

8 January 2024

Investment Agreement Completed for Gas Exploration in ADX Upper Austria Licence

“MND has paid EUR 0.45 million in back costs and will fund EUR 4.5 million in drilling expenditures to earn a 50% economic interest in ADX-AT-I Investment Area”

Deal Summary

- MND Austria a.s. (MND) has paid back costs of EUR 0.45 million (A\$ 0.73 million) to ADX VIE GmbH (ADX) and will fund EUR 4.5 million (A\$ 7.34 million) for exploration drilling to earn a 50% economic interest in an Exploration Investment Area within the ADX-AT-I licence (Investment Area), in Upper Austria. The Investment Area is shown in figure 1.
- The transaction announced on the 4th of December 2023 has been completed following confirmation of acceptance of the Investment Area partnership documentation by the Austrian Ministry of Finance (BMF). The form of partnership documentation used for this transaction was previously developed by ADX and accepted by the BMF for MND's economic participation in the Anshof Field Area.
- Several gas prospects are available for drilling in the Investment Area. ADX and MND currently intend to drill either the LICHT or the IRR gas exploration prospect during the second half of 2024. Both prospects offer very large gas resources upside potential and are mature for drilling. The LICHT prospect location has already received a drilling permit, including environmental clearance.
- ADX is operator and retains a 50% economic interest in the exploration Investment Area. ADX has retained a 100% interest in the remainder of the ADX-AT-I licence including adjacent gas exploration prospects (OHO and ZAM) and the GMU geothermal / oil and gas combined energy prospect.
- MND a.s., the parent of MND, is a highly credentialed European explorer, producer and oil services group that generated approx. EUR 8.5 billion of revenue in 2022.

ADX Executive Chairman, Mr Ian Tchacos, said, *“The Board of ADX is delighted to have completed the Investment Agreement with MND and we look forward to the commencement of our gas exploration program in our ADX-AT-I exploration licence. The transaction provides upfront cash of EUR 0.45 million and EUR 4.5 million of gas exploration drilling investment which we intend to deploy during the second half of 2024. We are pleased to further extend our collaborative relationship with MND across the Anshof Oil Field as well as exploration drilling opportunities within the ADX-AT-I licence. This transaction ensures ongoing exploration investment without the need to raise further shareholder funds, a strategy which provides upside to our shareholders with minimal financial exposure.”*

ADX Energy Ltd (**ASX Code: ADX**) is pleased to advise that its wholly owned subsidiary ADX VIE GmbH (ADX VIE) has completed an Energy Investment Agreement (EIA) with MND Austria a.s. (MND) for co-investment in an exploration area within the ADX-AT-I license (Investment Area), in Upper Austria. In accordance with the terms of the EIA announced on the 5th of December 2023, MND has paid back costs of EUR 0.45 million (A\$ 0.73 million) to ADX VIE and has committed to fund EUR 4.5 million (A\$ 7.34 million) for exploration drilling to earn a 50% economic interest in the Investment Area.

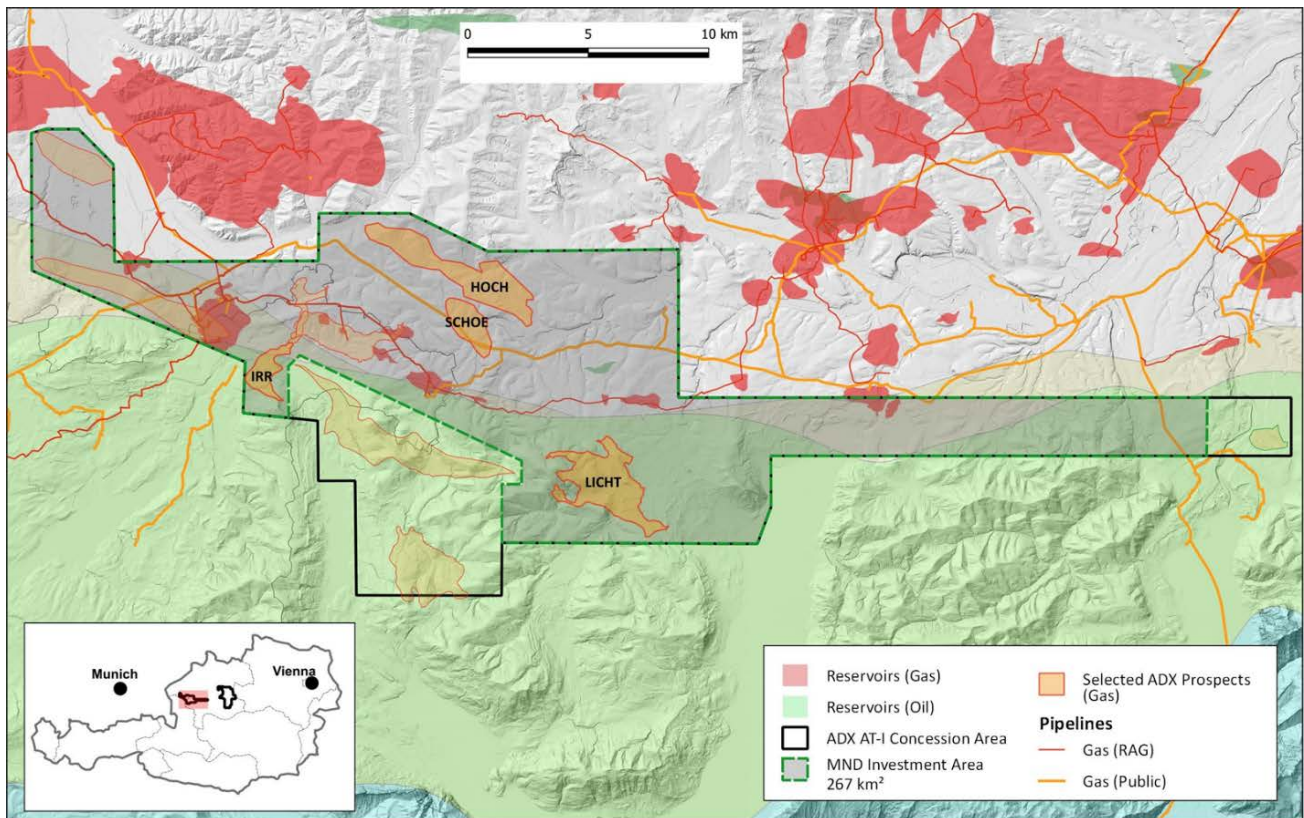


Figure 1: Map showing the Investment Area within the ADX-AT-I licence which includes the LICHT and IRR gas exploration prospects

The transaction has been completed following the recent clearance of the Investment Area partnership documentation by the Ministry of Finance of the Republic of Austria (Bundesministerium für Finanzen).

ADX is the operator and retains a 50% economic interest in the Investment Area. ADX retains a 100% interest in the remainder of the ADX-AT-I licence. Of particular relevance for further gas exploration in the licence, ADX has retained a 100% interest in adjacent gas prospects such as OHO, ZAM and the GMU geothermal / oil and gas combined energy prospect.

ADX and MND intend to drill either the LICHT or IRR gas exploration prospects during the second half of 2024. The abovementioned gas prospects are technically mature for drilling and the LICHT prospect has recently received a drilling permit as well as environmental clearance.

The *IRR gas prospect* offers best technical prospective recoverable gas resources of 38 BCF with a very large stratigraphic upside potential of 79 BCF (P10). IRR is located next to an analogous discovery which to date has produced over 150 BCF of gas. Refer to ASX release dated 22nd June 2023. (Note the cautionary statement below in relation to Prospective Resources). Figure 2 below shows a 3D seismic image with a rendered 3D surface of the gas prospect next to the large high productivity gas field which is now a storage facility.

The *LICHT prospect* offers similarly large stratigraphic upside potential and has best technical recoverable resources of 16.2 BCF defined by a four-way dip closure. Like the IRR prospect LICHT also has an AVO anomaly indicative gas filled reservoir. Refer to ASX release dated 22nd June 2023. (Note cautionary statement below in relation to Prospective Resources).

Both prospects are proximal to infrastructure providing the opportunity for rapid and low cost development.

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 exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

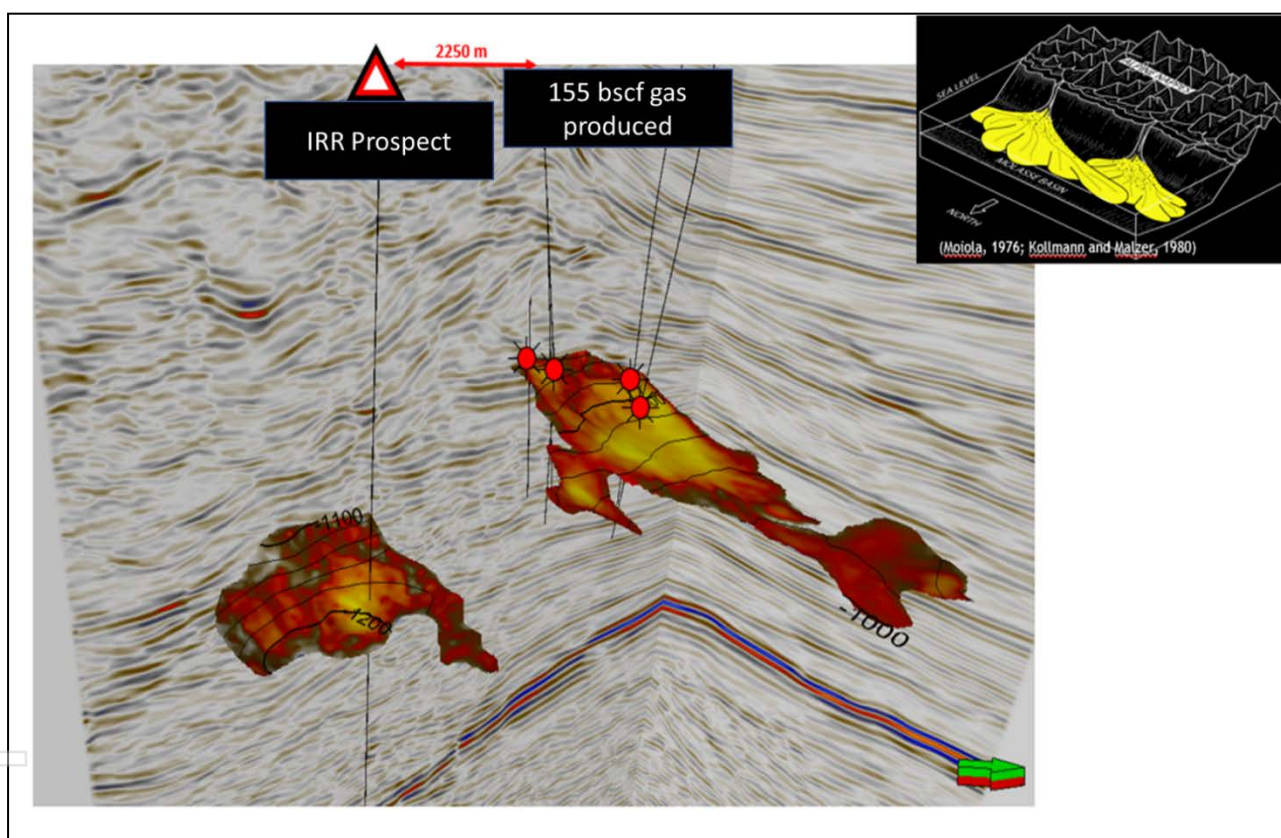


Figure 2: 3D rendering of the IRR prospect mapped on 3D seismic and supported by AVO anomalies indicating gas filled reservoir. IRR is an analogy to the close by gas field. The insert shows the geological model suggesting the reservoir stemming from turbidite deep water sediments

About MND

The parent company of MND is MND a.s., a highly credentialled European energy company that generated approx. EUR 8.5 billion in revenue in 2022. MND a.s. businesses include Production and Exploration, Drilling and Services, Energy Storage and Energy Trading. The Company is active in the Czech Republic, Germany, Ukraine, Austria, Hungary, Slovakia and Hungary. Austria is a new country entry for MND's Exploration and Production Business.

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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 5.41 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 30 years of technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. Mr Fink is a member of the EAGE (European Association of Geoscientists & Engineers) and FIDIC (Federation of Consulting Engineers).

Previous Estimates of Reserves and Resources:

ADX confirms that it is not aware of any new information or data that may materially affect the information included in the relevant market announcements for reserves or resources and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Reporting Standards for Resource Estimation

Prospective Resources are reported in accordance with the definitions of reserves, contingent resources and prospective resources and guidelines set out in the Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the American Association of Petroleum Geologists (AAPG), World Petroleum Council (WPC), Society of Petroleum Evaluation Engineers (SPEE), Society of Exploration Geophysicists (SEG), Society of Petrophysicists and Well Log Analysts (SPWLA) and European Association of Geoscientists and Engineers (EAGE), revised June 2018.

Prospective Resource Classifications

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.

Nomenclature and conversions used in this release

BBL means US barrel

MMBLS means millions of US barrels

MCF means thousand cubic feet

MMCF means million cubic feet

BCF means billion cubic feet

TCF means trillion cubic feet

BOE means barrels of oil equivalent

MMBOE means millions of barrels of oil equivalent

End of this Release