



4 October 2019

Appendix 3B – Convertible Note Facilities

On 16 July 2019, the Company announced it had finalised Loan Note Financing Agreements (**Convertible Loan Facilities**) which are convertible to shares in ADX to several key existing shareholders and new investors which raised \$1,205,000 of new funding. Included in this new funding was \$150,000 of loan funds provided equally by ADX's Directors Ian Tchacos, Paul Fink and Robert Brown. The funding from ADX's Directors required Shareholder approval to be issued as Convertible Note Facilities.

After receiving Shareholder approval on 20 September 2019, ADX's Board resolved to issue the Convertible Loan Facilities to ADX's Directors Ian Tchacos, Paul Fink and Robert Brown on 3 October 2019.

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

ADX Energy Ltd

ABN

50 009 058 646

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Convertible loan facilities
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	Convertible loan facilities which, collectively, may be converted into a maximum of 21,428,571 fully paid ordinary shares (assuming conversion at the lowest possible conversion price of A\$0.007)
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<p>Convertible loans convertible into fully paid ordinary shares in the capital of ADX Energy Ltd at any time prior to 12 January 2020.</p> <p>The number of the shares to be issued on conversion is to be determined by dividing the loan amount to be converted by the lower of:</p> <p>(a) the share price used for any capital raising by issue of ADX shares, during the period 12/7/2019 to 12/1/2020); and</p> <p>(b) A\$0.007 per share.</p> <p>Should the conversion price referred to in (a) be any lower than A\$0.007, the Company will seek shareholder approval for the issue of that number of shares.</p>

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No – Upon conversion of the loans into ordinary shares, the ordinary shares will rank equally with an existing class of quoted securities. The convertible loan does not entitle the lender to participate in the next dividend or interest payment.</p> <p>The shares issued on conversion rank equally with the existing class of shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>\$150,000 (funds received in July 2019)</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds raised by the convertible loans have been utilised to fund the deposit and transaction costs for the Zistersdorf and Gaiselberg Fields located onshore in the Vienna Basin, Austria (RAG Production Assets) from RAG Exploration & Production GmbH (refer ASX announcement 2 July 2019) as well as ongoing activities across the rest of ADX asset portfolio.</p> <p><u>Note:</u> These Convertible Loan facilities have been issued to Directors, as approved by Shareholders on 20/9/2019. The funds and applications were received at the same time as the existing convertible loan facilities issued on 16 July 2019.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>31 May 2019</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>-</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	-						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	-						
6f	Number of +securities issued under an exception in rule 7.2	21,428,571 convertible notes convertible into 21,428,571 fully paid ordinary shares (based on a conversion price of \$0.007)						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	-						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	-						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: none;">7.1</td> <td style="border: none;">178,285,171</td> </tr> <tr> <td style="border: none;">7.1A</td> <td style="border: none;">122,648,875</td> </tr> <tr> <td style="border: none;">Total</td> <td style="border: none;">300,934,046</td> </tr> </table>	7.1	178,285,171	7.1A	122,648,875	Total	300,934,046
7.1	178,285,171							
7.1A	122,648,875							
Total	300,934,046							
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	3 October 2019						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,232,176,901</td> <td style="text-align: center;">Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	+Class	1,232,176,901	Ordinary Fully Paid Shares		
Number	+Class							
1,232,176,901	Ordinary Fully Paid Shares							

+ See chapter 19 for defined terms.

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New issue announcement

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	25,000,000	Unlisted options exercise price 2 cents, expiry 31/12/2019
		5,000,000	Unlisted options exercise price 3 cents, expiry 31/12/2019
		9,770,047	Unlisted options exercise price Nil cents, expiry 31/5/2022
		18,072,991	Unlisted options exercise price Nil cents, expiry 31/5/2023
		12,798,214	Unlisted options exercise price Nil cents, expiry 31/7/2023
		161,428,575	Convertible notes (Convertible into 161,428,575 fully paid ordinary shares at no less than A\$0.007 per share)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	

+ See chapter 19 for defined terms.

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- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000

⁺ See chapter 19 for defined terms.

- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought		
39	+Class of +securities for which quotation is sought		
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 		
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>		
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 4 October 2019
COMPANY SECRETARY

Print name: AMANDA SPARKS.....

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,132,970,915
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 <ul style="list-style-type: none"> 2,874,996 issued 8/4/2019 2,464,283 issued 28/6/2019 2,464,283 issued 8/8/2019 3,571,427 issued 16/8/2019 3,571,428 issued 4/9/2019 3,571,427 issued 16/9/2019 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval <ul style="list-style-type: none"> 75,000,000 issued 10/12/18 • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	1,226,488,759

+ See chapter 19 for defined terms.

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	183,973,313
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>2,206,893 shares issued 8/4/2019</p> <p>1,298,214 shares issued 28/6/2019</p> <p>2,183,035 shares issued 8/8/2019</p>
“C”	5,688,142
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	183,973,313
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	5,688,142
Total [“A” x 0.15] – “C”	178,285,171 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,226,488,759
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	122,648,875
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	-

+ See chapter 19 for defined terms.

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	122,648,875
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	-
Total ["A" x 0.10] – "E"	122,648,875 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.