

31 July 2020

Activities Report For Quarter Ended 30 June 2020

HIGHLIGHTS OF JUNE 2020 ENDING QUARTER ACTIVITIES

Operations

Austria - Zistersdorf and Gaiselberg Production Assets:

- ◆ **Production** during the quarter averaged 313 BOEPD and increase of 9% compared to the previous quarter. **Forecast production** during quarter beginning July 2020 is approximately 320 BOEPD.
- ◆ **A reparticipating collar position** announced on the 13th of March was unwound and replaced with a fixed price swap for an average Brent crude price from July 2020 to April 2021 for 40% of Gaiselberg and Zistersdorf fields forecast proven (1P) oil production over a 10-month period at USD 41.77 per Barrel.
- ◆ **Work over program** was ongoing for routine work overs and access to behind pipe potential resulting in an increased production rate of approximately 30 BOEPD.
- ◆ **A Field geotechnical and engineering review** has commenced utilising recently acquired and reprocessed 3D seismic to assess Gaiselberg and Zistersdorf fields infill drilling potential as well as the undeveloped FLYSCH reservoir potential.
- ◆ **A baseline 3rd Party Reserves assessment** of the Gaiselberg and Zistersdorf fields was ongoing during the quarter by an independent consultant.

Romania – Iecea Mare Production and Parta Exploration License:

- ◆ **IMIC-1 testing** program commenced. A completion was run in the well and perforated. Some gas inflow has been detected from sampling and pressure build up is being monitored. Initial indications are reservoir damage which will require acidisation treatment to achieve flow rates obtained in historic wells from the same reservoir.
- ◆ **IMIC-2 drill site preparations** have been completed and well spud is planned for Q4 2020.
- ◆ **3D seismic acquisition** is expected to commence in late August 2020 to minimise crop damage.

PLANNED ACTIVITIES QUARTER 3, 2020

- **Austrian Onshore - Zistersdorf and Gaiselberg Production Assets** – finalise independent reserves review, undertake ongoing technical re-evaluation of the fields and contingent resource potential (Flysch reservoirs) utilising high quality 3D seismic and finalise exploration applications in Upper Austria.
- **Onshore Romania – Iecea Mare Production License and Parta Exploration** - Testing of IMIC-1 well is ongoing. Acquisition of Parta exploration 3D seismic.

OPERATIONS REPORT

Austrian Production, Appraisal And Exploration Activities

Zistersdorf and Gaiselberg Production Assets , Vienna Basin - Onshore Austria

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



Production Operations

Field production rate during the quarter averaged approximately 313 BOEPD, an increase of 9% from the previous quarter (refer table1 below). The increase is from a combination well work overs and rectification of process disruptions primarily due to emulsion formation. Production rate is now stable and an average production rate of approximately of 320 BOEPD is expected during the quarter beginning July 2020.

Despite ongoing difficult conditions currently faced by the oil and gas industry and the impact of the COVID-19 pandemic ADX has continued to make good progress establishing its Austrian business and has remained operationally active and financially robust. ADX has been able to execute planned well work over jobs as well as a number of facilities enhancements and maintenance programs required to maintain and enhance field production.

The COVID-19 pandemic precautions instituted by ADX in the field and the Vienna based technical team in mid-March continued during the quarter.

Due to the lifting of COVID-19 restrictions, Vienna based technical staff resumed office based work at the end of quarter. ADX has secured compensation from the Austrian government for the disruption on its work force due to COVID-19 resulting in a partial subsidy salary costs, including health service contributions and superannuation for a period of 3 months.

ADX has also applied for a zero interest loan for capital investments available to COVID-19 affected Austrian businesses with a view to maintaining business viability and growth.

Table 1 - Quarterly Production Summary						
	April	May	June	Current Qtr Total	Past Qtr Total	%age Change
Crude Oil Sold (Barrels)	8281	7879	8390	24,550	23,511	4%
Gas Sold (M ³)	228,830	219,411	193,190	641,431	411,590	56%
Total Oil Equivalent (BOE)	9675	9216	9567	28,458	26,015	9%
Avg Production Rate (BOEPD)	322	297	319	313	286	9%

Field Revenues and Product Pricing

Field revenues reached a minimum level in April 2020 when the average Brent crude oil price dropped to US\$ 18.55 per barrel. At quarter end, the Brent price had recovered to an average price US\$ 40.07 per barrel in June (refer table 2 below). The drop in oil price resulted in a 40% drop in sales revenue from €1,034,054 in the March quarter to €631,578 in the June quarter (refer table 3 below). The drop in oil price was partially compensated by hedging receipts of €215,908 during the quarter which contributed an additional 34% to total sales and hedging revenues. The resulting overall drop in total revenues was reduced to 22%.

Table 2 - Quarterly Sales Price Summary						
	April	May	June	Current Qtr Average	Past Qtr Total	%age Change
Avg Oil Pricing (US\$ / BBL)	\$ 18.55	\$ 28.98	\$ 40.07	\$ 29.20	\$ 50.26	-42%
Avg Gas Price (Euro per M ³)	€ 0.08	€ 0.07	€ 0.06	€ 0.07	€ 0.14	-48%

The hedging revenues are sourced from a fixed price swap announced on 5th of March and a reparticipating collar position announced on the 13th of March applicable to 40% and 25% respectively of forecast proven (1P) oil production.

On the 26th of June ADX announced it had unwound the above mentioned reparticipating collar position and secured a fixed price swap for an average Brent crude price from July 2020 to April 2021 for 40% of the forecast proven (1P) oil production at USD 41.77 per Barrel. The revised hedging position in combination with the previously secured swaps at a

fixed Brent price of US\$ 50.64 ensures pricing certainty over approximately 80% of proven (1P) oil production at an average Brent in excess of US\$ 46 per barrel until the end of December 2020. The counterparty for all the hedging transactions is BP.

Table 3 - Quarterly Sales & Hedging Revenue Summary

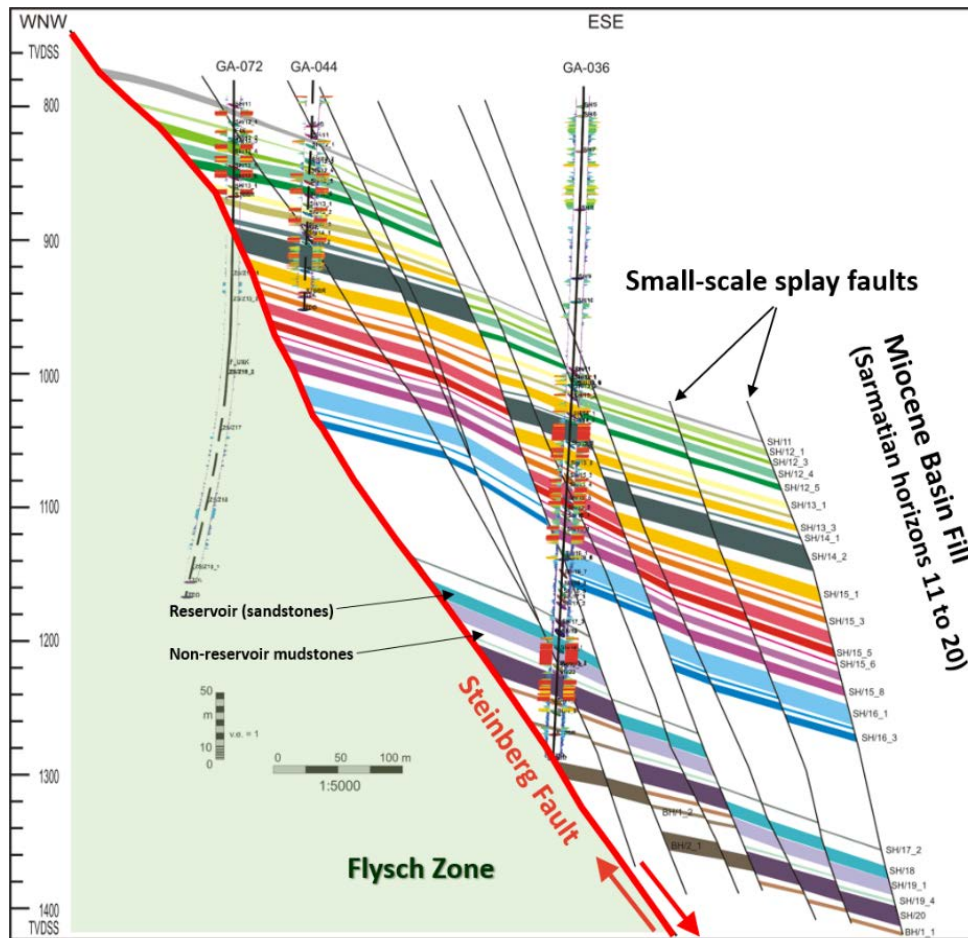
	April	May	June	Current Qtr Total	Past Qtr Total	%age Change
Oil Revenue (Euro)	€ 127,855	€ 190,705	€ 272,663	€ 591,224	€ 981,834	-40%
Gas Revenue (Euro)	€ 15,684	€ 14,175	€ 10,496	€ 40,355	€ 52,220	-23%
Total Sales Revenue (Euro)	€ 143,539	€ 204,880	€ 283,160	€ 631,578	€ 1,034,054	-39%
Hedging Revenue (Euro) "Swaps and Put Options"	118,098	68,091	29,719	€ 215,908	€ 59,130	265%
Total Revenue (Euro)	€ 261,637	€ 272,971	€ 312,879	€ 847,487	€ 1,093,184	-22%
Total Revenue (A\$)	\$ 428,913	\$ 447,494	\$ 512,916	\$ 1,389,323	A\$/Euro = 0.61	
<i>Effective Oil Price (US\$/BBL)</i>	<i>\$ 29.70</i>	<i>\$ 32.84</i>	<i>\$ 36.04</i>	<i>\$ 32.86</i>		

Reserves and Production Growth

In addition to ongoing production operations, ADX's Austrian technical team is maturing a number of field development and appraisal opportunities utilising a highly improved 3D seismic data set with a view to identifying additions to ADX existing reserves and resources at Zistersdorf and Gaiselberg.

The focus of activities is on accessing undeveloped reserves at Zistersdorf and Gaiselberg via infill drilling or the side track of existing wells as well as the appraisal of the large resource potential from the underdeveloped Flysch reservoir which can be accessed via the existing production footprint. The combination of existing field production and export infrastructure, high value crude quality and very low royalty (1%) makes reserves and production additions very compelling.

The review work has been enabled by a data trade with Austrian major oil company OMV where ADX had gained access to a recently acquired 3D seismic dataset covering ADX producing oilfields as well as neighboring exploration and production areas belonging to OMV. The data set is being utilised to map and quantify with greater confidence future infill well drilling locations targeting already producing Badenian reservoirs beneath the main oil production reservoirs at Zistersdorf and Gaiselberg ("Sarmatian" age) as well as identifying and quantifying the Mesozoic age thrust "Flysch" sandstone reservoirs on the hanging wall of the ADX oil fields.

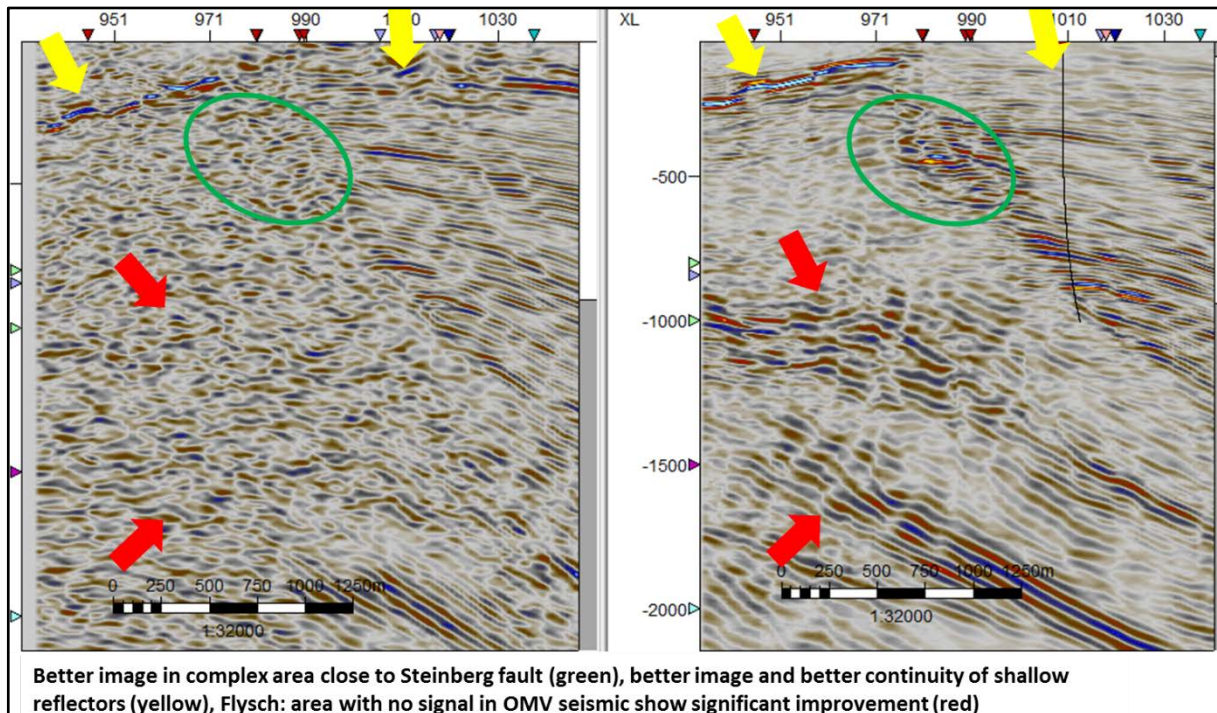


The OMV 3D dataset was reprocessed by ADX during the quarter and the resulting new 3D

Cross section of the northern Gaiselberg oilfield, showing the main structural and stratigraphic elements

seismic dataset has shown significant improvements which will allow better production well placement and further delineation of the large Flysch oil and gas resource potential. The Flysch is a proven producing reservoir in the ADX fields but due to structural complexity, and seismic imaging challenges has hardly been developed so far.

In a nearby OMV field highly successful horizontal Flysch wells are examples of the large productivity potential when modern drilling and completion practices are deployed to this reservoir. The better wells have produced between 0.5 and 1.0 million barrels per well.



Comparison of 3D seismic before reprocessing (left) and after reprocessing (right)

ADX Vienna's highly experienced technical team are expected to complete an updated interpretation for the currently producing Miocene oil & gas reservoirs in order to identify further infill locations or sidetrack opportunities as well as establishing a new structural model for the Flysch reservoirs with a view to identifying future optimal appraisal drilling locations within this large oil in place reservoir.

ADX intends to develop a drilling program including Zistersdorf and Gaiselberg infill wells as well as Flysch appraisal wells. The improved seismic data set is also intended to be utilised for a review of the remaining reserves from the existing developed reservoirs at Zistersdorf and Gaiselberg.

Independent Reserves Review

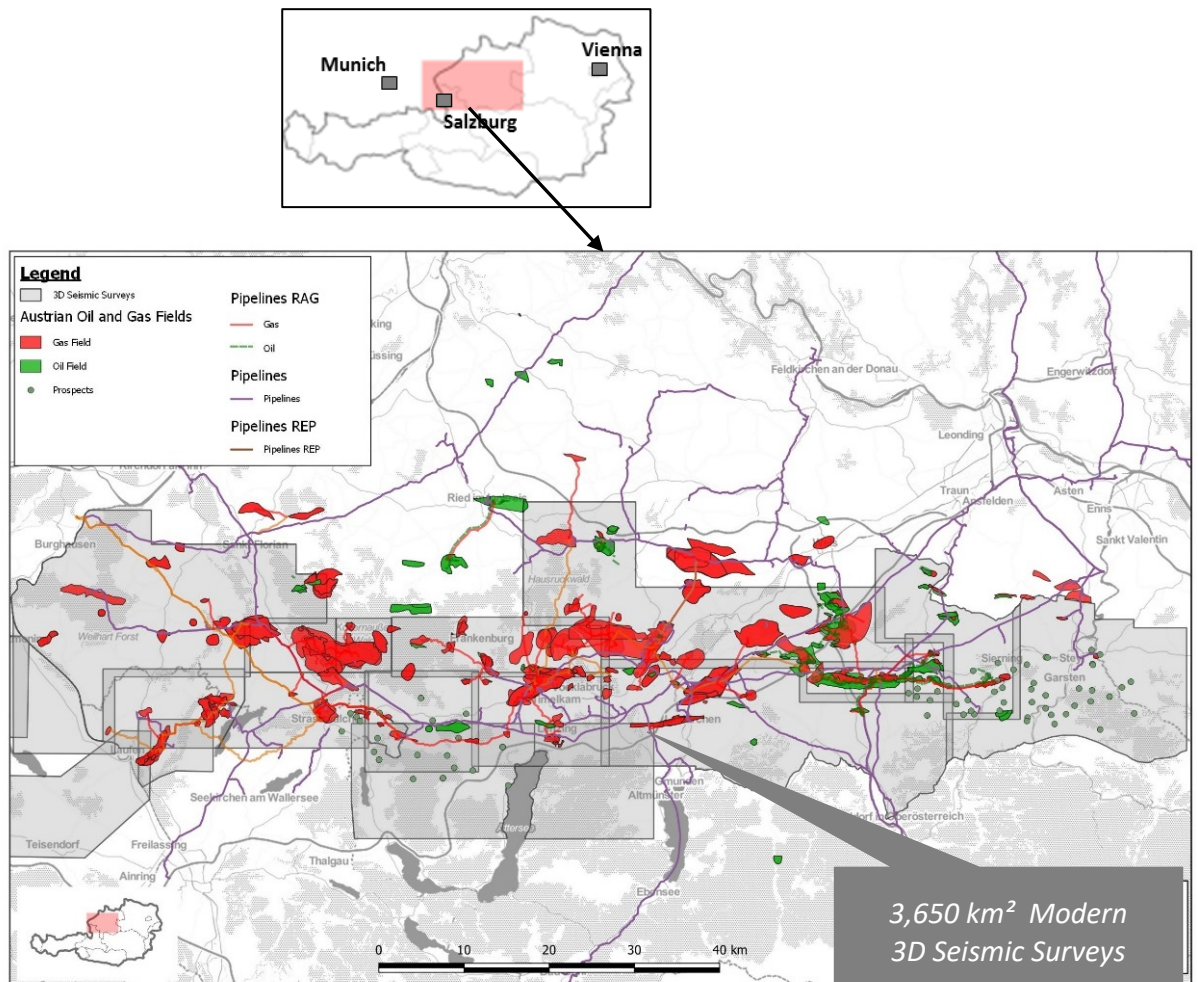
ADX engaged an internationally accredited independent consulting group to provide a base line independent review of ADX Austrian reserves and resources. The results are expected to be released in August 2020.

ADX intends to engage a further independent review following completion of the current Zistersdorf and Gaiselberg field technical review utilising the new 3D seismic data set.

Upper Austria Exploration Gazettals

During the quarter, ADX has successfully completed informal discussions with the responsible Austrian authorities for the award of two exploration, production and geothermal licenses ("AGS") in Upper Austria (Molasse Basin). This has resulted in the finalization of a

formal application document defining mutually agreed terms and conditions in accordance with fiscal and legal framework. Based on the very collaborative discussions with the designated authority to date, ADX expects that the AGS contracts for the 3D seismic covered areas will be offered to ADX in late quarter three to early quarter four 2020 for signature and award.



Location map showing Upper Austria Oil and Gas fields (Green and Red Areas) as well as area of 3D seismic exclusively available to ADX

The key attributes of the AGS areas are as follows:

- ADX evaluation based on an exclusive 3D seismic data set with \$100 million replacement value.
- Low risk appraisal and high impact exploration prospects proximal to infrastructure where historical exploration success rates of 47% have been recorded over a number of different play types.
- Drill ready portfolio with multiple drill sites ready for appraisal & exploration prospects.

- High impact, low cost, shallow gas thrust imbricates play, defined on 3D seismic and AVO anomalies.
- Several prospects have dual hydrocarbon and geothermal objectives. Geothermal reservoirs are proven in the area with extensive development already in the basin in nearby Germany.
- Strong additional demand for geothermal developments adding further value potential to portfolio.

Current Quarter Planned Activities include;

- ♦ The base line independent reserves assessment results expected to be available in August 2020.
- ♦ Geotechnical evaluation utilising a new 3D seismic data set as well as engineering and planning work will be ongoing with a view to maturing infill development wells in the Zistersdorf and Gaiselberg fields as well as appraisal opportunities in the underdeveloped Flysch reservoirs.
- ♦ Ongoing pursuit of further collaboration opportunities pursuant to a non-binding letter of intent with RAG (seller of Zistersdorf and Gaiselberg fields) in relation to other assets in Upper Austria.
- ♦ The offering of exploration and appraisal licenses to ADX by the Austrian licencing authorities in relation to (AGS Areas) applications in Upper Austria.

Appraisal and Exploration Activities

PARTA APPRAISAL PROJECT and PARTA EXPLORATION PERMIT – Onshore

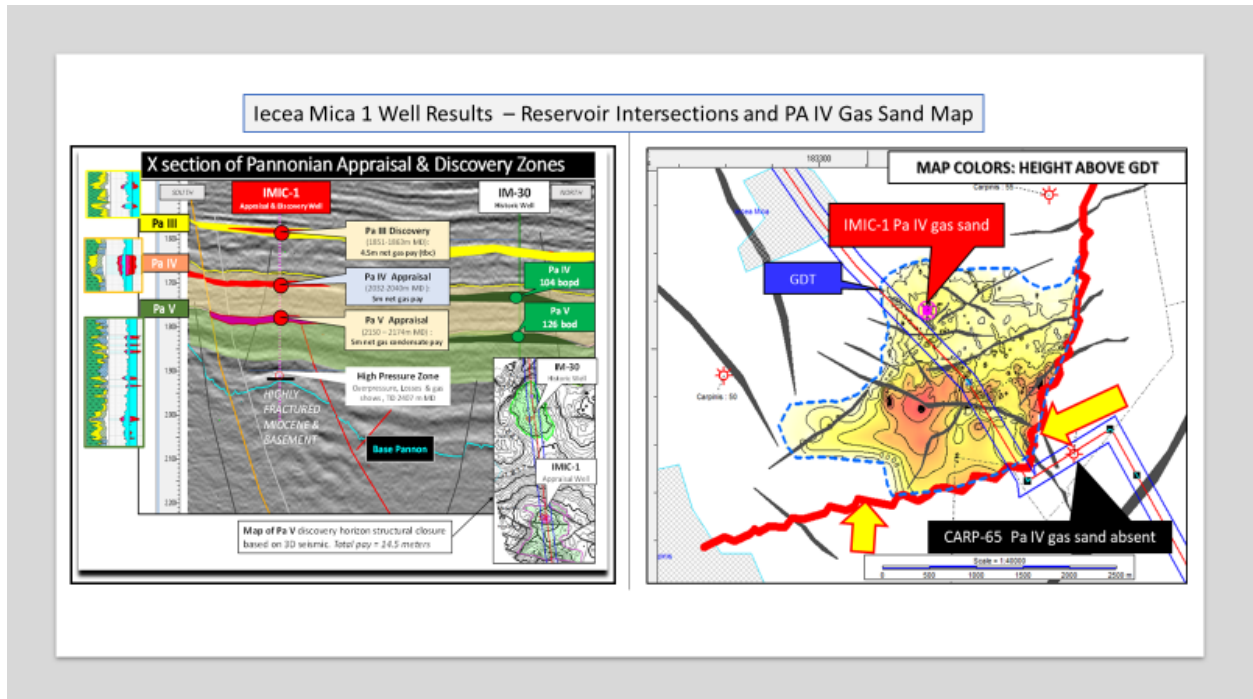
ADX holds a 49.2% shareholding in Danube Petroleum Limited (Danube). The remaining shareholding in Danube is held by Reabold Resources Plc. Danube via its' wholly owned subsidiary, ADX Energy Panonia srl, holds a 100% interest in the Parta Exploration license (including a 100% interest in the Parta Appraisal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

Due to the COVID-19 pandemic Romania has had its borders closed restricting access to essential personnel and imported goods from late March to the end of May 2020. The border closures during this period delayed planned appraisal and exploration activities including the testing of the IMIC-1 well and acquisition of the Parta 3D exploration seismic. ADX was able to resume operations on the ground in early June 2020 with the mobilisation of a work rig for IMIC-1 testing and ongoing planning work for the Parta exploration 3D seismic program.

IMIC–1 Well Testing: Work over rig mobilisation commenced on the 19th of June 2020 in preparation for production testing the successful IMIC-1 well that was drilled in late 2019.

The testing programme included the installation of permanent production tubing and flow control equipment in the well prior to perforation and production testing of the well.

On 2 July 2020 ADX reported well production equipment had been run into the well and perforated to initiate flow from the Lower Pannonian “Pa IV” gas reservoir (the PaV and Pa III potential gas reservoirs were not perforated during the current program).



Some inflow from the well is evident from wellhead pressure measurements at surface following well perforation from the reservoir and confirmed from subsequent down hole sampling, however gas flow to surface from the well was not achieved.

The flow test results to date suggest reservoir damage and mud filtrate build up around the well bore given that the IMIC-1 well encountered good reservoir porosity (20% within the net pay gas zone) and gas saturations in the Pa IV sandstone reservoir based on electric wireline logs and gas shows (gas inflow to the drilling mud) while drilling late last year. In addition, well test results from the nearby historic well drilled in the mid 80's flowed at up to 1 MMSCFPD and subsequent cuttings from IMIC-1 drilling analysis together with modern petrophysical analysis from the well logs indicated good Pa IV gas reservoir permeability.

The potential reservoir damage and mud filtrate build up around the well bore may have resulted in the blocking of reservoir fluids due to mud ingress into the reservoir and the build-up of nonpermeable filtrate from drilling mud. This damage can be overcome with acidisation, which is a routine practice within these reservoirs in the Pannonian basin where carbonate cement within the reservoir matrix containing movable hydrocarbons is common. Modern rock typing work has further established the presence of carbonate

cement (Siderite) within the Pa IV reservoir. Approximately 20% of the reservoir matrix consists of calcite and siderite cement that can be dissolved by acid to enhance near well bore permeability.



Running production string into IMIC-1 well prior to perforation



Preparation of perforation equipment prior to running into IMIC-1 well

Acidisation equipment has been sourced in Romania in order to stimulate the well with a view to creating a flow path for gas beyond the mud filter cake built up around the well bore while drilling and the damage zone in the reservoir.

During the week commencing 27th of July 2020 a wireline contractor was mobilised to undertake ongoing down hole pressure measurement and sampling of reservoir fluids. The results of down hole pressure monitoring will be used to determine future flow testing operations and programs.

Further flow testing results are expected during August including the analysis of down hole pressure measurement as well as the results of any future clean up stimulation or testing programs.

IMIC–2 Appraisal Well Drilling: Site preparation for the IMIC–2 well location was completed in early June utilising local contractors. All long lead items have been secured and services contracted for the drilling of the IMIC–2 well. The well is planned to spud in October 2020.

3D and 2D Seismic Acquisition: Despite COVID-19 delays and restrictions on personnel movements, good progress was made with seismic contractor AGS (Viking) to acquire 3D seismic during quarter three 2020. All key landowner and necessary authority permits have been obtained with the final environmental permit expected for 3rd week of August. AGS has already started initial shot point and receiver surveying so that the 3D seismic survey (approx. 100 square km) can be acquired in the minimum timeframe with minimal environmental impact and disturbance to the local communities and farmers. The actual start date for the seismic acquisition will be determined by the sunflower harvest, expected to be in the last week of August to early September.

In addition to 3D seismic, three 2D lines are planned for acquisition over the Iacea Mare production license covering the IMIC-1 discovery to further delineate the interpreted updip (stratigraphic) potential.

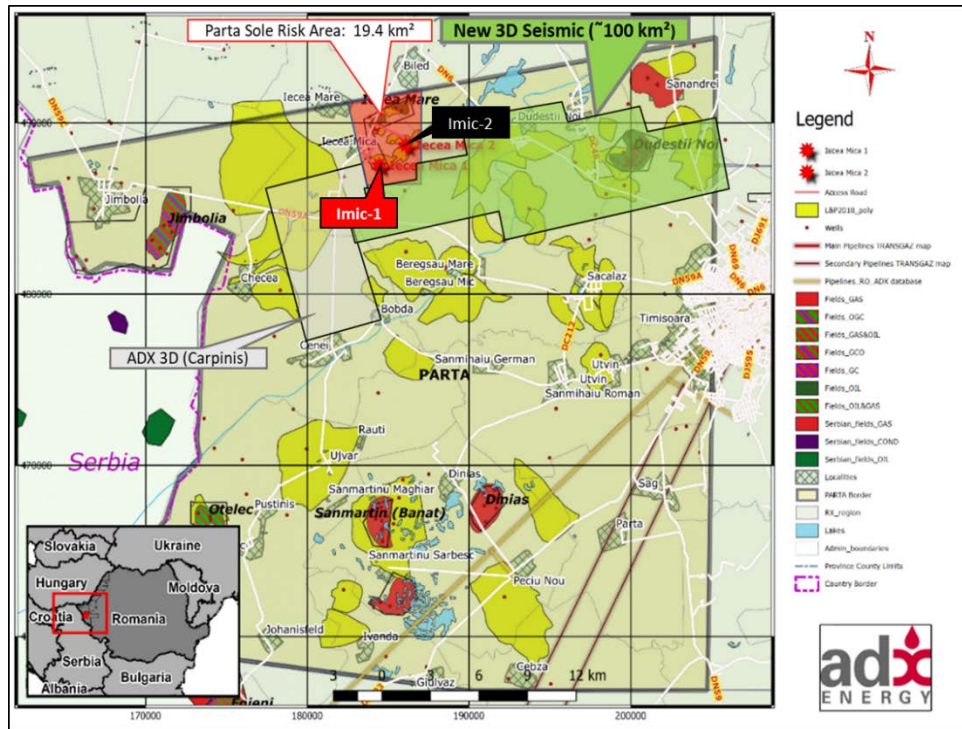
A small 3D seismic survey has been purchased over the Iacea Mare production license (inside Parta) from the previous operator Amromco. The seismic is good quality and has been reprocessed previously by US based contractors. ADX intends to reprocess again the 3D data set within the Iacea Mare production license to take advantage of significant improvements in seismic processing technology during the last few years. ADX has been able to achieve significant improvements in 3D seismic data set in Austria utilising a highly experienced German contractor DMT.

ADX will contract DMT to reprocess the Iacea Mare 3D seismic data set. This will assist in optimising the processing of the planned Parta 3D seismic data and also help to further

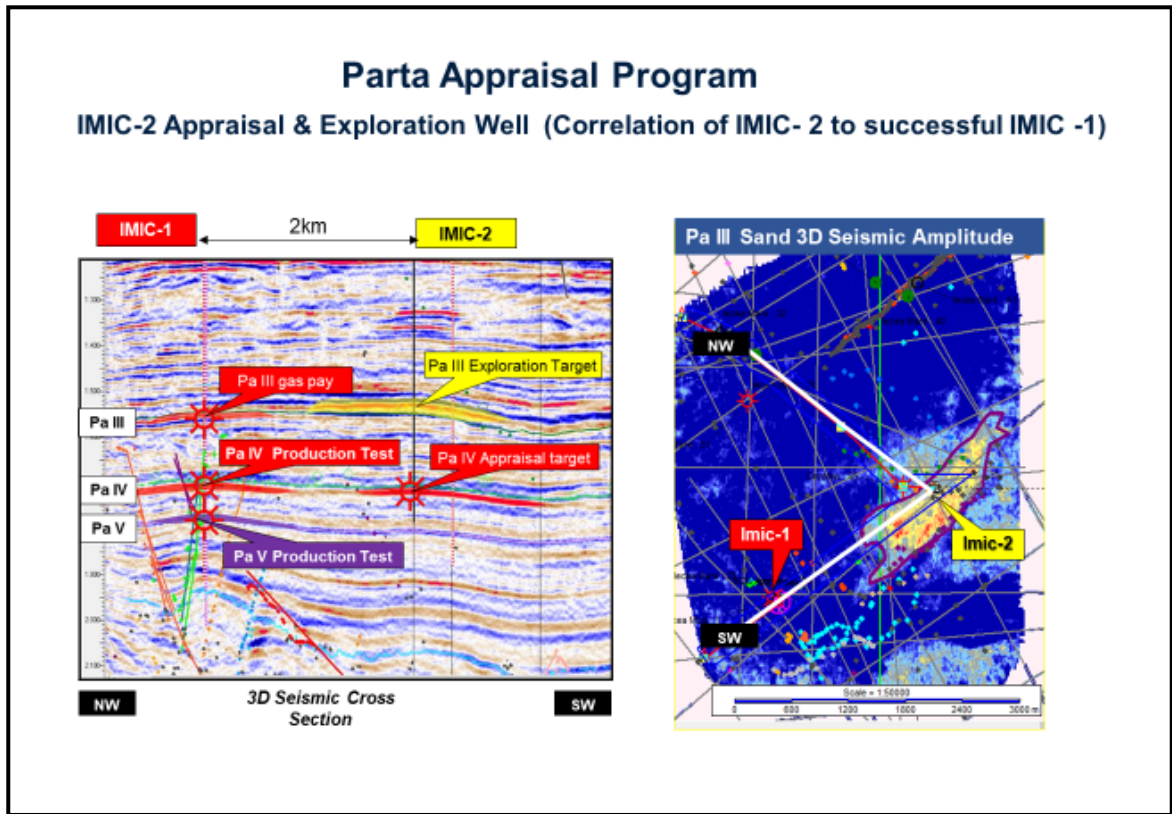
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understand the extent of the IMIC-1 discovery as well as results from the planned IMIC-2 exploration and appraisal well.



Map showing planned Parta 3D seismic and existing Iacea Mare 3D seismic in the Parta Sole Risk Area



Funding for Planned Appraisal and Exploration Activities: Testing and appraisal activities have been funded via funding contributions made by both Reabold Resources Plc (LSE AIM:RBD) (“Reabold”) and ADX in December 2019 to Danube Petroleum Limited (“Danube”). Reabold contributed £1,953,125 and ADX contributed £290,314 of new funding. 3D exploration seismic in the Parta permit will be funded by Parta Energy Ltd a subsidiary of Tamaska Oil and Gas (“Tamaska”) pursuant to a farm in agreement where Tamaska will fund a US\$ 1.5 million seismic program to earn a 50% interest in the Parta Exploration Licence (refer ASX announcement dated 8 April 2019).

Current Quarter Planned Activities include;

- ◆ Production testing the Iacea Mica-1 (IMIC-1) well in the Parta Sole Risk Area will be ongoing during July and August 2020.
- ◆ Finalise preparation and planning for the acquisition of 3D seismic in the Parta Exploration Permit during the current quarter.
- ◆ Site preparation has been completed and planning will continue for the Iacea Mica-2 (IMIC -2) well in the Parta Sole Risk Area. Drilling expected during Q4 2020.

Dougga Gas Condensate Project (Kerkouane Permit) – Offshore Tunisia

ADX is operator and holds 100% interest in the Kerkouane Exploration Permit

Further to ADX's ASX Announcement on 6/9/2019, activities in Tunisia are being suspended in favour of the abovementioned more stable and fiscally attractive jurisdictions. ADX is currently finalizing arrangements for withdrawal from Tunisia and the closing its branch office as soon as practically possible.

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 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.

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 has been informally advised by the Italian Licensing Authorities that it has demonstrated sufficient financial capability for the ratification of the permit upon resumption of oil and gas activities following earlier announced Farmin by SDP Services Limited (SDP).

Due to the COVID-19 Pandemic the suspension of exploration activities is expected to be extended until the first or second quarter of 2021.

Finance and Corporate

Funding

Operations

During the June 2020 quarter, funds received from oil and gas operations in Austria totalled \$2.1 million (for the period Feb to May). June revenue from operations of \$0.55 million was received after the quarter end.

Cash Balances

ADX's cash at the end of the quarter was \$3.04 million. This cash balance includes \$1.9 million held by 49.2% owned subsidiary Danube Petroleum Limited and its' Romanian subsidiary ADX Energy Panonia srl for Romanian Operations.

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	% acquired
Onshore Austria, Zistersdorf and Gaiselberg Production License	100%	100%	-
Onshore Romania, Parta ¹	100%	100%	-
Onshore Romania, Iecea Mare Production Licence	100%	100%	-
Offshore Italy, d363C.R-.AX ²	100%	100%	-
Offshore Tunisia, Kerkouane ³	100%	100%	-

Note 1: 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 2: 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.

Note 3: ADX has commenced a process of withdrawal from Tunisia and Kerkouane license. Withdrawal from Tunisia including closure of the Tunisian branch office is expected during the current quarter.

Yours faithfully,

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

Paul Fink

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

Ian Tchacos

Executive Chairman

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

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).

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.