

14 September 2020

ROMANIA WELL FLOW TEST OPERATIONS UPDATE No 7

“Acidisation and Flow Testing of Iecea Mica-1 Well”

Key Points:

- **Operations commenced** for acidisation and testing following rig up on the 9th of September.
- **The Pa IV gas reservoir interval was acidised** utilising coiled tubing for pumping acid to the bottom of the well and then the acid and brine in the well was circulated to surface utilising nitrogen to enable lifting liquids from the well.
- **Gas flow** was observed after approximately 12 hours, preceded by liquids consisting of brine, acidisation fluids, minor amounts of reservoir fluid and a sludge likely consisting of reservoir fines and chemical precipitation materials formed by the acidisation process.
- **The well will be shut in** and monitored to determine if the reservoir will clean up further over time.
- **Well performance** to date is below expectation given the excellent porosity observed from logs, gas shows during drilling, cutting descriptions from IMIC-1 and flow rates achieved from the same reservoir from a nearby historic well.

ADX Energy Ltd (ASX Code: **ADX**) advises that the IMIC-1 well was acidised and back flowed 10th and 11th of September 2020 with the assistance of nitrogen injected to the bottom of well using coiled tubing.

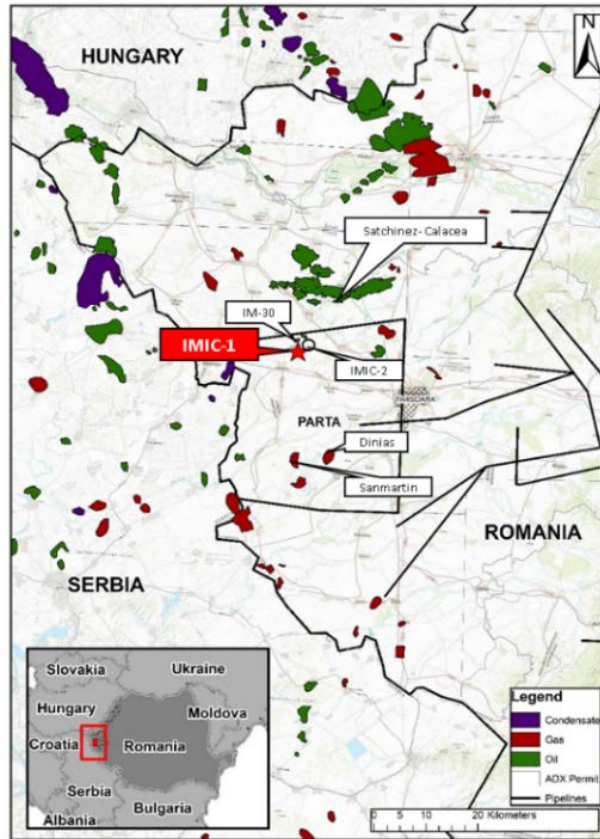
Liquids recovered from the well consisted of well completion brine, acidization fluid that was pumped into the reservoir, minor amounts of reservoir fluids and a yet to be analysed sludge like material most likely consisting of fine reservoir solids and precipitation materials formed by the reaction of acid with the reservoir.

Gas flow was observed at surface 12 hours after back flow with nitrogen on the morning of 12th of September. The gas was a combination of methane gas and nitrogen.

The well will be monitored to determine if the reservoir will clean up further over time by the evacuation of residual acidization liquids and dissolved materials which may be remaining in the reservoir matrix. Liquids and reservoir solids recovered to date during the back flow of the well will be analysed.

Flow rates from the well to date have been below expectation based on the excellent porosity determined from electric line well logs and gas shows observed during drilling of the IMIC-1 well

as well as cuttings descriptions from IMIC-1 and well test flow rates achieved from the same reservoir from a nearby historic well.



Location Map showing IMIC-1 location and the surrounding Parta exploration license

Asset Ownership Structure

ADX holds a 49% shareholding in Danube Petroleum Limited (Danube). The remaining shareholding in Danube is held by Reabold Resources PLC. Danube via its Romanian subsidiary, ADX Energy Panonia srl, holds:

- a 100% interest in the Parta Exploration license in Romania (including a 100% interest in the Parta Sole Risk Area); and
- a 100% interest in the Iecea Mare Production license in Romania (which hosts the IMIC-1 well and future IMIC-2 well).

For further details please contact:

Paul Fink
Chief Executive Officer
+61 (08) 9381 4266

paul.fink@adx-energy.com

Ian Tchacos
Executive Chairman
+61 (08) 9381 4266

ian.tchacos@adxenergy.com.au

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

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Persons compiling information about Hydrocarbons.

Pursuant to the requirements of the ASX Listing Rules 5.41 and 5.42, the technical and resource information contained in this release has been reviewed by Paul Fink, Technical Director of ADX Energy Limited. Mr Fink 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 has reviewed the results, procedures and data contained in this announcement 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).