

Activities Report For Quarter Ended 31 March 2021

HIGHLIGHTS OF MARCH 2021 QUARTER ACTIVITIES

Operations

Austria - Zistersdorf and Gaiselberg Production Assets:

- 🔥 **Production** during the quarter averaged 260 BOEPD, an increase of 9% compared to the previous quarter. Production increased during the quarter in line with well work undertaken to restore production from 5 wells which failed due to an electrical failure in Q4 2020. During March production averaged 309 BOEPD.
- 🔥 **Well Workover** completed on 1 April 2021 accessing additional behind pipe potential in a well has resulted in approximately 150 BOEPD of additional field production.
- 🔥 **Oil Price** increased during the quarter resulting in an average oil price US\$ 60.90 per barrel (Brent), an increase of 43% compared to the previous quarter.
- 🔥 **Gas Price** during winter continued to strengthen resulting in a price increase of 27% compared to the previous quarter.
- 🔥 **Field geotechnical and engineering review** was ongoing utilising recently acquired and reprocessed 3D seismic to assess Gaiselberg and Zistersdorf fields infill drilling potential as well as the largely undeveloped Flysch reservoir potential.
- 🔥 **3rd Party Reserves assessment** of the Gaiselberg and Zistersdorf fields is intended to be updated during the second half of this year based on an audit date of 30 June 2021.
- 🔥 **H₂ Green Storage Pre-Feasibility Studies** at the Gaiselberg and Zistersdorf fields were ongoing with the assistance of hydrogen experts Horváth & Partners. A business case for a pilot project has been completed in preparation for discussions with strategic partners - renewable electricity generators enabling green hydrogen production by electrolysis.

Austria – Upper Austria Appraisal and Exploration Acreage:

- 🔥 **Prospective Resource Upgrade** for 10 “drill ready” exploration prospects within the ADX-AT-I and ADX-AT-II licences in Upper Austria was upgraded to 58 million barrels of oil equivalent (MMBOE) combined best technical case prospective resources compared to 42 million barrels of oil equivalent (MMBOE) combined best technical case prospective resources previously announced on the ASX on 30 November 2020. *Refer ASX announcement dated 30 March 2021.*

Romania – Iecea Mare Production and Parta Exploration License:

- 🔥 **Iecea Mare Production License:** Following the successful reprocessing of 3D seismic data a geotechnical re-interpretation of the license potential was completed. Several new very low risk side-track and infill well opportunities have been identified and will be quantified economically in the coming quarter, including a proposal for the IMIC-1 gas discovery well which was kept under pressure observation further confirming the continued inflow of gas which will require a reservoir stimulation job to potentially produce commercial flow rates.
- 🔥 **Parta Exploration License:** 3D AVO work (seismic processing technique to image gas filled reservoirs) was completed over the Carpinis-55 prospect area (proposed IMIC-2 well) with encouraging results for the shallow Pa III gas reservoirs. The Pa III reservoir has been proven as excellent quality reservoir in several wells in the near vicinity.
- 🔥 **3D Acquisition Parta:** ADX has continued to engage with landowners and authorities for a near term start-up of the Parta 3D acquisition after the unexpected default of Tamaska Oil & Gas Limited (Tamaska) under the farmin contract.

Finance and Corporate

- 🔥 **Share purchase plan** allowing shareholders to invest on same terms as a placement completed during the previous quarter raising A\$ 3.0 million at A\$ 0.006 per share. One unlisted option was offered for every two placement shares at a strike price of A\$ 0.008 per share with an expiry date of 15 June 2021.
- 🔥 **Annual Report** was issued on 31 March 2021 and the Company’s **AGM** is scheduled for Friday 28 May 2021.

PLANNED ACTIVITIES QUARTER 2, 2021

- 🔥 **Austria, Vienna Basin Production - Zistersdorf and Gaiselberg Fields** – review of ongoing undeveloped and contingent resource potential (including underdeveloped Flysch reservoirs) utilising recently reprocessed high-quality 3D seismic. Review of further behind pipe opportunities to access reserves from existing wells.
- 🔥 **Austria, Vienna Basin H₂ Storage Feasibility - Zistersdorf and Gaiselberg Fields** – H₂ storage pre-feasibility studies and business case development will be ongoing during the quarter.
- 🔥 **Austria – Upper Austria Appraisal and Exploration Acreage** – ongoing farmout discussions and commencement of formal process in relation to the AGS licenses.
- 🔥 **Onshore Romania – Iecea Mare Production License and Parta Exploration** – resource and economic quantification of the new infill drilling opportunities identified on the newly reprocessed 3D seismic will be completed together with a recommendation for the IMIC-1 way forward strategy.

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OPERATIONS REPORT

Austrian Production, Appraisal and Exploration Activities

ZISTERSDORF AND GAISELBERG PRODUCTION ASSETS – Vienna Basin

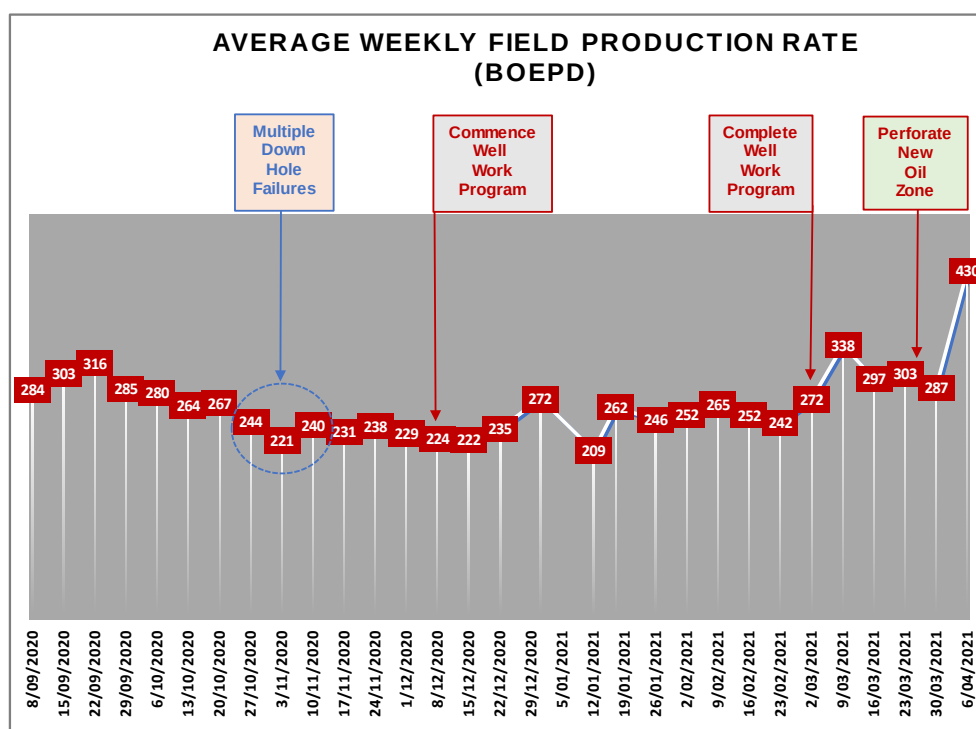
ADX is operator and holds a 100% interest in the production.

Production Operations

Field production rate was gradually restored as a result of the repair of downhole pump failures in five wells due to an unprecedented flooding event that resulted in an extended electricity outage during Q4 2020. The average monthly production rate during the quarter increased from 247 BOEPD in January to 309 BOEPD March (Refer table 1). The restoration of production from affected wells has resulted in a 9% increase in average production for the quarter.

Behind pipe reserves perforation

In addition to well restoration work, the perforation of an existing well was undertaken on 1 April 2021 to access a previously not produced oil zone (behind pipe reserves). The combination of the well restoration work and the access to behind pipe reserves has resulted in an 80% increase in production rate from the reported average rates during the December 2020 quarter. The field production rate of 430 BOEPD was announced on 13 April 2021.



The above figure shows weekly field production since September 2020 to now, the timing of the down hole well failures, the work program to restore production as well as the perforation of a new oil zone

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The additional production accessed from an existing well demonstrates the potential for reserves additions from the multilayer Zistersdorf and Gaiselberg fields. While the new behind pipe production is very promising a production trend has not yet been established to determine the long term production life of the newly perforated oil zone.



Winter workover operations at Gaiselberg and Zistersdorf

Average Brent reference oil pricing strengthened during the quarter averaging in excess of US\$ 60 per barrel (up 43% compared to the previous quarter) and gas prices continued to strengthen during the European winter with a 27% increase compared to the previous quarter.

The COVID-19 pandemic has continued to require restrictions across Europe. A number of border restrictions with some European countries has resulted in some delays in accessing services and equipment. ADX however has been able to continue to execute planned facilities enhancements and maintenance programs required to restore field production.

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Table 1 - Quarterly Production Summary

	January	February	March	Current Qtr Total	Past Qtr Total	%age Change
Crude Oil Sold (Barrels)	6651	6399	8598	21,647	19,538	11%
Gas Sold (M ³)	124,660	106,840	111,810	343,310	372,170	-8%
Total Oil Equivalent (BOE)	7410	7049	9279	23,738	21,805	9%
Avg Production Rate (BOEPD)	247	227	309	261	240	9%

Field Revenues and Product Pricing

Field revenues increased in line with production compared to the previous quarter and increases in oil pricing. The 43% increase in Brent oil price during the quarter resulted in approximately 51% increase in sales revenues from € 708,119 in the December 2020 quarter to € 1,068,762 in the March 2021 quarter (refer table 3 below). Hedging losses were incurred during the quarter of € 274,449 due to approximately 80% of production being hedged at approximately US\$ 43.00 per barrel. As from 30 April 2021 the level of hedged production will be reduced to approximately 25% of forecast production rate.

Table 2 - Quarterly Sales Price Summary

	January	February	March	Current Qtr Average	Past Qtr Total	%age Change
Avg Oil Pricing (US\$ / BBL)	\$ 54.84	\$ 62.22	\$ 65.63	\$ 60.90	\$ 42.66	43%
Avg Gas Price (Euro per MWh)	€ 14.51	€ 18.09	€ 16.30	€ 16.30	€ 12.84	27%

Table 3 - Quarterly Sales & Hedging Revenue Summary

	January	February	March	Current Qtr Total	Past Qtr Total	%age Change
Oil Revenue (Euro)	€ 274,189	€ 302,110	€ 434,390	€ 1,010,689	€ 659,462	53%
Gas Revenue (Euro)	€ 19,140	€ 18,800	€ 20,132	€ 58,072	€ 48,657	19%
Total Sales Revenue (Euro)	€ 293,329	€ 320,911	€ 454,522	€ 1,068,762	€ 708,119	51%
Hedging Revenue (Euro)	-€ 60,994	-€ 90,078	-€ 123,378	-€ 274,449	€ 34,155	-904%
"Swaps and Put Options"						
Total Revenue (Euro)	€ 232,335	€ 230,833	€ 331,144	€ 794,312	€ 742,273	7%
Total Revenue (A\$)	\$ 363,023	\$ 360,677	\$ 517,413	\$ 1,241,113	A\$/ Euro = 0.6400	

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Reserves Review

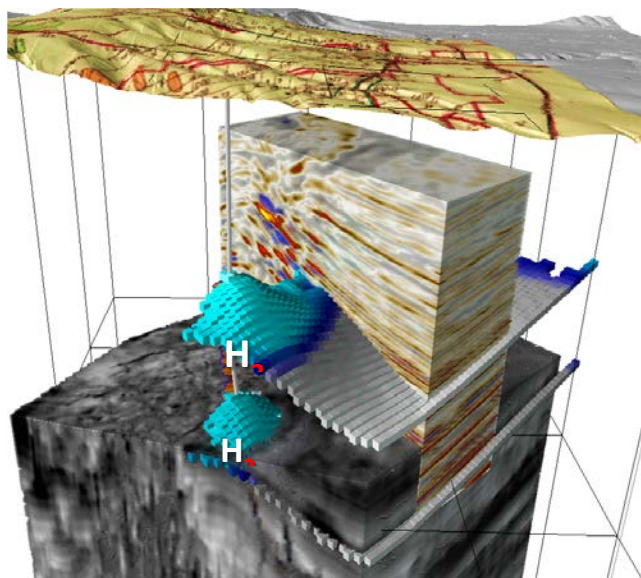
ADX is undertaking a field review incorporating a recently highly improved 3D seismic dataset to identify additions to ADX existing reserves and resources at Gaiselberg and Zistersdorf. Further 3D processing has been commissioned (PSDM – depth migration). The revised dataset will be incorporated into an extensive well and production data base to develop a 3D model for the field and a history matched reservoir simulation model to forecast future production and reserves estimates. At the conclusion of this work ADX intends to commission a Competent Persons Report (“CPR”) for the fields based on a 30 June 2021 calculation date.

Green Hydrogen (H₂) storage pre-feasibility studies.

On 20 January 2021 ADX announced a cooperation agreement with Horváth & Partners (Horváth) with the objective to support building a viable hydrogen (H₂) business establishing ADX as a provider of large-scale green hydrogen production and underground storage. ADX is well positioned to potentially utilise already identified depleted reservoirs at its Gaiselberg and Zistersdorf fields in the Vienna basin (ADX Fields) for hydrogen storage.

The ADX Fields are very suitable for green hydrogen storage due to their close proximity to major renewable electricity sources that can be used for electrolysis to produce green hydrogen, the availability of high-quality reservoirs at suitable depth which have proven their safe storage properties for millions of years as gas reservoirs, as well as excellent gas export infrastructure that can be used for the export of green hydrogen.

During the quarter ADX and Horváth have continued to develop the business case for green hydrogen storage having identified a number of ideally suited reservoirs in the ADX Fields in terms of depth, pressure, sealing capacity, productivity, well coverage and fluid contents for future hydrogen storage.

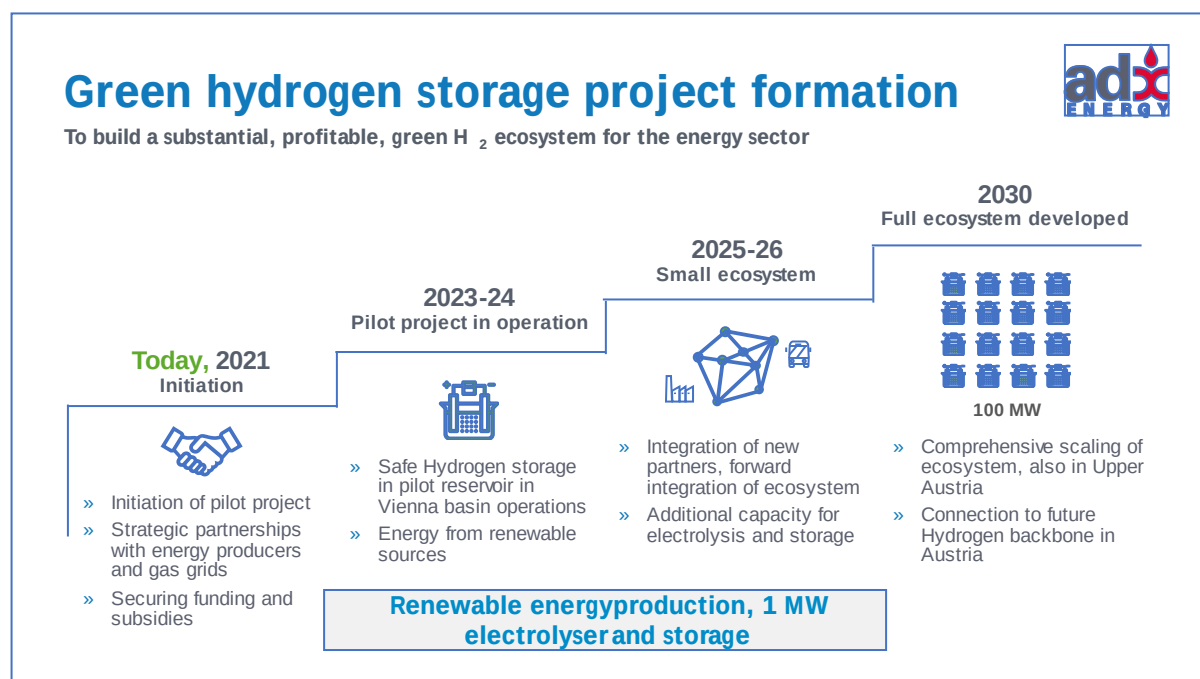


The above schematic shows a number of reservoirs identified for safe storage of hydrogen

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A number Pannonian age high quality reservoirs have been identified which have historically contained methane. The reservoirs are ideally suited for the safe storage of green hydrogen. It is estimated that a single reservoir could hold around 60 GWh of energy on average as hydrogen (not accounting for potential energy losses when the hydrogen is again brought to surface and possibly used for electricity generation or re-injecting into the ADX pipeline infrastructure). This is the energy equivalent of powering approximately 20,000 households for an entire year. The business case for underground energy storage is enhanced by the ever-increasing capacity of intermittent wind and solar energy. In Austria alone a six-fold increase from currently 3.8 GW in wind and solar energy is necessary to meet the minimum European Union ("EU") renewable energy targets by 2030. The largest wind and solar power generation capacity in Austria is located close to the ADX Fields.

ADX goal is to commence a pilot project utilising a 1 MW electrolyser to produce, store and on-sell green hydrogen in the local gas network which can accommodate up to 10% hydrogen concentration. Legislation for 4% is already in place, the legislation for 10% H₂ in the extensive European gas grid is expected to be in place and ratified by all European countries in the coming years. ADX and Horváth have developed the business case for Vienna Basin Green Hydrogen Storage and are in a position to commence discussions with renewable energy producers with a view to forming a strategic partnership to commence a pilot project.



The proposed Green Hydrogen Storage pilot project is the first stage in the potential development of a large-scale hydrogen ecosystem in the Vienna basin enabled by green energy generation for hydrolysis to produce hydrogen and subsurface storage for produced hydrogen at the ADX Fields.

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Reserves and Production Growth

The ADX Austrian technical team has continued to utilise the recently acquired (via a trade agreement with OMV) and reprocessed 3D seismic data set to identify potential additions to the current existing reserves and resources at Gaiselberg and Zistersdorf fields. The recently acquired 3D seismic dataset covering the ADX producing oilfields has enabled the field review to be undertaken at low cost as a result of a data trade with Austrian major oil company and adjoining license holder OMV.

As discussed previously ongoing geotechnical activities are focussed on determining the potential of undeveloped reserves at Gaiselberg and Zisterdorf which may be accessed by infill drilling or the sidetrack of existing wells. It is intended that the undeveloped reserves potential is incorporated in future reserves review for the field at 30 June 2021.

The 3D seismic together with a new petrophysical dataset and detailed analysis of production history is also used to re-evaluate and rank the many behind pipe opportunities in existing wells which may be perforated and put on production as was the case in the recent well work over program.

An ongoing project is the mapping and quantification of the very large oil in place Cretaceous age Flysch reservoirs which can be accessed via the existing production footprint. The Flysch reservoirs are potentially economically attractive due to a combination of existing field production and export infrastructure, high value crude quality and very low royalty (1%) which makes any reserves and production additions very economically compelling.

ADX expects to provide an update on the undeveloped reserves potential of Gaiselberg and Zistersdorf as well as the resulting infill drilling or side tack candidates together with Flysch appraisal opportunities for consideration in the mid-year reserves review.

Upper Austria Appraisal and Exploration Application Award

As reported on the 11th of January 2021 ADX signed concession agreements for exploration, production and gas storage in Upper Austria (Upper Austria AGS) on the 8th of January 2021 with the Federal Ministry responsible for Mining ("BMLRT") on behalf of the Republic of Austria.

In addition to the Upper Austria AGS, ADX finalised an infrastructure access agreement with RAG Exploration & Production GmbH (RAG E&P) which enables access to nearby RAG E&P owned oil and gas infrastructure on attractive tariffs ("Infrastructure Access Agreement"). Refer to ASX announcement 22nd December 2020.

Due to the availability high-quality 3D seismic and well data in Upper Austria ("Data Set") with a replacement value of EUR 90 million as a result of a data trade agreement with RAG in July 2019, ADX has been able to high grade an area of 450 km² ("AGS area") that includes 10 drill ready exploration prospects.

ADX Austria Assets



ADX Asset Position Overview showing ADX production areas within the OMV dominated Vienna Basin in the East and the now government ratified ADX Upper Austria AGS licenses (orange) proximal to the RAG oil and gas production area of the Molasse Basin east of Munich

On 30 November 2020 ADX reported that the portfolio of prospects has a best technical prospective resource estimate of 42 million barrels of oil equivalent ^{note 1} (MMBOE).

Following further geotechnical and engineering studies during the quarter, ADX reported on the 30th March 2021 that it had upgraded its technical assessment for 10 "drill ready" exploration prospects within the ADX-AT-I and ADX-AT-II licences to **58 million barrels of oil equivalent** (MMBOE) combined best technical case prospective resources. ^{Note 2}

Note 1: 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 explorations appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Note 2:

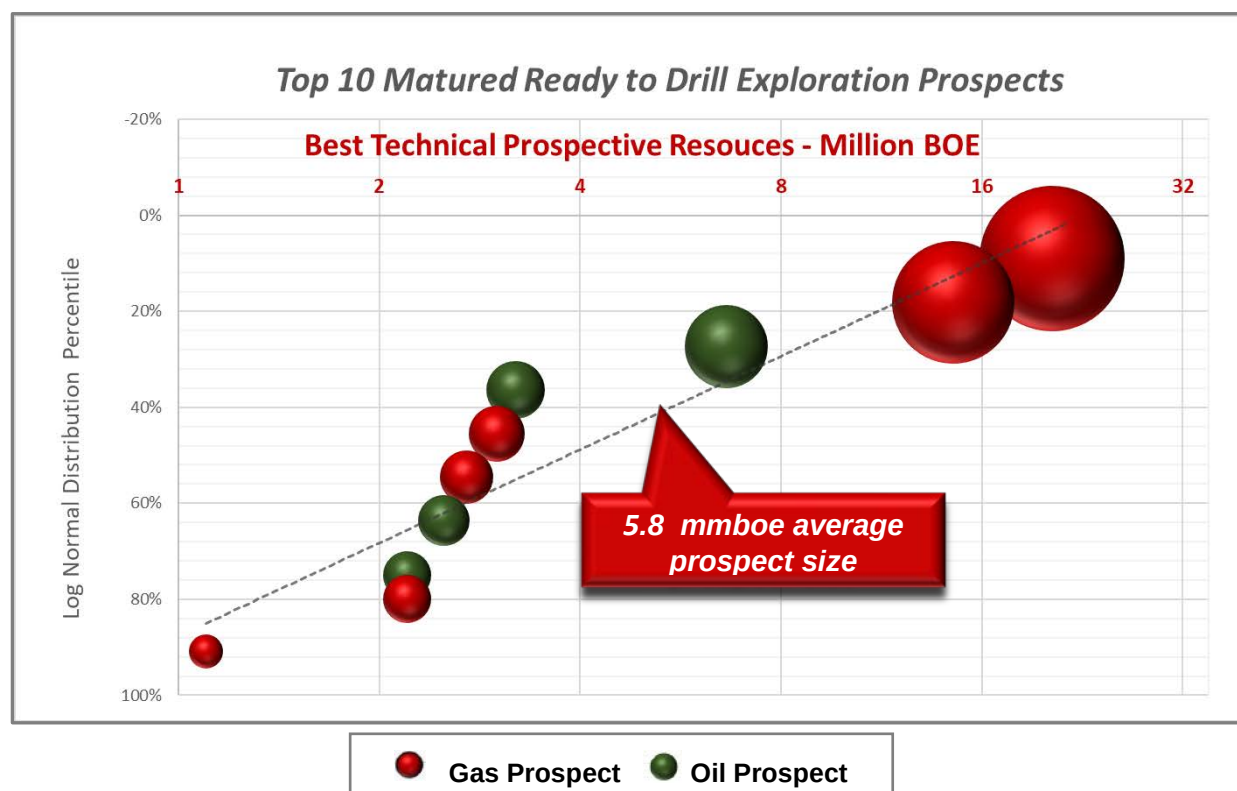
The prospective resource estimates in this release are classified and reported in accordance with the PRMS – SPE Guidelines for the exploration licenses ADX-AT-I and ADX-AT-II, in the Molasse Basin, Austria. Refer to the end of this release for an explanation of prospective resource classifications used and the Basis on which the prospective resources were estimated. 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 explorations appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

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The change in the best technical cumulative prospective resources relative to the announcement from ongoing technical work resulting almost entirely from three of the larger prospects in the license matured for drilling.

Prospect Inventory

The drill ready revised exploration prospect inventory for the Upper Austria AGS licenses is summarised in the prospective resources histogram below - showing the best technical case prospective resources for each prospect. The prospects range from just over 1 MMBOE to over 20 MMBOE Resources. The average prospect Resource size is 5.8 MMBOE. Prospects less than 1 MMBOE are still profitable due to proximity to modern infrastructure. The larger prospects exceeding a 5 MMBOE Resources if successful are highly valuable in an onshore setting proximal to infrastructure.



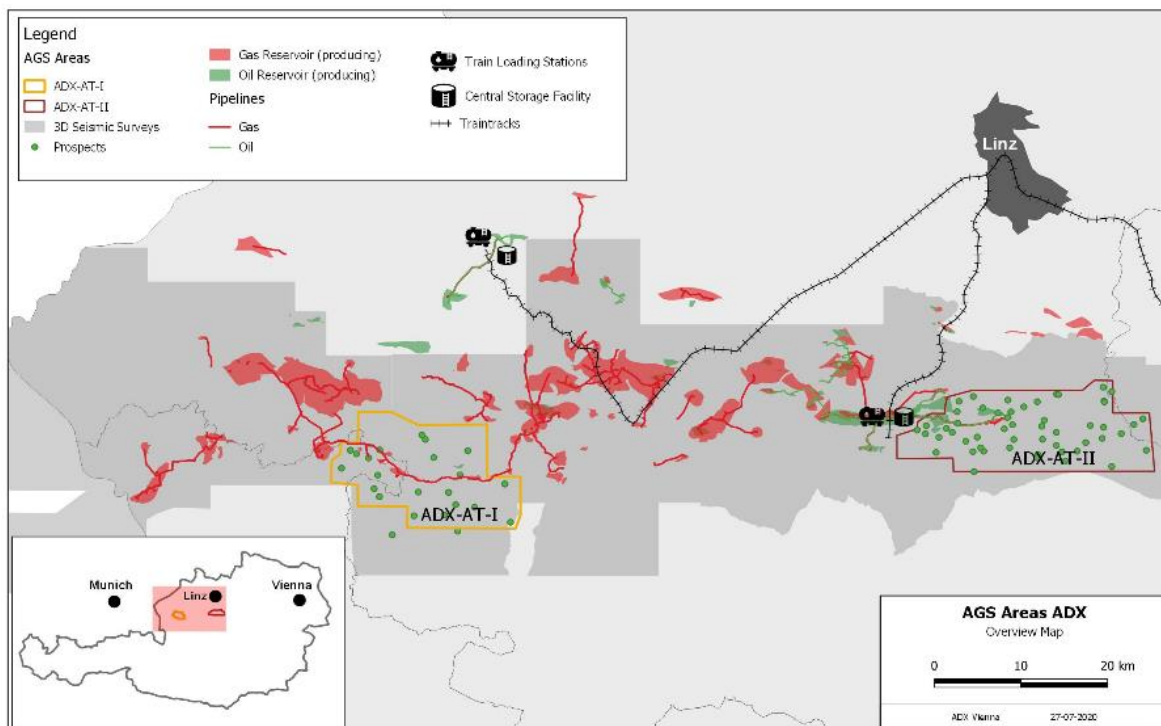
Resource Size Distribution for top ten matured exploration prospects (lognormal fit)

The increase in prospective resources is the result of an extensive technical review of the AGS license prospect inventory in preparation for a formal farmout process. The change in the best technical cumulative prospective resources relative to the previous announcement is almost entirely due to the revision of 3 of the larger prospects being reviewed by ADX' subsurface team and highly experienced external consultants in terms of structural interpretation, 3D seismic mapping and expected reservoir parameters.

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Farmout Process

ADX is already in discussions with a number of interested parties but is now ready to commence a formal farmout process incorporating an online data room supported by comprehensive geological, engineering and economic studies.



Map showing ADX Upper Austria AGS exploration areas proximal to RAG E&P's infrastructure and fields. The round green dots indicate a rich portfolio of oil and gas prospects & leads covered by 3D seismic

ADX believes it can offer investors or companies competitive advantages compared to other opportunities available on the market. The key attributes of the farmout offering are summarised as follows:

- A "ready to drill" portfolio mapped on modern 3D seismic with low drilling costs (EUR 2.6 million on average for typical exploration prospects) and several drilling locations already permitted or built. *This is in contrast to many other projects where extended upfront lead time and substantial costs are required for seismic acquisition, mapping and prospect maturation.*
- A stable EU country with low political risk, extensive oil and gas infrastructure, excellent fiscal terms and short approval times for well operations and development projects resulting in highly profitable economics and short pay out times. *This is in contrast to many other jurisdictions where the authorities often change terms, are not supportive of oil and gas investment and take a long time to approve operational activities.*

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- An infrastructure access agreement with RAG E&P GmbH provides certainty of costs and time required for development enabling rapid development of projects and commercialisation of even smaller reserves sizes. *This is in contrast to projects where after a successful exploration campaign shareholder value can get destroyed due to an inability to access infrastructure or be disadvantaged in comparison to established players which may seek to stifle competition.*
- A proven and highly experienced local exploration and production team with an outstanding exploration track record ensuring efficient and low-cost operation. *This is in contrast to many opportunities where getting a competent team with “boots on the ground” has not yet been established resulting in uncertainty and a high initial cost for building an efficient operations team.*

Current Quarter Planned Activities in Austria include;

- 🔥 Review of further behind pipe reserves candidates on the Zistersdorf and Gaiselberg fields;
- 🔥 Ongoing geotechnical evaluation utilising a new 3D seismic data set as well as engineering and planning work with a view to maturing sidetrack and infill development wells in the Zistersdorf and Gaiselberg fields as well as appraisal opportunities in the underdeveloped Flysch reservoirs;
- 🔥 Green energy partnership and project formation potential for Green H₂ storage project at Zistersdorf and Gaiselberg;
- 🔥 Progress farmout discussions in relation to the exploration and appraisal licenses (AGS Areas) in Upper Austria; and
- 🔥 Ongoing pursuit of further collaboration opportunities pursuant to a non-binding letter of intent with RAG (seller of Zistersdorf and Gaiselberg fields).

PARTA APPRAISAL PROJECT and PARTA EXPLORATION PERMIT – Onshore Romania

Romanian Appraisal and Exploration Activities

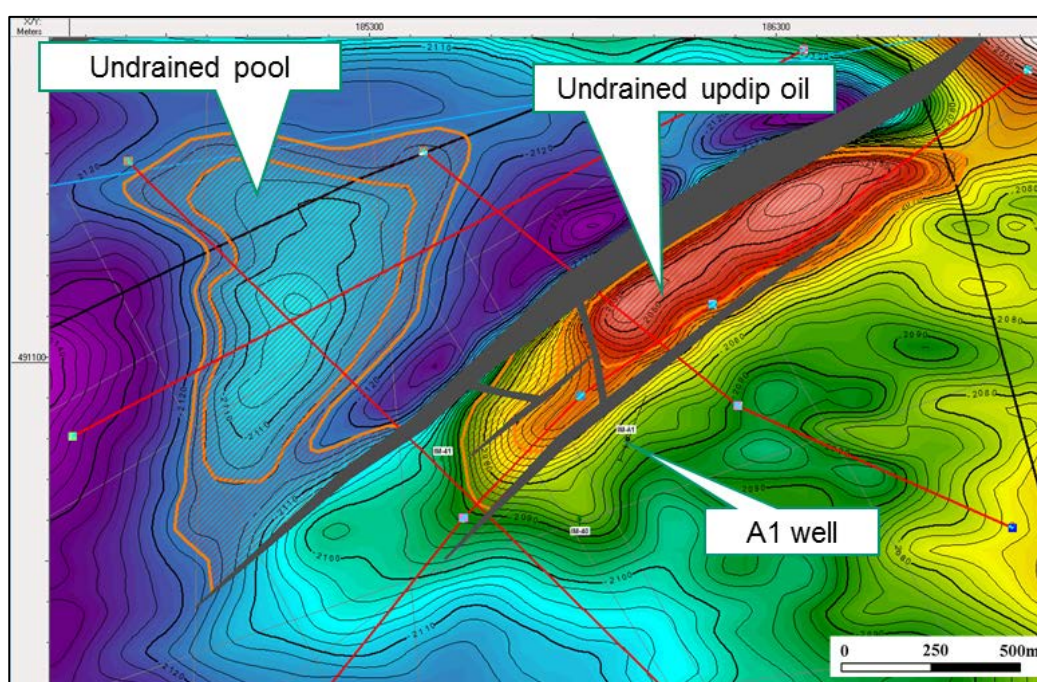
ADX holds a 49.2% shareholding in Danube Petroleum Limited (Danube). The remaining shareholding in Danube is held by Reabold Resources Plc. Danube via its wholly owned subsidiary, ADX Energy Panonia srl, holds a 100% interest in the Parta Exploration license (including a 100% interest in the Parta Appraisal 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.

During the quarter ADX focused on a detailed technical evaluation of the license potential, with a focus on the successfully reprocessed 3D seismic in the Iacea Mare production license. The 3D seismic also covers the exploration prospect IMIC-2 (Updip Carpinis-55).

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The evaluation will be completed in the second quarter. The technical work has focused on three areas:

1. **IMIC-1 gas discovery area** (Ilecea Mare production license) where three gas bearing reservoirs have been discovered, including the Pa IV reservoir which had relatively more quickly built up pressure after the September 2020 acid job, indicating drilling induced reservoir damage. The technical work focused on a 3D remapping of the area and a new assessment of the resources discovered by the well and the up dip upside potential further south, including the Pa VI reservoir which not only showed gas pay on logs and gas chromatography but also the presence of higher hydrocarbons (condensate).
2. **The northern oil fields** (Ilecea Mare production license) area where previous operator Amromco had ceased infill drilling due to a strategic withdrawal from Western Romania and a focus on its eastern Romanian assets. The revised mapping has identified several very low risk infill / sidetrack opportunities and also could explain a recently drilled well (A1) by the previous operator which discovered oil but did water out after a relatively short production time. See map below for explanation and showing the upside sidetrack potential.

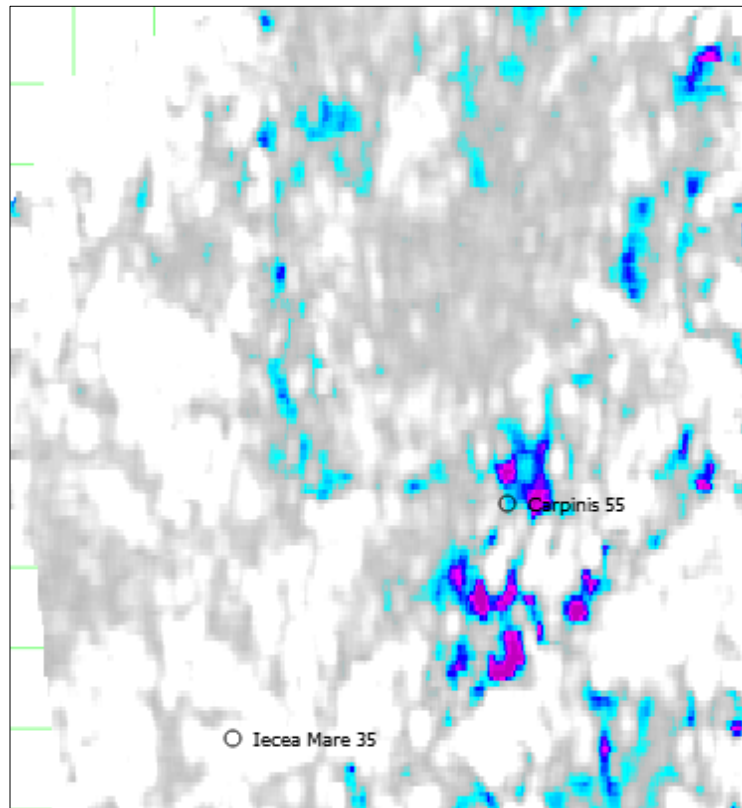


3D Depth Map showing Pa V reservoir level

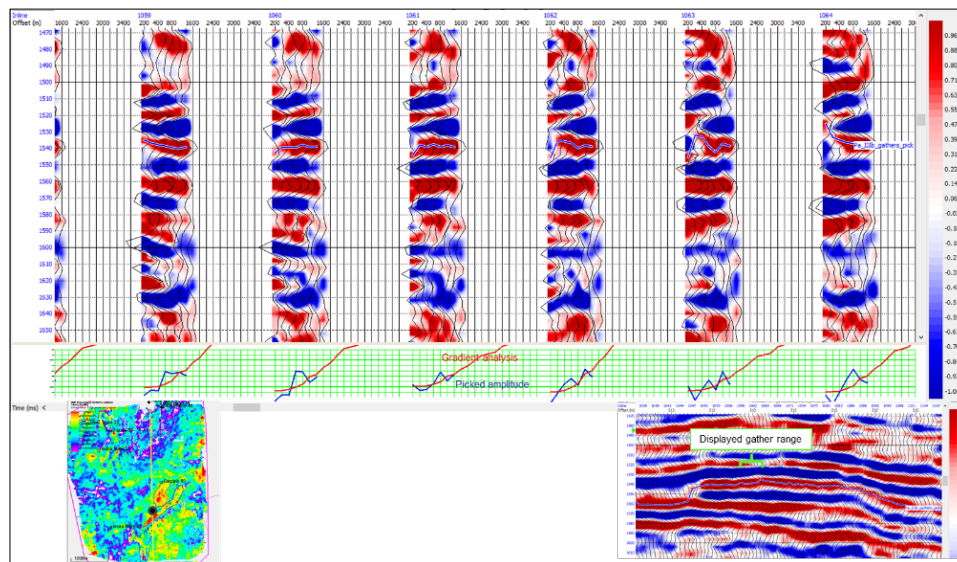
3. **The Carpinis-55 Pa III gas exploration / appraisal area** (Parta license) where detailed mapping, 3D reprocessing and AVO (seismic processing technique to image gas filled reservoirs) confirmed the large anomaly indicating gas presence seen on vintage 2D data. The prospect has hence been de-risked at this level and work to quantify the extent of the AVO anomaly and hence potential gas resources is ongoing. The map

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below shows an AVO attribute (Intercept x Gradient) over the entire 3D area over the excellent quality Pa III reservoir standing out around the Pa III area, even on a 3D seismic acquired with low cost parameters.



3D AVO Pa III attribute map over entire 3D seismic showing anomaly around CARP-55 well



AVO gather analysis clearly showing the AVO effect (IMIC-2 prospect area)

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Current Quarter Planned Activities include:

- Continue to engage with landowners and authorities for a near term start-up of the Parta 3D acquisition. (Note that ADX had already all essential landowner permission and regulatory authority approvals when Tamaska informed ADX by surprise that it would not fulfil its obligation of the farmin, i.e. to fully find the new 100 km² 3D acquisition)
- Further evaluation of Iacea Mica-1 (IMIC-1) well test results and evaluation of proposal for an acid frac program based on the encouragingly fast pressure build up seen for the PalV reservoir.
- ADX will progress an appropriate legal recourse in relation to the default under the Farmin Agreement by Tamaska.

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).

On 13 February 2021, Mr Mario Draghi was sworn in as Prime Minister pledging to oversee effective implementation of COVID-19 economic stimulus. ADX has been informally advised that Mr Draghi has requested the resumption of production and exploration activities in Italy. ADX newly appointed local manager and representative will meet with the ministry to assess the timing of potential resumption of activities in the d 363C.R-.AX Exploration Permit.

Finance and Corporate

Operations

During the March 2021 quarter, revenue received from oil and gas operations in Austria totalled A\$ 1.38 million (for sales for the period December to February). March revenue of EUR 0.455 million (A\$ 0.7 million) was received after the quarter end.

Share Purchase Plan

On 29 January 2021, the Share Purchase Plan (SPP) closed significantly oversubscribed, with the Company receiving applications totalling approximately A\$ 3.6 million, well in excess of the targeted amount of A\$ 1 million. In recognition of the strong show of support by shareholders for the Company's recently announced growth initiatives, the ADX Board has resolved to use its discretion to accept oversubscriptions and increase the size of the SPP to approximately A\$ 3.0 million and to issue 500,000,951 shares.

Under the SPP, each Eligible Shareholder was entitled to subscribe for up to A\$ 30,000 of new fully paid ordinary shares in the Company at the issue price of A\$ 0.006 per share, subject to scale back. The SPP forms part of the capital raising as announced on 15 December 2020, which also comprised a Placement to institutional and sophisticated investors raising A\$ 1.3 million at A\$ 0.006 per share.

In addition, one (1) free attaching unlisted option was offered for every two (2) shares issued under the SPP ("SPP Options"). The exercise price of the SPP Options is A\$ 0.008 with an expiry date of 15 June 2021. The offer of SPP Options was made separately under a prospectus ("Prospectus"). The issue of the SPP Options under the Prospectus was approved by Shareholders at a General Meeting held on Friday 19 February 2021.

Funds raised by the Placement and the SPP are being used to supplement ADX's cash requirements for the Company's key projects as well as growth opportunities in Austria and for working capital purposes. The Austrian growth opportunities include the payment of a bank guarantee to the Austrian Mining Authority for the recently announced Molasse basin exploration and appraisal licenses in Upper Austria as well as well work overs on its producing Gaiselberg and Zistersdorf fields in the Vienna basin. Funds were secured during the quarter for this bank guarantee.

Exercise of Options

During the quarter, 47,113,804 shares were issued upon exercise of unlisted options (\$0.008/share, expiring 15 June 2021). Proceeds from the exercise of these options was \$376,911.

Bank Loans

During the quarter, ADX's Austrian subsidiary drew an additional € 300,000 from the facilities

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provided by Austrian state financing from Austria Wirtschaftsförderungsservice (AWS) and Volksbank Wien AG (Volksbank) which is ADX local commercial bank. As at 31 March 2021, the facility was fully utilised.

Other Loans – Loan Notes

On 23 November 2020, ADX announced an amendment to the repayment terms of the Company's A\$ 3.5 million loan notes ("Loan Notes"). The repayment of the A\$ 3.5 million principal will now be repaid in two tranches – Tranche 1 of A\$ 1.75 million to be repaid semi-annually with 4 equal payments over a period of 2 years commencing from 26 May 2021 and ending on 26 November 2022; and Tranche 2 of A\$ 1.75 million repayable as a bullet payment at the end of 2 years on 26 November 2022.

Upon receiving Shareholder approval at a General Meeting held on 19 February 2021, the Company cancelled existing options previously issued in relation to the Loan Notes (having been granted a waiver of ASX Listing Rule 6.23.3) and granted to the Loan Note holders 2 equal tranches of 67,500,000 options each, one tranche with an exercise price of A\$ 0.01 maturing on 26 May 2022 and the other tranche with an exercise price A\$ 0.015 maturing on 26 November 2023 respectively.

Cash Balances

ADX's cash at the end of the quarter was A\$ 4.67 million. This cash balance includes A\$ 0.8 million held by 49.2% owned subsidiary Danube Petroleum Limited and its' Romanian subsidiary ADX Energy Panonia srl for Romanian Operations.

Cash excludes funds secured for bonds and guarantees. Secured cash totals A\$0.73 million.

Additional ASX Information

- ASX Listing Rule 5.4.1: Exploration expenditure during the quarter was A\$ 298,000, excluding staff costs. Full details of exploration activity during the quarter are included in this Quarterly Activities Report.
- ASX Listing Rule 5.4.2: Production expenditure in Austria during the quarter was A\$ 1,072,000, excluding staff costs. Appraisal expenditure in Romania during the quarter was A\$ 7,000, excluding staff costs. Full details of production and appraisal activities during the quarter are included in this Quarterly Activities Report.
- ASX Listing Rule 5.4.3: A tenement schedule is provided at the end of this Activities Report. There were no new farm-in or farm-out agreements entered into during the quarter. ADX has no farm-in or farm-out agreements as at the quarter end which reduces the Group's 100% interest in its tenements.
- ASX Listing Rule 5.4.5: Payments to related parties of the Company and their associates during the quarter was A\$ 203,000. This consists of A\$ 10,400 paid for office rental to an entity related to Director Andrew Childs, and A\$ 192,600 for executive directors consulting fees, salaries and non-executive director fees.

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	% change
Onshore Austria, Zistersdorf and Gaiselberg Production License	100%	100%	-
Upper Austria AGS Licenses ¹	0%	100%	100%
Onshore Romania, Parta ²	100%	100%	-
Onshore Romania, Iecea Mare Production Licence	100%	100%	-
Offshore Italy, d363C.R-.AX ³	100%	100%	-

Note 1: Concession agreements for exploration, production and gas storage in Upper Austria (Upper Austria AGS) finalised during the quarter and signed on the 8th of January 2021 between ADX and Federal Ministry responsible for Mining ("BMLRT") on behalf of the Republic of Austria.

Note 2: 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 3: 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.

Yours faithfully,



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

ASX RELEASE

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).

Resource Classifications used in this release.

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.

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

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.

ADX has only reported Best Estimate Prospective Resources Scenarios in this release.

ASX RELEASE

Type of Permits

The Prospective Resources relate to exploration licenses ADX-AT-I and ADX-AT-II (Licenses), in the Molasse Basin, Austria. ADX will hold at a 100% equity interest at the commencement of the license terms on 1 January 2021 for up to four periods of four years each. The license area is 450 Km². Royalty is paid based on the value of hydrocarbons produced at a rate of 15% to maximum 20% for oil and 19% to maximum 22% for gas, depending on product prices.

Prospective resources have been estimated on the following basis.

ADX has calculated resource estimates probabilistically under the PRMS guidelines outlined in chapter 4.2.3 (June 2018 revision), following the interpretation of all available well data and seismic data including 3D seismic data within the Licenses and within the basin. Ten prospects have been high graded and matured technically for drilling based on the evaluation of risk and resource potential. Given the excellent availability of data available to ADX prior to License award additional geotechnical studies will not be required prior to drilling. ADX anticipates drilling at least two wells in the first 4year term of the license period.

Historical success rates for exploration in the basin have been 47% when utilizing 3D seismic. A similar success rate is expected for future drilling. Given the availability of infrastructure and high- quality productive reservoirs in the basin there is a high probability that successful exploration will result in commercial production.