

22 November 2023

A\$4.2 million Placement to fund ADX Austrian Drilling and Production Development Programs

“A combination of Australian, UK and European investors have participated in the oversubscribed capital raising which will expand and enhance the Company’s shareholder base”

Key Points:

- 🔴 Placement to sophisticated investors resulted in a capital raise of A\$ 4.2 million at A\$0.10 per share. The Placement was oversubscribed by approximately 40%.
- 🔴 One (1) Placement Option offered for every two (2) Placement Shares with a strike price of A\$ 0.16 per share and an expiry date of 31 December 2024.
- 🔴 In conjunction with the Placement a share purchase plan (SPP) of up to A\$ 1 million will allow shareholders to invest on same terms as the Placement.
- 🔴 Funding will be used to accelerate the following activities:
 - Funding of ADX’s increased economic interest in the recently commenced Anshof-2 appraisal well,
 - Installation of permanent production facilities at Anshof to enable increased production from the Anshof-3 and Anshof-2 wells, and
 - Funding towards ADX’s share of the Welchau exploration well to be drilled in Q1 2024 and working capital.
- 🔴 ADX last closing price on 17 November 2023 was A\$0.115 per share.

ADX Executive Chairman, Mr Ian Tchacos, said *“The Board of ADX is delighted by the strong support for the placement and welcome a number of new shareholders to the register, including several large European investors where there is a strong recognition of the importance of energy security and responsibly produced domestic production.*

While the Company is essentially self-funding from farmout transactions as well as existing oil and gas production in the Vienna basin and Upper Austria, this Placement and the SPP enable ADX to fund an increased share of expenditures resulting from the non-participation of Xstate Resources Limited in the drilling of the Anshof-2 appraisal well, the installation of the Anshof permanent processing facilities to increase field production rates and provide funding for the drilling of the Welchau prospect which, subject to an environmental permit, is expected to spud in January 2024.”

ADX Energy Ltd (**ASX Code: ADX**) is pleased to advise that it has finalised the placement of 42,000,000 shares at a price of A\$ 0.10 per share (“**Placement Shares**”) to sophisticated, institutional and professional investors, to raise A\$ 4,200,000 (“**Placement**”). One (1) free attaching unlisted option will be issued for every two (2) Placement Shares (“**Placement Options**”). The exercise price of the Placement Options is A\$ 0.16 with an expiry date of 31 December 2024. The Placement Shares and Placement Options will be issued on or about 28 November 2023 under the Company’s placement capacity pursuant to ASX Listing Rule 7.1 (5,875,546 Placement Shares and 21,000,000 Placement Options) and ASX Listing Rule 7.1A (36,124,454 Placement Shares).

In conjunction with the above mentioned Placement, the Company is pleased to offer each ADX Shareholder that is registered at 5:00pm (WST) on 21 November 2023 in Australia or New Zealand an offer to subscribe to a Share Purchase Plan (“**SPP**”) for additional shares and options in ADX on equivalent terms to the Placement and Placement Options. The SPP is intended to enable existing shareholders to participate in the capital raising on the same terms as the Placement. The SPP is expected to raise up to a further A\$1 million.

Funds raised by the Placement and the SPP will be used to fund the following asset activities;

- ADX’s increased economic interest in the recently commenced drilling of the Anshof-2 appraisal well (due to the non-participation of Xstate Resources Limited), from the same surface location as the Anshof-3 discovery well that started test production in October 2022 (120 BOPD avg). ADX is also installing permanent production facilities at Anshof to enable production from Anshof-3 and Anshof-2 following drilling of the Anshof-2 well. ADX will proceed with the drilling of the Anshof-1 development well in Q2 2024 targeting a total production rate from the three wells between 700 BOPD and 1,000 BOPD (gross). ADX recently announced it will increase its interest in the Anshof-2 well to 60%¹.
- In addition to production and development work, ADX has matured an extensive exploitation portfolio in Upper Austria which has attracted industry interest enabling at least two gas exploration wells to be funded via farmouts. The first gas exploration target to be drilled subject to securing an environmental permit is the Giant Welchau prospect with 807 BCFE of best estimate prospective resources (gas and condensate), where TSXV listed MCF Energy Ltd. will fund 50% of well cost for a 20% interest.

A follow up transaction is being finalised with MND where MND will fund a further near field gas exploration well to be drilled in Q4 2024. In summary, ADX will drill 4 wells in the next 12 months, two oil appraisal and development wells at Anshof and two high impact gas exploration wells which are predominantly funded by farmouts.

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.

¹ Xstate Resources Limited (XST) has elected not to participate in the Anshof-2 well. ADX and MND will fund XST’s share of well costs on 50:50 basis and will have rights to 60% and 40% respectively of the revenues from the Anshof-2 well.

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Share Purchase Plan

Eligible Shareholders may acquire up to A\$30,000 worth of shares under the SPP, free of brokerage and commission, at a price of A\$0.10 per share. This is the same price as the price under the Placement.

In addition, one (1) free attaching unlisted option will be offered for every two (2) shares issued under the SPP (“**SPP Options**”). The exercise price of the SPP Options is A\$0.16 with an expiry date of 31 December 2024. The offer of SPP Shares and Options will be made separately under a prospectus (“**Prospectus**”).

The total number of shares to be issued under the SPP will be capped at 10 million Shares, being the number of shares required to raise A\$1,000,000, with the ability to accept oversubscriptions. Further details of the offer will be announced in due course.

Assuming all entitlements are accepted, following completion of the A\$ 1 million SPP and the Placement, the Company will have issued approximately 52 million new shares resulting in total fully paid ordinary shares on issue of approximately 415 million.

The proposed timetable for the SPP is set out below. The dates are indicative only and the Company reserves the right to vary the dates including the right to shorten the Closing Date or to withdraw the Offer (subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules). Any changes of dates will be announced on ASX.

SPP Record Date	5:00pm (WST) Tuesday, 21 November 2023
Placement and SPP announcement and lodgement of Appendix 3B	Wednesday, 22 November 2023
Despatch of SPP Prospectus to Eligible Shareholders and lodgement of SPP Prospectus with ASIC and release on the ASX	Wednesday, 29 November 2023
SPP Offer Opens	Wednesday, 29 November 2023
SPP Offer Closes	Monday, 18 December 2023
Announcement of Results of SPP	Thursday, 21 December 2023
Issue of New Shares and New Options under the SPP, Lodgement of Appendix 2A and Appendix 3G	Friday, 22 December 2023

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