

22 November 2021

ADX Secures Farm-in Funding for the Anshof Prospect in Upper Austria

“ASX listed Xstate Resources to fund 40% of well costs to earn a 20% participating interest in the prospect”

Key points:

- Xstate Resources Limited (“Xstate”) will fund 40% of the Anshof well up to a cap at EUR 1,800,000 (EUR 720,000) to earn a 20% equity interest in the Anshof Prospect Area. Xstate may elect to fund 40% of a second well on the Anshof Prospect or the Anshof Farmin Area to earn a 20% interest in the Anshof Farmin Area within the ADX-AT-II exploration license. (Refer to figure 1)
- Post farm-in to Anshof and a second well, ADX will retain an 80% interest in the Anshof Prospect Area and the Anshof Farmin Area. ADX will retain a 100% interest in the remainder of the ADX-AT-II exploration license and the entire ADX-AT-I exploration license. (Refer to figure 2)
- Success at Anshof can be rapidly commercialised due to close proximity to infrastructure that is accessible on favourable contracted terms.
- A number of attractive follow up prospects are located within the Anshof Prospect Area which are defined on high quality 3D seismic.
- ADX is currently preparing to spud the Anshof well during December 2021 and expects to have initial well results by mid to late January.
- The Anshof exploration well has a best technical case prospective resource potential of 6.6 million barrels of oil equivalent (MMBOE)* with significant upside potential in the primary Eocene sandstone target at a depth of 2,000 metres Measured Depth (“MD”). The well will reach a Total Depth (“TD”) of 2,200 meters MD to also explore Cenomanian reservoirs with a best technical prospective resource potential of 2.1 MMBOE (a significant oil producing reservoir in the large Voitsdorf oilfield to the East of Anshof). *The Original Resources Reporting Date: Upper Austria Exploration was on 30/11/2020, estimates were further revised on 30/3/21.*

****Prospective Resources:** 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.*

- An independent review of the Anshof Prospect was undertaken by RISC Advisory Pty Ltd (“RISC”) was completed in November 2021 and RISC assessed that the mean un-risked Prospective Resource for the Anshof prospect is 6.6 Million Barrels of Oil Equivalent (“MMBOE”) (primary Eocene target only) and the probability of success is 43%.
- Xstate has an option for two months after the drilling of Anshof to farm-in to ADX OHO prospect in ADX-AT-I license area by funding up to 50% of the well to earn up to a 25% interest.

ADX Executive Chairman, Mr Ian Tchacos, said, *“The Board of ADX is delighted to welcome Xstate to participate in our Upper Austrian exploration program. The farm-in represents a vote of confidence for the Anshof prospect. The farm-in carry and Xstate’s ongoing participation in Anshof will assist ADX to rapidly progress and fund the development of any discovery as well as any ongoing appraisal drilling thereby accelerating the pathway to cash flow”.*

ADX Energy Ltd (**ASX Code: ADX**) is pleased to advise that it has signed a farm-in agreement with Xstate Resources Limited ("Xstate") to partially fund the drilling of the Anshof prospect in ADX-AT-II exploration license in Upper Austria ("Farmin HOA"). Under the terms of the Farmin HOA, Xstate will fund 40% of the Anshof well drilling expenditure up to a cap EUR 1,800,000 million (EUR 720,000) to earn a 20% equity interest in the Anshof Prospect Area. Xstate may elect to fund 40% of a second well on Anshof or the Anshof Farmin Area to earn a 20% interest in the entire Anshof Farmin Area (Second Well Funding).

Subject to an election to participate in the Anshof Prospect Area following the conclusion of drilling the Anshof exploration well, Xstate has up to 3 months to elect to participate in the entire Anshof Farmin Area by making a commitment to the Second Well Funding. Upon earning a participating interest in the Anshof Prospect and the Anshof Prospect Area, ADX and Xstate have agreed to enter into a production sharing contract (PSC) and a joint operating agreement (JOA) which will cover the conduct of ongoing operations and sharing of production. The PSC and JOA principles are included in the Farmin HOA.

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

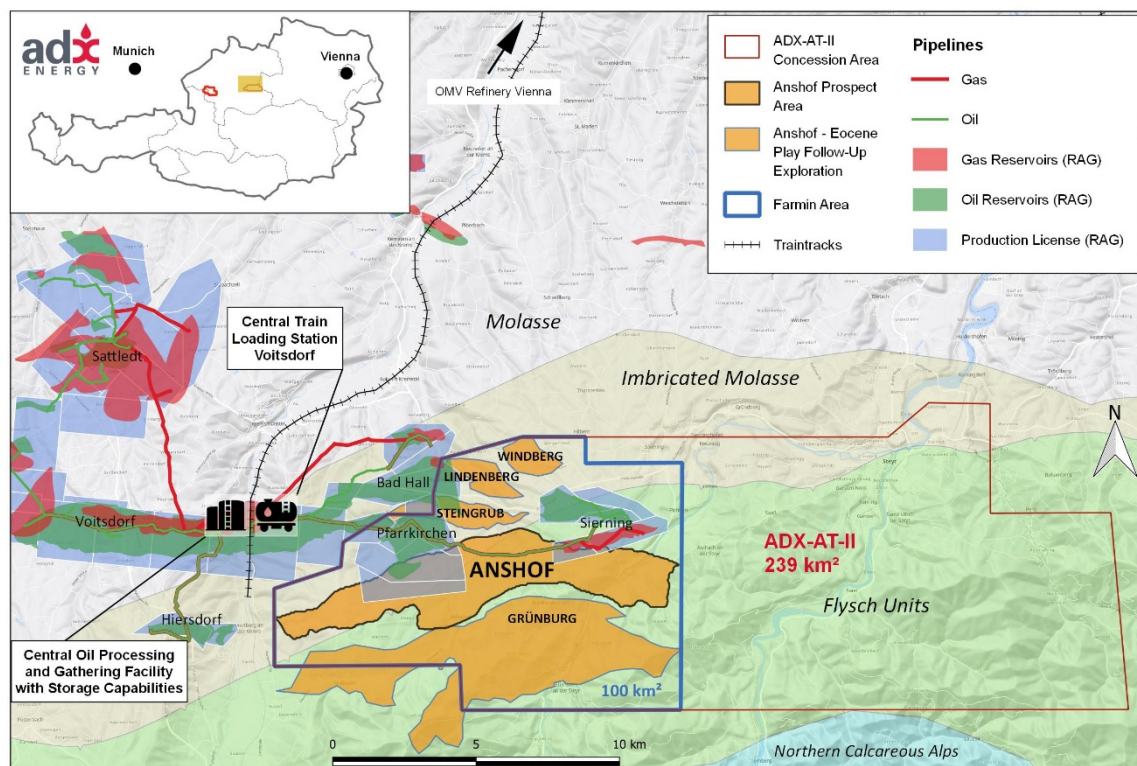


Figure 1: Map showing the Anshof Prospect Area and the Anshof Farmin Area within the ADX-AT-II exploration license

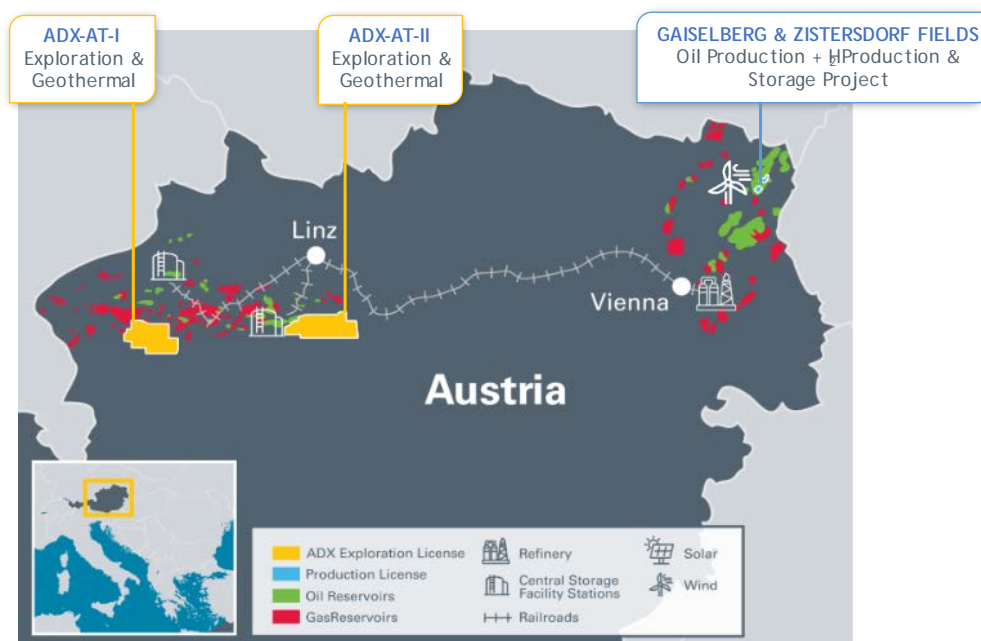


Figure 2: Map showing ADX Upper Austria ADX-AT-I and the ADX-AT-II exploration licenses as well as ADX Vienna Basin Fields. The Anshof Prospect is within the ADX – AT II license

ADX is preparing to spud the Anshof well in December 2021. The primary target for the Anshof well are high productivity Eocene sandstone reservoirs which are expected at a drill depth of approximately 2,000 metres MD. The well is estimated to take 17 days to drill to a total depth of 2,200 meters MD. The well program includes a full penetration of the deeper Cenomanian sandstone reservoirs which are significant producers in nearby fields such as the large Voitsdorf oilfield northeast of Anshof.

Anshof is a well-defined Eocene - Cenomanian structural prospect located up-dip and on trend from existing oil production from adjacent fields. The ADX' in house team has developed a new structural model constraining the nearby producing Voitsdorf, Bad Hall and Pfarrkirchen oil fields which has resulted in identification of a number of on trend prospects and appraisal opportunities. Exploration success at Anshof will validate the new structural model and de-risk multiple follow up prospects. The Anshof prospect has a best technical case prospective resource potential of 6.6 MMBOE with significant upside potential in the primary Eocene sandstone reservoir objective. The well plan includes a deeper Cenomanian secondary target with a best technical resource potential of 2.1 MMBOE. *The Original Resources Reporting Date: Upper Austria Exploration was on 30/11/2020, estimates were further revised on 30/3/21.*

On the 10th of November 2021 ADX announced an independent review of the Anshof Prospect undertaken by RISC Advisory Pty Ltd ("RISC"). RISC assessed that the mean un-risked Prospective Resource for the Anshof prospect is 6.6 Million Barrels of Oil Equivalent ("MMBOE") (including the primary Eocene target only) and the probability of success is 43%.

OHO Farm-in Option

Subject to satisfying its Anshof farmin obligations, Xstate has an option for up to two months after the drilling of Anshof to farmin to ADX OHO prospect in ADX-AT-I license to earn between a 15% to 25% participating interest in the OHO Farmin Area by spending twice the nominated participating interest share of the costs of drilling one exploration well in the OHO Farmin Area up to maximum expenditure of €6,600,000.

The OHO Farmin Area is the blue outlined (90 km²) area shown in figure 3 below in the south of the ADX-AT I concession incorporating the ‘Mesozoic wedge play’ consisting of Jurassic and Cretaceous reservoirs pinching out onto the basement terrains, in particular the central basin high or so called ‘Central Swell Zone’ (“**OHO Play**”) in the ADX-AT-I License, Molasse Basin, Austria. OHO Farmin Area does not include shallower Miocene or Oligocene prospects such as the Irrsdorf and Lichtenberg prospects.

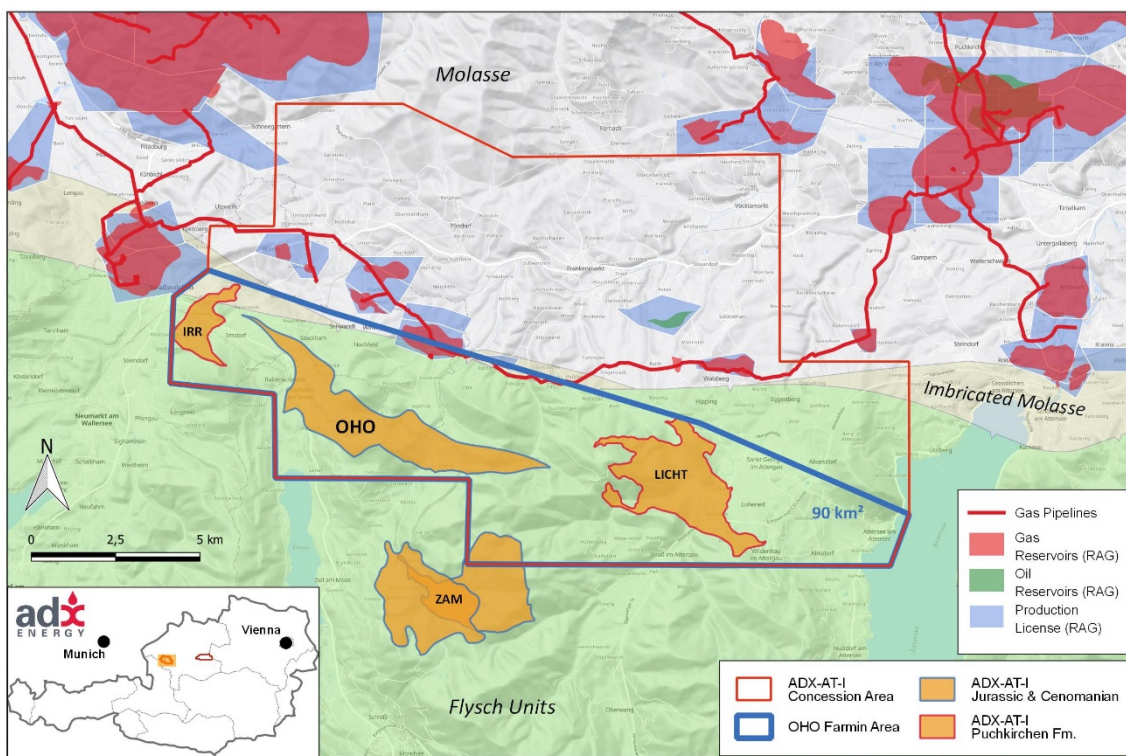


Figure. 3: OHO Farmin Area within the ADX-AT-I license

Non-Executive Director of ADX Energy, Mr Andrew Childs is also the Executive Chairman of Xstate, Mr Childs declared his conflict at the beginning of this process and recused himself from all Board Meetings and decision making in relation to the Anshof Farmin transaction.

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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 Ltd 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).

End of this Release