

17 September 2024

Anshof-2A Sidetrack Oil Appraisal Well intersects a 6.5-metre net vertical oil column

The oil column is approximately 3 times that encountered in the Anshof-3 discovery well (producing at 110 barrels per day) with higher porosity and permeability.

The well will be cased, completed and tied-in as a producer to the recently completed Anshof Permanent Production Facility.

Key points:

- The Anshof-2A ("ANS-2A") side track oil appraisal well located in the ADX-AT-II licence in Upper Austria has encountered a 6.5-metre ("m") net vertical oil column in high quality Eocene aged sandstone reservoirs.
- The RED Drilling & Services GmbH (RED) E-202 rig was used to drill the ANS-2A well. The well has reached a measured total depth (TD) of 2195 m. The well has taken approximately 10 days to drill and evaluate. ADX is the operator and has a 60% economic interest in the well.
- Based on electric line logs and pressure data recovered, the well has encountered high quality Eocene sandstone reservoirs between 1586.5 m Total Vertical Depth Subsea ("TVD SS") and 1599 m TVD SS. An oil water contact is interpreted at a depth of 1593 m TVD SS.
- The ANS-2A well has intersected high quality Eocene reservoirs up dip from the water wet Anshof-2 well and slightly down dip from the Anshof-3 discovery well which is now interpreted near to the crest of the Anshof structure. The oil intersection at ANS-2A is approximately 3 times that of Anshof-3 in approximately 20% higher porosity reservoirs.
- ANS-2A is currently being cased and cemented for suspension as a production well. The well will be completed with the installation of production tubing and a rod pump in early October. It will then be tied-in to the Anshof permanent production facility. Completion operations will be undertaken using a smaller and cheaper work over rig currently operating in ADX' Vienna Basin Fields.

ADX Executive Chairman, Mr Ian Tchacos, said, *"We are very pleased to announce a second Anshof Oil Field producer. The well is expected to make a significant contribution to ADX' oil production and cashflow within a few weeks when it is tied in to the recently installed and commissioned Anshof Permanent Production facility. The ANS-2A well is the first of a two well drilling program. It will be followed by the Lichtenberg-1 gas exploration well and the testing of Welchau-1 liquids rich gas discovery. The ANS-2A well was efficiently drilled as planned and most importantly without any safety or environmental incidents."*

ADX Energy Ltd (**ASX Code: ADX**) is pleased to advise that the Anshof-2A (“ANS-2A”) side track oil appraisal well has encountered a 6.5 metre oil column in Eocene reservoirs within the Anshof Oil Field. The ANS-2A well is located within the ADX-AT-II exploration licence in Upper Austria and will be completed as the second oil producer in the Anshof Oil Field when it is tied in to the adjacent Anshof permanent production facility (“PPF”).

The RED Drilling & Services GmbH (RED) E-202 rig has been used to drill, evaluate and case the ANS-2A well. A workover rig will be mobilised from ADX’ Vienna Basin Fields to undertake the installation of production tubing and a rod pump before the well is tied-in to the Anshof PPF. It is expected that installation work will commence in early October and be completed by the end of October prior to the commencement of commercial production from the well.

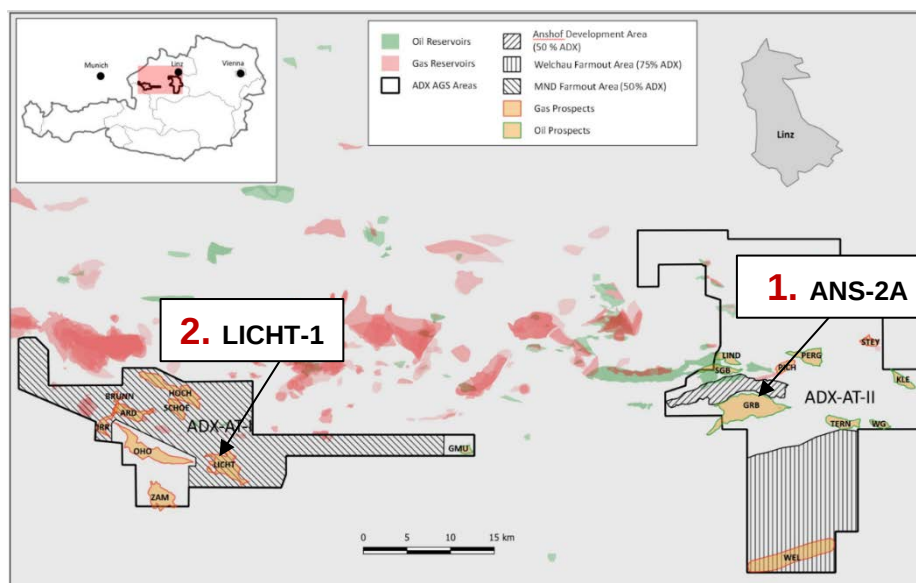


Figure 1: Shows the location of the ANS-2A well in the ADX-AT-II exploration licence. ANS-2A is the first well of a two well drilling program to be followed by the LICHT-1 gas exploration well in the ADX-AT-I licence



Figure 2: Shows the RED E-202 rig drilling the ANS-2A well at the Anshof PPF location in the ADX-AT-II exploration licence. On the left hand side of the rig the rod pump on the Anshof-3 discovery well can be seen

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Summary of ANS-2A Well Results

The ANS-2A sidetrack well has successfully targeted thick and high porosity Eocene reservoirs up dip from the Anshof-2 well which intersected similar quality reservoirs below the oil water contact. The well objectives were to further appraise and develop the Anshof Oil Field which was discovered by the Anshof-3 well in January 2022.

The ANS-2A well has encountered a 6.5 m net vertical oil column in high quality Eocene aged sandstone reservoirs within a 10 m net sand (refer to Figure 3). This oil column compares very favourably with the Anshof-3 discovery well which had a 2.5 m net oil column and has produced since October 2022 at stable rates averaging approximately 110 BOPD. The oil net reservoir intersection at ANS-2A is approximately 3 times that of Anshof-3 with approximately 20% higher porosity and permeability.

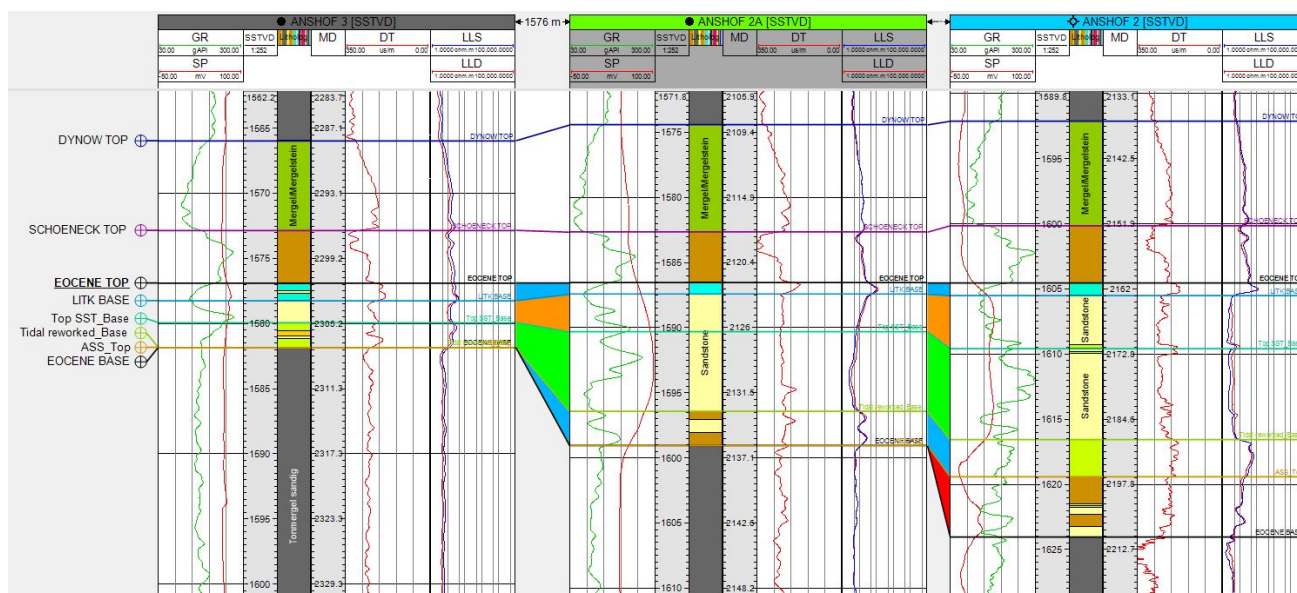


Figure 3: Shows a comparison of the Eocene sand thickness (shown in yellow) encountered in the Anshof-3 well (LHS), the ANS-2A well (Middle) and the Anshof-2 well (RHS)

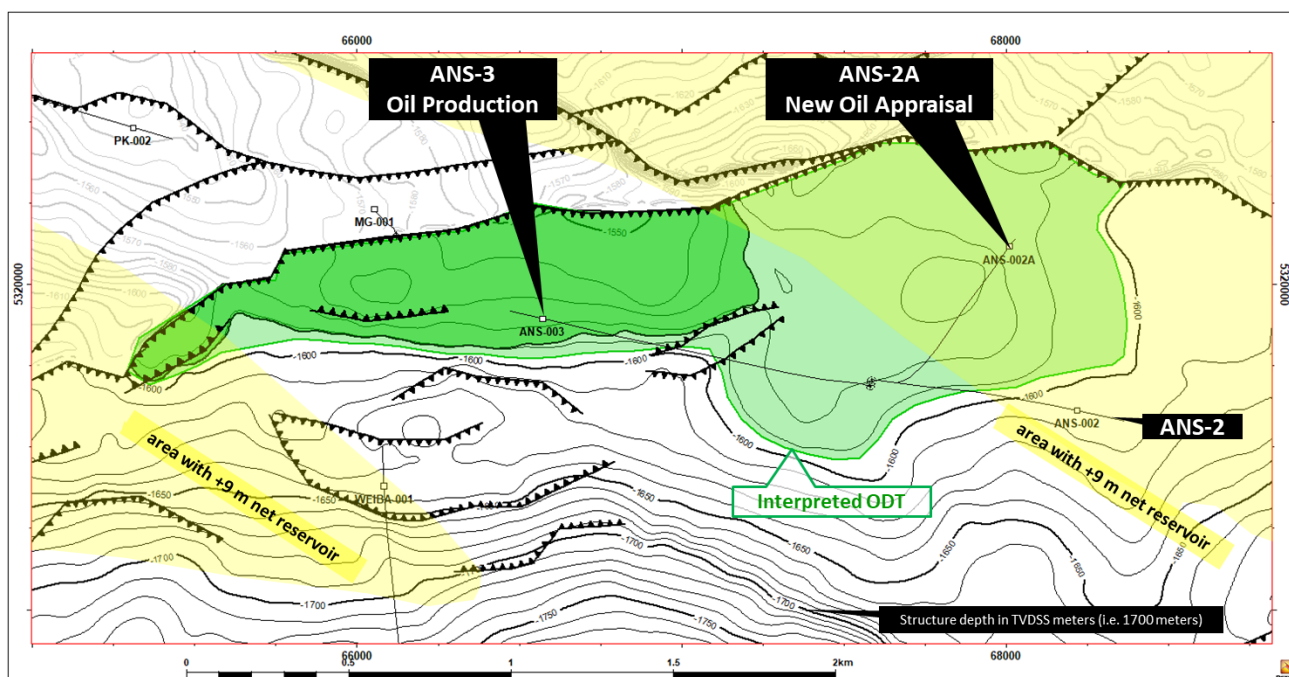


Figure 4: Shows the Anshof Oil Field outline appraised to date and areas of greater Eocene reservoir thickness with the bottom hole location of the Anshof-3 discovery well, the ANS-2A sidetrack well and the Anshof-2 well. The depth figures shown are TVDSS metres

The Eocene reservoirs encountered at ANS-2A are similar in thickness and quality to the reservoirs encountered in the down dip Anshof-2 well, confirming that thicker and more productive reservoirs are prevalent in the Eastern part of the field compared to the Anshof-3 discovery well to the West. The ANS-2A well top Eocene intersection is slightly down dip from the Anshof-3 discovery well which is now interpreted to be near the crest of the Anshof structure.

Based on electric line logging data and pressure data recovered, the well has encountered Eocene sandstone reservoirs between 1586.5 m Total Vertical Depth Sub Sea ("TVD SS") and 1599 m TVD SS. An oil water contact is interpreted at a depth of 1593 m TVD SS. Pressure data recovered from ANS-2A and the producing Anshof-3 well confirms a continuous oil pool (refer to Figure 4, above).

Future of ANS-2A Well Operations

Current well construction operations are the running and cementing of casing in the ANS-2A well. The well will be suspended as a production well and the RED E-202 rig will be demobilised to the Lichtenberg-1 gas exploration well location in the ADX-AT-I licence, approximately 60 km to the West of ANS-2A. Completion operations on the ANS-2A well are expected to commence in early October with the installation of production tubing and a rod pump. The well will be tied-in to the Anshof PPF as a producer.

Completion operations will be undertaken using a smaller and cheaper work over rig which is currently operating in ADX' Vienna Basin Fields. Following tie-in, the ANS-2A well will be tested to determine a long-term optimal rate and commercial production will commence in conjunction with the existing Anshof-3 well. The work over rig will then be demobilised to the Welchau-1 gas liquids discovery well location to commence planned well work in preparation for testing operations.

As a result of ongoing production operations at the Company's Vienna Basin Fields as well as the Anshof Oil Field appraisal and development operations, ADX and its partners will benefit from operational synergies across our appraisal, exploration and testing programs in Austria.

Well Participation and Operatorship

In accordance with Anshof Discovery Area Partnership agreements, the economic interests in the ANS-2A well will be 60% ADX and 40% MND Austria a.s. (MND). ADX is the Operator of the Anshof Discovery Area Partnership and ADX-AT-II licence.

XST elected not to participate in the Anshof-2 well and the subsequent ANS-2A well. ADX and MND will fund XST's share of well costs on 50:50 basis and will in turn obtain the right to 60% and 40% respectively of production from the well unless XST opts to buy back into the well at a premium of 500% to well costs. XST retains its 20% economic interest in the remainder of the Anshof Discovery Area Partnership (i.e. Anshof Discovery Area less the Anshof-2 and ANS-2A wells) with both ADX and MND's economic interests remaining at 50% and 30% respectively.

Further Operational Updates

ADX will provide ANS-2A well operations updates to Shareholders including well completion and testing operations which are expected to commence in early October 2024.

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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 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 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