signed a farm-in agreement with Xstate Resources Limited ("Xstate") to partially fund the drilling of the Anshof prospect in ADX-AT-II exploration license in Upper Austria ("Farmin HOA"). Under the terms of the Farmin HOA, Xstate will fund 40% of the Anshof well drilling expenditure up to a cap EUR 1,800,000 million (EUR 720,000) to earn a 20% equity interest in the Anshof Prospect Area. Xstate may elect to fund 40% of a second well on Anshof or the Anshof Farmin Area to earn a 20% interest in the entire Anshof Farmin Area (Second Well Funding).

Subject to an election to participate in the Anshof Prospect Area following the conclusion of drilling the Anshof exploration well, Xstate has up to 3 months to elect to participate in the entire Anshof Farmin Area by making a commitment to the Second Well Funding. Upon earning a participating interest in the Anshof Prospect and the Anshof Prospect Area, ADX

ASX RELEASE

and Xstate have agreed to enter into a production sharing contract (PSC) and a joint operating agreement (JOA) which will cover the conduct of ongoing operations and sharing of production. The PSC and JOA principles are included in the Farmin HOA.

Upon completion of the farmin obligations by Xstate including Second Well Funding, Xstate will hold a 20% participating interest in the Anshof Prospect Area as well as the Anshof Farmin Area. ADX will retain an 80% interest in the Anshof Prospect Area as well as the Anshof Farmin Area. ADX will also retain a 100% interest in the remainder of the ADX-AT-II exploration license and the entire ADX-AT-I exploration license.

As at the end of the quarter, the farmin obligations were not completed and as a result ADX still held 100% interest in the Anshof Prospect Area.

- ASX Listing Rule 5.4.5: Payments to related parties of the Company and their associates during the quarter was A\$ 168,000. This consists of A\$ 10,400 paid for office rental to an entity related to Director Andrew Childs, and A\$ 157,000 for executive directors consulting fees, salaries and non-executive director fees.

Tenement Table

Tenements held at the end of the quarter, their location, ADX percentage held at the end of the quarter and changes thereof:

Permit	% held at the beginning of the Quarter	% held at the end of the Quarter	% change
Onshore Austria, Zistersdorf and Gaiselberg Production License	100%	100%	-
Upper Austria AGS Licenses ¹	100%	100%	-
Onshore Romania, Parta ²	100%	100%	-
Onshore Romania, Iecea Mare Production Licence ²	100%	100%	-
Offshore Italy, d363C.R-.AX ³	100%	100%	-

Note 1: Concession agreements for exploration, production and gas storage in Upper Austria (Upper Austria AGS). ADX announced a farmout to ASX listed Xstate Resources Limited to earn a 20% participating interest in the Anshof Prospect Area. Xstate may elect to fund 40% of a second well on the Anshof Prospect or the Anshof Farmin Area to

ASX RELEASE

earn a 20% interest in the Anshof Farmin Area within the ADX-AT-II exploration license. ADX will retain a 100% interest in the remainder of the ADX-AT-II exploration license and the entire ADX-AT-I exploration license. Refer to ASX release dated 22 November 2021.

Note 2: ADX holds a 49.2% shareholding in Danube Petroleum Limited (Danube). The remaining shareholding in Danube is held by Reabold Resources Plc. Danube via ADX Energy Panonia holds a 100% interest in the Parta Exploration license (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production license. ADX is the operator of the permit pursuant to a Services Agreement with Danube.

Note 3: ADX has commenced a process with the Italian Designated Authority to convert the exclusively awarded application to a ratified licence. This process was commenced after the award by the Ministry of Industry.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Paul Fink'.

Paul Fink

Chief Executive Officer

+61 (08) 9381 4266

paul.fink@adx-energy.com

A handwritten signature in black ink, appearing to read 'Ian Tchacos'.

Ian Tchacos

Executive Chairman

+61 (08) 9381 4266

ian.tchacos@adxenergy.com.au

END OF THIS RELEASE - Authorised for lodgement by Ian Tchacos, Executive Chairman

ASX RELEASE

Persons compiling information about Hydrocarbons:

Pursuant to the requirements of the ASX Listing Rule 5.31, 5.41 and 5.42 the technical and reserves information relating to Austria contained in this release has been reviewed by Paul Fink as part of the due diligence process on behalf of ADX. Mr. Fink is Technical Director of ADX Energy Limited 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 reviewed the results, procedures and data contained in this release and considers the resource estimates to be fairly represented. 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).

Resource Classifications used in this release.

Contingent Resources are those quantities of petroleum estimated, as at a given date, to be potentially recoverable from known accumulations but, for which the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. 1C, 2C, 3C Estimates: in a probabilistic resource size distribution these are the estimates that have a respectively 90% (P90), 50% (P50) and 10% (P10) probability that the quantities actually recovered will be exceeded.

Prospective Resources are those estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further explorations appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Low Estimate scenario of Prospective Resources - denotes a conservative estimate of the quantity that will actually recovered from an accumulation by an oil and gas project. When probabilistic methods are used, there should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the low estimate.

Best Estimate scenario of Prospective resources - denotes the best estimate of the quantity that will actually be recovered from an accumulation by an oil and gas project. It is the most realistic assessment of recoverable quantities if only a single result were reported. When probabilistic methods are used, there should be at least a 50 % probability (P50) that the quantities actually recovered will equal or exceed the best estimate.

High Estimate scenario of Prospective Resources - denotes an optimistic scenario of the quantity that will actually be recovered from an accumulation by an oil and gas project. When probabilistic methods are used, there should be at least a 10% probability that the quantities actually recovered will be equal or exceed the high estimate. ADX has only reported Best Estimate Prospective Resources Scenarios in this release.

ASX RELEASE

Prospective resources have been estimated on the following basis.

ADX has calculated resource estimates probabilistically under the PRMS guidelines outlined in chapter 4.2.3 (June 2018 revision), following the interpretation of all available well data and seismic data including 3D seismic data within the licenses and within the basin.

Historical success rates for exploration in the basin have been high when utilizing 3D seismic. A similar success rate is expected for future drilling given the proximity to oil and gas fields. Given the availability of infrastructure and high-quality productive reservoirs in the basin there is a high probability that successful exploration or appraisal will result in commercial production.