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28 April 2023

Activities Report For Quarter Ended 31 March 2023

ADX Energy Ltd (ASX: ADX, “ADX” or “the Company”) is pleased to provide a summary of its activities for the quarter ended 31 March 2023.

HIGHLIGHTS

Overview

- *Austrian production increased by 10%*
- *Ongoing uninterrupted test production at the Anshof-3 oil well*
- *Anshof field production licence award by the Austria’s Ministry of Finance*
- *Independent expert review further confirms exceptional Welchau resource potential*
- *Welchau permitting and drilling approval process targeting Q3 2023 start*
- *Highly prospective shallow gas area identified in the northern part of ADX-AT-I licence*

Production

Vienna Basin Fields and Anshof- 3 Production

- *Sales Revenues* decreased by 31% (A\$ 3,081,822 for the quarter)
- *Oil Equivalent Production Rates* increased by 10% (averaging 299 BOEPD)
- *Brent Oil Price* decreased by 8% (averaging USD 81.27 per barrel)
- *Gas Price* decreased by 49% (averaging EUR 73.47 per MWh)
- *Workover Program* to reinstate oil production from shut in wells

Appraisal and Development

Anshof Field - Upper Austria

- *Anshof-3 Test Production* ongoing at a stable rate exceeding reservoir performance assumed in recent reserves audit
- *Anshof Development Drilling* construction of drilling pads as well as ongoing planning and procurement for Anshof-2 and Anshof-1 development wells
- *Anshof Field Production Licence* for Eocene oil development awarded by the Ministry of Finance

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Exploration

Upper Austria - Exploration Licences

- **Welchau 807 BCFE gas prospect** independent experts review further confirms exceptional resource potential
- **Welchau** permitting progressing towards operations commencement in Q3 2023, drilling materials and rig secured
- **ADX-AT-I** exploration area shallow gas opportunity screening has resulted in a number of low-risk prospects nearing technical completion
- **Anshof Satellite Prospects** have been matured for drilling and taken through independent risk peer review, delivering further low-risk exploration and appraisal opportunities to the Anshof development

Romania - Iecea Mare Production Licence and Parta Exploration Licence

- **Parta Exploration Licence** extension material was submitted to the relevant Romanian authorities in the previous quarter with reply pending
- **Iecea Mare Production Licence** Nothing further to report this quarter

Italy - Sicily Chanel Exploration

- **New Licence Award Process for Gas Exploration** awaiting ministerial response following submission of gas prospectivity report as well as financial and technical capability information

Renewable Energy Projects – Austria

- **Vienna Basin Green H₂ Project** evaluated synergies with the Vienna Basin Solar Project regarding the direct supply of renewable electricity to produce green hydrogen
- **Vienna Basin Solar Project** received response from the electricity grid operator to the grid feed-in application submitted in September 2022. Completed a detailed evaluation of different ground-mounted photovoltaic plant configurations
- **Oil, Gas and Geothermal Multi Energy Project** completed further preparation work for a formal farmout process

Finance and Corporate

- **Cash Balance** A\$ 3.41 million at end of quarter
 - The cash balance excludes funds secured for bonds and guarantees. Secured cash totalled A\$ 1.1 million at the end of the quarter

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PLANNED ACTIVITIES FOR QUARTER 2, 2023

Vienna Basin Production – Austria

- **Zistersdorf and Gaiselberg Fields.** Ongoing operations

Anshof Field Development – Upper Austria

- **Anshof-3 Long Term Testing.** Installation of additional oil tank site storage and increase production rate
- **Anshof Development Drilling.** Preparation for the Anshof-2 well drilling operations
- **Development planning.** On-going planning and engineering for installation of permanent production facility as well as interim facilities at the Anshof-3 location

Exploration

- **Upper Austria AGS Licences**
 - **Welchau 807 BCFE gas prospect.** Complete all drilling permits by end of quarter, complete drilling and formation evaluation program
 - **ADX-AT-1 Shallow Gas area.** Move further leads and prospects into “drill ready” status and peer review independently with third parties. Revised portfolio volumes to be announced
 - **Anshof Satellite Prospects.** Undertake independent peer review and upgrade to “drill ready” status. Revised prospect volumes to be announced.
 - **Farmout program.** On-going engagement with multiple parties on several prospects including Welchau
- **Italy - Sicily Chanel**
 - **d363C.R.-AX licence (gas).** Awaiting ministerial response

Renewable Energy Projects – Austria

- **Vienna Basin Green H₂ Project.** Finalise contractual arrangements for sourcing of baseload renewable electricity from the grid for the pilot phase
- **Zistersdorf Solar Project.** Finalise basis of design including number of plants, location, initial photovoltaic capacity and potential expansion capacity
- **Oil, Gas and Geothermal Multi Energy Project.** Continue preparation for formal farmout or co-investment process

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OPERATIONS REPORT

Production Activities

ZISTERSDORF AND GAISELBERG PRODUCTION ASSETS – Vienna Basin, Austria

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

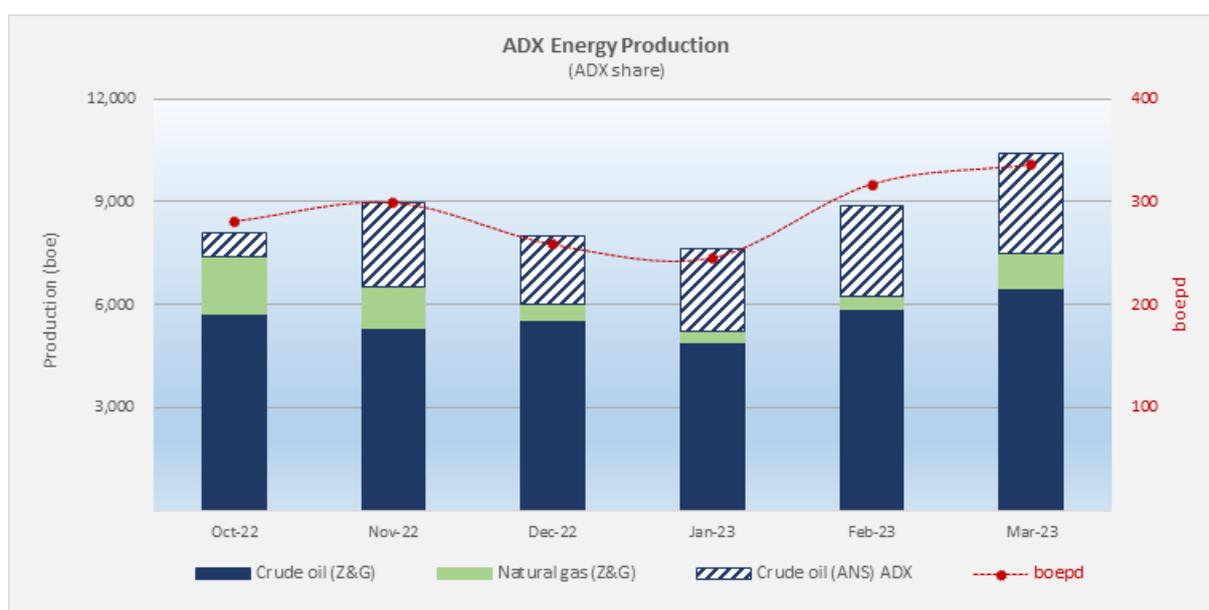
ANSHOF OIL DISCOVERY (Long Term Well Testing) – Upper Austria

ADX is operator and holds an 80% interest in the production

Production Operations

Oil sales continued during the quarter with stable, uninterrupted production from the Anshof -3 long-term well test in Upper Austria.

Combined oil and gas production rate averaged 299 BOEPD during the March 2023 quarter (compared to 273 BOEPD in the previous quarter), a 10% increase compared to the previous quarter. The increase is due to the reinstatement of shut in wells at the Vienna basin fields resulting from a workover program and ongoing production from the Anshof-3 well test.

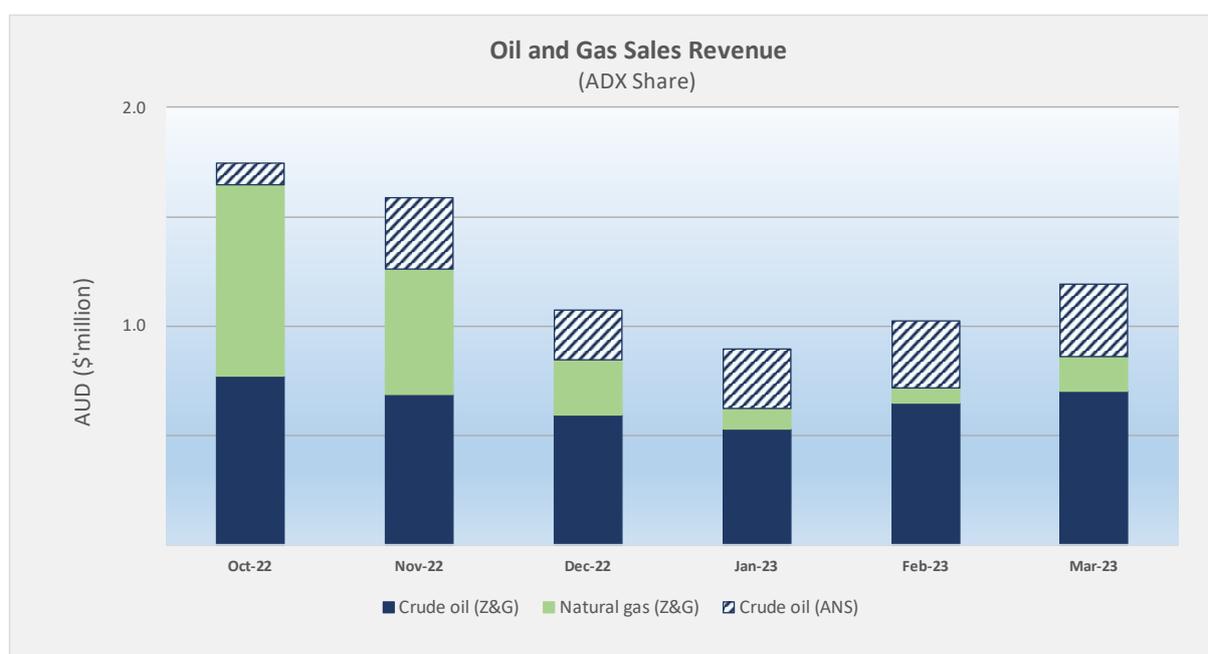


Production histogram showing the recovery of production down time at the Vienna Basin fields and ongoing contribution to production from the Anshof-3 long term test

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Field Revenues and Product Pricing

Average Brent reference oil pricing weakened during the quarter averaging USD 81.27 per barrel (a decrease of 8% compared to the previous quarter). Gas prices during the March quarter decreased further from September 2022 pricing peaks with a decrease of 49% compared to the previous quarter, averaging EUR 73.47 per MWh.



Oil and gas revenue histogram showing impact of declining gas price and the contribution of ongoing Anshof-3 oil production

Sales revenues decreased substantially due to a small decrease in oil price and a large decrease in gas price (see tables below) despite increasing oil production from the Vienna Basin Fields and ongoing stable production from Anshof-3 during the quarter.

Table 3 below shows sales revenues of EUR 1,964,743 for the March 2023 quarter compared to EUR 2,847,373 in the December 2022 quarter. There were no hedging gains or losses for the March quarter.

	January	February	March	Current Qtr Total	Prior Qtr Total	Change (%)
Crude Oil Sold (Barrels) - Z&G	4,877	5,848	6,450	17,175	16,582	4%
Crude Oil Sold (Barrels) - ANS (ADX Share)	2,386	2,649	2,917	7,952	5,186	53%
Gas Delivered (M ³)	58,451	61,676	170,217	290,344	544,340	-47%
Total Oil Equivalent (BOE)	7,619	8,873	10,404	26,896	25,085	7%
Avg Production Rate (BOEPD)	246	317	336	299	273	10%

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	January	February	March	Current Qtr Total	Prior Qtr Total	Change (%)
Avg Oil Pricing (US\$ / BBL)	\$ 82.77	\$ 82.49	\$ 78.56	\$ 81.27	\$ 88.71	-8%
Avg Gas Price (Euro / MWh)	€ 108.38	€ 61.50	€ 50.53	€ 73.47	€ 144.42	-49%

	January	February	March	Current Qtr Total	Prior Qtr Total	Change (%)
Oil Revenue (Euro) - Z&G	€ 343,940	€ 413,091	€ 434,143	€ 1,191,174	€ 1,327,975	-10%
Oil Revenue (Euro) - ANS (ADX Share)	€ 174,180	€ 193,749	€ 203,357	€ 571,286	€ 419,922	36%
Gas Revenue (Euro)	€ 61,777	€ 44,869	€ 95,637	€ 202,284	€ 1,099,476	-82%
Total Sales Revenue (Euro)	€ 579,897	€ 651,709	€ 733,137	€ 1,964,743	€ 2,847,373	-31%
Hedging Revenue (Euro) "Swap Contracts"	€ 0	€ 0	€ 0	€ 0	€ 0	
Total Revenue (Euro)	€ 579,897	€ 651,709	€ 733,137	€ 1,964,743	€ 2,847,373	-31%
Total Revenue (A\$)	\$ 909,605	\$ 1,022,245	\$ 1,149,971	\$ 3,081,822	A\$/ Euro =	0.6375

Hedging

No hedging was in place during the quarter. In light of volatile market conditions and in line with its rolling hedging strategy seeking to provide visibility on near revenue generation, ADX hedged on 5 April 2023 a total of 16,440 barrels for the period between 1 April 2023 to 30 September 2023 under a swap contract at a fixed price of USD 82.94 per barrel (Dated Brent price). The hedging counterparty for this transaction is BP.

The quantities hedged are equivalent to 120 barrels per day of the production from the Vienna basin fields for the period from 1 April 2023 to 30 June 2023 and 60 barrels per day for the period from 1 July 2023 to 30 September 2023.

The balance of the crude oil production from the Vienna basin fields and all of ADX' share of the crude oil production from the Anshof field remain unhedged allowing ADX to maintain exposure to upside in Brent crude oil pricing. Gas production from the Vienna basin fields is also not hedged.

Appraisal & Development Activities

ANSHOF EOCENE OIL PROJECT – ADX-AT-II LICENCE, Upper Austria

ADX is operator and holds an 80% economic interest in the Anshof Discovery Area. Refer to ASX release dated 22 November 2021 regarding the farmout of a 20% economic interest in Anshof to Xstate Resources Limited.

Anshof-3 Extended Production Testing

Anshof-3 production continued through the quarter at a stable rate of 110 barrels per day over 84 production days. The total production of 9,940 barrels for this quarter was a 53% increase on the previous quarter (6,483 barrels). There were 6 days of scheduled production shut-in mainly at the

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beginning of the quarter for the completion of a pressure build-up test that commenced at the end of the previous quarter.

Anshof-3 production performance continues to exceed expectations with strong pressure support and deliverability. Water-free production of 33° API crude oil has been maintained. Crude oil quality continues to meet all the required specifications of the transporter and the buyer (OMV-refinery near Vienna).

Limited crude oil storage capacity at the Anshof-3 well site continues to cause unintended production interruptions, mostly at the end of weekends when road transport is curtailed by road regulation. ADX has procured additional storage vessels (2 x 50 m³) to mitigate this limitation. The first additional tank is planned to be installed and in operation in June 2023 with the additional storage enabling oil production to be increased up to approximately 150 barrels per day.

The second 50 m³ oil storage tank is expected to be installed and operating on site by end Q3 2023 to facilitate the increased field production after the drilling of the Anshof-2 well.

Anshof-2 and Anshof-1 Development Drilling

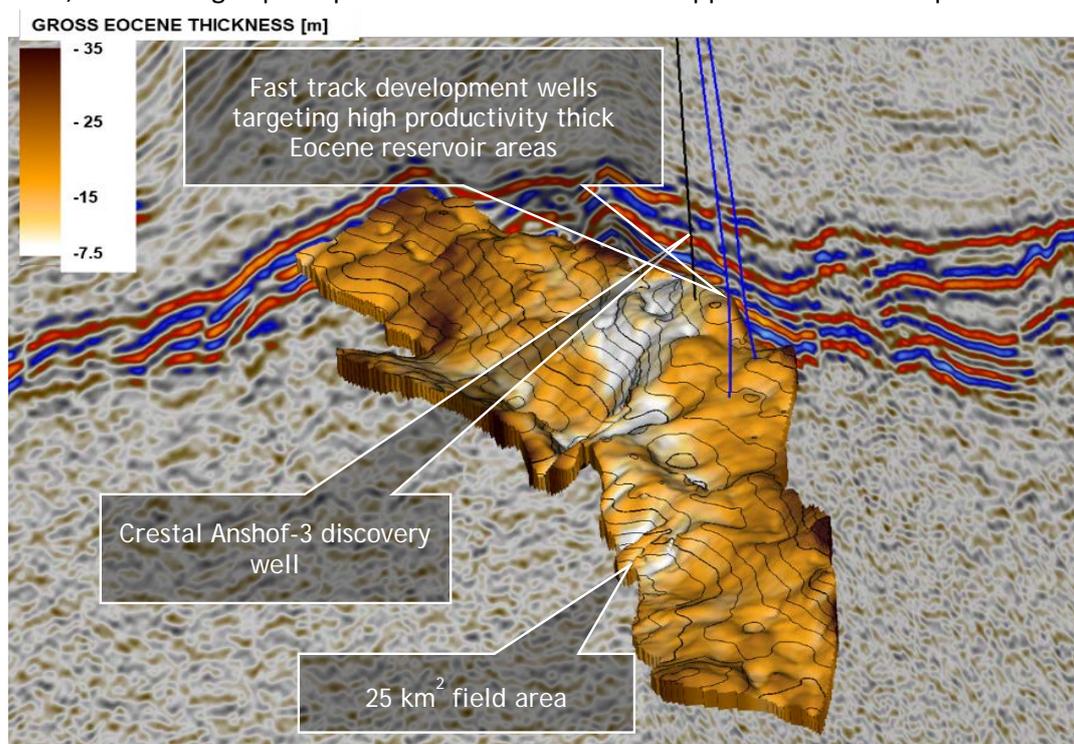


The Anshof -3 producing well and early production unit as well as the nearby concrete foundations for the Anshof-2 and Anshof-1 development wells

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The Anshof-2 and Anshof-1 development wells will be drilled from the same drilling and production site as the Anshof-3 well.

The wells are planned to progressively target thicker reservoir intersections in the 25 km² mapped Anshof structure. Anshof-3 did not intersect an oil water contact and the well continues to produce water free, hence a large upside potential area remains to be appraised and developed.



Anshof field outline based on 3D model utilising 3D seismic and offset well data showing the Anshof-3 well and the Anshof-2 and Anshof-1 well locations (shown in blue)

Preparations continued during the quarter to drill the Anshof-2 well which is targeted for the third quarter 2023 with a date yet to be determined for the Anshof-1 well. The activities are summarised as follows:

- Planning and long lead item equipment purchases are at an advanced stage for the drilling of both the Anshof-2 and Anshof-1 wells. The key long lead items such as well casings, well cellars and the wellheads have been purchased.
- Relevant construction permits are in place with siteworks construction and well cellar installation commenced in March and expected completion in April 2023 for both wells.
- ADX has general framework contracts in place with RED Drilling & Services GmbH (RED) for a drilling rig and a completion workover rig to undertake the work. ADX continue to work closely with RED to finalise a drilling date for the Anshof-2 well.

The Anshof-2 well will appraise the extent of the downdip oil in the structure. It will be a high angle well with its meterage penetration of the Eocene reservoir maximising both the well oil flow rate and potential reserves recovered by the well.

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Anshof-1 well will be drilled as a producer in a more crestal part of the structure and as with Anshof-2 in a thicker part of the Eocene reservoirs relative to the Anshof-3 well located in the western part of the structure. The bottom hole location of Anshof-1 will be optimised utilising data gathered from the Anshof-2 well.

Anshof Production Licence Award

A production licence has been awarded on 3 March 2023 by Austria's Ministry of Finance to ADX VIE GmbH (ADX) for the Anshof oil field. The licence is effective from 31 March 2023.

The award of the production licence provides the regulatory framework for development of the Anshof oil field located in the ADX-AT-II exploration licence area in Upper Austria including the planned drilling of the Anshof-2 and Anshof-1 wells commencing Q3 2023.

Permanent Production Facilities Planning and Engineering

Planning and design work continued for the planned permanent production facilities installation after the drilling of Anshof-2 and Anshof-1 wells. The base plan is to install permanent production facilities at the Anshof-3 well site with new production pipelines to RAG export facilities at Sierning approximately 4kms away. Alternative options are also being investigated for the production pipeline tie-ins with the potential for cost and pipeline footprint reductions.

The production facilities and pipelines will enable 24 hour field production operations and replace the current early production system where oil production is limited by trucking availability to RAG's Voitsdorf export facility. The commitment to the permanent facilities investment will be made following the analysis of the results of the Anshof-2 and Anshof-1 well results.

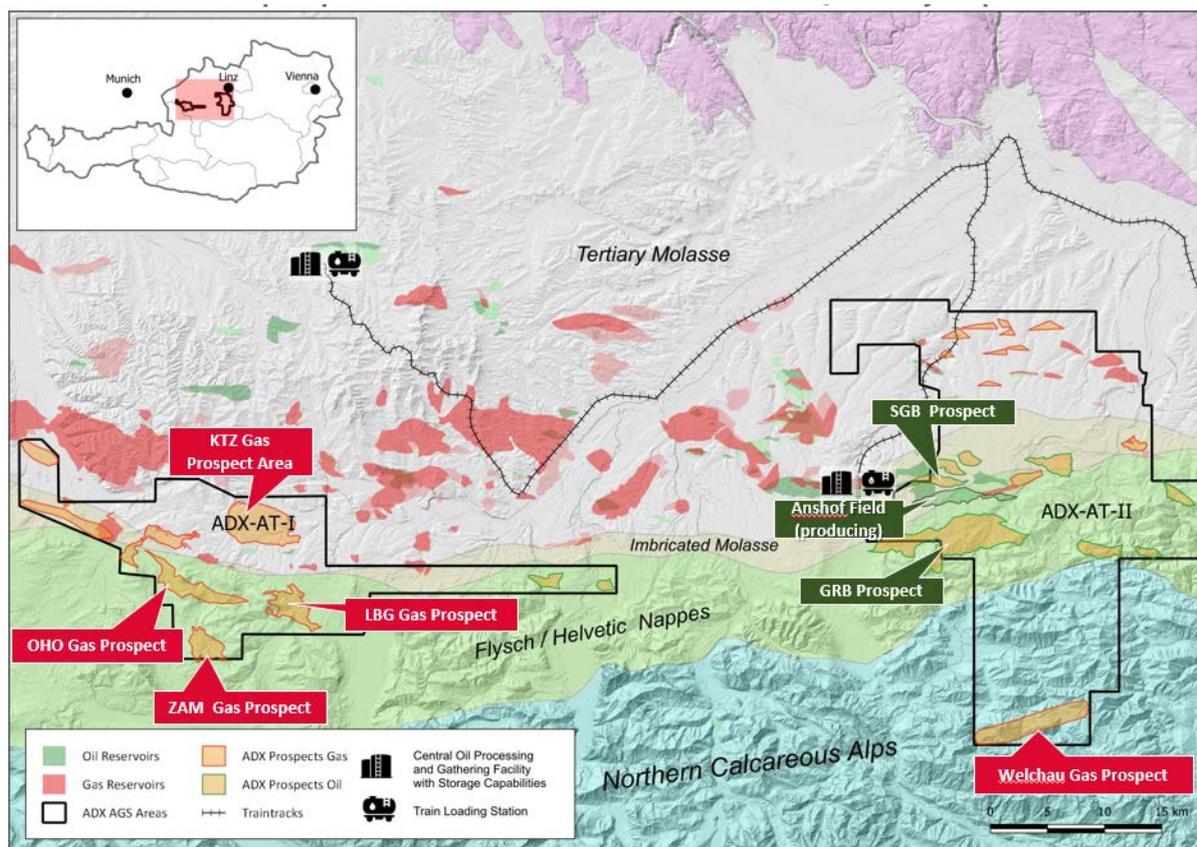
Exploration Activities

Upper Austria AGS Licences – Austria

ADX is operator and holds a 100% interest in the ADX-AT-I and ADX-AT-II exploration licences other than in the Anshof Discovery Area where ADX is operator and holds an 80% economic interest

During the quarter ADX focused on prospect generation and ongoing technical and commercial analysis work to mature prospects for drilling in the ADX-AT-I shallow gas area. The two other focus areas were the Anshof satellite prospects and the preparations for Welchau drilling. Following licence extension in May 2022 ADX Upper Austria licence areas now encompass a total of 1,022 km² and is shown in the map below. The map also shows selected key prospects which are discussed further below.

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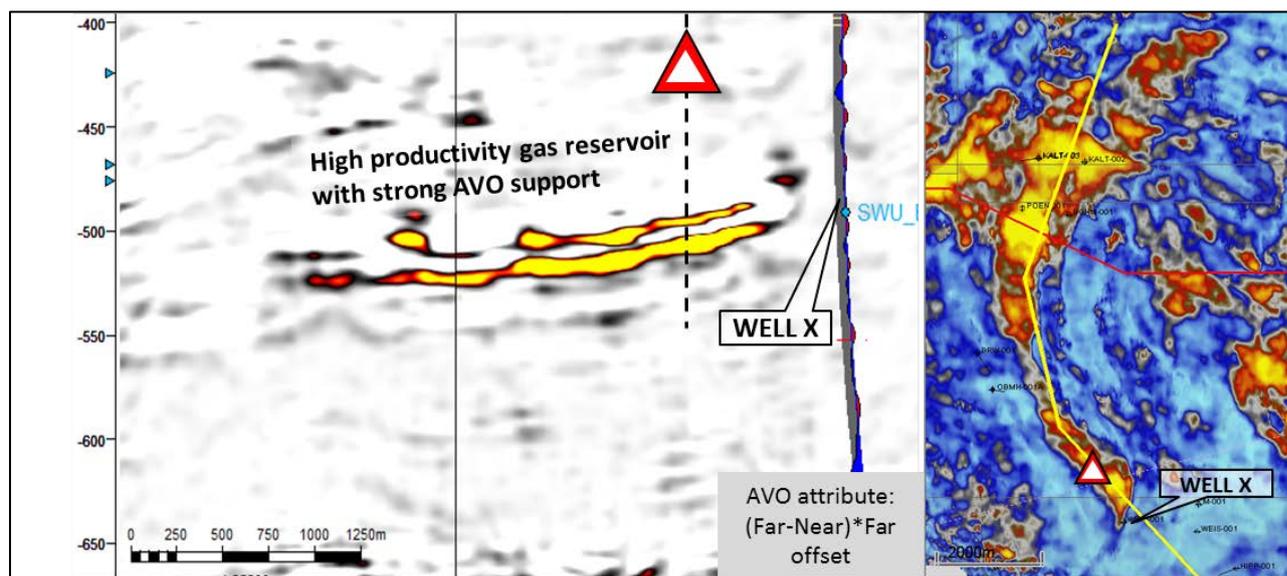
Map of expanded Upper Austrian licence areas and annotated prospects discussed in the text

ADX-AT-I Shallow Gas Area (KTZ Gas Area on Map)

ADX has identified with state of the art artificial intelligence (AI) software a number of shallow (i.e. 800 to 1800 metres depth) gas opportunities in the KTZ area (see map above). Most of the leads are supported by AVO anomalies (direct hydrocarbon indicators) and are very close to gas pipelines.

The image below shows an AI generated map from an AVO supported lead which was recently matured into prospect status and peer reviewed. The appeal of these relatively shallow prospects is enhanced by low drilling cost, low exploration risk and excellent economics. A discovery is expected to provide rapid and high return on investment due to the proximity of the prospects to gas infrastructure, high gas flow rate potential (initial rates are in the order of 5 to 10 mmscf/d) and attractive European gas pricing.

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Shallow low risk gas prospect example in KTZ area: “Sweetness” Map generated with AI supported software indicating several gas prospects which are further de-risked by gas – AVO anomalies (direct hydrocarbon indicators) and several control wells. The depth scale is in metres below sea level, drilling depth is approximately 950 metres

Several other leads will be matured into prospects during the current quarter with the aim for a comprehensive ASX announcement in May 2023.

Welchau Gas Prospect

During the quarter, permitting was further progressed. Drilling application documents relating to environmental and nature protection requirements for the Welchau-1 well in the ADX-AT-II exploration licence in Upper Austria were submitted following consultation with a number of environmental experts recognised by government authorities in order to ensure an efficient approval process. The Welchau-1 drilling program for submission to regulatory authorities was completed. This took account of recently obtained shallow borehole data which supported the well’s optimal drilling location on the Welchau anticline following further detailed structural modelling by industry experts that supports and enhances ADX geotechnical interpretation.

The independent third-party report by highly reputed, international energy consultants Gaffney Cline & Associates Limited (GaffneyCline) was made available to ADX by its partner MCF Energy Ltd. (MCF). GaffneyCline’s report confirms that the ADX geotechnical interpretation is in line with the prospective resource estimates previously announced by ADX (Table 1 below). Refer to ASX announcement from 18 April 2023 for further details.

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Table 1

ADX Gross Prospective Resource Estimates (Reported 20 June 2022)

Hydrocarbon Type	Unit	Minimum	Best Technical	Maximum
Gas	BCF	171	651	1315
Condensate	MMBL	6.8	26	52.6
Total (Gas Equivalent) ¹	BCFE	212	807	1631

GaffneyCline Gross Prospective Resource Estimates - Calculated on gas equivalent basis.

	Unit	1U	2U	3U
Total (Gas Equivalent) ¹	BCFE	365	645	1128

Gaffney Cline to ADX Comparison

Variance	BCFE	72%	-20%	-31%
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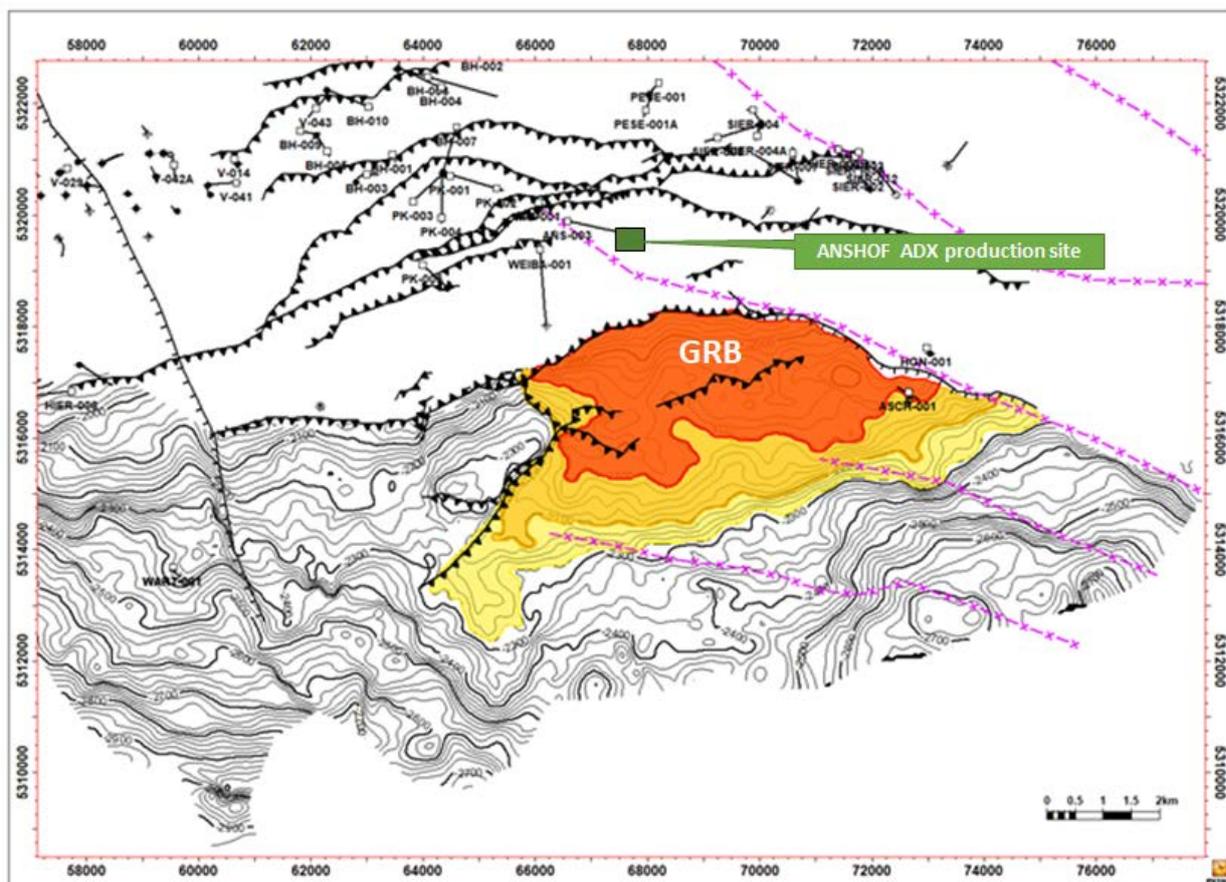
Note 1: Gas to condensate conversion used is 6 mcf of gas = 1 barrel of oil.

While the “Best Technical” and “High” case Prospective Resources estimates by GaffneyCline are lower than ADX estimates, the “Low” case assessed by GaffneyCline is substantially higher than the ADX estimates. The most significant difference in the technical assessments is the condensate ratio assumed for Welchau gas. ADX has used a condensate ratio equivalent to gas recovered during testing of the down dip Molln-1.

Anshof Oil Field Satellite Prospects

Several prospects in “tie in” distance to the Anshof oil field facilities have been matured to “drill ready” status during the quarter and are currently undergoing a thorough third-party peer review in relation to risk assessment. Some of the prospects such as “GRB” have as a result also been further de-risked to “appraisal” category given the Anshof-3 well production behaviour together with well results nearby. The map below shows the most recent peer reviewed GRB outline with a large maximum closure area of 28 km², indicating a very large upside resource potential adjacent to the Anshof discovery.

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Depth map of the GRB prospect and the Anshof -3 drill site location with the light yellow area showing maximum closure area of 28 km²

ADX plans to provide further details including prospective resources on the GRB prospect and other Anshof satellite prospects with an ASX announcement planned to be released in May 2023.

Farm-in Funding Activities

ADX has been engaged in an on-going program of exploration funding activities which has resulted in two earn-in funding transactions within its Upper Austrian licences. The first transaction being to fund 40% of the Anshof prospect exploration in 2021 and more recently a transaction to fund 50% of the Welchau prospect exploration. On the 29th of November 2022, ADX announced an investment agreement with Kepis & Pobe Financial Group Inc., (KPFG) a leading Canadian energy finance and development group. KPFG subsequently transferred its interest in the Investment Agreement to Canadian TSX Venture Exchange (TSXV) listed MCF Energy Ltd. (MCF). MCF has committed to fund 50% of Welchau-1 well costs to earn a 20% economic interest in the Welchau farmin area which includes the Giant Welchau gas prospect (807 BCFE¹). KPFG satisfied completion conditions, including the payment of initial funds for long lead items on the 15 December 2022. MCF had an option to fund a further 50% of the Welchau-1

¹ ASX Release 20 June 2022

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well cost to earn a further 20% economic interest in the Welchau farmin area (Option). MCF did not exercise the Option before it lapsed at the end February 2023. In March 2023, ADX received EUR 228,460 (A\$ 388,000) from MCF in accordance with the Energy Investment Agreement dated 28 November 2022 as payment for past costs relating to the Welchau prospect and the Molln appraisal opportunity.

In addition to the abovementioned transactions, ADX is engaged in on-going discussions with multiple parties to fund further exploration and appraisal programs in Upper Austria.

PARTA EXPLORATION PERMIT AND IECEA MARE PRODUCTION LICENCE – 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 licence (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production licence. ADX is the operator of the permit pursuant to a services agreement with Danube.

Nothing further to report from the last quarter as summarised below.

A regional geothermal study was conducted over the Parta licence and a detailed report was completed for the Iecea Mare production licence with a special focus on the ADX' IMIC-1 well. ADX has been approached by several local communities in relation to geothermal projects mainly for district heating, given its drilling experience and extensive 2D and 3D seismic database in the area. A very high geothermal gradient was encountered while drilling the well in the order of 6°C per 100 metres which is of interest for a potentially viable geothermal project.

Work was undertaken in relation to the Parta licence extension to provide material to the relevant Romanian authorities following several positive meetings with the governing authority for the possible extension of the current licence period (Note: The total validity of the Iecea Mare production licence is 20 years and is not affected). The governing authority NAMR is supporting the extension which can be granted through a government process.

Permit d 363C.R-.AX – Offshore Italy

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

Nothing further to report from the last quarter as summarised below.

In August 2022, the Italian licensing authorities offered ADX the opportunity to ratify the d363C.R-.AX licence under a number of conditions including that only the gas potential within the licence is commercially exploited. Refer ASX announcement 30 August 2022. ADX submitted a report highlighting the excellent shallow gas prospectivity of the licence which is located in shallow water depths as well as follow-on reports outlining ADX' financial and organisation capability.

ADX is awaiting ministerial response following the above-mentioned submissions.

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New Ventures

Portfolio Expansion Opportunities

No new ventures were pursued during the quarter.

Renewable Energy Projects – Austria

Vienna Basin Green Hydrogen Project

During the quarter, project definition and planning work focused on the evaluation of potential synergies with the Vienna Basin Solar Project (also located at the Vienna Basin Fields) regarding the direct supply of renewable electricity to produce green hydrogen.

The useful life of ground mounted photovoltaic (PV) plants is estimated at approx. 30 years without panels replacement which is likely to exceed the production life of the Vienna Basin Fields under the proved and probable (2P) reserves case. This will allow over time to make available for green hydrogen production renewable electricity generated by the Vienna Basin Solar Project dedicated for self-consumption (Available Renewable Electricity).

Available Renewable Electricity is expected to represent a low-cost feedstock for green hydrogen production. This will improve the competitiveness of the Vienna Basin Green Hydrogen Project allowing production of green hydrogen for the mobility sector. Moreover, it will comply with the stringent requirements of the European Commission Delegated Act adopted on 10 February 2023 supplementing the European Union Directive 2018/2001 and establishing the rules for the production of renewable liquid and gaseous transport fuels of non-biological origin. The installation of a suitable battery system will allow consistent supply of Available Renewable Electricity to run the electrolyser supplementing the use of baseload renewable electricity sourced from the grid.

Activities in Q2 2023 will focus on finalising contractual arrangements for sourcing of baseload renewable electricity from the grid for the pilot phase of the Vienna Basin Green Hydrogen Project (2.5 Mega Watt electrolyser capacity).

Vienna Basin Solar Project

During the quarter, the electricity grid operator in the Zistersdorf and Gaiselberg area (Netz Niederösterreich) responded to the grid feed-in application submitted by ADX on 29 September 2022 for two potential PV plants with a capacity of one Mega Watt peak (MWp) each proposed to be connected at two separate connection points i.e. one near ADX' facilities in Gaiselberg, and one near ADX' facilities in Gösting (Zistersdorf field).

Netz Niederösterreich advised that at this time, the grid could only accommodate up to approx. 310 MWh per annum of feed-in electricity at each proposed connection point. This may be increased in the future should the grid be upgraded.

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A detailed evaluation of different ground-mounted PV plant configuration has also been completed. It is anticipated that the project will combine:

- grid feed-in for revenue generation (up to the 310 MWh p.a. limit per connection point); and
- self-consumption therefore improving netbacks from the crude oil and natural gas production from the Vienna Basin Fields (by reducing electricity supply costs).

The basis of design of the project (number of plants, location, initial PV capacity, potential expansion of the PV capacity over time and battery system capacity) will be finalised in Q2 2023 with the view to achieve final investment decision in Q3 2023.

Oil, Gas and Geothermal Multi Energy Project in Upper Austria

Background

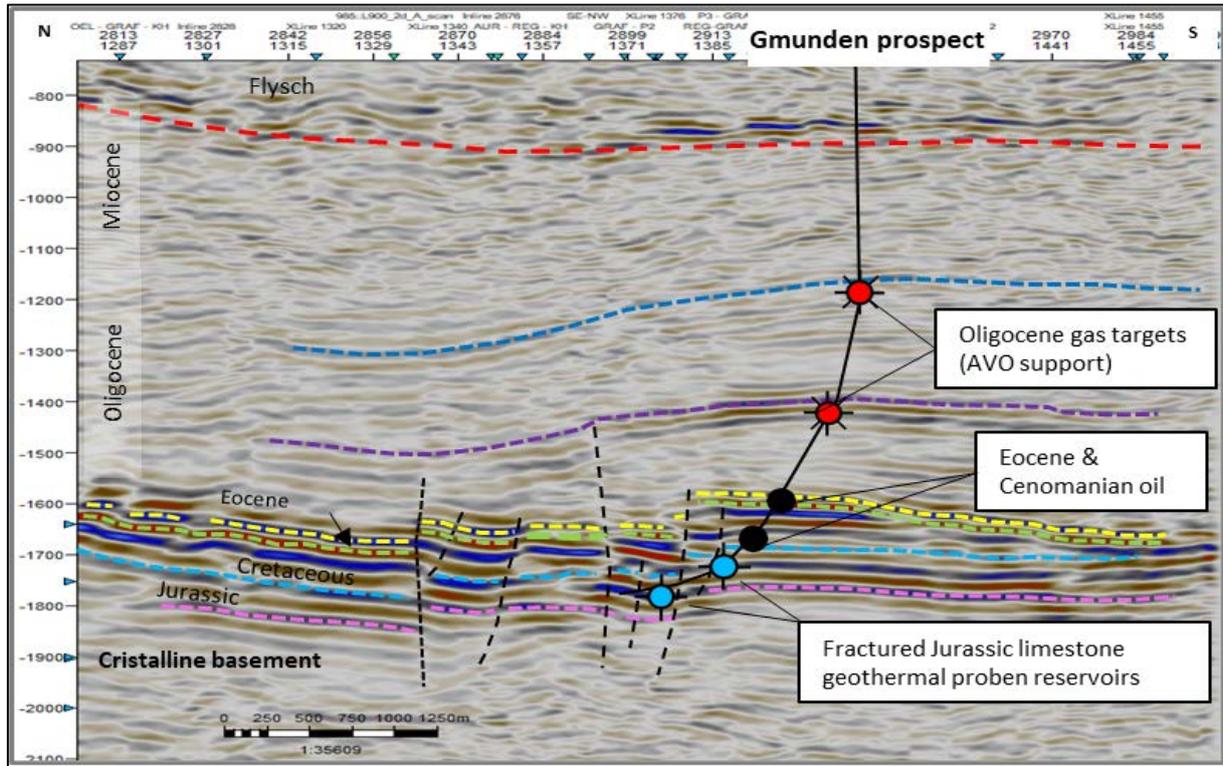
The Molasse Basin is a proven, highly active geothermal growth area with an outstanding 90% success rate for geothermal wells. Numerous geothermal wells in the foreland Molasse of Southern Bavaria and Upper Austria provide a valuable database to build the geological model and demonstrate the profitability of geothermal wells. The combination of a high geothermal gradient and excellent proven reservoirs provide low risk commercialisation opportunities for geothermal developments.

The Gmunden Multi Energy project is located in the Eastern part of the ADX-AT-I exploration licence in Upper Austria. The project targets oil and gas potential as well as fractured Malmian (Jurassic) limestone. The project provides a combination of oil, gas and geothermal resource potential. The project has a geothermal power capacity of 14.4 MW and could generate 115 GWh per annum of geothermal energy (power and heat) based on one multilateral well and 2 industrial off-takers.

ADX is reviewing funding models for a multi energy well targeting shallower gas and oil as well as testing the deeper geothermal potential. The seismic cross section below shows the multiple energy potential which could be appraised by a single well.

During the quarter, activities on the Gmunden multi-energy project in Upper Austria focused on further preparation work for a formal farmout process.

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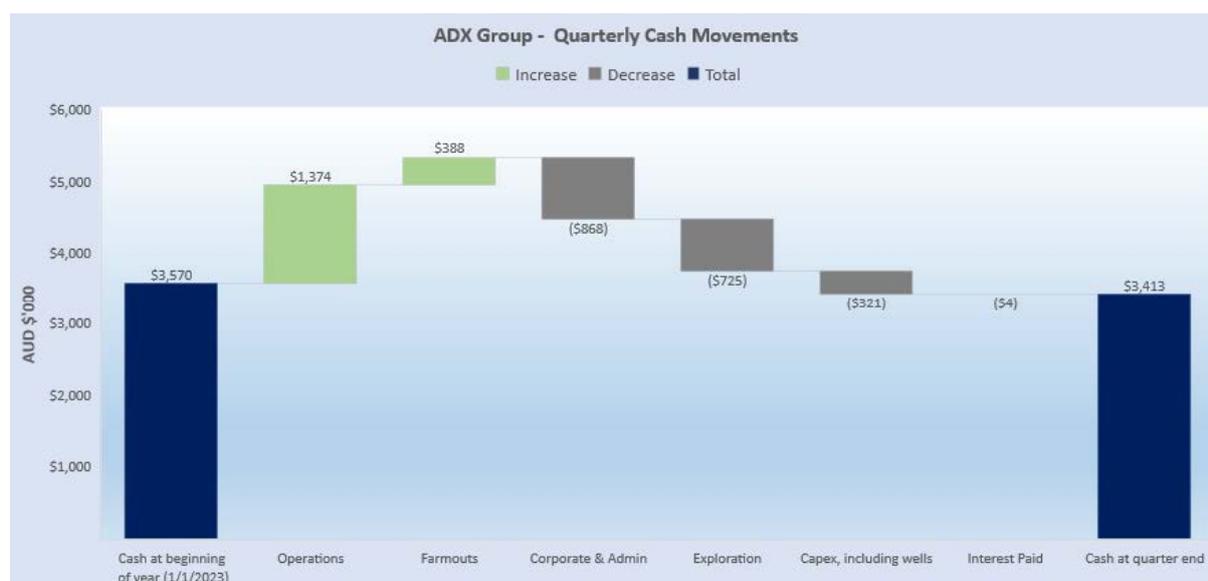
Gmunden oil, gas and geothermal prospect cross-section

Finance and Corporate

Operations

During the March 2023 quarter, sales revenue received from oil and gas operations in Austria totalled A\$ 3.08 million (for oil and gas sales for the period December 2022 to February 2023). This revenue included A\$ 0.8 million for ADX' 80% share of the Anshof Discovery Area oil sales. March 2023 oil and gas revenue of EUR 0.73 million (A\$ 1.15 million) was received after the quarter end.

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Cash Balances

Group cash balances at the end of the quarter totalled A\$ 3.4 million.

Cash excludes funds secured for bonds and guarantees. ADX had A\$ 1.1 million of secured cash balances at the end of the quarter.

Funds from Farm-In Agreements

During the quarter, ADX received EUR 228,460 (A\$ 388,000) from MCF in accordance with the Energy Investment Agreement dated 28 November 2022 as payment for past costs relating to the Welchau prospect and the Molln appraisal opportunity.

Unmarketable Parcel Share Sale Facility

On 24 February 2023, ADX announced that it has completed the unmarketable parcel share sale facility (Facility) for shareholders who held less than A\$ 500 worth of fully paid ordinary shares in the Company (Unmarketable Parcel), as announced on ASX on 19 December 2022. As at the Facility closing date of 3 February 2023 (Closing Date), the total number of unmarketable shares participating in the Facility was 25,509,213 ordinary shares of ADX, held by 1,580 shareholders (Sale Shares). Consideration totalled \$193,541.56 (\$0.00758712 per share).

Additional ASX Information

- ASX Listing Rule 5.4.1: Exploration expenditure during the quarter was A\$ 437,000 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\$ 1,622,000 excluding staff costs. Appraisal expenditure in Romania during the quarter was A\$ 55,000,

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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.
- ASX Listing Rule 5.4.5: Payments to related parties of the Company and their associates during the quarter was A\$ 245,000. This consists of A\$ 6,215 paid for office rental to an entity related to Director Ian Tchacos and A\$ 238,978 for executive directors consulting fees and 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 Licence	100%	100%	-
Upper Austria AGS Licences ^(a)	100%	100%	-
Onshore Romania, Parta ^(b)	100%	100%	-
Onshore Romania, Iecea Mare Production Licence ^(b)	100%	100%	-
Offshore Italy, d363C.R-.AX ^(c)	100%	100%	-

Note a: Concession agreements for exploration, production and gas storage in Upper Austria (Upper Austria AGS). ADX announced a farmout to ASX listed Xstate Resources Limited (Xstate) to earn a 20% economic interest in the Anshof Prospect Area. Xstate have earned their 20% economic interest.

ADX announced a subsequent farmout to KPFG to earn 20% economic interest and ADX will retain an 80% economic interest in the Welchau Farmin Area.

ADX retains a 100% interest in the remainder of the ADX-AT-II exploration licence and the entire ADX-AT-I exploration licence.

Note b: 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 licence (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production licence. ADX is the operator of the permit pursuant to a Services Agreement with Danube.

Note c: 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.

ASX RELEASE

Yours faithfully,

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

Paul Fink

Chief Executive Officer

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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 and Italy 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 25 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).

PRMS Reserves Classifications used in this release:

Developed Reserves are quantities expected to be recovered from existing wells and facilities.

Developed Producing Reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate.

Developed Non-Producing Reserves include shut-in and behind-pipe reserves with minor costs to access.

Undeveloped Reserves are quantities expected to be recovered through future significant investments.

A. **Proved Reserves** (1P) are those quantities of Petroleum that by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from known reservoirs and under defined technical and commercial conditions. If deterministic methods are used, the term “reasonable certainty” is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will be equal or exceed the estimate.

B. **Probable Reserves** are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.

C. **Possible Reserves** are those additional Reserves that analysis of geoscience and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P) Reserves, which is equivalent to the high-estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate. Possible Reserves that are located outside the 2P area (not upside quantities to the 2P scenario) may exist only when the commercial and technical maturity criteria have been met (that incorporate the Possible development scope). Standalone Possible Reserves must reference a commercial 2P project

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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.

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 licences 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.