



# **ADX Energy Ltd**

**ABN 50 009 058 646**

**ANNUAL REPORT**

**31 DECEMBER 2024**

# ADX ENERGY LTD

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# ADX ENERGY LTD

## CORPORATE DIRECTORY

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### Directors

Ian Tchacos (Executive Chairman)  
Paul Fink (Technical Director / CEO)  
Edouard Etienvre (Non-Executive Director)  
John Begg (Non-Executive Director)

### Company Secretaries

Peter Ironside  
Amanda Sparks

### Registered and Principal Office

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### Share Registry

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Telephone: +61 8 9323 2001  
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### Solicitors

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Perth Western Australia 6000

### Bankers

Commonwealth Bank of Australia  
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West Perth Western Australia 6005

### Stock Exchange Listing

Australian Securities Exchange Ltd  
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Perth Western Australia 6000  
ASX Code: ADX

### Auditors

In.Corp Audit & Assurance Pty Ltd  
Suite 11, 4 Ventnor Avenue  
West Perth, Western Australia 6005

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# ADX ENERGY LTD

## CHAIRMAN'S REPORT

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Dear Shareholder,

During the year ended 31 December 2024, ADX Energy Ltd (“**ADX**” or the “**Company**”) has been focussed on developing its business in Austria as well as securing an exploration licence in the Sicily Channel, offshore Italy. In Austria, ADX had an exceptionally active year for a company of ADX’ size, with the drilling of three wells and the installation of an oil production, storage and offloading facility. Key activities included the drilling and testing of the Welchau-1 exploration well, the installation of a permanent production facility at Anshof, the drilling of the Asnhof-2A appraisal well, the drilling of the LICHT-1 exploration well and maintaining stable production at the Vienna Basin fields.

The safety of our people, including our contractors, and the protection of the environment within the communities in which we work is of paramount importance to ADX. Despite a very active year from an operations perspective, the Board of ADX is pleased to report that no lost time incidents (LTI) were recorded during the reporting period for safety or environmental causes at ADX’ Vienna Basin Fields, the Anshof Field or the Company’s exploration licences. In addition to meeting the Company’s existing environmental obligations ADX has commenced planning for the precise measurement, quantification, monitoring, reporting, and verification of methane emissions. This will enable ADX to comply with new methane emission regulations, which came into force within the European Union (EU) on the 4th of August 2024 under a three-year phasing-in period.

The announcement of gas shows over a large gross column, as well as condensate recoveries from downhole sampling at the Welchau-1 well, was a major event for the Company. The recovery of formation water during testing of the Steinalm formation, where hydrocarbon shows were observed during drilling, was a major disappointment due to the potential of Welchau. The disruption to testing operations in December 2024 due to an objection to the environmental clearance for Welchau-1 drilling and testing from four registered Austrian environmental non-governmental organisations was a further setback. Welchau-1 testing has been suspended until the State Administrative Court of Upper Austria clarifies the approval situation during the first quarter of 2025. At the end of the reporting period, the hydrocarbon potential of Welchau remained uncertain due to the inability to complete the testing program.

Carbonate reservoirs provide an exceptional hydrocarbon reserves contribution in many of the world’s major hydrocarbon provinces. Carbonates or limestone reservoirs, such as those encountered at Welchau are complicated to evaluate and develop. The results of Welchau-1 and the historic Molln-1 gas condensate discovery, which was the primary motivation for drilling Welchau, demonstrate the potential for a significant hydrocarbon play which ADX continues to evaluate with the assistance of international experts.

The ongoing development of the Anshof oil discovery in Upper Austria with the successful installation and commissioning of a permanent production, storage and offloading facility is an important step for the Company. Oil processed at the facility is transported a short distance by truck to a railhead for delivery to the OMV refinery in Vienna. The Anshof facility has the ability to process up to 3,000 barrels per day of oil and water, which is important for the ongoing appraisal and production of the Anshof field as well as the future tie-in of multiple potential, nearfield appraisal and exploration opportunities which ADX continues to mature for drilling in the near future. The Anshof-2A appraisal well was a mixed success. The well encountered an oil column that was approximately six times larger than that encountered in the Anshof-3 discovery well, however, the production performance of the well was below expectation. Despite a thicker and more permeable reservoir, a greater-than-expected water cut is being observed from the well. The Anshof-3 and Anshof-2A wells provide stable, profitable oil production providing important ongoing revenue.

The ongoing maturation and development of the Eocene oil play within ADX’ acreage utilising the Anshof Permanent Production Facility (Anshof PPF) is an important organic production growth opportunity. In addition to the Eocene oil development play, the Anshof PPF can be used to process other potential oil discoveries in ADX’ Upper Austrian exploration acreage.

# ADX ENERGY LTD

## CHAIRMAN'S REPORT

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**Figure 1: Drilling of Anshof-2A appraisal well and production operations at the Anshof Field in Upper Austria**

During the period, ADX continued to produce stable, long life and low emissions oil and gas from its Vienna Basin Fields. Vienna Basin Fields production remains an important source of cash flow for the Company. To maintain high levels of well-up time, our operations team has carried out well work over programs to rectify casing corrosion and the effects of sand production on downhole pumping equipment. Another necessary initiative undertaken during the year has been engineering and procurement work required for a CO<sub>2</sub> removal facility. The facility is required to keep Vienna Basin-associated gas within sales gas pipeline specification, thereby ensuring the ongoing sale of Vienna Basin gas and avoiding the possible curtailment of oil production.

In addition to our oil and gas operations, we continue to investigate the opportunity for value-adding and additional complementary energy projects such as a Solar Park, Green Hydrogen Production and Hydrogen Storage in a depleted underground reservoir. These activities are in line with ADX' ambition to further reduce the carbon footprint of our low-emissions conventional oil and gas production operations, which in terms of CO<sub>2</sub>/boe is approximately 20 times lower than Austria's large-scale gas imports from Russia (IEA international data). These initiatives are not only potentially profitable; they are an important aspect of ADX's ongoing licence to operate in the European energy environment.

ADX is fortunate to operate in a very positive environment for the exploration and development of oil and gas. In Austria, we benefit from rapid permitting, legal transparency, flexible licencing and supportive designated Authority. Access to high-quality seismic data has enabled the rapid development and renewal of the Company's exploration portfolio. Access to infrastructure reduces cost and minimises development time frames. ADX is one of only three operators in Austria. ADX in-country operating capability has provided the ability to originate opportunities, execute projects and add value through farmouts.

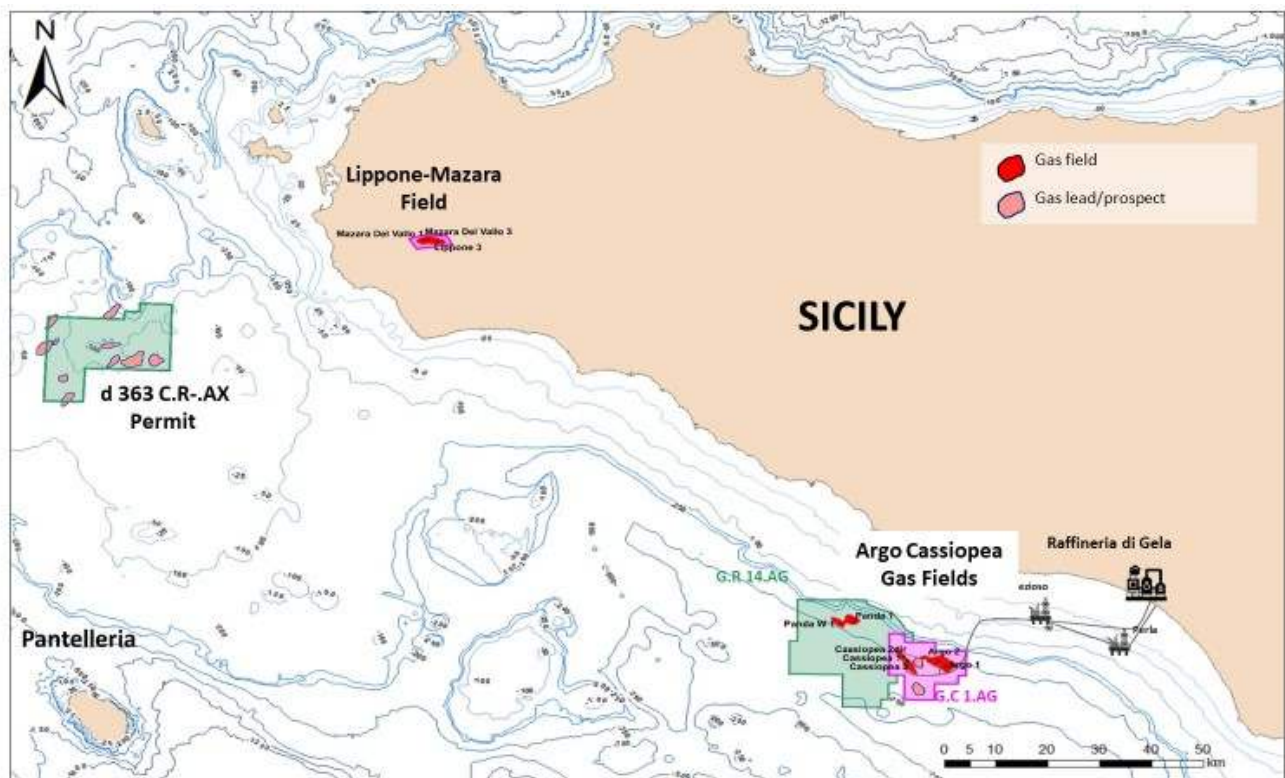
In October 2024, ADX via its 100% subsidiary Audax Energy S.r.l. (Audax) was offered the d 363 C.R.-AX permit (Permit) in the Sicily Channel by the Italian Ministry of Environment and Energy Security (Ministry). The Permit offering was following verification of ADX' financial and technical capability. Audax accepted the licence in accordance with the current regulatory framework, which focuses on gas exploration. The formal Ministerial approval of the Permit is expected in early 2025.

## ADX ENERGY LTD

### CHAIRMAN'S REPORT

The Permit is highly prospective for high-quality gas with minimal impurities (sweet gas), making future discoveries likely to be commercially attractive. The prospectivity of the Permit is enhanced by the proven existence of sweet gas in the Permit, confirmed by several historical wells and potentially highly productive sandstone reservoirs, which are geologically analogous to two nearby producing fields. During the application process, ADX has identified a number of attractive exploration prospects using a high-quality 2D seismic data set available across the permit. The combination of shallow water depths, shallow drill depths, productive reservoirs and favourable fiscal terms improves the potential economic viability of any discovery.

The expected award of the Permit represents an important strategic and commercial development for ADX given the strong demand for clean domestically produced gas in Italy and Europe, the existence of proximal gas pipeline infrastructure and the recent commencement of production from ENI's Argo Cassiopea gas field development which could be a tie in opportunity for future discoveries. Importantly, Italy has become a positive, pro-development jurisdiction which supports European Clean Gas following the election of Ms Giorgia Meloni and the formation of a centre-right coalition government.



**Figure 2: The d 363 C.R.-AX permit location in relation to the geologically analogous Lippone Mazara Field and Argo Cassiopea Fields**

After a protracted period since applying for the d 363 C.R.-AX permit, we are pleased to be offered this highly prospective licence by the Italian Authorities. Italy has resumed energy-related activities and has become a pro-development jurisdiction for gas. ADX has been able to purchase high-quality 2D seismic data during the gazettal process, which has enabled the Company to assess the potential of the Permit before committing to a work program.

Italy and Austria rely heavily on imported oil and gas, making the exploration for and development of new oil and gas resources a strategic imperative as is the case for the majority of Europe. In Austria, we enjoy the benefits of high-value oil sold at Brent price equivalent, and gas is sold at Dutch Title Transfer Pricing (TTF). TTF is a highly liquid, premium gas market achieving pricing multiples of 3 to 5 compared to US domestic prices. Our observations of current trends in European energy markets are summarised at the end of this Chairman's Report.

# ADX ENERGY LTD

## CHAIRMAN'S REPORT

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In the short term, ADX operational focus will be based on rapidly increasing the Company's production base and its cash flow generation with an increasing emphasis on gas. In parallel, with lower-risk exploration and appraisal objectives, we are maturing high-impact opportunities that could provide multiples of growth. To deliver these objectives our asset priorities can be summarised as follows:

*Maximise Austrian oil production from the Vienna Basin and Anshof fields*

- Restore production from non-productive wells in the Vienna basin,
- Maximise production from the Anshof wells, and
- Add production and profitability from nearfield appraisal and exploration prospects.

*Low-risk, low-cost gas exploration play development in Upper Austria*

- Continue mapping the proven gas play across ADX' revised acreage position using advanced seismic processing and AI techniques,
- Develop drilling programs to minimise drilling costs for shallow wells,
- Mature multiple shallow, low-risk gas targets near to infrastructure that can be rapidly commercialised, and
- Undertake land acquisition, permitting and secure rig slots for drilling.

*High-impact growth from Welchau play and the Sicily Channel permit*

- Welchau-1 ongoing production testing and evaluation,
- Evaluate exploration follow-up from potential Welchau deep and the nearby Rossberg prospect, and
- Mature Sicily channel gas prospects for farmout and drilling.

It has been a very busy and challenging year for ADX. Your Board believes that your Company has a compelling and unique investment proposition provided by the combination of production, reserves expansion and an evolving exploration portfolio that can provide transformative growth. We intend to continue to fund our exploration programs by farmin transactions complemented by production and equity. ADX is fortunate to have a healthy cash balance at year-end, which enables us to continue to fund our near-term asset development activities.

We welcome Mr John Begg to the Board of ADX. John is a geologist who has a proven record of finding and commercialising hydrocarbon fields across three continents. John's skills and experience further strengthens the board of ADX.

Below we have provided as an annexure an overview of the natural gas market and crude oil market in Europe which identifies a more optimistic immediate supply demand outlook for gas versus oil. Based on this analysis and the strategic importance of gas, particularly in Europe as a transition fuel as well as the ongoing security of supply concerns resulting from the Russia Ukraine conflict the Board of ADX has made the decision to weight the development of the Company's portfolio towards gas. This priority towards gas is expected to be delivered in the short term with ADX Shallow Gas Exploration Play in Upper Austria and in the medium term from offshore Sicily Channel as well as deeper plays in Upper Austria.

We thank you for your support and look forward to reporting the Company's progress in the coming year.



IAN TCHACOS  
Executive Chairman

# ADX ENERGY LTD

## CHAIRMAN'S REPORT

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### ANNEXURE

#### *Oil and Natural Gas Markets Overview*

##### ***Overview of the natural gas market in Europe***

During the reporting period, global gas demand grew by 2.5%, which is equivalent to 100 billion cubic metres (bcm), reaching an all-time high of 4,200 bcm after a year of rebalancing (2023) that followed the supply shock faced in 2022. Growth was mainly driven by strong demand in China and India (up 10% year-on-year) and the recovery of industrial demand in Asia and Europe. The International Energy Agency (IEA) anticipates that global gas demand will grow by 2.3% in 2025.

Liquefied natural gas (LNG) supply increased by a modest 2% (6 bcm) in 2024 due to feed gas supply issues, plant outages and project delays. LNG supply is expected to grow at a faster pace in 2025 (+6% equivalent to 31 bcm) with several new projects coming onstream.

With LNG supply growth below the historical average, the worldwide gas supply/demand balance remains tight, and the market is sensitive to regional weather conditions (cold spells, droughts, heat waves, etc.) and vulnerable to supply chain disruptions (such as security issues in the Red Sea and drought in the Panama Canal experienced during the reporting year). The increased reliance on LNG to meet global gas demand as a result of the displacement of Russian piped gas in Europe has made the global gas market more interconnected.

During the reporting year, the overall gas consumption in Europe dropped by approx. 2% (6 bcm) as a result of a significant decrease (>10%) in gas demand for electricity generation due to the continued expansion of wind and solar power generation and improved availability of nuclear and hydro-power plants. This decline was partially compensated by the recovery of industrial consumption (+9% or 10 bcm) which still remains 10% below its 2021 level. The improved industrial consumption in Europe demonstrates that a significant portion of the demand destruction was caused by record-high prices reached in 2022 and 2023 as opposed to structural changes. The IEA forecasts that gas demand in Europe will increase by 1% in 2025, reversing the decline faced over the past 2 years.

Gas supply from Norway improved during the reporting period after extensive shutdowns for maintenance which resulted in production interruptions and lower gas deliveries in 2023. Norway contributed to 33% of the European Union (EU) gas supply in 2024. Despite this positive development, Europe is facing multiple gas supply challenges. Domestic gas supply dropped by 7% in 2024 due to the closure of the Groningen field in The Netherlands and the continuing decline of production in the U.K. North Sea (mature fields and lack of investment). In addition, with the expiry of the transit and interconnector agreements between Ukraine and Russia on 31 December 2024, Europe lost approx. 4% of its gas supply (15 bcm per annum). This lost supply is primarily affecting Austria (6 bcm per annum), Slovakia, Hungary and Moldova, where Russia piped gas transiting via Ukraine represented 65% of the overall gas supply. However, these countries have significant gas storage facilities and indirect access to the LNG market through extensive pipeline networks and floating storage regasification units located in Germany and Italy.

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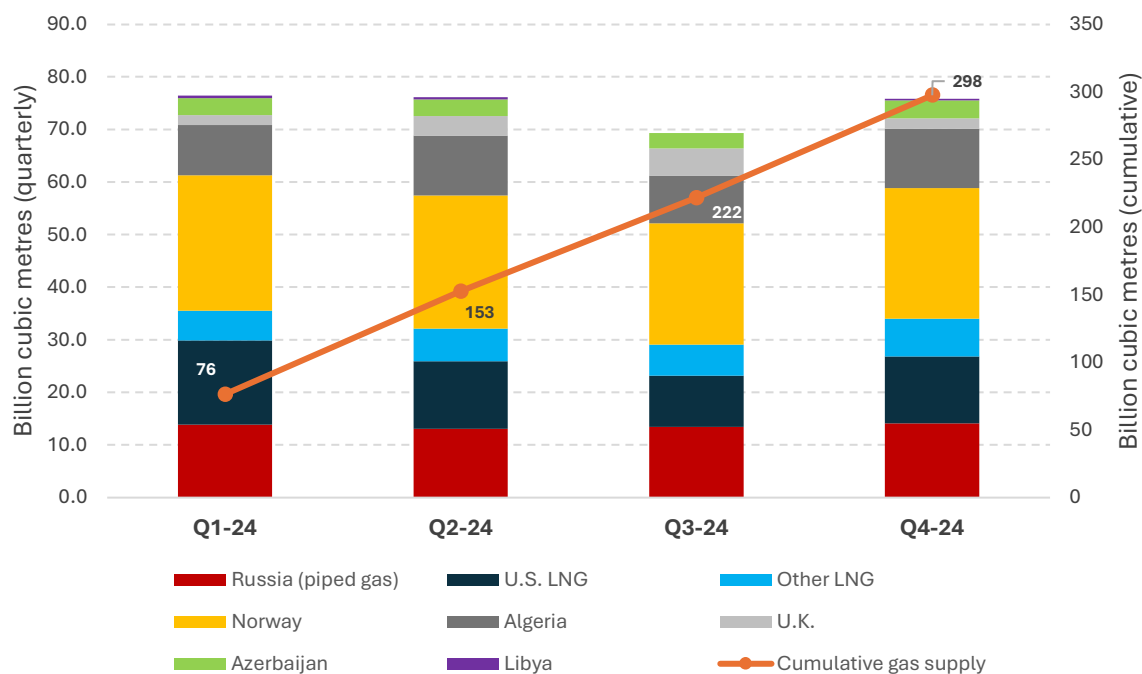
# ADX ENERGY LTD

## CHAIRMAN'S REPORT

Therefore, LNG imports (which contributed to 26% of the EU's gas supply in 2024) are expected to increase by 11% (15 bcm) in 2025 since the Turk stream pipeline (delivering Russian gas) and other sources of piped gas (Norway, Algeria, Libya and Azerbaijan) are operating at full capacity. The LNG market is likely to remain tight in 2025 with increased competition for cargoes and elevated prices until further supply comes on stream in 2025. Tightness in the LNG market is expected from the following factors:

- Increased reliance on LNG imports in Europe combined with strong demand from Asian countries (China, Japan, South Korea, India and Taiwan),
- New U.S. sanctions on Russian gas liquefaction facilities (applying to 25% of the output) and Russian ice-breaking LNG carriers, and
- Lagging LNG supply ramp-up from new projects

Fierce competition between European LNG buyers and Asian LNG importers to secure spot LNG cargoes was observed during the fourth quarter of 2024.



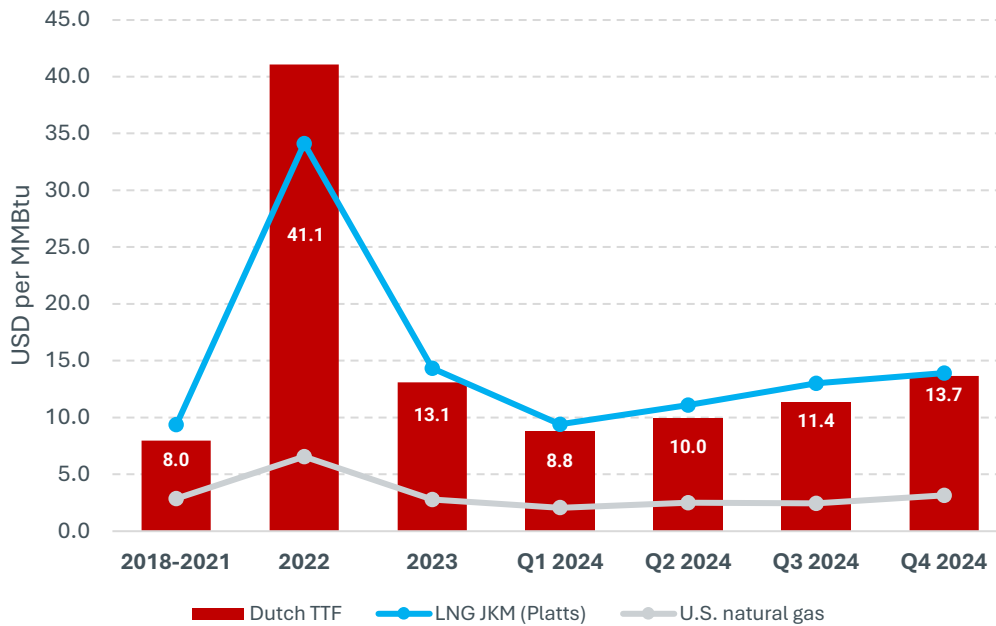
Source: Bruegel. Data as of 22 January 2025

**Figure 3: EU's quarterly natural gas imports in 2024**

Despite mixed supply/demand fundamentals during the reporting period, gas prices in Europe increased by 57% between Q1 2024 and Q4 2024 (quarterly average) reflective of growing uncertainty regarding gas supply after the expiry of the transit and interconnector agreements between Ukraine and Russia.

## ADX ENERGY LTD

### CHAIRMAN'S REPORT



Source: CME and ADX Energy Ltd

**Figure 4: Gas prices 2018-2024 (Dutch TTF, U.S. Natural Gas and LNG Japan-Korea Marker)**

The evolution of gas prices in Europe (Dutch TTF benchmark) since 2022 shows a close alignment with spot LNG prices (JKM Marker) consistent with the increasing proportion of LNG in Europe's gas supply mix. This trend is expected to continue in 2025 with Europe using a larger proportion of LNG (31% of the total gas supply versus 26% in 2024) in order to replace Russian piped gas previously transiting via Ukraine.

Gas prices in Europe are also more exposed to sudden spikes caused by weather conditions and supply chain disruptions as these events impact the availability of LNG supplies. This risk was previously mitigated by a predictable supply of piped gas from Russia and gas storage. Over the past two years (2023 and 2024), high levels of gas in storage were maintained throughout the winter to ensure the security of supply. As of the date of this report, the quantities of gas in storage in Europe are significantly lower than at the same time of the year in 2023 and 2024. Such a deficit of gas in storage is likely to contribute to elevated prices and potential price spikes in 2025.

The expected attractive gas prices (approx. USD 11 per MMBtu in 2024) create a strong investment case for the Company to prioritise the drilling, development and monetising of its rapidly expanding gas exploration portfolio in Upper Austria.

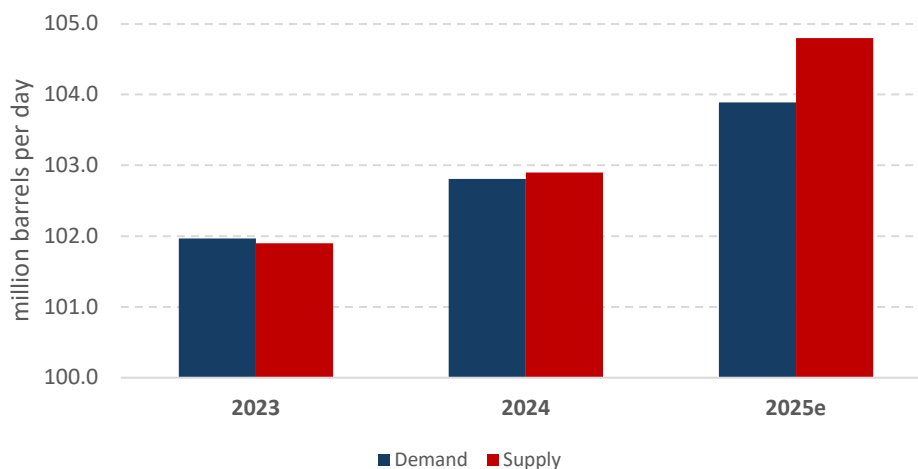
#### **Overview of the crude oil market**

Global demand for crude oil averaged 102.8 million bpd during the reporting year (+0.8% or 600 kbpd) and is expected to reach 103.9 million bpd in 2025 (IEA estimate). Increased consumption in 2024 was mainly driven by the petrochemical industry and emerging countries. Underwhelming crude oil demand is reflective of the global macroeconomic environment and changing patterns.

With supply averaging 102.9 million bpd (+630 kbpd), the global crude oil market was well-balanced in 2024. However, this outcome was achieved with significant voluntary production cuts by OPEC+ (which controls 50% of the global crude oil supply) implemented in November 2023 (2.2 million bpd). Meanwhile, crude oil supply from non-OPEC+ countries grew by 1.5 million bpd in the reporting period with the U.S.A., Brazil, Guyana, Canada and Argentina contributing to most of the additional production.

# ADX ENERGY LTD

## CHAIRMAN'S REPORT



Source: IEA

**Figure 5: Global crude oil supply and demand (2023-2025e)**

From a supply/demand perspective, the outlook of the crude oil market for 2025 is uncertain for the following reasons:

- A modest increase in global crude consumption is forecasted in 2025 (+1.1 million bpd);
- Production from Non-OPEC+ countries is expected to grow by 1.5 million bpd; and
- Risk of gradual unwinding of OPEC+'s voluntary production cuts from April 2025 which could bring 460 kbpd of additional supply on the market;

On this basis, there is a significant risk of supply surplus (approx. 1 million bpd excluding unwinding of OPEC+ supply cuts) which is likely to put downward pressure on crude oil prices. Concurrently, geopolitical tensions and uncertainty, potential supply chain disruptions (Houthi's attacks on tankers in the Red Sea) and uncertainty are expected to create volatility. ADX is therefore seeking to rollover its prudent price risk management strategy by putting in place hedging when deemed appropriate.

**End of Chairman's Report**

# ADX ENERGY LTD

## OPERATIONS REPORT

### OPERATIONS REPORT

#### Activities Overview

#### Asset Activities Summary

##### **Production and Development - Vienna Basin Fields and Anshof Field - Onshore Austria**

ADX is an operator and holds a 100% interest in the Vienna Basin production licences.

ADX is the operator of the Anshof Field, holding a 50% economic interest in the Anshof-3 production well as well as a 60% economic interest in the Anshof-2A production well.

The production rate, net to ADX, from the Vienna Basin Fields and the Anshof Field (collectively, Austrian Production) during the year averaged approximately 211 BOEPD compared to 287 BOEPD for the year ended December 2023. Oil and gas production continued during the year from the 100% ADX owned Vienna Basin Fields producing an average of 174 BOEPD.

The decrease in average production was due to the shut-in of the Anshof-3 well until 3 April 2024 for the installation and commissioning of the Anshof Permanent Production Facility ("PPF") as well as a number of Vienna Basin Field wells being offline due to corrosion and sand blocking of down hole pumps. The interruption to Anshof Field production is shown in the Austrian ADX share net production Figure 1. The Anshof-2A well contributed to Anshof Field production from 2 December 2024 following completion and tie-in.

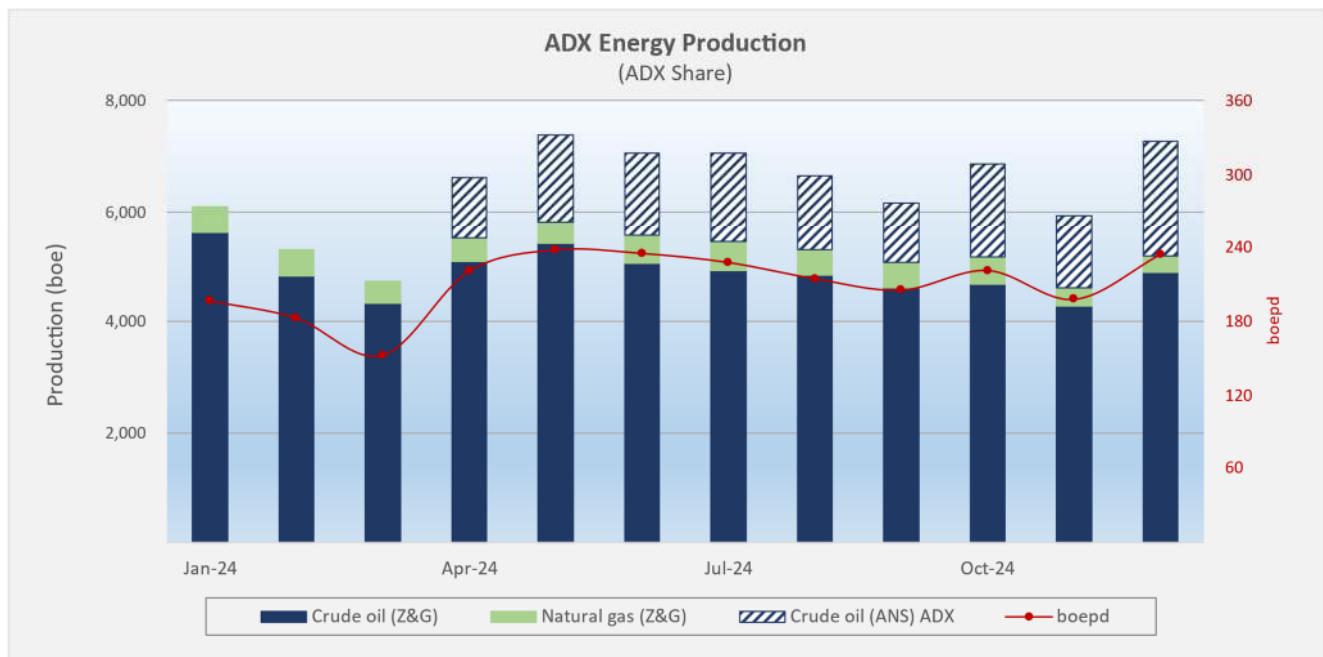
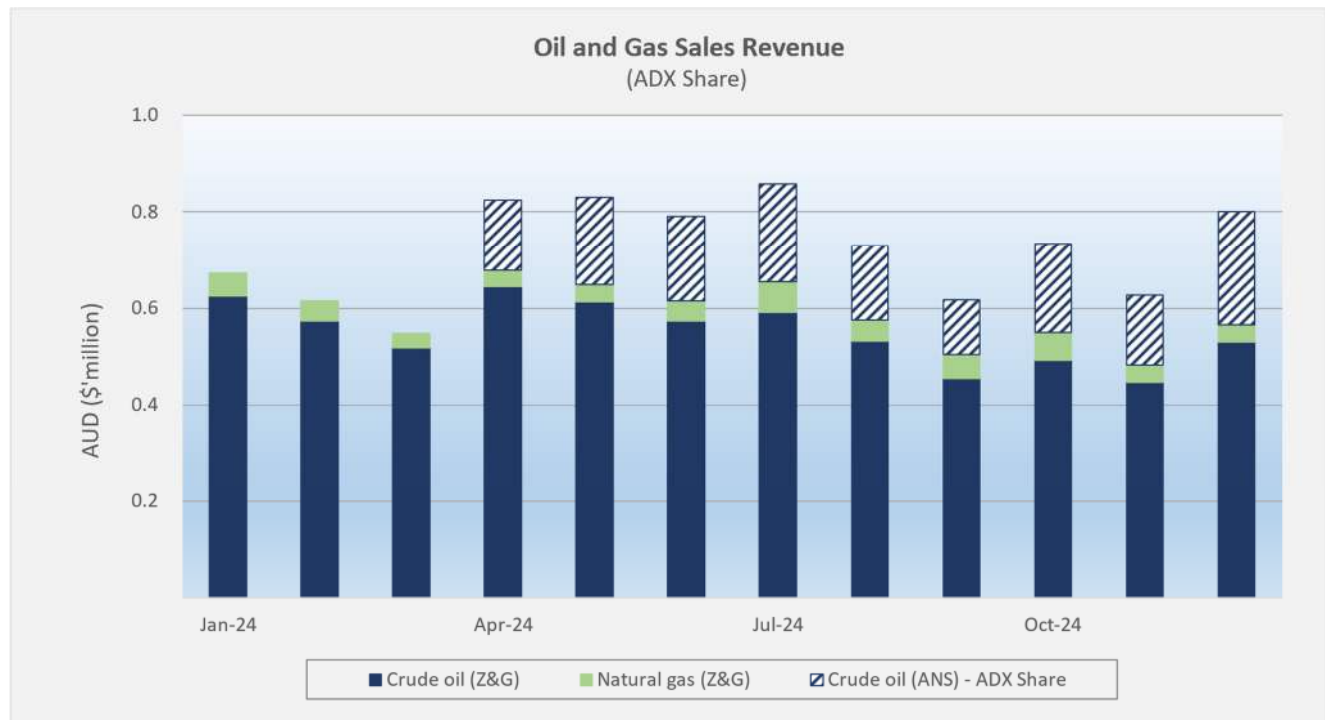


Figure 1: Austrian average daily oil equivalent production rate for oil, gas and total BOEPD

## ADX ENERGY LTD

### OPERATIONS REPORT

Sales revenues from Austrian Production during the year totalled A\$ 8.645 million net to ADX, a 29% decrease compared to the year ending 31 December 2023. The decrease in revenue is the result of a 20% decrease in production from the Vienna Basin Fields and a 44% decrease at Anshof. The average received crude oil price reduced slightly from A\$115.19/bbl in 2023 to A\$113.07/bbl in 2024. Gas prices averaged A\$130.47/BOE in 2023 and reduced to A\$97.81/BOE in 2024. Figure 2 shows the variation in monthly sales revenue from ADX' Austrian fields.



**Figure 2: Austrian Production monthly oil and gas sales revenue**

During the year ADX continued to deploy a rolling hedging strategy seeking to provide stable revenue generation during volatile market conditions. A number of hedging transactions were deployed during periods of favourable market conditions.

- On 26 January 2024, ADX executed hedging transactions with Britannic Trading Limited with a fixed price swap contract for 8,400 barrels of oil at a fixed Brent crude oil price of USD 80.00 per barrel for February 2024 to May 2024 inclusive.
- On 3 April 2024, ADX executed further hedging transactions with Britannic Trading Limited with a fixed price swap contract for 15,000 barrels of oil at a fixed Brent crude oil price of USD 85.31 per barrel for June 2024 to October 2024 inclusive, and
- On 5 July 2024, ADX executed further hedging transactions with Britannic Trading Limited with a fixed price swap contract for 6,000 barrels of oil at a fixed Brent crude oil price of USD 83.15 per barrel for November 2024 and December 2024 inclusive.

The balance of the crude oil production from the Anshof and Vienna Basin Fields was unhedged during the period allowing ADX to maintain exposure to upside in Brent crude oil pricing. Gas production from the Vienna Basin Fields was also not hedged.

# ADX ENERGY LTD

## OPERATIONS REPORT

### Vienna Basin Fields Production

Gaiselberg and Zistersdorf (collectively the Vienna Basin Fields) continued stable and low-emissions oil and gas production through 2024. 63,784 BOE were produced and sold into the European market.

The following table summarises ADX' unaudited estimates of Developed Reserves as at 31 December 2024, based on reserves reported 31 December 2023, less production from the Vienna Basin Fields during the subsequent twelve-month period. ADX confirms that it is not aware of any new information or data that may materially affect the Vienna Basin Reserves.

ADX Vienna Basin Unaudited Developed Reserves as at 31 December 2024		
	1P Reserves	2P Reserves
<b>Total Developed (BOE) @ 31 December 2023</b>	979,091	1,639,091
<b>Production 2024 (BOE)</b>	63,784	63,784
<b>Total Developed (BOE) @ 31 December 2024</b>	915,307	1,575,307
<b>Notes</b> 1. ADX holds a 100% working interest in the fields 2. The notional reference point for reserves is the permit boundary or export line inlet. 3. Deterministic evaluation methods have been used. 4. Associate gas resources includes inerts sold with the gas. 5. There is no fuel & flare consumption for the Fields. 6. BOE means barrels of oil equivalent including solution gas 7. Conversion factors are 1.124m3/tonne oil, 165.4 sm3 gas per boe and a gas Higher Heating Value of 40.7 MJ/sm3		

### Anshof Oil Field Appraisal and Development

The Anshof-3 Eocene oil discovery well located in the ADX-AT-II licence in Upper Austria remained shut-in during the first quarter of the year having reached its regulatory limit of 5,000 tonnes (36,000 Barrels) for long term test production on 19 September 2023 under an early production system. A 3,000 BPD PPF was successfully installed and hooked up at the Anshof-3 site during the first quarter 2024 (Figure 3). The PPF commissioning commenced at end of the first quarter 2024 with first Anshof-3 oil production into the PPF on 3 April 2024 at a production rate 134 BOPD.



**Figure 3: Anshof Permanent Production Facility at the Anshof-3 location**



# ADX ENERGY LTD

## OPERATIONS REPORT

The Anshof-2 well drilled in the fourth quarter 2023 had intersected significantly better net Eocene reservoir than seen in the discovery well (Anshof-3) but below the field oil-water-contact (OWC). In September 2024, the suspended Anshof-2 well was side-tracked from below its 9 5/8" casing shoe and successfully drilled into thick and high porosity Eocene reservoirs up dip from Anshof-2 (Anshof-2A). The net oil reservoir intersection at Anshof-2A is approximately 3 times that of Anshof-3 with approximately 20% higher porosity and permeability.

Anshof-2A well completion operations were conducted with a workover rig from 30 September 2024 to 10 October 2024. The operations included the running of tubing in the well, perforating, stimulating the Eocene reservoir and installation of a rod pump in the well.

The well was tied-in to the Anshof PPF as a producer on 2 December 2024 following the installation of pipework and the connection of the well to the PPF electrical system and remote-control systems.

Anshof-2A well came on at a production rate of 202 barrels of liquids per day with a water-cut in excess of 70%. The high productivity rate is in line with expectation given the greater net oil thickness and better reservoir quality in Anshof-2A compared to Anshof-3. The high water-cut is attributed to the excellent reservoir quality providing vertical as well as horizontal flow coupled with the proximity to the oil-water-contact (OWC).

### *Anshof Field Area and Anshof-2 Well Participation and Operatorship*

ADX and MND executed an Energy Investment Agreement on 15 September 2023 whereby MND earned 30% interest in the Anshof Field Area from ADX (refer to the ASX release dated 7 August 2023). ADX' economic interest in the Anshof Field Area reduced from 80% to 50% as a result of this transaction.

XST elected not to participate in the Anshof-2A well. ADX and MND agreed to fund XST's share of well costs on a 50:50 basis and in turn obtain the right to 60% and 40% respectively of production from the well. XST retains its 20% economic interest in the remainder of the Anshof Discovery Area (i.e., Anshof Discovery Area less the Anshof-2A well) with both ADX and MND's economic interests remaining at 50% and 30% respectively.

### *Permanent Production Facilities*

The installation of permanent production facilities (PPF) to replace the early production system used for the test of Anshof-3 was successfully completed with the commissioning of Anshof-3 oil through the facility on 3 April 2024 with both Anshof-3 and Anshof-2A producing into the PPF at end of the reporting period (Figure 4).

The PPF has the capacity to process oil from multiple wells with production capacity of approximately 3,000 barrels per day. It is mostly unmanned and operates 24 hours per day with wireless data transmission.

Oil production from the PPF is trucked to a nearby train loading facility and associated gas is used for power generation and process heat. Produced water is trucked and disposed of at ADX's Zistersdorf facility.



**Figure 4: ANS-3 (left side, photo) and ANS-2A (right side, photo) wells at the Anshof PPF location**

# ADX ENERGY LTD

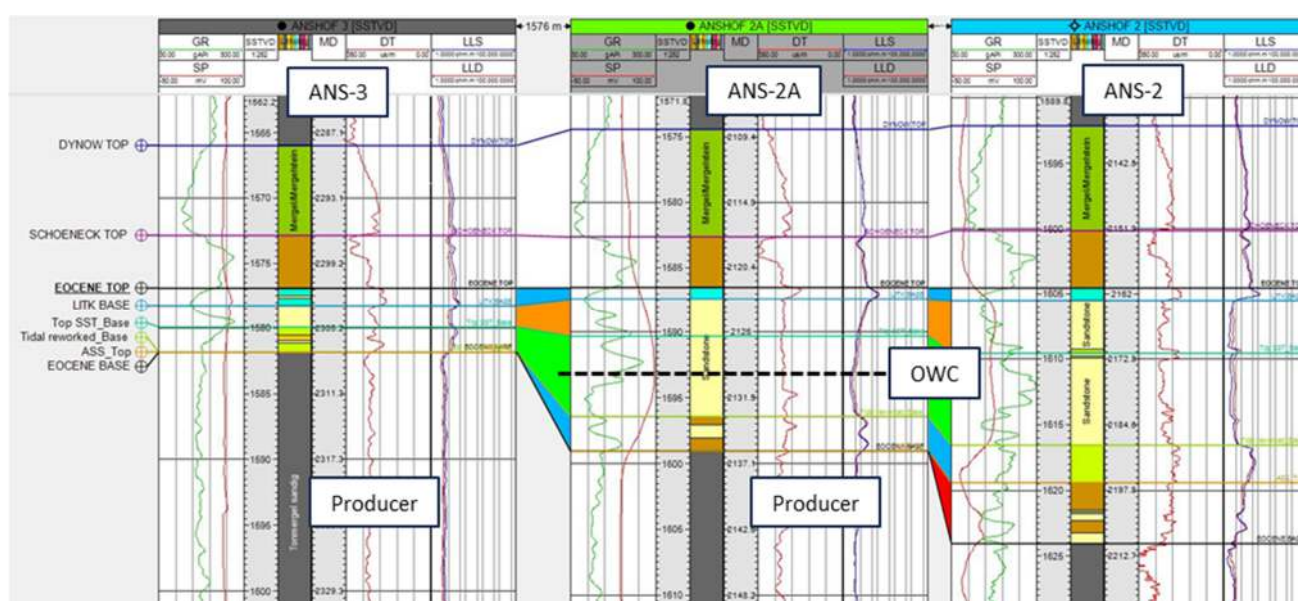
## OPERATIONS REPORT

### Anshof-2A Appraisal Well

The Anshof-2A up dip side-track appraisal well was successfully drilled in September to a total measured depth of 2,195 metres (TMD). Anshof-2A was drilled without any lost time safety incidents and within budget.

The Anshof-2A side-track well successfully encountered thick and high porosity Eocene reservoirs up dip from Anshof-2. The 6.5 m net vertical oil column within a 10 m net sand (Figure 5) compares very favourably with the Anshof-3 discovery well which had a 2.5 m net oil column. The net oil reservoir intersection at Anshof-2A is approximately 3 times that of Anshof-3 with approximately 20% higher porosity and permeability.

The Eocene reservoirs encountered at Anshof-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 Anshof-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 (Figure 6).



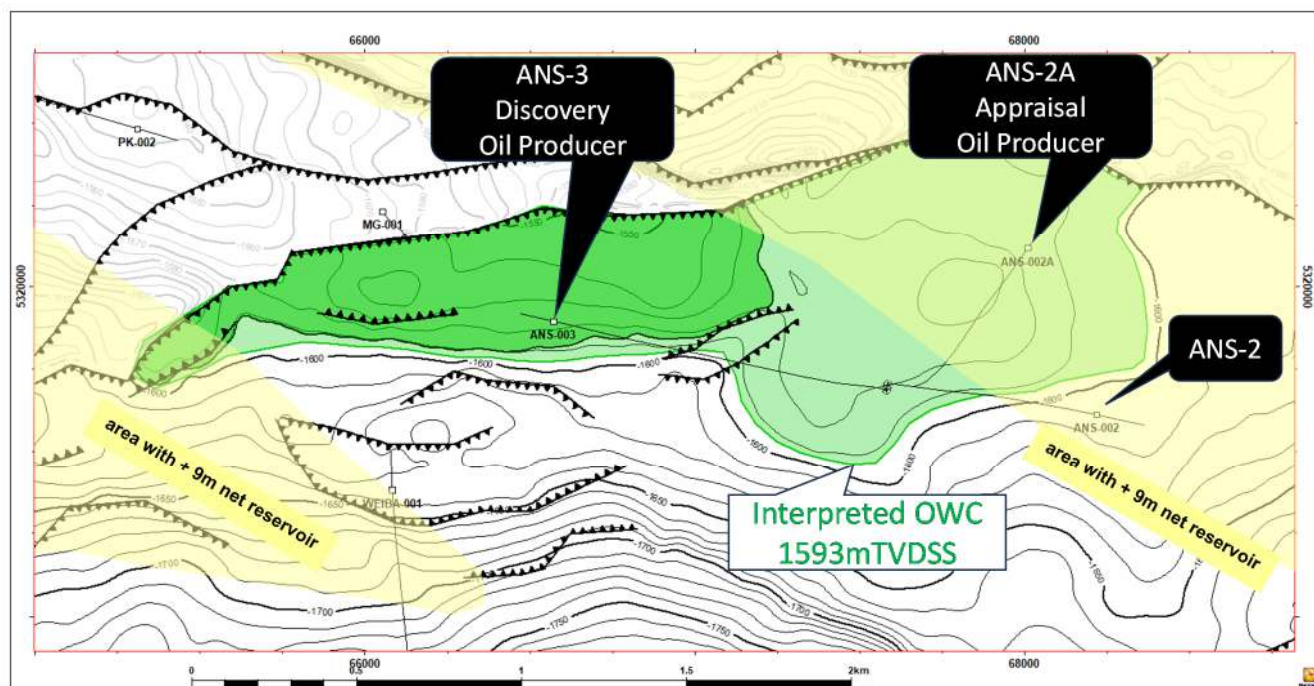
**Figure 5: A comparison of the Eocene sand thickness (shown in yellow) encountered in the Anshof-3 well (LHS), the Anshof-2A well (Middle) and the Anshof-2 well (RHS)**

Based on electric line logging data and pressure data recovered, the well has encountered Eocene sandstone reservoirs between 1,586.5 m Total Vertical Depth Sub Sea ("TVD SS") and 1,599 m TVD SS. An oil water contact is interpreted at a depth of 1,593 m TVD SS. Pressure data recovered from Anshof-2A and producing data from both Anshof-3 and Anshof-2A confirms a continuous oil pool intersected by the two wells (Figure 6).



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**Figure 6: Anshof Oil Field outline, with an interpreted oil-water-contact at 1593 m TVDSS, appraised to date and areas of greater Eocene reservoir thickness with the bottom hole location of the Anshof-3 discovery well, the Anshof-2A side-track well and the Anshof-2 well**

### Anshof Production

Anshof-3 produced 25,102 bbls of oil with an uptime of 92.5% for 2024 from production recommencement date 3 April 2024. Anshof-2A produced 1,384 bbls of oil with an uptime of 91.4% for 2024 since production tie-in on 2 December 2024.

The optimum production rates for each of the wells is set to support reservoir management objectives, ensuring that the bottom hole flowing pressure for both Anshof-3 and Anshof-2A wells remains above the oil's bubble point pressure i.e., the pressure threshold below which gas begins to come out of solution from the oil.

At the end of 2024, Anshof-3's optimum rate was 99 barrels of liquids per day with a water-cut of 9% giving a gross oil output of 91 BOPD. For Anshof-2A, the optimum rate was 142 barrels of liquids per day, with a stable water-cut of 67%, yielding a gross oil output of 46 BOPD.

### Upper Austria Exploration Licences, Molasse Basin – Onshore Austria

#### Welchau Investment Area

ADX is operator and holds a 75% interest in the Welchau Investment Area within the ADX-AT-II licence in Upper Austria.

#### Welchau Energy Investment Agreement

ADX has an Energy Investment Agreement (EIA) with MCF Energy Ltd. via its subsidiary MCF Energy GmbH (MCF) to fund 50% of Welchau-1 well costs up to a well cost cap of EUR 5.1 million to earn a 25% economic interest in the Welchau Investment Area which is part of ADX' ADX-AT-II licence in Upper Austria. The Welchau Investment Area contains the Welchau discovery well and other emerging oil and gas prospects. MCF has met its earn-in funding obligations in accordance with the EIA to earn a 25% economic interest. ADX holds a 75% economic interest in the Welchau Investment Area. MCF is obliged to pay 25% of ongoing well costs as well as exploration and appraisal expenditures. ADX holds a 100% economic interest in the remainder of the ADX-AT-II licence other than the Anshof Discovery Area.

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### Welchau Discovery Well

The Welchau-1 exploration well was spudded on 24 February 2024 using the RED Drilling & Services GmbH (RED) E200 drill rig in the ADX-AT-II exploration licence (Figure 7). The well reached a total depth (TD) of 1,733 metres on 17th of March 2024. The well was suspended for well testing after running and cementing 7-inch casing down to TD with the rig released on 28 March 2024. Welchau-1 was drilled without any lost time safety incidents and within budget.

The Environmental Clearance, received from the Department of Nature Protection of the State Government was the last regulatory requirement to commence continuous (24 hour) flow testing operations of the Welchau-1 discovery well for a period commencing from 30 October 2024 until 31 March 2025.

Following the receipt of the Environmental Clearance, a cost-effective workover rig and associated well test equipment were mobilised on the 4-5th of November. The workover rig was the same rig used for the completion operations on Anshof-2A. Well test operations commenced in early November 2024.

The ongoing testing of the Steinalm Formation and Reifling Formation was undertaken. At end of 2024 the well was shut in following an initial flow test of the Reifling Formation due to limited inflow. The well has been monitored with a view to allowing a sufficient volume of reservoir fluids to enter the tubing string that can be sampled before a decision is taken whether to stimulate the well and continue testing operations.

Four registered Austrian environmental non-governmental organisations (NGOs) have objected to the Environmental Clearance. Subsequent to year-end ADX has suspended Welchau-1 testing operations until the State Administrative Court of Upper Austria clarifies the approval situation (see section below for more detail).

The significant amount of well data gathered from drilling and evaluating the well has been utilised for structural interpretation, reservoir characterisation, resource estimation, well test planning and 3D modelling work.

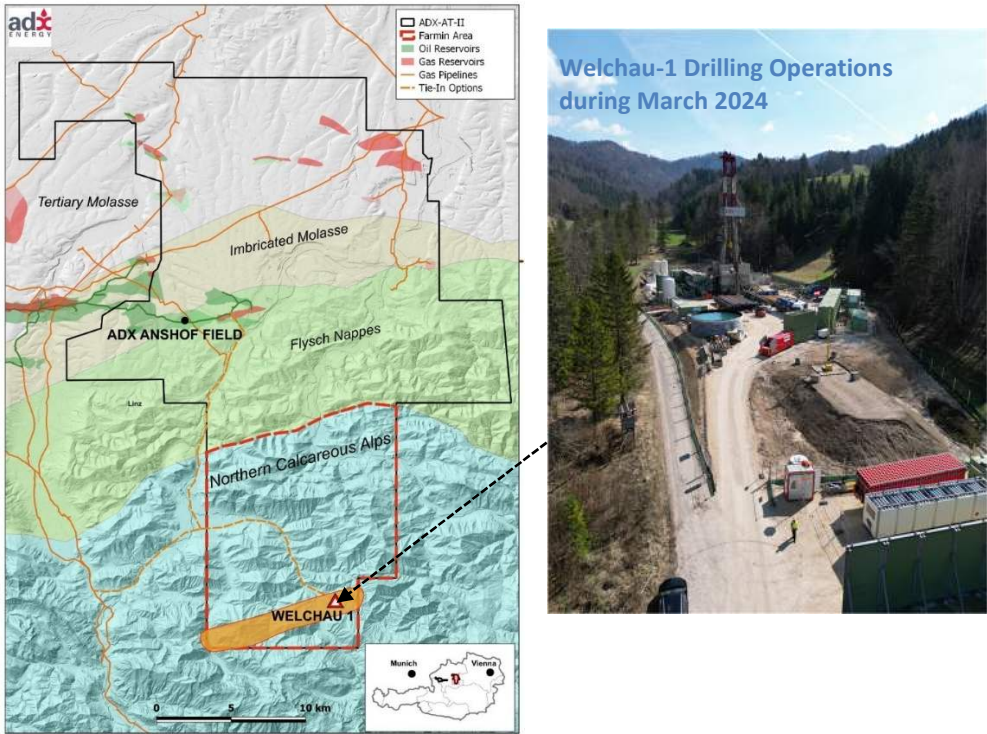


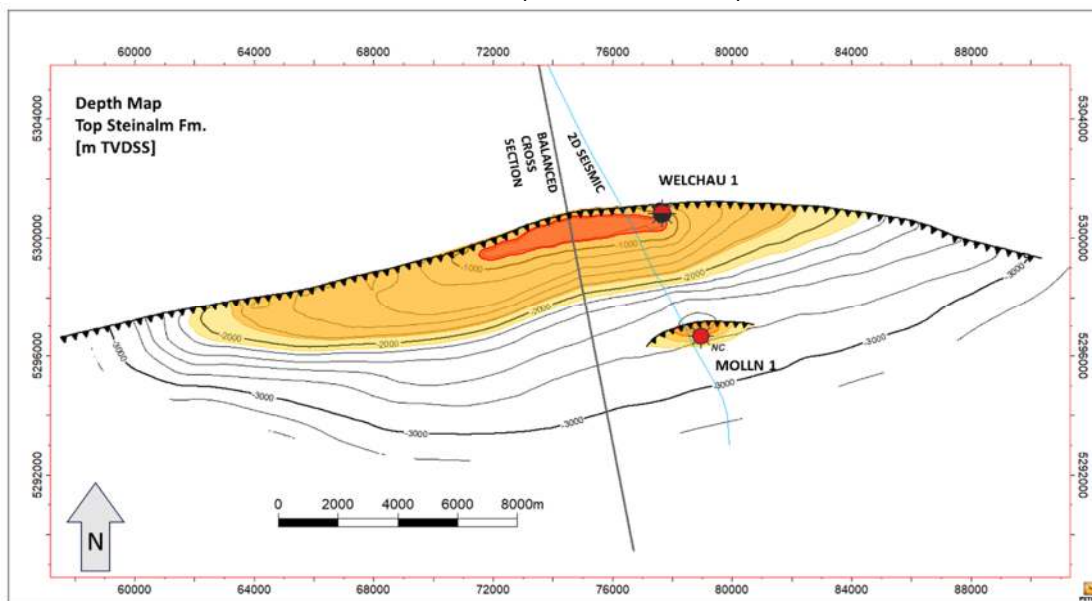
Figure 7: Location of the Welchau-1 Discovery in the Northern Calcareous Alps within the ADX-AT-II licence area.

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### Welchau-1 Structural Definition

The Welchau-1 well is mapped as being at or near the crest of an East-West trending, asymmetric anticline. This structural interpretation is in line with the pre-drill structural model prediction. The slight change in the strike of the fold axis makes the structure less cylindrical than predicted (in the Eastern part of Welchau anticline). The reservoir intersection at Welchau-1 is interpreted to be significantly greater across three reservoirs than in the Molln-1 well. Given that oil was recovered at Welchau-1 up dip of Molln-1 which tested gas and condensate, it is now interpreted that Molln-1 is in a separate accumulation to Welchau-1 (Figure 8). More details on the thrusting and faulting resulting in a potential boundary between Molln-1 and Welchau-1 wells is shown in the simplified structure map below.



**Figure 8: Welchau-1 Top Steinalm Formation simplified post drill map. The 1989 Molln-1 gas discovery is interpreted as a separate accumulation that is not connected to Welchau-1**

### Welchau-1 Data Analysis

The three primary carbonate reservoirs in the Welchau-1 well, promising for testing and ongoing appraisal, are the Reifling (128 metres), Steinalm (118 metres) and the Guttenstein (111 metres). The Steinalm reservoir flowed condensate rich gas at a rate of 4 MMSCFPD in the nearby discovery well (Molln-1) located just some 3 km away and tested in 1989.

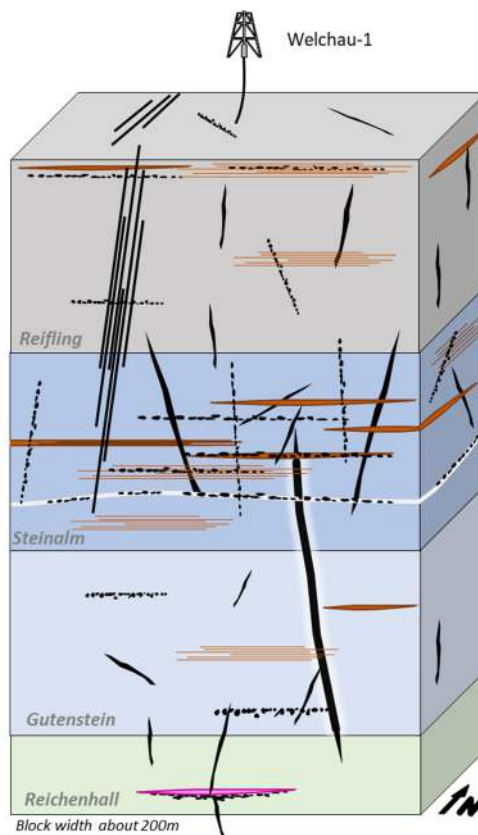
The analysis of Welchau-1 well results including hydrocarbon shows, formation cuttings while drilling, electric line logging, formation sampling and coring were used to update the resource range for Welchau and finalise the well testing design.

Third-party petrophysical consultants have evaluated the three key reservoirs and integrated the routine and special core analysis measured data from the 7-metre Steinalm core into their evaluation. They have interpreted all three reservoirs to be hydrocarbon bearing. It is noted however, that estimation of hydrocarbon saturation in tight fractured carbonates can be difficult to assess in the presence of micro fractures due to uncertainty in relation to formation water properties (i.e. electrical conductivity – salinity).

A 43° API light sweet oil was recovered from the over-pressured Steinalm Formation in a Modular Dynamic Tester (MDT) down hole sample tool. Liquid hydrocarbon and gas inflow to the wellbore was observed at surface following the downhole sampling operations. Mud gas readings for C1 (Methane) of up to 20% were recorded from the well bore with heavier components up to C5 (Pentane) recorded. Following the observation of gas seen at surface, liquid hydrocarbons were also observed in the mud at surface exhibiting florescence. The inflow of hydrocarbons to the well bore is further confirmation of the existence of mobile hydrocarbons. The vertical extent of this light oil in the Steinalm or in the shallower Reifling and deeper Guttenstein remains uncertain. There is no clear evidence of a hydrocarbon water contact in any of the reservoir formations based on the open hole wireline log data.

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**Figure 9: Welchau Carbonates Conceptual Model of an Open Permeable Fracture Network and other transmissibility events seen in the well such as reactivated beddings**

Wellbore image analysis specialists have developed a conceptual 3D model of the open permeable fracture network ("Network") in the vicinity of the Welchau-1 well (Figure 9). The Network consists primarily of fractures with some "reactivated beddings" associated with folding of the rock. These "reactivated beddings" are also expected to contribute to well flow and recovery.

The 3D model is based on detailed fracture and fault analysis using the Welchau-1 image log data, the open hole log data together with the dynamic drilling data (i.e., mud losses to the formation and gas shows from the formation). The analysis includes the identification of the many fracture types as well as their frequency, orientation, etc. The multiple open fractures and resulting fracture networks that have been identified are critical to hydrocarbon flow and hydrocarbon recovery. This 3D conceptual modelling work has been utilised for resource estimation, well test strategy, well test planning and future appraisal drilling.

### *Welchau-1 Well Test Objective*

A testing program was developed to primarily determine:

- reservoir fluid type present in key reservoirs;
- the flow capacity in key reservoirs; and
- the reserves potential of the reservoirs.

The test focussed on the two major reservoirs, starting with the deeper Steinalm formation followed by the shallower Reifling formation.



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### *Welchau-1 Well Test Operations – Steinalm formation*

In preparation of the Welchau-1 Steinalm flow test, a well test completion string was run into the cased well (tubing, packer and perforating system) and Flow Testing Facilities were rigged up, which included a test separator, the necessary pipework, production tanks, heat exchanger and a gas flare (Figure 10).



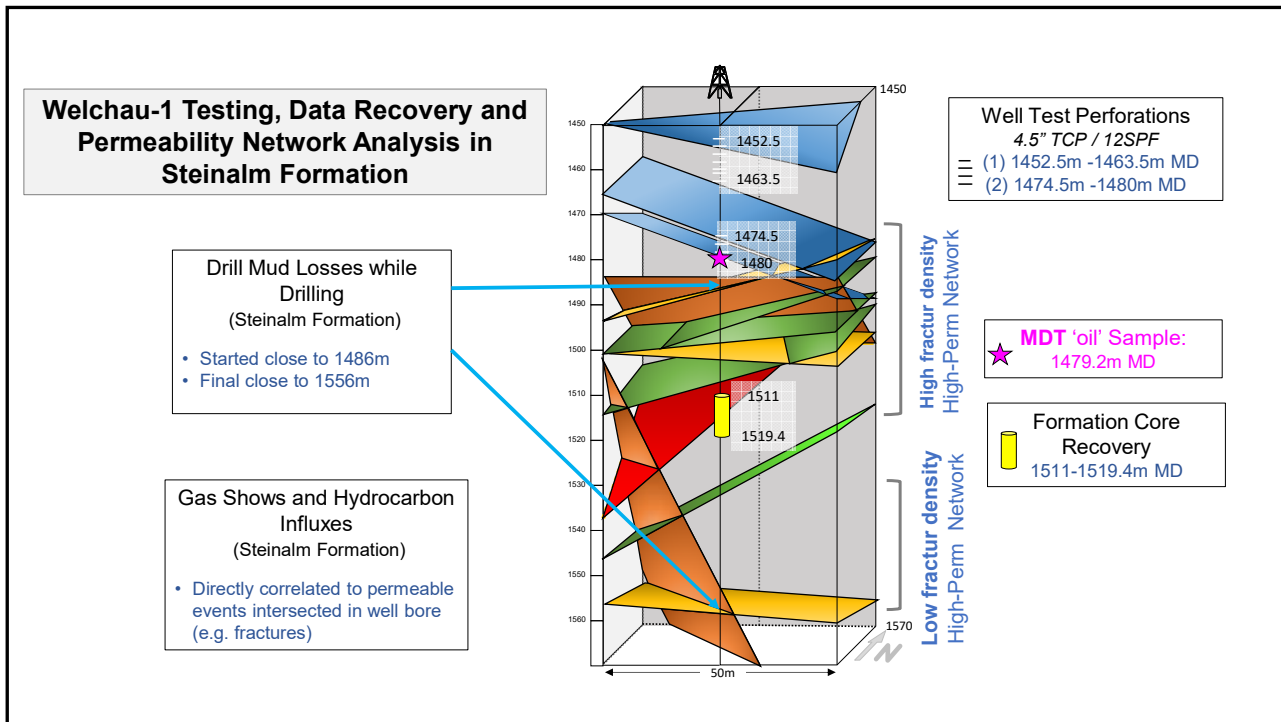
**Figure 10: Well completion work and Flow Testing Facilities set up at the Welchau-1 well location**

Two intervals were perforated underbalanced using high shot density casing guns in the Steinalm formation. The test intervals were at 1,452.5 metres to 1,463.5 metres Measured Depth (MD) “Upper” and 1,474.5 metres to 1,480.0 metres MD “Lower”.

The perforated intervals were over fractured intervals in the Steinalm formation where hydrocarbon shows were observed during drilling and above where oil was recovered from a down hole modular formation dynamic tester (MDT). Hydrocarbon shows were observed whilst drilling as well as the interval where a formation core was recovered with fluorescence (Figure 11).

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**Figure 11: Flow test intervals relative to MDT oil sample recovery and formation core recovery in Steinalm formation**

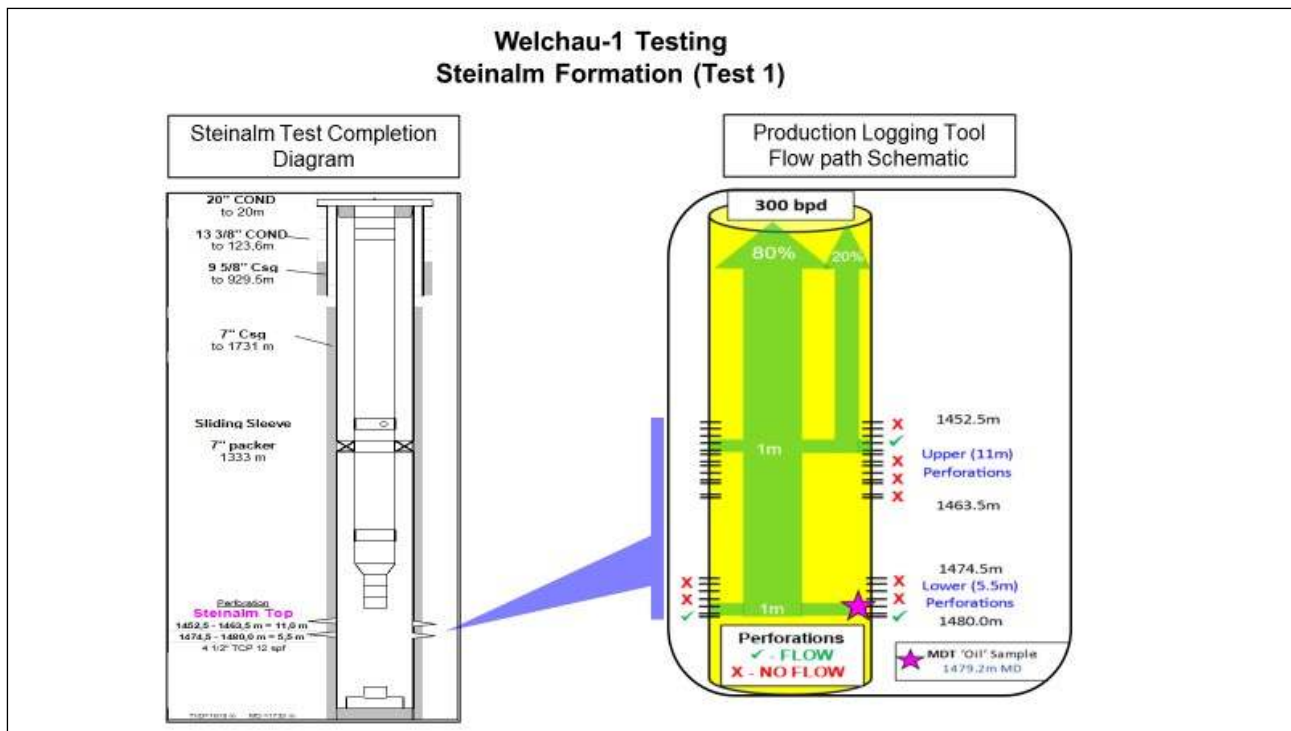
During the well clean up, flow gas was observed at surface followed by an unassisted (free flowing) sustained, stable rate of liquids comprised of drilling mud contaminated formation water and some potential oil traces. Well productivity observed from the unstimulated perforated interval was between 230 to 250 barrels per day of fluids. The clean-up phase was extended to five flow periods with a total volume of 72 m<sup>3</sup> of reservoir fluid recovered.

A production logging tool (PLT) was run in the well to determine the source of the produced mud and formation water, pressures and fluid gradients. The PLT results indicate that most, if not all of the fluid produced during the first Steinalm test came from the bottom of the Lower perforation interval and with little or no contribution from the Upper perforation interval approximately 27 metres above. Fluid entry to the well bore appears to be at a single point at approximately 1,478 m MD which flowed preferentially to the Upper perforations. The dominant flow is interpreted to be from a fracture system accessing a water column or water filled fracture system lower in the structure. Based on the PLT results, the first Steinalm test is not considered to be diagnostic of the presence or absence of hydrocarbons from the upper part of the Steinalm formation. ADX may re-test the Upper, perforated interval at a future time after isolating the Lower perforated interval.

Figure 12 presents the completion diagram for the Steinalm test, along with a schematic illustrating the dominant contribution of flow was from the bottom of the Lower interval based on an interpretation of the PLT results. However, the accuracy of the flow measurements is not definitive and it is possible that all the flow originated exclusively from the Lower perforated interval.

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**Figure 12: Steinalm formation – Test 1, completion configuration and PLT interpreted flow paths**

The lack of producible hydrocarbons encountered in the well at this interval is disappointing and contrasts with hydrocarbon shows recorded while drilling the well and oil samples recovered from the MDT sampler. More analysis is required to understand what appears to be a productive, extensive, well-connected and permeable fracture system in this part of the Steinalm formation which drew formation water into the well predominantly from the lower perforated interval.

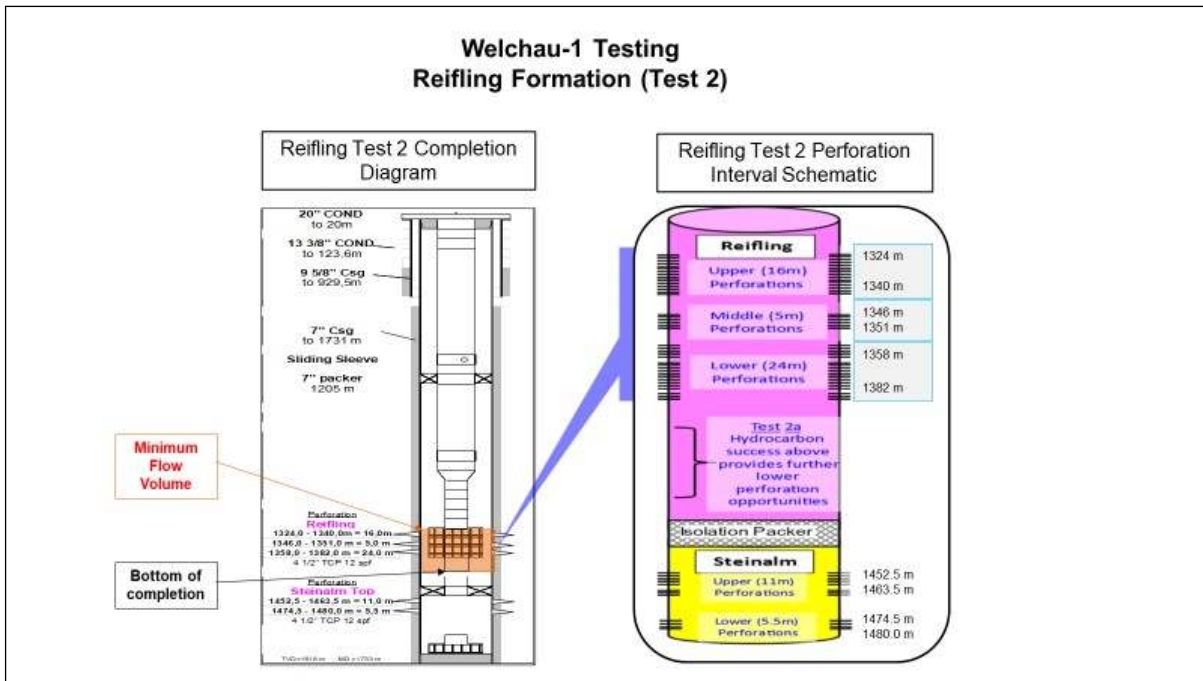
#### *Welchau-1 Well Test Operations – Reifling formation*

In preparation for the Reifling test, the Steinalm test completion string was retrieved and the Steinalm perforations were temporarily isolated with a packer. A new test completion string was run into the cased well to undertake the Reifling flow test. The test being carried out at the upper section of the 128 m thick Reifling formation across three perforated intervals at the top of the interpreted hydrocarbon column.

The three perforated intervals in the upper section of the Reifling formation are (1) a 16 m interval from 1,324 m to 1,340 m MD, (2) a 5 m interval from 1,346 m to 1,351 m MD and (3) a 24 m interval from 1,358 m to 1382 m MD (Figure 13).

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**Figure 13: Reifling formation – Test 2, showing completion configuration and perforation intervals as well as the Minimum Flow Volume required for formation fluids to enter tubing string**

The initial flow test did not result in sufficient flow into the well bore for reservoir fluids to enter the tubing string (Minimum Flow Volume) and allow the Reifling reservoir fluid composition to be determined or sampled. The sampled inflow recovered primarily workover fluids (completion brine) and traces of black solid particles. Subsequent laboratory analysis of the black solid particles indicates that they are mainly lead compounds that come from the perforation guns used. The well was shut in on 3 December 2024 and the work over rig demobilised to undertake planned work at ADX Vienna Basin Fields until further sample analysis and well pressure build up data become available from Welchau-1.

Wellhead pressure recording equipment with suitable accuracy was installed to monitor the pressure build-up resulting from well inflow. The wellhead pressure is continuing to increase at a slow rate. The plan is to conduct further sampling once sufficient inflow is observed through a notable increase in wellhead pressure.

#### *Welchau-1 Well Operations Interruption*

ADX has continued to undertake testing operations lawfully and in accordance with Environmental Clearance provisions at all times. Four registered Austrian environmental non-governmental organisations (NGOs) have objected to the Environmental Clearance. After the reporting period, a court ruling has repealed a previous law allowing operations to be undertaken during the review process for an objection to an Environmental Clearance. As a result of this ruling, ADX has suspended the Welchau-1 testing operations (refer ASX release 14 January 2025). The basis for the above-mentioned objection and the resulting court ruling are summarised as follows:

- Four registered Austrian environmental NGOs objected to the Environmental Clearance, by submitting an appeal to the Relevant issuing Environmental Authority as well as seeking a suspension of operations. The suspension of operations was rejected by the Relevant Environmental Authority ("Rejection"). Testing operations at Welchau-1 were conducted despite the appeal process on the basis of the existing regulations that such appeals do not have a suspensive effect.
- The Rejection was forwarded to the State Administrative Court of Upper Austria which in turn referred the Rejection to Austrian Constitutional Court to examine the legal basis (Judicial Review) for the article which prevented the suspension of operations for the period during which an objection is considered (Suspensive Effect Article). Following the Judicial Review, the Austrian Constitutional Court determined to repeal the Suspensive Effect Article on the basis that it was not constitutional.



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Based on advice received to date by ADX' lawyers the testing of Welchau-1 has been suspended until the State Administrative Court of Upper Austria clarifies the approval situation.

At present the well continues to be monitored to evaluate the rate of pressure build up with a view to determining the nature of fluid flow into the well. Monitoring of pressure and analysing the nature of fluid inflow into the well is important to ensure that the integrity of the well is maintained.

### *Welchau-1 Revised Resource Estimate*

Based on the data analysis to date, ADX believes it is most likely that Welchau is a high API hydrocarbon liquid (or light oil) and associated gas discovery rather than a liquids-rich gas discovery as was predicted prior to drilling.

Due to the uncertain nature of the Welchau reservoir performance, ADX does not believe it is appropriate to provide a definitive or detailed resources range at this stage.

ADX intends to revise Welchau resource estimates following the completion of the testing program, further analysis of drilling results from Welchau and the historic Molln well, as well as further ongoing mapping work.

### *Welchau-1 Well Operations Forward Plan*

The forward operations plan for Welchau-1 is to conduct further fluid sampling of the Reifling formation once sufficient inflow is observed based on an increase in wellhead pressure. Subsequently, the well will be swabbed using wireline to reduce hydrostatic pressure and stimulate flow.

If hydrocarbons are recovered, further testing of the Reifling formation is planned (Test 2a, Figure 13). This will likely take place after reservoir clean up to mitigate wellbore damage and enhance productivity in the carbonate reservoir.

The forward testing program after the Reifling formation test will be determined based on further analysis of results from the Steinalm and Reifling tests. The timing of such operations will primarily be dependent on the decision of the State Administrative Court of Upper Austria.

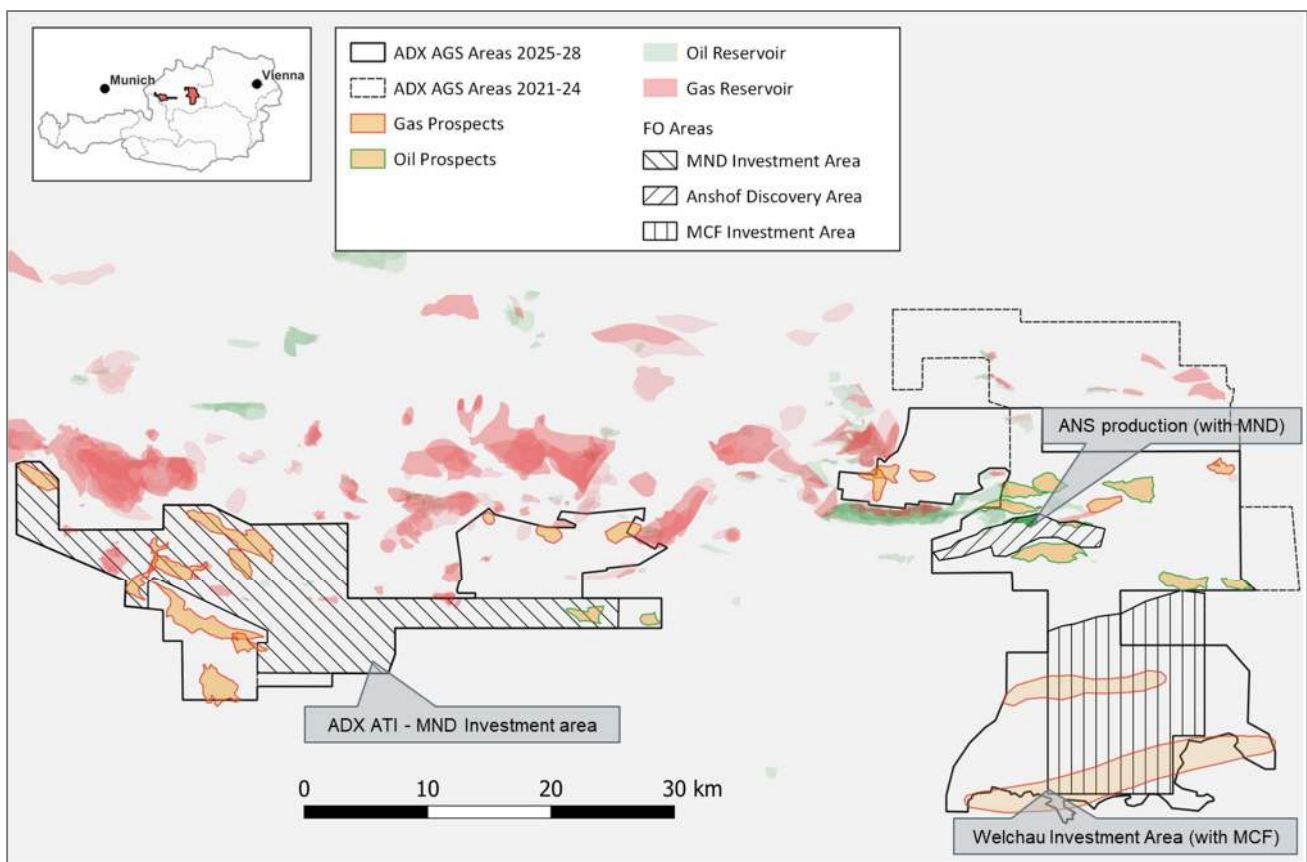
### ***Upper Austria AGS Exploration Licences, Onshore Austria***

ADX is operator and holds a 100% interest in the ADX-AT-I and ADX-AT-II exploration licences other than the Anshof Discovery Area (above), the Welchau Investment Area (above) and the ADX-AT-I Investment Area (details below). Figure 14 shows the ADX AT I & II licenced areas for 2021-2024 and the revised licence areas for 2025-2028. The Anshof Discovery Area and the Investments areas of MND and MCF are also shown.

- **ADX-AT-I licence interests:** ADX holds a 100% interest in the ADX-AT-I exploration licence except ADX holds a 50% interest in the MND Investment Area due to the completion of MND's investment obligations under the energy investment agreement relating to the MND Investment Area with the funding of the Lichtenberg-1 well.
- **ADX-AT-II licence interests:** ADX holds a 100% interest in the ADX-AT-II exploration licence, except as follows:
  - ADX holds a 75% interest in the Welchau Investment Area; and
  - ADX holds a 50% interest in Anshof Discovery Area other than the Anshof-2A well in which ADX holds a 60% interest.

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**Figure 14: ADX-AT-I & ADX-AT-II Licence Areas, also showing investment areas of MND (ADX AT I exploration and Anshof (ANS) production and MCF exploration within the Welchau discovery area)**

### Variation to Licence Areas

In late 2024 ADX made a request to the Austrian Ministry of Finance ("BMF") for a variation to ADX-AT-I and ADX-II licence areas to extend ADX' exposure to a shallow gas play and the Welchau Calcareous play. Following a public review process the licence variation was agreed and accepted after the reporting period. Finalisation of amendment agreements are expected during the second quarter of 2025.

The licence areas (1,022 km<sup>2</sup>) are for exploration, production and gas storage ("AGS"). The varied acreage under licence will remain the same area size and contain the Molasse (Oligocene to Miocene), Eocene, Cretaceous and Calcareous (Jurassic) formations in Upper Austria.

During the reporting period ADX exploration focus for portfolio development has been as follows:

1. **Welchau Play Extension – High Impact Exploration:** As described in the previous section, during the drilling of Welchau -1 most of the predrill assumptions for the prospect were confirmed including proving the presence of a large structure, hydrocarbon migration, the presence of top and fault seals and the possibility of potentially productive reservoirs, two ("Steinalm" and "Reifling") of which were production. While the reservoir flow testing results to date have been below expectations the Welchau-1 well results have enhanced the exploration potential of the play sufficiently for ADX to expand its Calcareous exploration position (Figure 15).

Based on the results of Welchau-1 the Rossberg prospect which lies slightly north is expected to have a significantly improved chance of success as a future discovery. Figure 18 shows that the seal of the prospect is now proven along a very large area. In addition to the Welchau-1 results and the nearby Molln-1 gas historic discovery in the same Triassic carbonate-limestone reservoirs, new prospects have been created, and existing prospects have further improved.

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It should also be noted that unlike sandstone reservoirs, limestone and carbonate reservoirs often change significantly in terms of production quality within the same field. This is caused by connection of fractures and further porosity and permeability improvements in the presence of dolomites, as proven in the Welchau area. Similar limestone/ carbonate fields worldwide have a large variation in well productivity. Typically, about 30% of the wells produce about 60% to 80% of the entire reserves. An example slightly south of and between Venice and Milan (Italy) is a very large ENI discovered carbonate field: Turrini et al. (2014)

2. *Shallow Gas Targets – Low Risk and rapid production tie in opportunities (ADX-AT-I & II licences):* During the reporting period, ADX has, and continues in 2025, to mature low risk and low-cost drilling prospects. The number of such low risk prospects identified has increased from an initial three prospects to in excess of ten prospects. The development of this shallow gas play is attributable to a large extent to the detailed 3D seismic AI (“Artificial Intelligence”) mapping undertaken over the last two years. Figure 16 and Figure 17 show some of these new gas prospects (“Hall” formation), which are located very close to pipelines enabling a rapid development time frame. In addition to the high chance of hydrocarbon success for these prospects, the likely presence of high-quality sandstone reservoirs are expected to result in high gas production rates, thereby improving cash flow generation and commerciality.

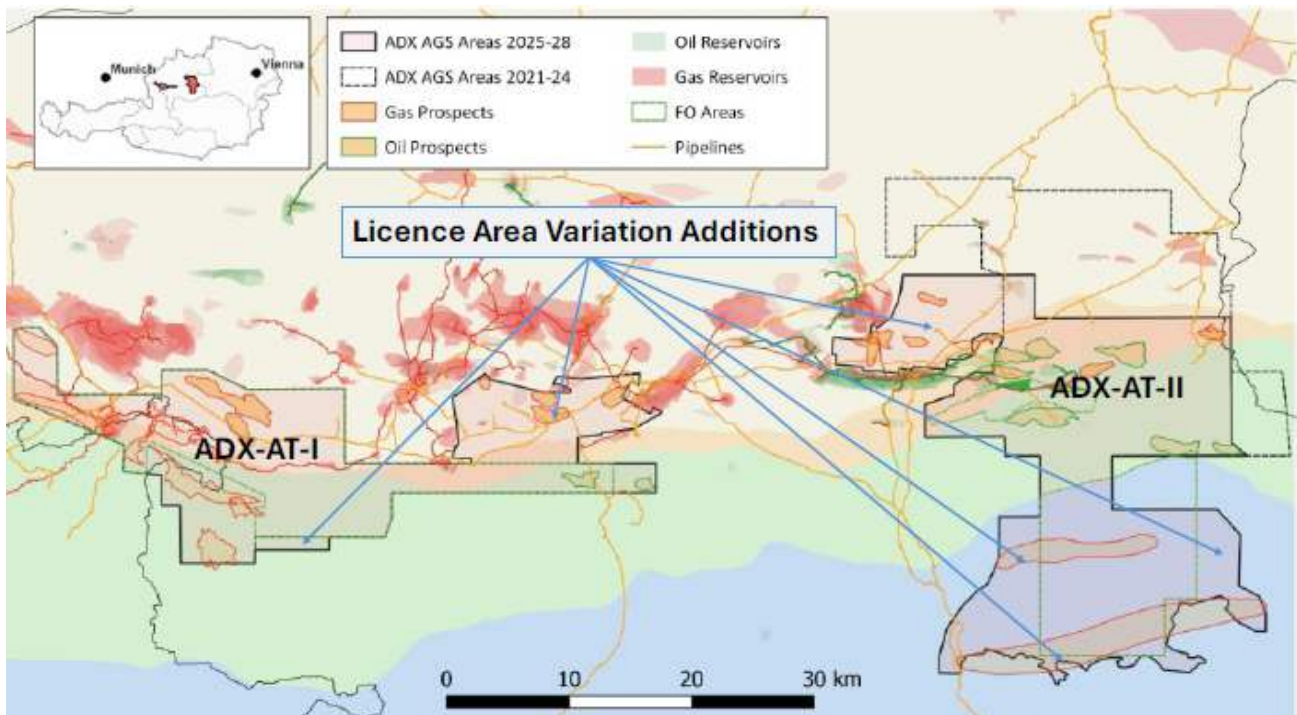
In 2024 the detailed 3D seismic interpretation and 3D PSTM (pre stacked depth migration reprocessing) resulted in a high-quality set of 3D amplitudes, AVO, RMS etc. data which directly indicates the presence of reservoirs and gas trapping. A key result is that several Hall formation sandstone reservoir prospects have been identified that are very likely to be gas filled. One such prospect in the ADX AT I area is the “HOCH” (Hochfeld) prospect (Figure 19). The HOCH prospect was previously reported in the ASX release dated 22 June 2023, initially describing two very close by prospects SCHOE and HOCH with a best total case of 11.4 bcf. The two prospects are now seen as a single prospect.

3. *Anshof Near Field Exploration and Appraisal Prospects (ADX-AT-II):* The Anshof Oil Field is now producing from two wells, i.e., Anshof-3 and Anshof-2A. The drilling, geological, formation evaluation and production data from the three wells (ANS-3, ANS-2 & ANS-2A) have defined the Anshof field structure and confirmed the sand distribution model of excellent Eocene oil reservoir in the area. This subsurface understanding further improves the chance of success for near field prospects which could be tied into the Anshof PPF (Figure 20).
4. *High Impact Oil & Gas Prospects:* The Lichtenberg-1 (“LICHT-1”) exploration well within the ADX-AT-I MND Investment area was drilled from September to October 2024. The total well cost, despite the deeper TD than planned did not exceed the pre-drill AFE, with the majority of the well cost paid by MND pursuant to an Energy Investment Agreement. MND has satisfied its earn in obligation and now holds 50% of the ADX-AT-I MND Investment area (Figure 14). The main Oligocene sandstone reservoir target– the Lower Puchkirchen Formation (“LPF”) was absent in LICHT-1 apart from a thin section. The combination of the new 3D seismic Pre stacked Time Migration processing (“PSTM”) with proven shallower thin LPF reservoir seen in LICHT-1 enabled a clear distinction between real productive high quality (gas) Oligocene LPF reservoirs and the older age turbidites having only shales and marlstones. The detailed drilling and logging data from LICHT-1 has improved the expected chance of success for the presence of reservoir in the follow up prospect of Irrsdorf (“IRR”). With this improved understanding a second, additional reservoir target is prognosed at IRR. The IRR prospect is analogous to the nearby Haidach gas field which has produced 150 BCF. In addition to the IRR prospect additional LPF reservoir prospects have been identified using the new 3D seismic Pre stacked Depth Migration processing (“PSDM”) and the data obtained from the LICHT-1 well. As a result, the main risk of not finding LPF reservoirs in future prospects is significantly reduced. Figure 21 shows the drilling of the LICHT-1 together with a N-S 3D seismic line showing the absence of LPF (gas) sandstone which is replaced by non-reservoir sediments. Prior to the drilling of LICHT-1 it was difficult to distinguish between the LPF real (gas) reservoirs and non-reservoir sediments on seismic. As a result of the information obtained from LICHT-1 it is now possible to identify gas reservoirs with greater confidence. ADX expects to identify and mature a number of (Molasse South Slope) high impact gas prospects in 2025.

During the reporting period detailed work was undertaken on the large ZAM prospect (Figure 16) and has confirmed the prospect is in part analogous to the largest OMV Jurassic gas reservoir field (“Hoeflein”) which has produced 70 MMBOE to date.

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**Figure 15: ADX-AT-I & ADX-AT-II Licence Area Variations providing multiple new growth targets. The total licence area of 1,022 km<sup>2</sup> remains unchanged.**

In summary, the above mentioned 2024 explorations activities, including 3D seismic, AI and PSTM reprocessing, as well as exploration and appraisal data obtained from the drilling of Welchau-1, Lichtenberg-1 and Anshof-2A have enabled the creation of an improved set of opportunities for exploration and appraisal drilling. Portfolio generation contains both very large and mid-sized, high impact oil and gas prospects as well as a largely new set of low risk, low-cost shallow gas prospects which provide rapid production and cash flow growth opportunities.

The ADX AT I & II exploration areas will be enhanced with both very large sized prospects and smaller sized prospects but with very low risk following an application to the Austrian Ministry to vary the licence areas for both licences. Figure 15, Figure 16 and Figure 17 show the varied licence areas which have been approved following the reporting period. ADX plans to announce an updated portfolio of exploration and appraisal prospects during the second quarter of 2025 including new and updated prospects.

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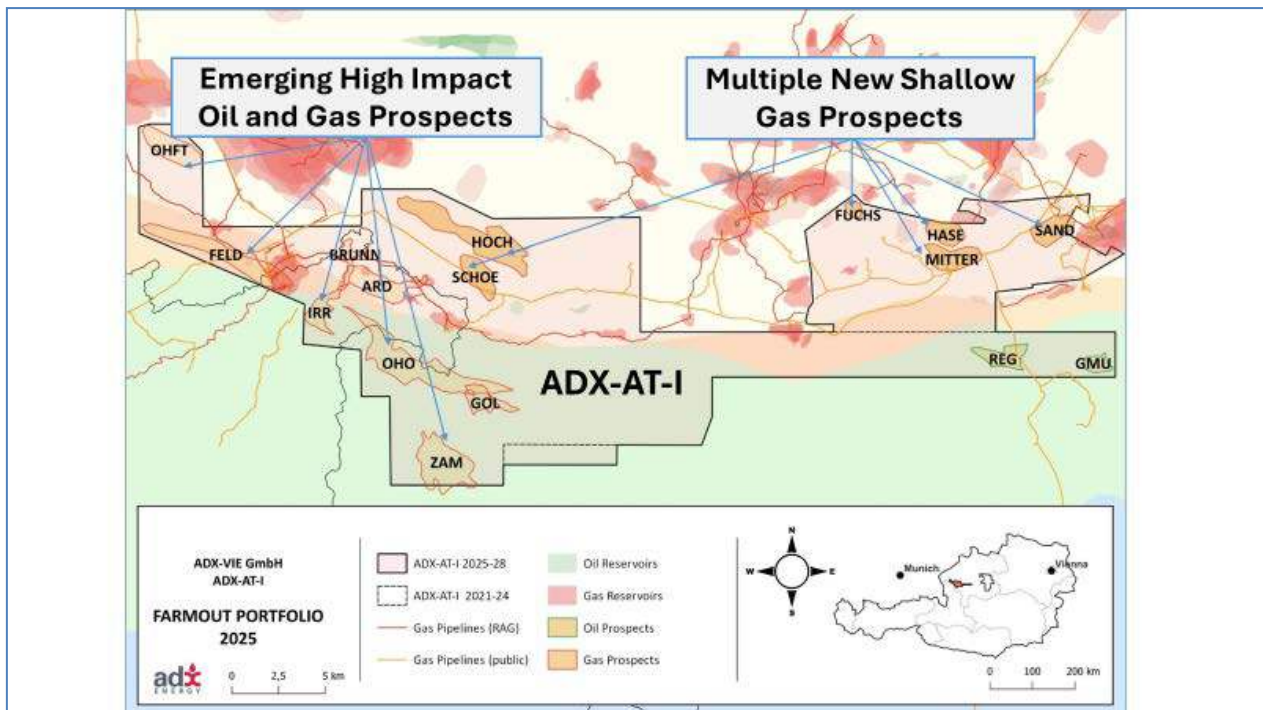


Figure 16: The ADX-AT-I licence area has increased by approx. 93 km<sup>2</sup> over multiple shallow gas prospects as well as emerging high impact oil and gas prospects.

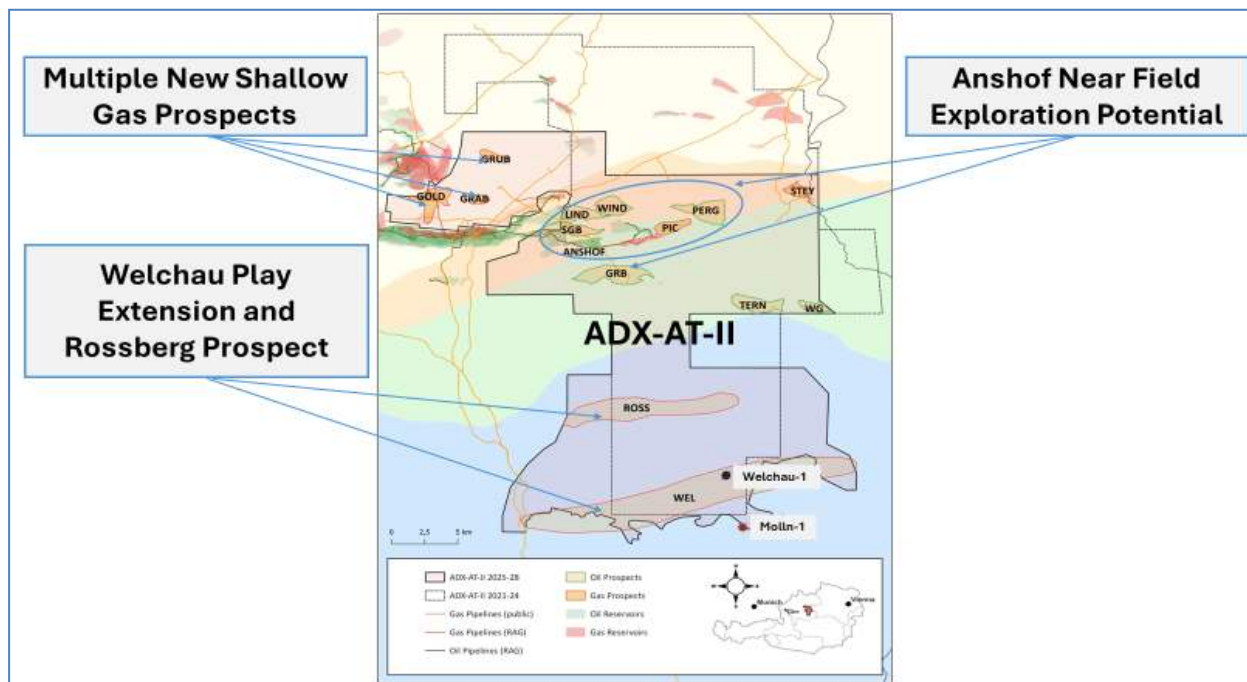
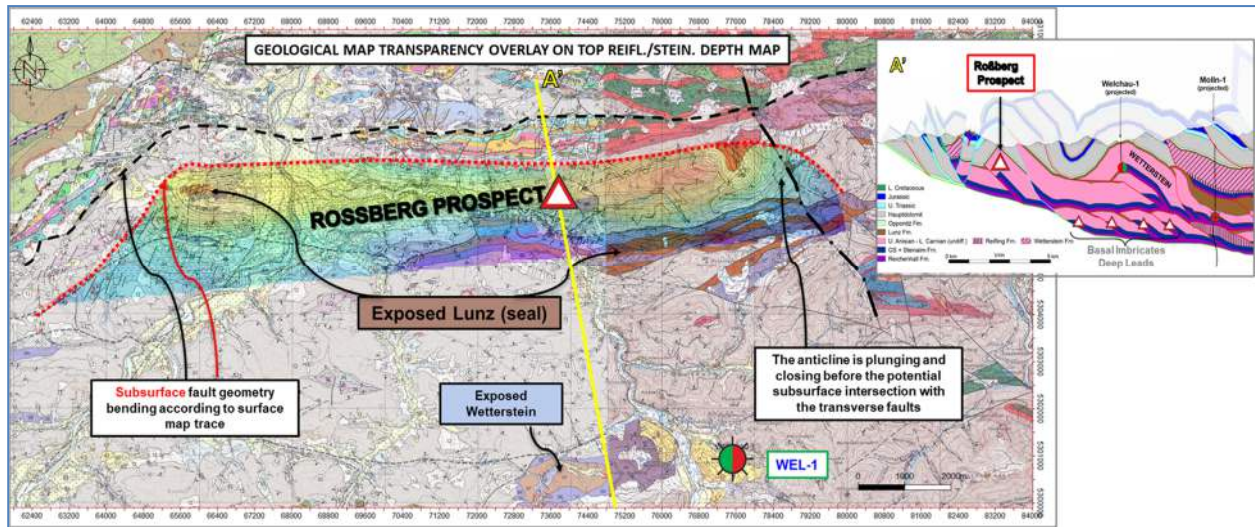


Figure 17: The revised ADX-AT-II licence covers the extension of the Welchau play and the Rossberg prospect. In addition to the Welchau play extension the ADX-AT-II licence includes near Anshof field oil appraisal and exploration prospects as well as the new low risk shallow gas prospects.

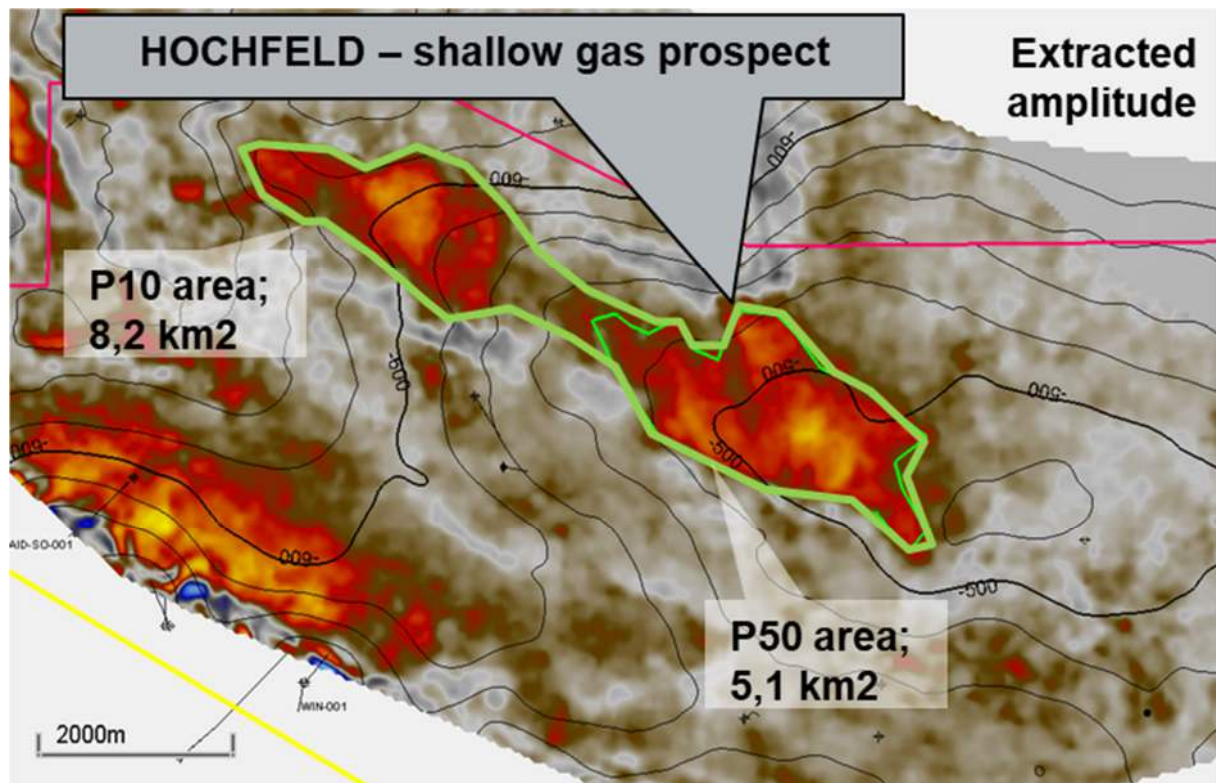


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**Figure 18: ADX-AT-II Molln-Welchau-Rossberg area provides condensate resources potential and multiple new growth areas. Deeper reservoirs in Welchau-1 area, similar to the Molln-1 gas production (1989) and attractive new prospects such as the on trend Rossberg prospect with likely trapping sealing sediments across the structure.**



**Figure 19: ADX-AT-I 3D seismic data based on new PSTM and RMS (root mean square amplitudes) directly identifies gas reservoirs. The Hochfeld prospect area is also shown in Figure 16.**



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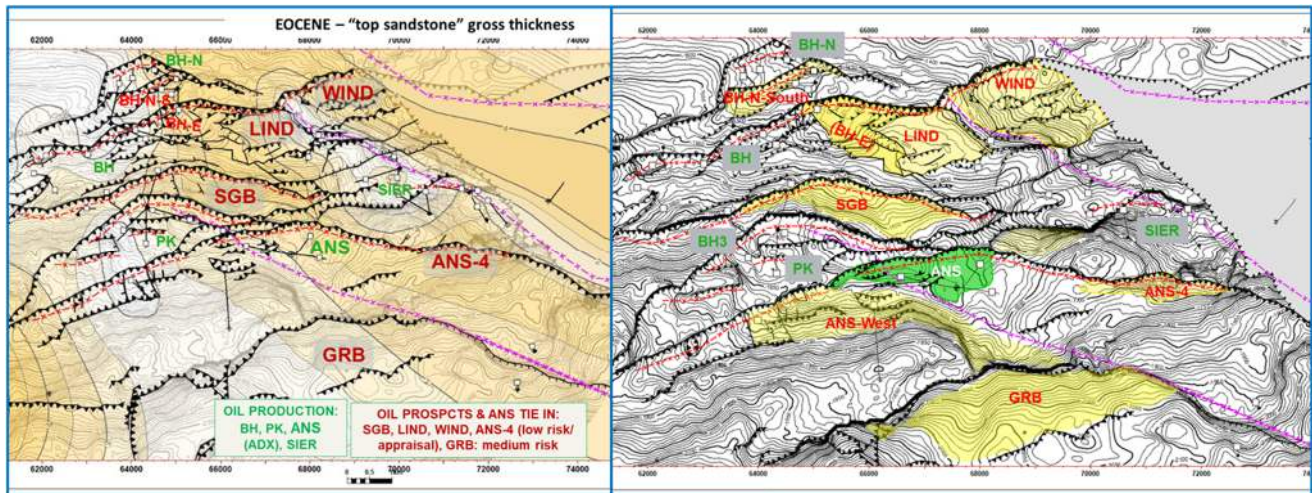


Figure 20: ADX-AT-II northern area showing the new Eocene sandstone oil production reservoir gross thickness model to the left and the 3D seismic structural model to the right. All updated or new prospects apart from the very large “GRB” now have a high chance of success and can be tied into the Anshof PPF. Field areas BH, PK, SIER are RAG production fields.

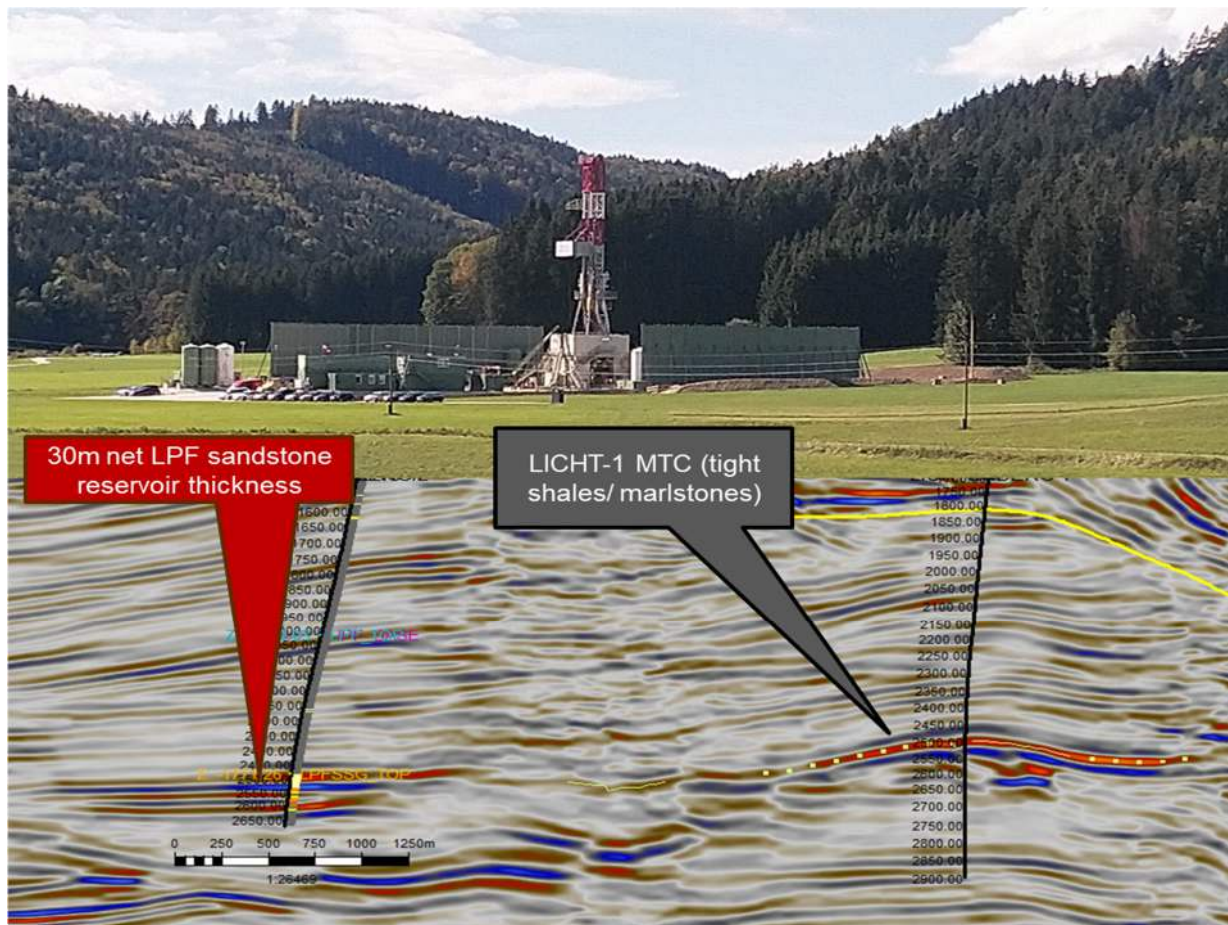


Figure 21: RED Drilling & Services GmbH (RED) E-202 drilling rig at the LICHT-1 well site in the image above. The image below is initial pre-drill 3D seismic PSTM. The LICHT-1 well data (i.e., logging) together with 3D PSDM (and PSTM to follow in 2025) has significantly reduced the risk between initially similar looking excellent LPF (“Lower Puchkirchen Formation) sandstone reservoirs and tight older geological age turbidites (MTC stands for Mass Transport Complex) of older age non reservoir turbidities. In 2025 several new high impact prospects will be completed or created.

# ADX ENERGY LTD

## OPERATIONS REPORT

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### *ADX-AT-I Investment Area*

*ADX is operator and now holds a 50% interest in the ADX ATI – AREA 4. MND having completed its funding obligations now holds the other 50%.*

*Figure 14 and Figure 16 show the MND farmin area within the entire ADX ATI area.*

MND in 2025 has secured a 50% economic interest in the Exploration Investment Area by providing cash payments to ADX and funding 100% of the agreed exploration work program of EUR 4.5 million. The Exploration Investment Area is part of the ADX-AT-I licence area. The main investment was made for the LICHT-1 exploration well, described in further detail above.

At completion (in January 2024) MND paid back costs of EUR 0.45 million (A \$0.74 million) to ADX and has funded EUR 4.5 million (A \$7.40 million) for the LICHT-1 exploration drilling to earn a 50% economic interest in MND Investment Area (an exploration investment area within the ADX-AT-I licence (i.e., ADX-ATI Area 4) in Upper Austria. ADX retained a 100% interest in the remainder of the ADX-AT-I licence including adjacent gas exploration prospects (EG, OHO and ZAM).

### ***Ilecea Mare Production Licence and Parta Exploration Licence – Onshore Western Romania***

*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 S.R.L., holds a 100% interest in the Parta Exploration licence (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Ilecea Mare Production licence. ADX is the operator of the permit pursuant to a services agreement with Danube.*

ADX has submitted during the year technical and financial documents in relation to Parta Exploration Licence to the relevant Romanian authorities, with the possibility of extending the licence period without additional commitment. During the reporting period, discussions on transferring the extension period to new, similar or nearby exploration areas are ongoing. This approach would ensure that only a second extension of the Parta licence area or award of a new area would lead to an additional obligatory work program. The governing authority is the National Agency for Mineral Resources (NAMR).

Note that the validity of the Ilecea Mare production licence is 20 years and is not affected. Options within Ilecea Mare production licence to exploit the geothermal potential of the Romanian part of the Pannonian Basin are under investigation with the authorities, given the subsurface review of no remaining hydrocarbon prospectivity, including the use of the ADX IMIC-1 ("Ilecea-Mica-1") technical gas discovery well. Options of investment in hydrocarbon producing assets in nearby oil fields are being investigated.

### ***Italy - d 363C.R.-AX Licence - Offshore Sicily***

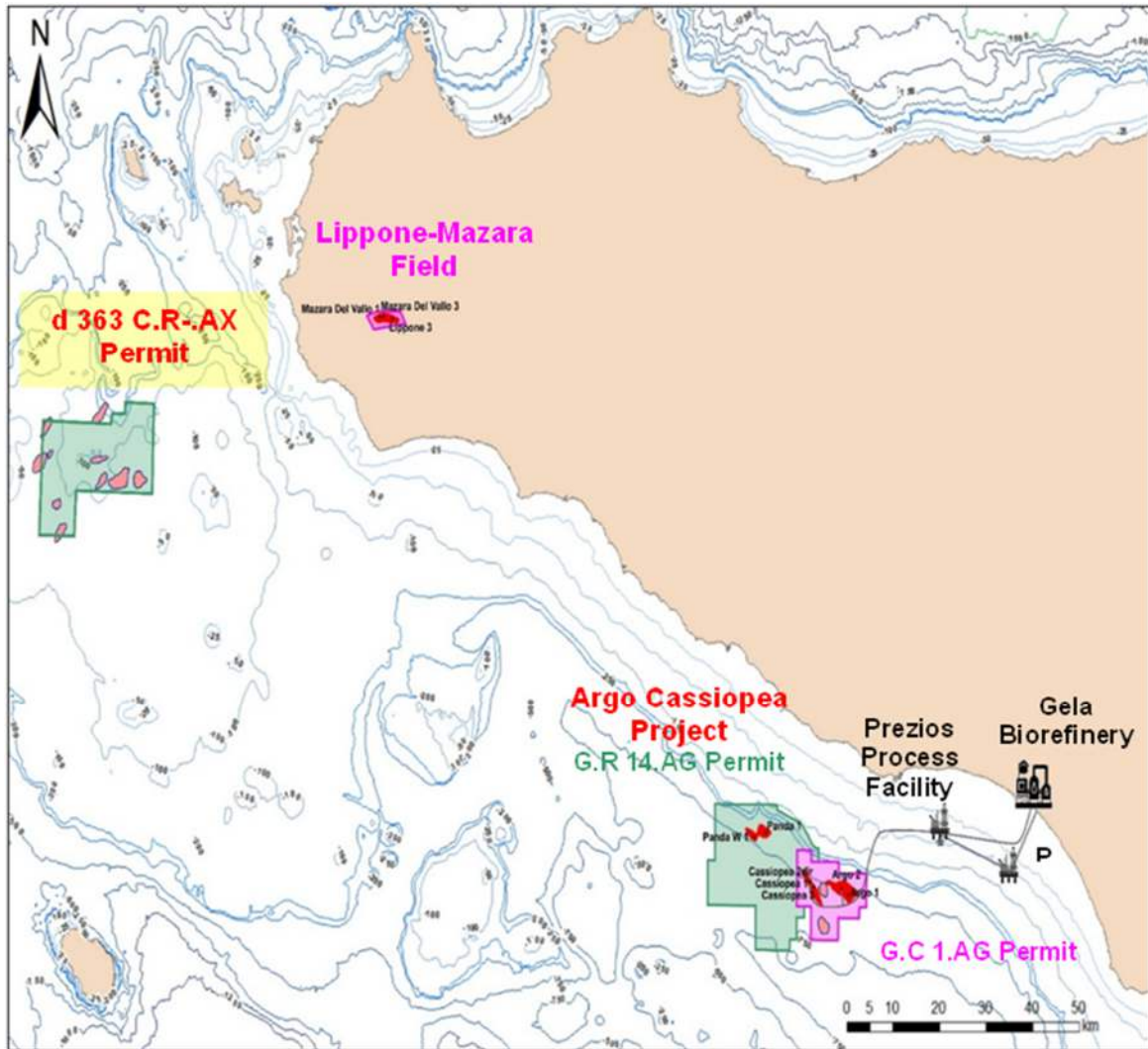
*ADX is operator and holds 100% interest in the d 363C.R.-AX Exploration Permit*

Details of the main 2024 agenda and successes are detailed below. A key 2024 event was the relatively close-by ENI gas discoveries Argo & Cassiopea, starting production in August 2024. Italy media celebrated this as one of the largest recent European gas productions without methane and CO2 emissions. Figure 22 shows the ADX and ENI areas offshore south of Sicily, Italy.



# ADX ENERGY LTD

## OPERATIONS REPORT



**Figure 22: Location map showing the Permit, bathymetry and producing fields with analogous gas reservoirs. The ADX (Audax) exploration area will be 346 km<sup>2</sup>. The map also shows ENI's recently developed Argo & Cassiopea fields.**

### Background regarding d 363 C.R.-AX 'Nilde' permit ("Permit")

The Permit in the Sicily Channel, offshore Italy is located in a water depth of 90-100 metres just over 60 km from the shore of the island of Sicily. A number of oil discoveries were made in the in the 1980's by AGIP (now ENI) and Shell.

The permit is also prospective for gas with gas shows encountered in historic deeper oil wells at a time before gas was commercially viable.

ADX Energy Ltd, via its 100% subsidiary Audax Energy S.r.l. (Audax), made an application to the Italian Ministry of Environment and Energy Security (Ministry) for a 100% interest in the "d 363 C.R.-AX" permit (Permit) in the Sicily Channel, Offshore Italy (refer to Figure 22).

The finalisation of the application has been delayed since 2018 due to a moratorium on the award of new exploration licences in Italy. As a result of revised national energy supply priorities, the Ministry has recently completed the verification of the technical, organisational and economic capacity of Audax, offering the Permit with a maximum area of up to 346 km<sup>2</sup>.

The approval of the technical, financial and organisational capacity of Audax has resulted in authorising Audax to hold and operate any exploration and production licence in Italy.

# ADX ENERGY LTD

## OPERATIONS REPORT

### *Permit Offer and Acceptance*

The Permit has been offered in 2024 and in January 2025 Audax accepted the licence in accordance with the current regulatory framework focusing on gas exploration (refer to ASX release 22 January 2025). The formal Italian approval of the Permit is expected within the next months.

The Permit is highly prospective for high quality gas with minimal impurities (sweet gas) making future discoveries likely to be commercially attractive. The key attributes for the Permit can be summarised as follows:

1. Proven existence of sweet gas in the Permit confirmed by several historical wells (i.e. Nilde-2 a historic well targeting deeper oil production);
2. Highly productive sandstone reservoirs with shallow drill depths (700 m to 1300 m) and moderate water depths (100 m);
3. Availability of a large, high quality historical 2D seismic data set that can be reprocessed;
4. Attractive fiscal terms (10% royalty + 29% Effective Tax Rate), in conjunction with strong demand for Clean Gas<sup>1</sup> that is subject to the high prevailing gas prices in Italy and Europe;
5. There are flexible permitting terms and low financial commitments;
6. There are two proximal and geologically similar producing field areas (one onshore and one offshore), contributing to excellent local gas pipeline infrastructure and
7. Italy has a positive, pro-development political environment in effect which supports European Clean Gas with the election of Ms Giorgia Meloni and the formation of a centre-right coalition.

<sup>1</sup> Clean Gas is hydrocarbon gas that is produced and processed to high European Union environmental standards limiting both CO<sub>2</sub> and methane emissions).

A formal permit agreement is expected to be finalised during the second quarter of 2025. A formal agreement is expected to follow a meeting with the main local authorities involved, including the Port Authority, Harbour Master's Office, Financial Police and the Fire Department.

### *Prospectivity Overview*

An assessment of the Permit's gas potential was announced in 2022 (refer ASX announcement 30 August 2022) advising that the Best Estimate prospective resource potential (recoverable) of five high graded gas prospects is 369 BCF (note 1), using an arithmetic summation. Five already identified prospects (2022 Assessed Prospects) are considered relatively low risk since these are mainly relatively simple, 4-way dip anticline closures featuring seismic amplitude responses (Direct Hydrocarbon Indicators or "DHI"). These are already visible on historic 2D seismic data acquired by ENI and Shell in the eighties and nineties.

<sup>1</sup>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.

The original ENI seismic data that is available to ADX also shows additional stratigraphic leads, based on Direct hydrocarbon Indicators ("DHIs"). Figure 23 shows the stratigraphic potential is in addition to the structural traps forming the high-graded 2022 assessed prospects. The stratigraphic traps have large upside resources potential due to the possibility of stacked gas reservoirs as is the case at ENI's Argo-Cassiopea offshore gas field. In such a case, the upside potential is at least 4 to 6 times that of the structural 2022 assessed prospects where evaluated resources include only one gas reservoir. The historical 2D seismic cross section below shows examples of leads that exhibit reservoir stacking.

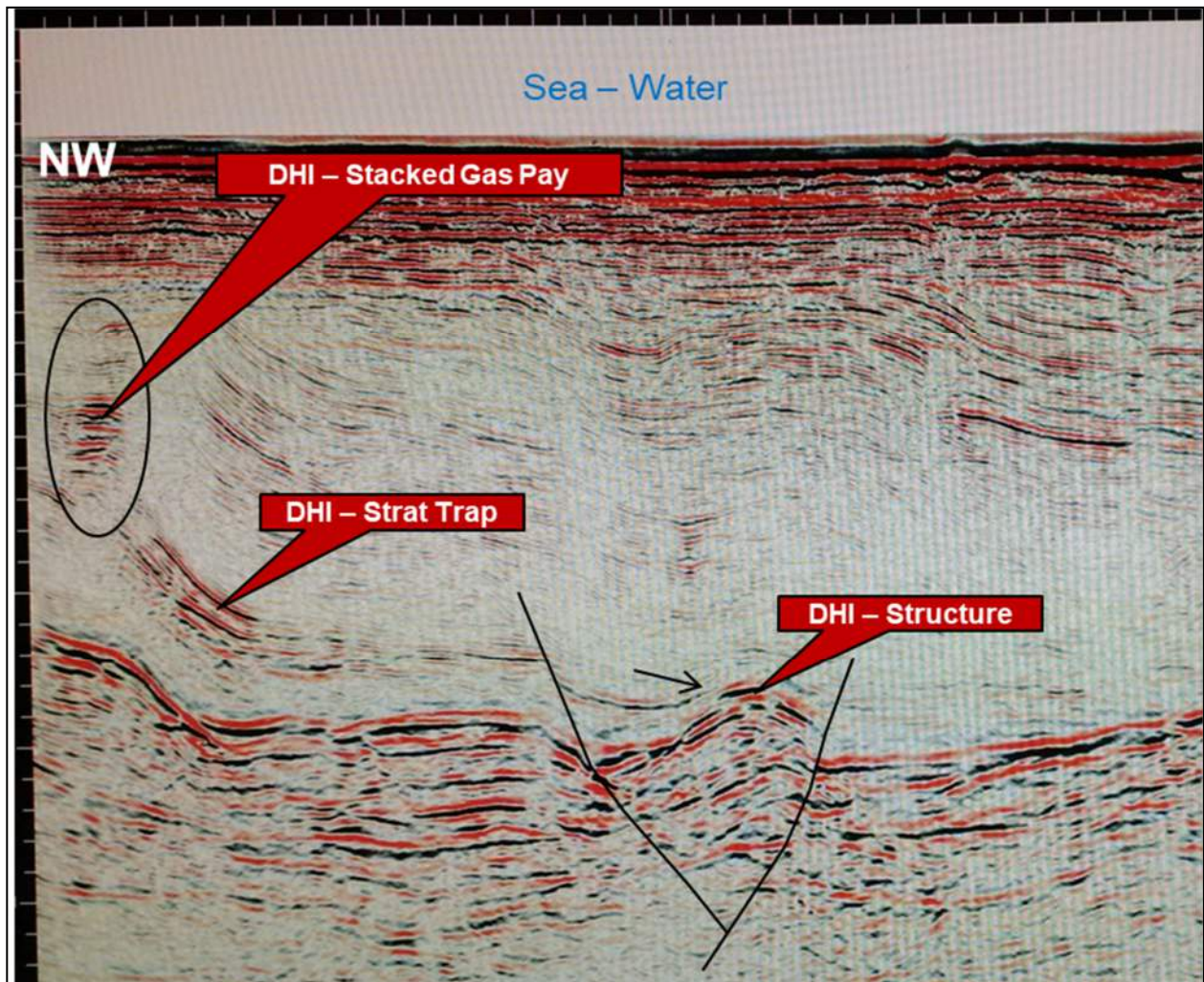
Gas has already been confirmed in the Permit from shows encountered during the drilling of the historic Nilde-2 production well and other exploration wells targeting deeper oil that all encountered sweet, high-quality gas in the shallower drilled section during drilling in the 1980's. The drilling depth for the currently identified and assessed prospects are in the range of just 700 m to 1300 m. It is expected that reprocessed 2D seismic and 3D new seismic will likely identify further prospects as well as stacked gas reservoirs as seen in ENI's Argo-Cassiopea gas field.

## ADX ENERGY LTD

### OPERATIONS REPORT

The 2022 Assessed Prospects are based on Miocene-Pliocene aged reservoirs identified by wells and 2D seismic. Similar reservoir productivity is expected like the onshore, shallow Lippone – Mazara producing gas field, which exhibits very high porosities (approximately 33%).

The nearby ENI Argo Cassiopea gas field to the southeast of the Permit has similar (slightly younger) Miocene-Pliocene discoveries that are now producing gas from two fields with approximately 360 BCF of reserves reported by ENI. This is a result of several stacked gas reservoirs creating large reserves in a relatively small structural area.



**Figure 23: High quality 2D seismic showing several different styles of gas reservoirs and trapping mechanisms (Leads) including stacked pay.**

It should be noted that due to the again increased Permit area, as now offered by the Ministry, additional previously mapped gas prospects will be added to the prospect inventory.

#### *Commercial Overview*

The combination of shallow water, shallow drill depths, high porosity reservoirs, excellent pricing conditions and favourable fiscal terms is likely to enhance the commerciality of a gas discovery.

Commerciality is further enhanced by the recent development of ENI's Argo Cassiopeia Project and the related offshore and onshore infrastructure which would be suitable for subsea tie backs. In addition to the Argo Cassiopea Project system, the Permit is adjacent to the major Transmed pipeline with an entry point at Mazara Del Vello (near to the Lippone-Mazara Field) that is also proximal to the Permit (Figure 24).



# ADX ENERGY LTD

## OPERATIONS REPORT



Figure 24: Location map showing Transmed and Greenstream pipeline systems proximal to the Permit.

# ADX ENERGY LTD

## OPERATIONS REPORT

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### ***Austrian Renewable Energy Project Opportunities***

It is ADX' long-term plan to enhance the value and lifespan of the Vienna Basin Fields through the transformation of the assets into a multi-energy hub combining low emissions oil and gas production operations, renewable energy production and hydrogen storage activities.

#### ***Vienna Basin Solar Project***

During the reporting period, ADX completed feasibility studies relating to the potential development of a solar park at the Vienna Basin Fields (Vienna Basin Solar Project). Different configurations were reviewed by the specialist consultant engaged by ADX and the following options were identified as the most suitable:

- Two photovoltaic (PV) plants with a combined capacity of 1.4 MWp to be used for self-consumption with suitable battery systems (1.4 MWh for intraday energy storage); and
- Two PV plants with a combined capacity of 4 MWp to be connected to the grid provided that grid access is granted.

South facing orientation of the panels provides the most attractive economics. The lead time for the execution of the Vienna Basin Solar Project is estimated at 18-21 months. It is anticipated that the PV plants to be used for self-consumption would reduce ADX' electricity purchases from the grid by 1.6 GWh per annum representing a cost reduction of approx. EUR 130,000 p.a. based on average wholesale electricity prices in Austria recorded in 2024 (EUR 82 per MWh).

The proposed battery system could also allow intraday price arbitrage, further reducing electricity costs arising out of oil and gas operations at the Vienna Basin Fields.

ADX is planning to mature the potential execution of the Vienna Basin Solar Project in conjunction with an asset management plan for the Vienna Basin Fields.

#### ***Vienna Basin Hydrogen Project***

The Vienna Basin Fields are located approx. 60 km from Vienna (where there is potential for significant hydrogen demand for both power and heat generation) in the vicinity of a planned hydrogen pipeline network including the European Hydrogen "Backbone".

During the reporting period, ADX had discussions with a group which expressed interest in the underground storage of hydrogen at the Vienna Basin Fields. Depleted gas reservoirs already evaluated based on their suitability for hydrogen storage have a combined capacity in excess of 100 GWh. These discussions were put on hold after the reporting date, pending clarity on the regulatory framework relating to the development of the hydrogen business in the EU.

ADX is planning to undertake various studies seeking to firm-up the feasibility of the underground storage of hydrogen at the Vienna Basin Fields in order to improve the project definition and its marketability to potential partners or users of storage.

#### ***Geothermal***

The GMU prospect, located in the Eastern part of the ADX-AT-I exploration licence in Upper Austria (Molasse basin), was highlighted, presented and discussed in detail in the ASX release on the 22 June 2023. It combines a geothermal opportunity (fractured Jurassic limestone with 110°C reservoir temperature) and stacked overlying oil and gas targets defined on high quality 3D seismic.

The GMU prospect has sufficient heat potential for the development of a geothermal plant with 18 MW of geothermal energy output in addition to the gas (and oil) potential of the shallow reservoirs.

### ***End of Operations Report***

# ADX ENERGY LTD

## RESERVES REPORT

### *Gaiselberg and Zistersdorf Production Assets, Vienna Basin – Onshore Austria*

ADX purchased the Vienna Basin Fields (Gaiselberg and Zistersdorf) in December 2019. Since then, the fields have been producing oil and gas continuously and have been ADX' primary source of cashflow.

ADX equity interest in the relevant production licenses is summarised as follows:

<b>ADX Vienna Basin Oil and Gas Field Interests</b>			
<b>Field</b>	<b>Working Interest</b>	<b>License Expiry <sup>1</sup></b>	<b>Block or License</b>
Zistersdorf Field	100%	N/A	Zistersdorf
Gaiselberg Field	100%	N/A	Gaiselberg

Since purchase of the fields, two Competent Person's Reports (CPR) have been undertaken by independent consultants engaged by ADX to audit the Developed Reserves at the Vienna Basin Fields. The first CPR had an effective date of 31 December 2019 and the most recent CPR prepared by RISC has an effective date of 1 July 2021. The results of RISC's CPR were announced on the ASX on 4 November 2021.

ADX reserves attributable to Vienna Basin Fields effective 31 December 2023 were previously reported (Annual Report 2023). These were based on RISC CPR audited Developed Reserves as at 1 July, 2021 less production during the subsequent 30-month period.

The following table summarises ADX' unaudited estimates of Developed Reserves as at 31 December 2024, based on reserves reported 31 December 2023, less production from the Vienna Basin Fields during the subsequent 12-month period.

<b>ADX Vienna Basin Unaudited Developed Reserves as at 31 December 2024</b>		
	<b>1P Reserves</b>	<b>2P Reserves</b>
<b>Total Developed (BOE) @ 31 December 2023</b>	979,091	1,639,091
<b>Production 2024 (BOE)</b>	63,784	63,784
<b>Total Developed (BOE) @ 31 December 2024</b>	<b>915,307</b>	<b>1,575,307</b>
<b>Notes</b>		
1. ADX holds a 100% working interest in the fields		
2. The notional reference point for reserves is the permit boundary or export line inlet.		
3. Deterministic evaluation methods have been used.		
4. Associate gas resources includes inerts sold with the gas.		
5. There is no fuel & flare consumption for the Fields.		
6. BOE means barrels of oil equivalent including solution gas		
7. Conversion factors are 1.124m3/tonne oil, 165.4 sm3 gas per boe and a gas Higher Heating Value of 40.7 MJ/sm3		

# ADX ENERGY LTD

## RESERVES REPORT

### *Anshof Discovery Area, ADX AT-II AGS license, Upper Austria – Onshore Austria*

During January 2022, ADX discovered oil in Eocene reservoirs and shallow gas in Miocene reservoirs at the Anshof-3 well. ADX completed and tested the Eocene reservoir in May, 2022. A long-term, production test commenced from the Anshof-3 well on 16 October, 2022. The Anshof-3 well has produced continuously for the entire test period until it was shut in 19 September, 2023 at the end of the test period. Production recommenced from Anshof-3 in April 2024 following the installation of a permanent production facility. The Anshof-2 appraisal well was spudded on 13 November 2023. The well did not encounter an oil column and was suspended for a future side track. The Anshof-2A side-track appraisal well was spudded on the 7 September 2024 and subsequently tied in to the Anshof permanent production facility as a producer on 2 December 2024.

ADX equity interest in the relevant license is summarised as follows:

<b>ADX Anshof Oil Field Interests</b>				
<b>Area</b>	<b>Effective Dates</b>	<b>Economic Interest</b>	<b>Licence Expiry<sup>3</sup></b>	<b>Block or Licence</b>
<b>Anshof Field</b>	31 December 2022 – 15 September 2023	80% <sup>1</sup>	N/A	ADX AT-II
<b>Anshof Field (except Anshof-2 &amp; 2A Well)</b>	16 September 2023 – current	50% <sup>1</sup>	N/A	ADX AT-II
<b>Anshof-2 Well</b>	13 November 2023 – current	60% <sup>2</sup>	N/A	ADX AT-II
<b>Anshof-2A Well</b>	7 December 2024 – current	60% <sup>3</sup>	N/A	ADX AT-II

#### **Notes**

- 1. ADX farmed down its 80% economic interest to MND in return for certain upfront and contingent payments on 15 September 2023**
- 2. XST elected not to participate in the Anshof-2 well resulting in ADX' additional 10% economic interest in this well**
- 3. XST elected not to participate in the Anshof-2A well resulting in ADX' additional 10% economic interest in this well**
- 4. The licence term is for life of field**

Independent consultants RISC were engaged to provide an independent reserve and resource assessment for the Anshof field. The RISC CPR relating to the Anshof field has an effective date of 1 October 2022. Refer to ASX release dated 31 October 2022. A long-term production test commenced from the Anshof-3 well on 16 October 2022.

The Anshof-2 well was spudded on the 13<sup>th</sup> of September 2023. The well intersected a much thicker than expected high-quality reservoir section at or below the oil water contact. The drilling results indicated a flatter field structure filled with a thicker section of Eocene reservoirs. As a result, remapping of the field was required together with further appraisal to assess the fields reserves potential.

The Anshof-2A up-dip side-track appraisal well was successfully drilled in September 2024. The well encountered thick and high porosity Eocene reservoirs up dip from the Anshof-2 well. A 6.5 m net vertical oil column within a 10 m net sand compared favourably with the Anshof-3 discovery well which had a 2.5 m net oil column. The Anshof-2A well commenced production on the 2<sup>nd</sup> of December 2024. Production at the Anshof Field since the 2<sup>nd</sup> of December 2024 has been from the Anshof-3 together with Anshof-2A well.

ADX plans to integrate the drilling results from Anshof-2A well together with the production performance from the Anshof-3 discovery well and Anshof-2A to provide an update in relation to the Anshof Field Reserves as soon as practically possible.

# ADX ENERGY LTD

## RESERVES REPORT

The following table summarises the unaudited estimates of gross and net Reserves as at 31 December 2024, based on unaudited reserves reported as at 31 December 2023, less production from the Anshof Field during the subsequent twelve-month period.

<b>ADX Anshof Unaudited Reserves as at 31 December 2024</b>		
	<b>1P Reserves</b>	<b>2P Reserves</b>
<b>Anshof Gross Reserves (BOE) @ 31 December 2023</b>	<b>463,833</b>	<b>5,088,833</b>
<b>Gross Production 2024 (BOE)</b>	26,484	26,484
<b>Anshof Gross Reserves (BOE) @ 31 December 2024</b>	<b>437,349</b>	<b>5,062,349</b>
<b>Anshof Net Reserves (BOE) @ 31 December 2023</b>	<b>231,916</b>	<b>2,544,416</b>
<b>Net Production 2024 (BOE)</b>	13,381	13,381
<b>Anshof Net Reserves (BOE) @ 31 December 2024</b>	<b>218,535</b>	<b>2,531,035</b>
<b>Notes</b> 1. The notional reference point for reserves is the permit boundary or export line inlet. 2. ADX has an 50% economic interest in the Anshof discovery area and 50% entitlement to its gross reserves and resources; except the Anshof-2 well where it has a 60% economic interest and entitlement subject to the terms of XST's non-participation in the well. 3. Probabilistic methods have been used to determine oil in place and recoverable oil. Deterministic methods were used to develop production profiles and well numbers. 4. Associated gas resources include inerts sold with the gas. There is no fuel and flare. 5. Conversion factors are 7.3 bbl per tonne of oil and 5,800 MMscf per MMboe of gas. 6. ADX confirms that the results of the Anshof-2 well and the Anshof-2A well together with ongoing production performance from Anshof-3 and Anshof-2A will impact Anshof Field Reserves estimates. As described in ADX announcement of 11 December 2023, the presence of a much thicker than expected high-quality reservoir section and the fact that Anshof oil field structure is flatter and larger due to the Eocene sands being encountered 40 to 50 metres higher than prognosis is expected to compensate for the shallower than expected OWC depth at Anshof-2. As described in ADX announcement of 17 September 2024, the Anshof-2A up-dip side-track appraisal well encountered thick and high porosity Eocene reservoirs up dip from Anshof-2. The 6.5 m net vertical oil column within a 10 m net sand compared favourably with the Anshof-3 discovery well which had a 2.5 m net oil column. The Anshof-2A well commenced production on the 2 December 2024. Production at the Anshof Field since the 2 December 2024 has been from the Anshof-3 discovery well together with Anshof-2A well.		



# ADX ENERGY LTD

## RESERVES REPORT

### ADX' Total Austrian Reserves

ADX' total net Austrian Reserves are summarised below. This includes the Vienna Basin Fields Reserves and Anshof Field Reserves (described above) as at 31 December 2024.

The reserves variance described below is a comparison of 2024 year-end reserves versus 2023 year-end reserves.

A negative reserves variance of - 2% is estimated for the 2P Reserves category and - 6% is estimated for the 1P Reserves category. The variance in each case is the result of production from the Vienna Basin Fields and the Anshof Field during 2024.

ADX Austrian Fields Unaudited Net Reserves as at 31 December 2024		
Anshof Field and Vienna Basin Field Reserves (Barrels of Oil Equivalent)		
	1P Reserves	2P Reserves
Vienna Basin Fields (BOE) *	915,307	1,575,307
Anshof Field (BOE)	218,535	2,531,035
<b>Total Reserves (BOE) @ 31 December 2024</b>	<b>1,133,842</b>	<b>4,106,342</b>
Notes		
See Notes in Asset Tables above		

### Reporting Standards

Reserves and 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.

### PRMS Reserves Classifications Used

**1P** Denotes low estimate of Reserves (i.e., Proved Reserves). Equal to P1.

**2P** Denotes the best estimate of Reserves. The sum of Proved plus Probable Reserves.

**3P** Denotes high estimate of Reserves. The sum of Proved plus Probable plus Possible Reserves.

1. **Developed Reserves** are quantities expected to be recovered from existing wells and facilities.
  - a. *Developed Producing Reserves* are expected to be recovered from completion intervals that are open and producing at the time of the estimate.
  - b. *Developed Non-Producing Reserves* include shut-in and behind-pipe reserves with minor costs to access.

2. **Undeveloped Reserves** are quantities expected to be recovered through future significant investments.

A. **Proved Reserves** are those quantities of Petroleum that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from known reservoirs and under defined technical and commercial conditions. If deterministic methods are used, the term "reasonable certainty" is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.

B. **Probable Reserves** are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.

C. **Possible Reserves** are those additional Reserves that analysis of geoscience and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability

# ADX ENERGY LTD

## RESERVES REPORT

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to exceed the sum of Proved plus Probable plus Possible (3P) Reserves, which is equivalent to the high-estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate. Possible Reserves that are located outside of the 2P area (not upside quantities to the 2P scenario) may exist only when the commercial and technical maturity criteria have been met (that incorporate the possible development scope). Standalone Possible Reserves must reference a commercial 2P project.

**Persons compiling information about Hydrocarbons.** Pursuant to the requirements of the ASX Listing Rule 5.31, the unaudited technical and reserves information contained in this report has been prepared under the supervision of Mr. Paul Fink. Mr. Fink is Technical Director of ADX Energy Limited, is a qualified geophysicist with 25 years of technical, commercial and management experience in exploration for, appraisal and development of oil and gas resources. 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).

### **RISC independent audit and competent person reports**

RISC has conducted an independent audit of the Developed Reserves for the Vienna basin Fields and a competent persons report for Undeveloped Reserves for the Anshof Fields. The reserves described above are based on RISC's assessments which have been previously announced by ADX.

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# ADX ENERGY LTD

## DIRECTORS' REPORT

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Your directors present their report for the year ended 31 December 2024.

### DIRECTORS

The names and particulars of the Directors of the Company in office during the year and up to the date of this report were as follows. Directors were in office for the entire year unless otherwise stated.

#### Ian Tchacos

##### **B.Eng (Mech.)**

*Executive Chairman (Appointed 2 March 2010)*

Mr Tchacos was appointed as Non-Executive Chairman of ADX on 2 March 2010 and appointed as Executive Chairman on 28 September 2015. He is a Petroleum Engineer with over 40 years international experience in corporate development and strategy, mergers and acquisitions, petroleum exploration, development and production operations, commercial negotiation, oil and gas marketing and energy finance. He has a proven management track record in a range of international oil company environments. As Managing Director of Nexus Energy, he was responsible for this company's development from an onshore micro-cap explorer to an ASX top 200 offshore producer and operator.

Mr Tchacos is a recipient of the RIU Good Oil Conference John Doran Lifetime Achievement Award. The award is presented annually to recognise an individual with an outstanding long-term record of achievement in the Australian oil and gas industry.

*Other directorships of listed companies in the last three years: 3D Energi Limited (current).*

#### Paul Fink

##### **MSc (Geophysics)**

*Executive Director (Appointed 25 February 2008)*

Mr Fink has over 35 years of petroleum exploration and production industry experience in technical and management positions. He is a graduate from the Mining University of Leoben, Austria and started his career as a seismic data processing geophysicist and then worked predominantly on international exploration and development projects and assignments in Austria, Libya, Bulgaria, UK, Australia and Pakistan as Exploration and Reservoir Manager for OMV. In 2005, Paul started his own petroleum consultancy working on projects in Romania and as Vice President for Focus Energy, leading their highly successful exploration and development campaign in Western India. Paul was a key team member for the resulting highly successful IPO on the London Stock Exchange (Indus Gas) which led to a market capitalisation of over GBP 1.5 billion, partly due to third party reserves audits managed by Paul.

*Other directorships of listed companies in the last three years: Nil.*

#### Edouard Etienvre

##### **MSc (Management)**

*Non-Executive Director (Appointed 7 January 2020)*

Mr Etienvre is an energy and natural resources executive and entrepreneur with over 15 years of experience in the oil and gas, mining, shipping and offshore facilities sectors initially with banks including sell-side equity research and reserve-based lending. More recently his experience has included positions with private and public E&P companies, ship owners and offshore facilities owners, mining companies and a mid-size trading group managing investments in companies active in the oil and gas sector. Mr Etienvre has extensive commercial, business development, risk assessment, management and project management experience and expertise including deal sourcing, transaction structuring and execution, commercial negotiations and financing including debt, equity, off-take finance, vendor finance and reverse take-overs.

*Other directorships of listed companies in the last three years: Nil.*

# ADX ENERGY LTD

## DIRECTORS' REPORT

### John Begg **BSc (Geol)**

*Non-Executive Director (Appointed 4 March 2024)*

Mr Begg is a highly experienced energy professional who has been instrumental in the discovery and commercialisation of numerous oil and gas fields in Australia, North Africa, SE Asia and California. During his career he has founded, promoted and held executive roles in a number of companies listed in Australia and the UK. John brings valuable strategic, technical and commercial support and guidance to the Board and management team. Like Mr Tchacos, Mr Begg has also been awarded the RIU Good Oil Conference John Doran Lifetime Achievement Award (2018) for his outstanding long-term record of achievement in the Australian oil and gas industry.

*Other directorships of listed companies in the last three years: None.*

### Previous Director - Andrew Childs

**BSc (Geology and Zoology)**

*Non-Executive Director (Appointed 11 November 2009. **Resigned 4 March 2024**)*

Mr Childs started his professional career as an Exploration Geologist in the Eastern Goldfields of Western Australia, then moved to petroleum geology and geophysics. He gained technical experience with Petroz as a Geoscientist and later commercial experience as the Commercial Assistant to the Managing Director.

*Other directorships of listed companies in the last three years: Xstate Resources Limited (current) and Sacgasco Limited (previous).*

### COMPANY SECRETARIES

**Peter Ironside B.Com, CA**

*Appointed 8 March 1995*

Mr Ironside has a Bachelor of Commerce Degree and is a Chartered Accountant and business consultant with over 45 years' experience in the exploration and mining industry. Mr Ironside has a significant level of accounting, financial compliance and corporate governance experience including corporate initiatives and capital raisings. Mr Ironside has been a director and/or Company Secretary of several ASX listed companies including Integra Mining Limited and Extract Resources Limited (before \$2.18bn takeover) and is currently a non-executive director of E79 Gold Mines Limited and Stavely Minerals Limited.

**Amanda Sparks B.Bus, CA, F.Fin**

*Appointed 6 October 2015*

Ms Amanda Sparks is a Chartered Accountant with over 35 years of resources related financial experience, with explorers and producers. Ms Sparks has extensive experience in company secretarial, financial management, capital raisings, corporate transactions, corporate governance and compliance for listed companies and is currently a non-executive director and Company Secretary of Stavely Minerals Limited, a non-executive director of Godolphin Resources Limited and Company Secretary for E79 Gold Mines Limited.

### MEETINGS OF DIRECTORS

During the year, 3 formal Board meetings of directors were held. The number of meetings attended by each director during the year is as follows:

Name of Director	Meeting Held Whilst a director	Meetings Attended
I Tchacos	3	3
P Fink	3	1
E Etienvre	3	3
J Begg	1	1
A Childs	2	1

As the Board has two overseas directors, regular online management meetings were held, and all-important resolutions agreed via circular resolutions. During the year, 20 Circular Board resolutions were held.

# ADX ENERGY LTD

## DIRECTORS' REPORT

### DIRECTORS' INTERESTS IN SHARES AND OPTIONS

The following table sets out each director's relevant interest in shares and options in shares of the Company as at the date of this report.

	I Tchacos	P Fink	E Etienvre	J Begg
<b>Shares</b>				
Ordinary fully paid shares	<b>12,445,346</b>	<b>11,546,600</b>	<b>5,443,300</b>	<b>605,800</b>
<b>Options</b>				
Unlisted Options, Ex Price \$Nil, Expiry 31/07/2025	245,625	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/10/2025	329,465	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/01/2026	185,796	-	-	-
Listed Options, Ex Price \$0.15, Expiry 08/03/2026	-	-	-	190,476
Unlisted Options, Ex Price \$0.17, Expiry 31/03/2026	-	-	-	500,000
Unlisted Options, Ex Price \$Nil, Expiry 31/05/2026	311,719	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/07/2026	269,532	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/10/2026	380,358	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/01/2027	283,929	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/05/2027	275,893	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/07/2027	300,000	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/10/2027	218,750	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/01/2028	131,425	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/05/2028	89,003	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/07/2028	196,514	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/10/2028	167,079	-	-	-
Unlisted Options, Ex Price \$Nil, Expiry 31/01/2029	213,068	132,812	-	-
<b>Total Options</b>	<b>3,598,156</b>	<b>132,812</b>	<b>-</b>	<b>690,476</b>

### CORPORATE INFORMATION

#### Corporate Structure

ADX Energy Ltd is a limited liability company that is incorporated and domiciled in Australia. ADX Energy Ltd has prepared a consolidated financial report incorporating the entities that it controlled during the year as follows:

ADX Energy Ltd	-	parent entity
AuDAX Energy Srl	-	100% owned Italian controlled entity
Bull Petroleum Pty Ltd	-	100% owned Australian controlled entity (dormant)
Terra Energy Limited	-	100% owned UK controlled entity
ADX VIE GmbH	-	Terra Energy Limited owns 100% of this Austrian controlled entity
Danube Petroleum Limited	-	49.18% owned UK controlled entity
ADX Energy Panonia Srl	-	Danube Petroleum Limited owns 100% of this Romanian controlled entity
Kathari Energia Limited	-	100% owned UK controlled entity
Kathari Energia GmbH	-	Kathari Energia Limited owns 100% of this Austrian controlled entity

#### Principal Activity

The principal activities of the Group during the year were oil and gas production, appraisal and exploration.

#### Operations review

Refer to the Operations Review preceding this report.



# ADX ENERGY LTD

## DIRECTORS' REPORT

### Summary of Financial Position, Asset Transactions and Corporate Activities

A summary of key financial indicators for the Group, with prior year comparison, is set out in the following table:

	Consolidated 31 December 2024 \$	Consolidated 31 December 2023 \$
Cash and cash equivalents held at year end	9,081,597	8,007,441
Net profit/(loss) for the year before tax	(6,467,571)	(4,599,566)
Income tax (expense)/benefit	(1,558,795)	389,851
Net profit/(loss) for the year after tax	(8,026,366)	(4,209,715)
Non-controlling interest in loss for the year	(158,834)	(145,506)
Included in loss for the year:		
Operating revenue	10,676,046	13,178,208
Cost of sales – operating costs	(9,090,642)	(9,309,549)
Cost of sales – depreciation/amortisation	(2,660,161)	(2,281,358)
Restoration expenses – changes in abandonment provision	(408,657)	(970,159)
Dry well costs	(146,014)	(1,638,550)
Exploration expensed	(2,266,393)	(1,787,750)
Basic profit/(loss) per share	(1.52) cents	(1.12) cents
Net cash from/ (used in) operating activities	(1,766,069)	(2,916,480)
Net cash from/ (used in) investing activities	(10,305,964)	456,607
Net cash from/ (used in) financing activities	13,037,943	6,768,031

Production in Austria was as follows:

	31 December 2024	31 December 2023
Crude Oil Sold (Barrels)*	85,039	102,614
Gas Sold (Boe)	5,230	8,062
Total Oil Equivalent (Boe)	90,269	110,676

\* Crude oil sold represents total gross production. This includes 26,484 crude oil barrels sold from Anshof operations for the year ended 31 December 2024 (2023: 29,801). Refer to note 25 of the financial statements for partnership details for the Anshof operations.

# ADX ENERGY LTD

## DIRECTORS' REPORT

### **Funds from Farmouts and Partners**

During the year ADX received the following contributions from farmouts and partners associated with Anshof, Welchau and AT-I Investment Areas:

- Development expenditure and back costs EUR 10,962,117 (A\$ 17,783,940).
- Exploration and operating expenditure EUR 522,333 (A\$ 856,778).

### **Loan Repayments**

During the year, \$619,214 of bank loans were repaid in Austria (refer to note 12 of the financial statements).

### **Hedging**

During the year ADX has continued to deploy a rolling hedging strategy seeking to provide stable near-term revenue generation during volatile market conditions. A number of hedging transactions have been deployed during periods of favourable market conditions.

- On 26 January 2024, ADX executed hedging transactions with Britannic Trading Limited with a fixed price swap contract for 8,400 barrels of oil at a fixed Brent crude oil price of USD 80.00 per barrel for February 2024 to May 2024 inclusive. The quantity of hedged oil equated to approximately 70 BOPD during the period.
- On 3 April 2024, ADX executed additional hedging transactions with Britannic Trading Limited with a fixed price swap contract for 15,000 barrels of oil at a fixed Brent crude oil price of USD 85.31 per barrel for June 2024 to October 2024 inclusive. The quantity of hedged oil equates to approximately 100 BOPD during the period.
- On 5 July 2024, ADX executed further hedging transactions with Britannic Trading Limited with Fixed price swaps for 6,000 barrels of oil at a fixed Brent crude oil price for November 2024 to December 2024 at USD 83.15 per barrel.

Currently crude oil production from the Anshof and Vienna Basin Fields remains unhedged allowing ADX to maintain exposure to upside in Brent crude oil pricing. Gas production from the Vienna Basin Fields is not hedged.

Net hedging gains/(losses) are disclosed in note 2 of the financial statements.

### **Placement Raising A\$13.5 million**

In May 2024, ADX advised it had successfully raised A\$13.5 million (before costs) from the issue of 128,571,429 new fully paid ordinary shares at an issue price of A\$0.105 per share. One (1) free-attaching quoted option was issued for every two (2) Placement Shares. The exercise price of the Placement Options is A\$0.15 with an expiry date of 8 May 2026.

Funds raised by the Placement are being used to fund the following asset activities;

- The evaluation and analysis of data from the Welchau-1 well;
- The assessment of the prospectivity of exploration potential below the current total depth of the Welchau-1 well and the potential deepening of the well;
- Planning, permitting and drilling of a gas exploration well in the ADX-AT-I exploration licence which was jointly funded via a farmout with MND;
- The planning, permitting, drilling, completion and tie-in of the Anshof-2A side-track appraisal well;
- The upgrade of gas processing facilities including a CO2 reduction plant at ADX' Vienna Basin oil and gas fields; and
- General working capital.

### **Options Exercised**

In March 2024, ADX received \$ 1.298 million from the exercise of 9,943,337 options at 13 cents each, and 25,000 options at 16 cents each. Another 10,000 options at 16 cents each were exercised in October 2024.

### **DIVIDENDS**

No dividends were paid or declared during the year. The Directors do not recommend payment of a dividend.

### **ENVIRONMENTAL ISSUES**

The Company's environmental obligations are regulated by the laws of the countries in which ADX has operations. The Company has a policy to either meet or where possible, exceed its environmental obligations. No environmental breaches have been notified by any governmental agency as at the date of this report.

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# ADX ENERGY LTD

## DIRECTORS' REPORT

### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

Significant changes in the state of affairs of the Company during the year are detailed in the Operations Report and Financial Summary in this report.

### **FUTURE DEVELOPMENTS**

The Company intends to continue its production operations in Austria and continue its' exploration and development programme on its existing permits, and to acquire further suitable permits for exploration and development. Additional comments on likely developments are included in the Operations Report.

### **SHARES UNDER OPTION**

Unissued ordinary shares of the Company under option at the date of this report are as follows:

	Number	Exercise Price	Expiry Date
Listed Options	64,285,731	15 cents	08/05/2026
<b>Total Listed Options</b>	<b>64,285,731</b>		
	Number	Exercise Price	Expiry Date
Unlisted Options	6,350,000	17 cents	30/04/2025
Unlisted Options	245,625	Nil cents	31/07/2025
Unlisted Options	500,000	17 cents	31/03/2026
Unlisted Options	2,000,000	5 cents	31/03/2026
Unlisted Options	23,000,000	5.5 cents	31/03/2026
Unlisted Options	329,465	Nil cents	31/10/2025
Unlisted Options	185,796	Nil cents	31/01/2026
Unlisted Options	311,719	Nil cents	31/05/2026
Unlisted Options	269,532	Nil cents	31/07/2026
Unlisted Options	380,358	Nil cents	31/10/2026
Unlisted Options	283,929	Nil cents	31/01/2027
Unlisted Options	275,893	Nil cents	31/05/2027
Unlisted Options	300,000	Nil cents	31/07/2027
Unlisted Options	218,750	Nil cents	31/10/2027
Unlisted Options	131,425	Nil cents	31/01/2028
Unlisted Options	89,003	Nil cents	31/05/2028
Unlisted Options	196,514	Nil cents	31/07/2028
Unlisted Options	167,079	Nil cents	31/10/2028
Unlisted Options	345,880	Nil cents	31/01/2029
<b>Total Unlisted Options</b>	<b>35,580,968</b>		

No option holder has any right under the options to participate in any other share issue of the Company or any other related entity.

During the year, the following options were exercised:

- 9,943,337 options at 13 cents each;
- 35,000 options at 16 cents each; and
- 1,684,225 options at a nil exercise price.

### **INDEMNIFICATION AND INSURANCE OF OFFICERS**

The Company has paid a premium to insure the Directors and Officers of the Company and its controlled entities. Details of the premium are subject to a confidentiality clause under the contract of insurance.

The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group.

# ADX ENERGY LTD

## DIRECTORS' REPORT

### REMUNERATION REPORT (AUDITED)

The Directors present the 2024 Remuneration Report, outlining key aspects of ADX' remuneration policy and framework, together with remuneration awarded this year.

The report is structured as follows:

- A. Key management personnel (KMP) covered in this report
- B. Remuneration policy, link to performance and elements of remuneration
- C. Contractual arrangements of KMP remuneration
- D. Remuneration awarded
- E. Equity holdings and movement during the year
- F. Other transactions with key management personnel
- G. Use of remuneration consultants
- H. Voting of shareholders at last year's annual general meeting

#### A. KEY MANAGEMENT PERSONNEL COVERED IN THIS REPORT

For the purposes of this report key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise).

##### Key Management Personnel during the Year

###### Directors

Ian Tchacos	-	Executive Chairman
Paul Fink	-	Executive Director
Edouard Etienvre	-	Non-Executive Director
John Begg	-	Non-Executive Director – appointed 4 March 2024
Andrew Childs	-	Non-Executive Director – resigned 4 March 2024

###### Other KMPs

Amanda Sparks	-	Company Secretary and Chief Financial Officer
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#### B. REMUNERATION POLICY, LINK TO PERFORMANCE AND ELEMENTS OF REMUNERATION

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness;
- Acceptability to shareholders;
- Transparency; and
- Capital management.

# ADX ENERGY LTD

## DIRECTORS' REPORT

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### Remuneration Philosophy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Company embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre Executives; and
- if required, establish appropriate, demanding performance hurdles in relation to variable Executive remuneration.

The Group has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

Both Executive and Non-Executive Directors may elect, subject to Shareholder approval, to reduce their cash director fees and consulting fees in lieu of Shares in accordance with the Company's Directors' Share Plan (Salary Sacrifice). The Shares are issued on a quarterly basis according to the Directors' fees owing to each of the Directors at that time, at an issue price of no less than the volume weighted average sale price of Shares sold on ASX during the 90 days prior to the expiration of the corresponding calendar quarter in which the Directors' fees were incurred. The Executive Directors may also elect, subject to Shareholder approval, to reduce their cash consulting fees in lieu of Options in accordance with the Company's Performance Rights and Option Plan. The Options are issued on a quarterly basis according to the consulting fees owing to each of the Directors at that time, using a deemed price of no less than the volume weighted average sale price of Shares sold on ASX during the 90 days prior to the expiration of the corresponding calendar quarter in which the consulting fees were incurred.

### Remuneration Committee

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered efficient for ADX. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board are confident that this process for determining remuneration is stringent and full details of remuneration policies and payments are provided to shareholders in the annual report and on the web. The Board has adopted the following policies for Directors' and executives' remuneration.

### Non-Executive directors' remuneration

Non-executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of the Director's retirement or termination. Non-executive Directors' remuneration may include an incentive portion consisting of options or similar instruments, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with ASX listing rules.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers the amount of Director fees being paid by comparable companies with similar responsibilities and the experience of the Non-executive Directors when undertaking the annual review process. Fees for Non-Executive directors are not linked to the performance of the Group.

### Executive Remuneration

In determining the level and make-up of Executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Remuneration is compared with the external market by reviewing industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable Executive roles.

Remuneration consists of a fixed remuneration and may include a long-term incentive portion as considered appropriate.

Executives' remuneration is currently a fixed consulting fee based on a daily rate for actual days worked.

Long term incentives granted to Executives are delivered in the form of options. The option incentives granted are aimed to motivate Executives to pursue the long-term growth and success of the Company within an appropriate control framework and demonstrate a clear relationship between key Executive performance and remuneration. Director options



# ADX ENERGY LTD

## DIRECTORS' REPORT

are granted at the discretion of the Board and approved by shareholders. Performance hurdles are not attached to vesting periods; however, the Board may determine appropriate vesting periods to provide rewards over a period of time to key management personnel. During the year there were no performance related payments made.

### C. CONTRACTUAL ARRANGEMENTS OF KMP REMUNERATION

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including compensation, relevant to the office of director. Non-Executive Directors are paid a fee of A\$ 33,000 per annum, inclusive of any superannuation if applicable. In accordance with the Company's Directors' Share Plan (Salary Sacrifice), part may be paid in cash, and part in shares.

Remuneration and other terms of employment for the Executive Directors and the other key management personnel are also formalised in consultancy agreements. The major provisions of the agreements relating to remuneration are set out below.

Name	Term of agreement	Base annual remuneration inclusive of superannuation at 31/12/24	Termination benefit
I Tchacos – Executive Chairman – Technical Consultancy	Term of 2 years commencing 1 July 2020. Subsequently monthly.	Technical consulting - \$1,500 per day (cash)	2 months (up to \$18,000)
I Tchacos – Executive Chairman – Corporate Consultancy	Ongoing	Corporate consulting - \$500/month (cash) plus options subject to Board and Shareholder approval for additional work at a value of \$1,500 per day  In addition, I Tchacos receives Directors fees of \$25,000 pa. 80% paid in cash, 20% paid in equity (subject to Shareholder approval)	2 months (up to \$18,000)
P Fink – Executive Director – Consultancy with ADX Energy Ltd	Term of 2 years commencing 1 July 2020. Subsequently monthly.	Retainer of \$500 per month (cash) plus consulting at \$1,500 per day (50% cash and 50% equity (options), subject to shareholder approval)  In addition, P Fink receives Directors fees of \$25,000 pa. 80% paid in cash, 20% paid in equity (subject to Shareholder approval).	2 months (up to \$18,000)
P Fink – Executive Director – Consultancy with ADX VIE GmbH	No written agreement	Consulting at EUR 900 per day	None
E Etienvre – Non-Executive Director – Consultancy with ADX Energy Ltd	Term of 2 years commencing 1 July 2020. Subsequently monthly.	Consulting at \$1,500 per day (50% cash and 50% equity (shares), subject to shareholder approval)  In addition, E Etienvre receives non-executive Directors fees of \$33,000 pa. 61% paid in cash, 39% paid in equity (subject to Shareholder approval). E Etienvre also receives Director fees from 49% owned subsidiary, Danube Petroleum Limited of GBP 12,000 per annum (these are currently suspended until activities increase)	1 month (up to \$7,500)

# ADX ENERGY LTD

## DIRECTORS' REPORT

Name	Term of agreement	Base annual remuneration inclusive of superannuation at 31/12/24	Termination benefit
J Begg– Non-Executive Director – Consultancy with ADX Energy Ltd	Term of 1 year commencing 8 January 2024. Subsequently monthly.	Consulting at \$1,500 per day (80% cash and 20% equity (shares), subject to shareholder approval)	None
Amanda Sparks – Company Secretary and Chief Financial Officer	Ongoing	Monthly retainer of \$3,200, 50% paid in cash and 50% paid in equity. Additional hours above 20 hours per month are paid in cash at \$160 per hour.	None

### D. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Details of the remuneration of each Director and named executive officer of the Company, including their personally-related entities, during the year was as follows:

2024	Cash salary, directors fees and consulting fees, including accruals* \$	Post-Employment Superannuation \$	Share Based Shares (in lieu of cash fees) <sup>(1)</sup> \$	Share Based Options (in lieu of cash consulting fees) <sup>(1)</sup> \$	Total \$
<b>Directors</b>					
I Tchacos	338,553	3,135	3,750	51,375	396,813
P Fink	271,947	-	1,250	1,969	275,166
E Etienvre	84,892	-	42,188	-	127,080
J Begg <sup>(2)</sup>	67,468	2,765	16,854	-	87,087
A Childs <sup>(3)</sup>	5,275	580	-	-	5,855
<b>Other KMP</b>					
A Sparks	92,720	11,944	14,400	-	119,064
<b>TOTAL 2024</b>	<b>860,855</b>	<b>18,424</b>	<b>78,442</b>	<b>53,344</b>	<b>1,011,065</b>

<sup>(1)</sup> Share based payments. These represent the amount expensed in the year for Shares and Options in lieu of cash consulting fees.

<sup>(2)</sup> Appointed 4 March 2024.

<sup>(3)</sup> Resigned 4 March 2024.

\* Includes accruals of fees paid subsequent to year end via equity.

# ADX ENERGY LTD

## DIRECTORS' REPORT

2023	Cash salary, directors' fees and consulting fees, including accruals* \$	Post-Employment	Share-Based	Share-Based	Share-Based	Total \$
		Superannuation \$	Shares (in lieu of cash fees) <sup>(1)</sup> \$	Options (in lieu of cash consulting fees) <sup>(1)</sup> \$	Options (employee incentive plan) <sup>(2)</sup> \$	
<b>Directors</b>						
I Tchacos	347,679	3,009	3,750	60,000	-	414,438
P Fink	358,002	-	3,750	37,828	-	399,580
E Etienvre	197,767	-	124,617	-	-	322,384
A Childs	29,797	3,203	-	-	-	33,000
<b>Other KMP</b>						
A Sparks	80,640	10,221	14,400	-	41,600	146,861
<b>TOTAL 2023</b>	<b>1,013,885</b>	<b>16,433</b>	<b>146,517</b>	<b>97,828</b>	<b>41,600</b>	<b>1,316,263</b>

There were no performance-related payments made during the year. Performance hurdles are not attached to remuneration options.

### Share-based Compensation

#### Shares:

The Company's Directors' Share Plan (Salary Sacrifice), allows for shares to be issued on a quarterly basis according to the Directors' fees owing to each of the Directors at that time, at an issue price of no less than the volume weighted average sale price of Shares sold on ASX during the 90 days prior to the expiration of the corresponding calendar quarter in which the Directors' fees were incurred. The shares are issued after Shareholder approval.

The following shares were granted as equity compensation benefits (in lieu of cash remuneration) to Directors during the year.

Date Issued	Number of Shares	Value-based on 90-Day VWAP \$	In lieu of part remuneration for the quarter ended
02/02/2024	214,660	22,969	31/12/2023
23/05/2024	131,547	20,784	31/03/2024
01/08/2024	188,501	19,604	30/06/2024
11/11/2024	234,189	23,653	30/09/2024
	<b>768,897</b>	<b>87,010</b>	
<b>Issued Subsequent to Year End</b>			
06/02/2025	287,914	19,002	31/12/2024

Summarised as:

	2024	2024
Director	Number of Shares	\$
Ian Tchacos	43,988	5,000
Paul Fink	12,376	1,250
Edouard Etienvre	564,200	63,906
John Begg	148,333	16,854
Issued during the year	<b>768,897</b>	<b>87,010</b>

# ADX ENERGY LTD

## DIRECTORS' REPORT

The following shares were granted as equity compensation benefits (in lieu of cash remuneration) to other KMPs (Amanda Sparks) during the year.

Date Issued	Number of Shares	Value based on 90 Day VWAP \$	In lieu of part remuneration for the quarter ended
02/02/2024	44,859	4,800	31/12/2023
23/05/2024	30,380	4,800	31/03/2024
01/08/2024	46,154	4,800	30/06/2024
11/11/2024	47,525	4,800	30/09/2024
	<b>168,918</b>	<b>19,200</b>	
<b>Issued Subsequent to Year End</b>			
06/02/2025	72,727	4,800	31/12/2024

### Options:

The Executive Directors may also elect, subject to Shareholder approval, to reduce their cash consulting fees in lieu of Options in accordance with the Company's Performance Rights and Option Plan. The Options are issued on a quarterly basis according to the consulting fees owing to each of the Directors at that time, using a deemed price of no less than the volume weighted average sale price of Shares sold on ASX during the 90 days prior to the expiration of the corresponding calendar quarter in which the consulting fees were incurred.

The following options were granted as equity compensation benefits (in lieu of cash remuneration) to Directors during the year.

Date Issued	Number of Options	Value based on 90 Day VWAP \$	In lieu of part remuneration for the quarter ended
02/02/2024	131,425	14,062	31/12/2023
23/05/2024	89,003	14,063	31/03/2024
01/08/2024	196,514	20,437	30/06/2024
11/11/2024	186,571	18,844	30/09/2024
	<b>603,513</b>	<b>67,406</b>	
<b>Issued Subsequent to Year End</b>			
06/02/2025	345,880	22,828	31/12/2024

Summarised as:

	2024	2024
Director	Number of Options	\$
Ian Tchacos	584,021	65,435
Paul Fink	19,492	1,969
Issued during the year	<b>603,513</b>	<b>67,406</b>

No other options were granted as equity compensation benefits to Directors and other Key Management Personnel.

### Shares issued to Key Management Personnel on exercise of compensation options

During the year to 31 December 2024, 1,684,225 compensation options were exercised by Directors or other Key Management Personnel (2023: 2,580,757 options). A summary of options exercised by Directors is as follows:

	Number	Exercise Price
<b>Ian Tchacos</b>		
Unlisted Options	1,551,192	Nil cents
<b>Paul Fink</b>		
Unlisted Options	133,033	Nil cents
<b>Total exercised</b>	<b>1,684,225</b>	

# ADX ENERGY LTD

## DIRECTORS' REPORT

### **E. EQUITY HOLDINGS AND MOVEMENTS DURING THE YEAR**

#### **(a) Shareholdings of Key Management Personnel**

	Balance at beginning of the year	Options exercised	Granted as remuneration	On-Market Purchases	Placement	At appointment / Resignation	Balance at end of the year
<b>Directors</b>							
I Tchacos	10,340,472	1,551,192	43,988	500,000	-	-	12,435,652
P Fink	11,382,251	133,033	12,376	-	-	-	11,527,660
E Etienvre	4,696,335	-	564,200	-	-	-	5,260,535
J Begg	-	-	148,333	-	380,952	-	529,285
A Childs	2,638,852	-	-	-	-	(2,638,852)	-
<b>Other KMPs</b>							
A Sparks	3,857,919	-	168,918	-	285,714	-	4,312,551
	<b>32,915,829</b>	<b>1,684,225</b>	<b>937,815</b>	<b>500,000</b>	<b>666,666</b>	<b>(2,638,852)</b>	<b>34,065,683</b>

#### **(b) Option holdings of Key Management Personnel**

	Balance at beginning of the year	Granted as remuneration	Options exercised	Placement / SPP Options	Options expired	At appointment / Resignation	Balance at end of the year	Exercisable
<b>Directors</b>								
I Tchacos	4,352,259	584,021	(1,551,192)	100,000	(100,000)	-	3,385,088	3,385,088
P Fink	113,541	19,492	(133,033)	50,000	(50,000)	-	-	-
E Etienvre	-	-	-	50,000	(50,000)	-	-	-
J Begg	-	-	-	190,476	-	-	690,476	690,476
A Childs	-	-	-	50,000	-	(50,000)	-	-
<b>Other KMPs</b>								
A Sparks	1,939,525	-	-	142,857	(509,525)	-	1,572,857	1,572,857
	<b>6,405,325</b>	<b>603,513</b>	<b>(1,684,225)</b>	<b>583,333</b>	<b>(709,525)</b>	<b>(50,000)</b>	<b>5,648,421</b>	<b>5,648,421</b>

### **F. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL**

There were no other transactions with key management personnel during the year.

### **G. USE OF REMUNERATION CONSULTANTS**

No remuneration consultants were engaged by ADX during the year.

### **H. VOTING OF SHAREHOLDERS AT LAST YEAR'S ANNUAL GENERAL MEETING**

The Company received more than 87.5% of "yes" votes on its Remuneration Report for the 2023 year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

### **END OF THE AUDITED REMUNERATION REPORT**



# ADX ENERGY LTD

## DIRECTORS' REPORT

### SUBSEQUENT EVENTS

#### Equity Issues in Lieu of Remuneration

On 6 February 2025, ADX issued the following shares and options. These amounts were accrued in the 31 December 2024 financial statements:

- a. 287,914 shares issued pursuant to ADX' Directors' Share Plan, approved by Shareholders on 22 May 2024. The shares were issued to directors in consideration of remuneration elected to be paid in shares for the quarter ended 31 December 2024 (\$19,002).
- b. 72,727 shares issued to ADX's Company Secretaries and consultants in consideration of remuneration elected to be paid in shares for the quarter ended 31 December 2024 (\$4,800).
- c. 345,880 Options granted to Directors Ian Tchacos and Paul Fink, as approved by Shareholders on 22 May 2024. The options were granted in consideration of consultancy fees remuneration elected to be paid in options for the quarter ended 31 December 2024 (value \$22,828). The options have a nil exercise price and expire on 31 January 2028.

#### Loan Note Variations

On 10 January 2025, ADX announced that it had entered into deeds of variation with the Loan Note holders in relation to 25 Loan Notes of A\$ 50,000 each totalling A\$ 1.25 million (Loan Notes).

Five (5) Loan Notes of A\$ 50,000 each (A\$ 250,000 in aggregate) were repaid on the original repayment date of 11 January 2025.

The variation to the Loan Note terms provides funding flexibility to ADX allowing it to utilise its current cash to fund its planned asset development program.

Under the revised terms, the repayment period has been extended to 31 March 2026. The revised terms for the Loan Notes are summarised as follows:

	Loan Note A	Loan Note B	Total Loan Notes
Face Value of Each Loan Note	\$50,000	\$50,000	\$50,000
Number of Loan Notes Issued	4	21	25
Total Loans aggregate amount	\$200,000	\$1,050,000	<b>\$1,250,000</b>
Loan Repayment Date	31 March 2026	31 March 2026	31 March 2026
Interest Rate per annum (payable quarterly in arrears)	8%	12%	8-12%
Free Attaching Unlisted Options with an Exercise Price of \$0.05, expiring 31 March 2026 – Per Loan Note	500,000 per Loan Note (2,000,000 in Total)	-	<b>2,000,000 in Total</b>
Free Attaching Unlisted Options with an Exercise Price of \$0.055, expiring 31 March 2026 – Per Loan Note	500,000 per Loan Note (2,000,000 in Total)	1,000,000 per Loan Note (21,000,000 in Total)	<b>23,000,000 in Total</b>

There are no other matters or circumstances that have arisen since 31 December 2024 that have or may significantly affect the operations, results, or state of affairs of the Group in future years.

### CORPORATE GOVERNANCE

The Directors of the Company support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the Company's website for details of corporate governance policies:

<http://adx-energy.com/en/investors/corporate-governance.php>

**ADX ENERGY LTD**  
**DIRECTORS' REPORT**

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**AUDIT INDEPENDENCE AND NON-AUDIT SERVICES**

**Auditor's independence - section 307C**

The Auditor's Independence Declaration is included on page 57 of this report.

**Non-Audit Services**

There were no non-audit services provided during the year.

Signed in accordance with a resolution of the Directors.



Ian Tchacos  
Executive Chairman  
Dated this 31st day of March 2025

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION  
307C OF THE CORPORATIONS ACT 2001**

To the directors of ADX Energy Ltd:

As lead auditor of the audit of ADX Energy Ltd for the year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ADX Energy Ltd and the entities it controlled during the year.

**In.Corp Audit & Assurance Pty Ltd**  
**ABN 14 129 769 151**

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**In.Corp Audit & Assurance Pty Ltd**



**Graham Webb**  
Director

**31 March 2025**

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**ADX ENERGY LTD**  
**DIRECTORS' DECLARATION**

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1. In the opinion of the directors:
- a) The financial statements and notes are in accordance with the Corporations Act 2001, including:
    - i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the year then ended; and
    - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
    - iii) complying with International Financial Reporting Standards (IFRS) as stated in Note 1 of the financial statements;
    - iv) the information disclosed in the consolidated entity disclosure statement is true and correct; and
  - b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 31 December 2024.

This declaration is signed in accordance with a resolution of the Board of Directors.



Ian Tchacos  
Executive Chairman

Dated this 31st day of March 2025

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# ADX ENERGY LTD

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

		Consolidated	
		Year ended 31 December 2024	Year ended 31 December 2023
	Note	\$	\$
Operating revenue	2	10,676,046	13,178,208
Cost of sales	2	(11,750,803)	(11,865,367)
<b>Gross (loss)/profit</b>		<b>(1,074,757)</b>	<b>1,312,841</b>
<b>Other income</b>	2	1,286,358	3,628,457
<b>Other Expenses:</b>			
Administration, staff and corporate expenses, net of recoveries from projects (including share-based payments)	2	(3,417,336)	(4,895,548)
Exploration expensed		(2,266,393)	(1,787,750)
Restoration expenses – changes in abandonment provision	14	(408,657)	(970,159)
Dry well costs	9	(146,014)	(1,638,550)
Finance costs	2	(421,474)	(244,439)
Loss on disposal of plant and equipment		(19,298)	(4,418)
<b>Total other expenses</b>		<b>(6,679,172)</b>	<b>(9,540,864)</b>
<b>Loss before income tax</b>		<b>(6,467,571)</b>	<b>(4,599,566)</b>
Income tax (expense)/benefit	4	(1,558,795)	389,851
<b>LOSS AFTER INCOME TAX</b>		<b>(8,026,366)</b>	<b>(4,209,715)</b>
Loss is attributable to:			
Owners of ADX Energy Ltd		(7,867,532)	(4,064,209)
Non-controlling interest	17	(158,834)	(145,506)
		<b>(8,026,366)</b>	<b>(4,209,715)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		275,771	240,499
<b>Other comprehensive income for the year, net of tax</b>		275,771	240,499
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(7,750,595)</b>	<b>(3,969,216)</b>
Total comprehensive income is attributable to:			
Owners of ADX Energy Ltd		(7,440,917)	(3,699,668)
Non-Controlling Interest		(309,678)	(269,548)
		<b>(7,750,595)</b>	<b>(3,969,216)</b>
<b>Earnings per share for loss attributable to the ordinary equity holders of the Company:</b>		<b>Cents Per Share</b>	<b>Cents Per Share</b>
Basic loss per share	5	(1.52)	(1.12)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



# ADX ENERGY LTD

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Consolidated	
		31 December 2024	31 December 2023
	Note	\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	9,081,597	8,007,441
Trade and other receivables	7	3,457,664	3,421,979
Inventories	8	2,898,333	2,255,367
<b>Total Current Assets</b>		<b>15,437,594</b>	<b>13,684,787</b>
<b>Non-Current Assets</b>			
Other receivables	7	1,142,417	1,104,192
Oil and gas properties	9	33,570,401	25,145,587
Right of use assets	10	1,122,392	1,209,783
Deferred tax assets	4	-	1,490,803
<b>Total Non-Current Assets</b>		<b>35,835,210</b>	<b>28,950,365</b>
<b>Total Assets</b>		<b>51,272,804</b>	<b>42,635,152</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	4,869,630	5,136,865
Borrowings	12	1,890,571	609,394
Lease liabilities – right of use assets	13	113,626	105,644
Provisions	14	307,398	241,701
<b>Total Current Liabilities</b>		<b>7,181,225</b>	<b>6,093,604</b>
<b>Non-Current Liabilities</b>			
Borrowings	12	-	1,403,067
Lease liabilities – right of use assets	13	1,035,614	1,110,752
Provisions	14	20,318,163	18,286,204
<b>Total Non-Current Liabilities</b>		<b>21,353,777</b>	<b>20,800,023</b>
<b>Total Liabilities</b>		<b>28,535,002</b>	<b>26,893,627</b>
<b>Net Assets</b>		<b>22,737,802</b>	<b>15,741,525</b>
<b>Equity</b>			
Issued capital	15	105,161,657	90,503,290
Reserves	16	5,914,610	5,399,490
Accumulated losses		(96,140,879)	(88,273,347)
Capital and reserves attributable to owners of ADX Energy Ltd		14,935,388	7,629,433
Non-controlling interests	17	7,802,414	8,112,092
<b>Total Equity</b>		<b>22,737,802</b>	<b>15,741,525</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# ADX ENERGY LTD

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Non- Controlling Interest \$	Total Equity \$
<b>At 1 January 2023</b>	<b>84,105,646</b>	<b>4,121,084</b>	<b>(84,209,138)</b>	<b>8,381,640</b>	<b>12,399,232</b>
Loss for the year	-	-	(4,064,209)	(145,506)	(4,209,715)
Other comprehensive income	-	364,541	-	(124,042)	240,499
<b>Total comprehensive income for the year, net of tax</b>	<b>-</b>	<b>364,541</b>	<b>(4,064,209)</b>	<b>(269,548)</b>	<b>(3,969,216)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Issue of share capital	6,714,188	-	-	-	6,714,188
Costs of issue of share capital	(316,544)	-	-	-	(316,544)
Share-based payments – options and performance rights	-	913,865	-	-	913,865
	6,397,644	913,865	-	-	7,311,509
<b>As at 31 December 2023</b>	<b>90,503,290</b>	<b>5,399,490</b>	<b>(88,273,347)</b>	<b>8,112,092</b>	<b>15,741,525</b>
<b>At 1 January 2024</b>	<b>90,503,290</b>	<b>5,399,490</b>	<b>(88,273,347)</b>	<b>8,112,092</b>	<b>15,741,525</b>
Loss for the year	-	-	(7,867,532)	(158,834)	(8,026,366)
Other comprehensive income	-	426,615	-	(150,844)	275,771
<b>Total comprehensive income for the year, net of tax</b>	<b>-</b>	<b>426,615</b>	<b>(7,867,532)</b>	<b>(309,678)</b>	<b>(7,750,595)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Issue of share capital	15,483,509	-	-	-	15,483,509
Costs of issue of share capital	(825,142)	-	-	-	(825,142)
Share based payments – options	-	88,505	-	-	88,505
	14,658,367	88,505	-	-	14,746,872
<b>As at 31 December 2024</b>	<b>105,161,657</b>	<b>5,914,610</b>	<b>(96,140,879)</b>	<b>7,802,414</b>	<b>22,737,802</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# ADX ENERGY LTD

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

		Consolidated	
	Note	Year ended 31 Dec 2024	Year ended 31 Dec 2023 \$
<b>Cash flows from operating activities</b>			
Receipts in the ordinary course of activities		14,130,408	14,674,462
Payments to suppliers and employees, including for exploration expensed		(16,053,026)	(17,286,768)
Interest received		186,680	3,760
Interest paid		(169,713)	(58,564)
Income taxes refunded/(paid)		139,582	(249,370)
<b>Net cash flows from/(used in) operating activities</b>	6(i)	(1,766,069)	(2,916,480)
<b>Cash flows from investing activities</b>			
Payments for oil and gas properties		(27,721,502)	(5,090,328)
Payments for oil and gas properties - appraisal/development		(84,561)	(129,153)
Receipts from farmouts/partners		17,783,940	5,999,966
Other payments		(283,841)	(323,878)
<b>Net cash flows from/(used in) investing activities</b>		(10,305,964)	456,607
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		13,500,000	6,378,000
Proceeds from the exercise of options		1,298,211	-
Payment of share issue costs		(825,119)	(316,544)
Proceeds from loan notes		-	1,500,000
Repayment of bank loans		(619,214)	(613,491)
Payment of lease liabilities (right of use assets)		(156,011)	(179,934)
Insurance funding repayments		(159,924)	-
<b>Net cash flows from financing activities</b>		13,037,943	6,768,031
<b>Net increase in cash and cash equivalents held</b>		965,910	4,308,158
Net foreign exchange differences		108,246	129,652
Add opening cash and cash equivalents brought forward		8,007,441	3,569,631
<b>Closing cash and cash equivalents at the end of the year</b>	6	<b>9,081,597</b>	<b>8,007,441</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 1 –MATERIAL ACCOUNTING POLICY INFORMATION

#### (i) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis. ADX Energy Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report is presented in Australian dollars, which is the group's presentation currency.

#### Functional and presentation currency

The functional currency of the parent entity is Australian Dollars. ADX has identified Australian dollars as its functional currency on the basis that all fundraising is in Australian dollars (AUD), and loans to subsidiary companies are made from Australian dollars.

ADX's subsidiaries have the following functional currencies:

AuDAX Energy Srl – EUR

Bull Petroleum Pty Ltd – AUD

Terra Energy Limited – GBP

ADX VIE GmbH – EUR

Danube Petroleum Limited – GBP

ADX Energy Panonia Srl – EUR

Kathari Energia Limited – GBP

Kathari Energia GmbH – EUR

The presentation currency of the Group is Australian dollars.

#### Going Concern

The financial statements have been prepared on the basis that the Company will continue to meet its commitments and can therefore continue normal business activities and realise assets and settle liabilities in the ordinary course of business.

As a producer in Austria, the Group expects to generate positive cash flows, however with a focus on exploration and development, the Group may need additional cashflows to finance these activities. The Group incurred a net loss of \$8,026,366 for the year ended 31 December 2024 and had a net cash outflow from operating activities of \$1,766,069. During the year, the financial results were lower due to the Anshof-3 well in Upper Austria being shut-in after reaching the regulatory limit of 5,000 tonnes (36,000 Barrels) for test production and only recommenced through a Permanent Production Facility on 3 April 2024.

The ability of the Company to continue as a going concern may require additional capital fundraising, farmouts of projects or other financing opportunities. During the year, ADX successfully raised A\$13.5 million (before costs) under a placement. The Directors believe that the Company will continue as a going concern and has the ability to raise additional funds if required. As a result, the financial information has been prepared on a going concern basis. However, should fundraising, farmouts or any alternative financing opportunities be unsuccessful, the Company may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 1 – MATERIAL ACCOUNTING POLICY INFORMATION – continued

(ii) **Statement of Compliance**

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

(iii) **Adoption of new and revised standards**

**Early adoption of accounting standards**

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 January 2024.

**New and amended standards adopted by the Group**

There were no material new or amended standards implemented that had a material impact on the financial statements during the year.

(iv) **Significant Accounting Estimates and Judgements**

**Significant accounting judgements**

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

**Significant accounting estimates and assumptions**

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

*Share-based payment transactions*

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the value of the services, or a Black-Scholes option pricing model.

*Commitments - Exploration*

The Group has certain minimum exploration commitments to maintain its right of tenure of its permits. These commitments require estimates of the cost to perform exploration work required under these permits.

*Deferred Appraisal Costs*

The Group capitalises acquisition expenditure and appraisal costs relating to its permits where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the continued belief that such expenditure should not be written off since exploration activities in such areas have not yet concluded.

*Impairment of Oil and Gas Properties*

For oil and gas properties, the expected future cash flow estimation is based on a number of factors, variables and assumptions, the most important of which are estimates of reserves and resources, future production profiles, commodity prices, costs and foreign exchange rates. These estimates may impact any impairment calculations.

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# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 1 – MATERIAL ACCOUNTING POLICY INFORMATION - continued

#### (iv) Significant Accounting Estimates and Judgements - continued

##### *Provision for Restoration and Rehabilitation*

Obligations associated with exploration, development and production assets are recognised when the Group has a present obligation, the future sacrifice of the economic benefits is probable, and the provision can be measured reliably. The determination of the provision requires significant judgement in terms of the best estimate of the costs of performing the work required, the timing of the cash flows and the appropriate discount rate. A change in any, or a combination of, the key assumptions used to determine the provision could have a material impact on the carrying value of the provision.

On an ongoing basis, the restoration will be remeasured in line with the changes in the time value of money (recognised as an expense and an increase in the provision), and additional disturbances recognised as additions to the provision. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material). Asset retirement obligation costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its asset retirement obligations provision at each reporting date. The ultimate asset retirement obligations costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing, extent and amount of expense can also change. Therefore, significant estimates and assumptions are made in determining the provision for asset retirement obligations. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at the reporting date represents management's best estimate of the present value of the future asset retirement obligations costs required.

#### (v) Foreign currency translation

The presentation currency of the Group is Australian Dollars. The functional currency of ADX Energy Ltd is Australian Dollars. ADX's subsidiaries have the following functional currencies:

Danube Petroleum Limited – GBP	AuDAX Energy Srl – EUR
Bull Petroleum Pty Ltd – AUD	ADX VIE GmbH – EUR
Terra Energy Limited – GBP	ADX Energy Panonia Srl – EUR
Kathari Energia Limited – GBP	Kathari Energia GmbH – EUR

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the balance sheet date.

As at the reporting date the assets and liabilities of the subsidiaries are translated into the presentation currency of ADX Energy Ltd at the rate of exchange ruling at the balance sheet date and the income statements are translated at the weighted average exchange rates for the year.

The exchange differences arising on the retranslation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.



# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 2 –INCOME AND EXPENSES

#### Revenue

Revenue is recognised when or as the Group transfers control of goods or services to a customer at the amount to which the Group expects to be entitled. If the consideration promised includes a variable component, the Group estimates the expected consideration for the estimated impact of the variable component at the point of recognition and re-estimated at every reporting period. Revenue from the sale of oil and gas is recognised and measured in the accounting period in which the goods and/or services are provided based on the amount of the transaction price allocated to the performance obligations. The performance obligation is the supply of oil and gas over the contractual term; the units of supply represent a series of distinct goods that are substantially the same with the same pattern of transfer to the customer. The performance obligation is considered to be satisfied as the customer receives the supply through the pipeline, based on the units delivered. Hence revenue is recognised over time.

#### Exploration, evaluation and appraisal expenditure

Exploration expenditure is expensed to the profit or loss statement as and when it is incurred and included as part of cash flows from operating activities.

Evaluation/appraisal and development expenditure is capitalised to the Statement of Financial Position as oil and gas properties. Evaluation/appraisal is deemed to be activities undertaken following a discovery from the beginning of appraisal and pre-feasibility studies conducted to assess the technical and commercial viability of extracting a resource before moving into the Development phase. The criteria for carrying forward the costs are:

- Such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale; or
- Evaluation activities in the area of interest that have not yet reached a state which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area are continuing.

Costs carried forward in respect of an area of interest which is abandoned are written off in the year in which the abandonment decision is made.

		Consolidated	
		Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
Note			
OPERATING REVENUE			
	Oil sales	9,624,357	11,831,146
	Gas sales	512,467	1,051,873
		10,136,824	12,883,019
	Hedging gains/(losses), net	152,616	(109,679)
	Other operating revenue (including reimbursements)	386,606	404,868
		10,676,046	13,178,208
COST OF GOODS SOLD			
	Operating costs	8,332,138	8,473,800
	Royalties	679,919	746,322
	Depreciation	2,384,011	2,281,358
	Amortisation of asset retirement obligation assets	276,150	274,460
25	Partner share of Anshof operations	78,585	89,427
		11,750,803	11,865,367

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

		Consolidated	
	Note	Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
<b>NOTE 2 –INCOME AND EXPENSES - continued</b>			
<b>OTHER INCOME:</b>			
Income from partners /farmouts- cost recoveries		1,033,694	3,391,226
Option fee income		-	163,635
Interest revenue		186,681	3,760
Other		65,983	69,836
		1,286,358	3,628,457
<b>OTHER EXPENSES – Administration and corporate expenses:</b>			
Share-based payments – in lieu of cash remuneration		387,116	470,062
Share-based payments – performance rights and options		386,666	634,590
	3(a)	773,782	1,104,652
Less: prior period accrued share-based payments		(482,884)	(140,335)
Add: accrued share-based payments issued/to be issued after the period end		280,128	482,884
Net foreign exchange (gains)/losses		(346,700)	(84,892)
Short-term lease expenses		46,326	88,341
Depreciation – right of use assets		126,835	133,692
Defined contribution superannuation/pension expense		188,922	153,430
Other administration, personnel and corporate expenses		5,810,586	5,233,086
		6,396,995	6,970,858
Less: project cost recoveries		(2,979,659)	(2,075,310)
		3,417,336	4,895,548
<b>OTHER EXPENSES – Finance costs:</b>			
Interest expense		168,578	81,961
Accretion		98,327	91,740
Right of use assets – interest		56,501	22,271
Share-based payments – borrowing costs	3(a)	96,933	48,467
Other bank fees and borrowing costs		1,135	-
		421,474	244,439

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 3 – EQUITY-BASED PAYMENTS

#### *Equity settled transactions:*

The Group provides benefits to executive directors, employees and consultants of the Group in the form of share-based payments, whereby those individuals render services in exchange for shares or rights over shares (equity-settled transactions). When provided, the cost of these equity-settled transactions with these individuals is measured by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value of options is determined either using the Black-Scholes option pricing model or in the case of consulting by directors, the number of options granted will be determined by dividing the Directors' consulting fees that the Company has agreed to pay to the Related Parties via equity using a deemed price based on the volume weighted average sale price of Shares sold on ASX during the 90 days prior to the expiration of the corresponding calendar quarter in which the Directors' consulting fees were incurred. In valuing equity-settled transactions, no account is taken of any performance conditions other than conditions linked to the price of the shares of ADX Energy Ltd (market conditions), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award (the vesting date). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects:

- (i) the grant date fair value of the award;
- (ii) the extent to which the vesting period has expired; and
- (iii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest taking into account such factors as the likelihood of non-market performance conditions being met.

This opinion is formed based on the best available information at the reporting date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. If an equity-settled award is forfeited, any expense previously recognised for the award is reversed. However, if a new award is substituted for a cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

#### (a) Value of equity-based payments in the financial statements

	Note	Consolidated	
		Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
Expensed in the profit and loss:			
Share-based payments – Employee Performance Rights and Options	3(b)(iv)	21,100	634,590
Share-based payments – Employee Shares	3(b)(iv)	365,566	-
Options issued in lieu of fees:			
Share-based payments – Options Issued to Directors	3(b)(ii)	67,406	133,875
		454,072	768,465
Shares issued in lieu of fees:			
Share-based payments – Shares Issued to Directors	3(b)(i)	87,010	197,417
Share-based payments – Shares Issued to other KMPs	3(b)(iii)	19,200	19,200
Share-based payments – Shares Issued to consultants	3(b)(iii)	213,500	119,570
		773,782	1,104,652
Options issued to loan note holders in 2023- Share-based payments – Borrowing costs		96,933	48,467

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 3 – EQUITY-BASED PAYMENTS – continued

#### (b) Summary of remuneration equity-based payments granted during the year:

- (i) Shares granted to Directors pursuant to ADX' Directors' Share Plan, approved by Shareholders on 22 May 2024 as follows:

Date Issued	Number of Shares	Value-based on 90-Day VWAP \$	In lieu of part remuneration for the quarter ended
02/02/2024	214,660	22,969	31/12/2023
23/05/2024	131,547	20,784	31/03/2024
01/08/2024	188,501	19,604	30/06/2024
11/11/2024	234,189	23,653	30/09/2024
	<b>768,897</b>	<b>87,010</b>	
<b>Issued Subsequent to Year End</b>			
06/02/2025	287,914	19,002	31/12/2024

Summarised as:

Director	2024 Number of Shares	2024 Remuneration value \$	2023 Number of Shares	2023 Remuneration value \$
Ian Tchacos	43,988	5,000	67,460	5,000
Paul Fink	12,376	1,250	67,460	5,000
Edouard Etienvre	564,200	63,906	2,558,808	187,417
John Begg	148,333	16,854	-	-
<b>Total</b>	<b>768,897</b>	<b>87,010</b>	<b>2,693,728</b>	<b>197,417</b>

- (ii) Options granted to Directors pursuant to ADXs' Performance Rights and Option Plan, approved by Shareholders on 22 May 2024 as follows:

Date Issued	Number of Options	Value based on 90 Day VWAP \$	In lieu of part remuneration for the quarter ended
02/02/2024	131,425	14,062	31/12/2023
23/05/2024	89,003	14,063	31/03/2024
01/08/2024	196,514	20,437	30/06/2024
11/11/2024	186,571	18,844	30/09/2024
	<b>603,513</b>	<b>67,406</b>	
<b>Issued Subsequent to Year End</b>			
06/02/2025	345,880	22,828	31/12/2024

Summarised as:

Director	2024 Number of Options	2024 Remuneration value \$	2023 Number of Options	2023 Remuneration value \$
Ian Tchacos	584,021	65,437	1,078,572	79,875
Paul Fink	19,492	1,969	738,988	54,000
<b>Issued during the year</b>	<b>603,513</b>	<b>67,406</b>	<b>1,817,560</b>	<b>133,875</b>

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 3 – EQUITY-BASED PAYMENTS – continued

#### (b) Summary of remuneration equity-based payments granted during the year - continued:

##### (iii) Shares to consultants and company secretaries in lieu of remuneration:

Date Issued	Number of Shares	Value based on 90 Day VWAP \$	In lieu of part remuneration for the quarter ended
02/02/2024	402,643	41,388	31/12/2023
23/05/2024	446,043	64,819	31/03/2024
01/08/2024	603,468	64,571	30/06/2024
11/11/2024	615,414	61,922	30/09/2024
	<b>2,067,568</b>	<b>232,700</b>	
<b>Issued Subsequent to Year End</b>			
06/02/2025	993,070	70,905	31/12/2024

Summarised as:

	2024 Number of Shares	2024 Remuneration value \$	2023 Number of Shares	2023 Remuneration value \$
<b>Other KMPs</b>				
Amanda Sparks	169,918	19,200	259,046	19,200
<b>Consultants</b>				
Other consultants	1,897,650	213,500	1,618,825	119,570
<b>Issued during the year</b>	<b>2,067,568</b>	<b>232,700</b>	<b>1,877,871</b>	<b>138,770</b>

##### (iv) During the year the following securities were granted as equity compensation benefits to employees and consultants:

- 500,000 unlisted options granted and allotted on 29 February 2024 to a consultant pursuant to the Company's Employee Incentive Plan (\$21,100); and
- 2,972,081 fully paid shares issued on 29 October 2024 to employees in Vienna pursuant to the Company's Employee Incentive Plan for the 2023/2024 year (\$365,566).

##### *Black-Scholes option pricing model*

The assessed fair values of the options were determined using a Black-Scholes option pricing model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate for the term of the option. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 3 – EQUITY-BASED PAYMENTS – continued

#### (b) Summary of remuneration equity-based payments granted during the year - continued:

The inputs to the model used were:

Grant date	29/02/2024	29/10/2024
	Options	Shares
Spot price (\$)	0.10	0.123
Exercise price (\$)	0.17	N/A
Vesting date	Immediately	Immediately
Expiry date	31/03/2026	N/A
Expected future volatility (%)	100	N/A
Risk-free rate (%)	3.71	N/A
Dividend yield (%)	-	N/A
Value Each (\$)	0.0422	0.123
Number Granted	500,000	2,972,081
Valuation Method	Black-Scholes	Market Price at Issue Date

#### (c) Weighted average exercise price

The following table shows the number and weighted average exercise price (WAEP) of share options granted as remuneration share-based payments.

	12 Months to 31 December 2024 Number	12 Months to 31 December 2024 WAEP \$	12 Months to 31 December 2023 Number	12 Months to 31 December 2023 WAEP \$
Outstanding at the beginning of the year	11,240,800	0.13	5,653,997	0.02
Granted to Directors during the year	603,513	Nil	1,817,559	Nil
Granted to employees during the year	500,000	0.17	6,350,000	0.17
Lapsed during the year	(425,000)	0.13	-	-
Exercised during the year	(1,684,225)	Nil	(2,580,756)	Nil
Outstanding at the end of the year	10,235,088	0.114	11,240,800	0.13
Exercisable at year-end	10,235,088	0.114	11,240,800	0.13

The weighted average share price for options exercised during the year was \$Nil (2023: \$Nil).

#### (d) Weighted average fair value

The weighted average fair value of remuneration equity-based payment options granted during the year was \$0.077 (2023: \$0.046).

#### (e) Range of exercise price

The range of exercise price for options granted as remuneration share-based payments outstanding at the end of the year was \$nil to \$0.17 (2023: \$nil to \$0.17).

#### (f) Weighted average remaining contractual life

The weighted average remaining contractual life of remuneration share-based payment options that were outstanding as of the end of the year was 0.93 years (2023: 1.63 years).



# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 4 - INCOME TAX EXPENSE

	Consolidated	
	Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
<b>(a) Income Tax Expense</b>		
The reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable income tax rate is as follows:		
Loss for the year before tax	(6,467,571)	(4,599,566)
Prima facie income tax (benefit) @ 30%	(1,940,271)	(1,379,870)
Tax effect of non-deductible items	283,379	727,502
Tax rate differential	263,413	109,895
Tax rate change – Austria	14,947	26,471
Translation differences	(43,543)	(2,509)
Deferred tax assets not brought to account	2,980,870	128,660
Income tax expense/(benefit) attributable to operating result	1,558,795	(389,851)
<b>(b) Deferred tax assets not recognised relate to the following:</b>		
Tax losses	16,571,766	15,065,555
These deferred tax assets have not been brought to account as it is not probable that tax profits will be available against which deductible temporary differences can be utilised.		
<b>(c) Deferred tax assets and liabilities:</b>		
Deferred tax assets:		
Tax losses - Austria	3,396,852	2,769,083
Temporary differences - Other	287,172	306,660
Less: Offset Deferred Tax Liabilities:		
Temporary differences - Oil and gas properties, net of JV	(3,414,548)	(1,271,132)
Temporary differences - Asset retirement obligations	(16,534)	(35,558)
Temporary differences - Other	(252,942)	(278,250)
	-	1,490,803

### (d) Franking Credits

The franking account balance at year-end was \$nil (2023: \$nil).

### (e) Tax Consolidation Legislation

ADX Energy Ltd and its 100% owned Australian subsidiaries have not formed a tax-consolidated group.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 5 - EARNINGS PER SHARE

	Consolidated	
	Year Ended 31 December 2024 Cents	Year Ended 31 December 2023 Cents
Basic loss per share attributable to members of ADX Energy Ltd	(1.52)	(1.12)
Loss attributable to ordinary equity holders of the Company used in calculating:	\$	\$
- Basic earnings per share	(7,867,532)	(4,064,209)
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	517,832,191	362,870,060

Diluted earnings per share is not disclosed because potential ordinary shares, being options granted, are not dilutive and their conversion to ordinary shares would not demonstrate an inferior view of the earnings performance of the Company.

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# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 6 - CASH AND CASH EQUIVALENTS

Cash at bank and on hand

Consolidated	
Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
9,081,597	8,007,441

### NOTE 6 - CASH AND CASH EQUIVALENTS – continued

#### (i) Reconciliation of loss for the period to net cash flows used in operating activities

Loss after income tax	(8,026,366)	(4,209,715)
Insurance funding payments are classified as financing cash flows	159,924	-
Interest expense on ROUA leases classified as financing cash flows	56,501	-
Income from partners classified as investing cash flows	-	(2,829,402)
Non-Cash Items:		
Depreciation and amortisation	2,786,996	2,689,510
Restoration expenses – changes in abandonment provision	408,657	970,159
Dry well costs	146,014	1,638,550
Loss on sale of plant and equipment	-	4,418
Foreign exchange (gains)/losses	(346,700)	(84,892)
Share-based payments expensed	870,715	1,153,119
Accretion	98,327	91,740
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	120,454	(232,997)
(Increase)/decrease in inventories	(307,240)	(1,310,583)
(Increase)/decrease in oil and gas assets	-	(657,342)
(Increase)/decrease in deferred tax assets	1,490,803	(424,409)
Increase/(decrease) in trade and other payables	685,044	404,434
Increase/(decrease) in income tax payable	-	(233,808)
Increase/(decrease) in lease liabilities	-	3,122
Increase/(decrease) in provisions	90,802	111,616
Net cash flows (used in)/from operating activities	(1,766,069)	(2,916,480)

#### (ii) Non-Cash Financing and Investing Activities

There were no non-cash financing or investing activities during the year. (2023: Issue of 8,150,000 options to loan note holders (\$145,400)). Other non-cash operating activities, consisting of shares and options granted in lieu of remuneration are disclosed in note 3.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 7 – TRADE AND OTHER RECEIVABLES

#### Current

	Consolidated Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
Trade and other debtors	1,271,765	754,896
Accrued income – back costs	-	728,038
GST/VAT refundable	1,142,729	845,741
Prepayments	891,915	579,626
Prepayments – inventories	-	438,488
Under/(over) partnership cash calls (net)	99,740	-
Cash secured for credit cards	20,000	20,000
Others	31,515	55,190
Total current receivables	3,457,664	3,421,979

Information about the impairment of trade and other receivables, their credit quality and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 24. Receivables do not contain past due or impaired assets as at 31 December 2024 (2023: none).

#### Non-Current

	Consolidated Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
Cash secured for licences and other cash bonds	1,142,417	1,104,192

EUR 50,157 (AUD 83,959) is held as security for the Vienna office rental, EUR 26,145 (AUD 43,765) is held as security for land rental for the Drill Site Welchau 1, and the remaining EUR 606,178 (AUD 1,014,693) is secured for the Group's AGS licences in Austria.

### NOTE 8 – INVENTORIES

Inventories include hydrocarbon stocks, consumable supplies and maintenance and drilling spares. Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes direct costs and an appropriate portion of fixed and variable production overheads where applicable. Inventories determined to be obsolete or damaged are written down to net realisable value, being the estimated selling price less selling costs.

	Consolidated Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
Oil and gas inventories	122,980	46,732
Materials and consumables	2,775,353	2,208,635
Total current inventories	2,898,333	2,255,367

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 9 – OIL AND GAS PROPERTIES

Oil and gas properties are stated at cost less accumulated depreciation and impairment charges. Oil and gas properties include the costs to acquire, construct, install or complete production and infrastructure facilities such as pipelines, capitalised borrowing costs, development wells and the estimated cost of dismantling and restoration. Subsequent capital costs, including major maintenance, are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured.

Oil and gas properties and other plant and equipment are depreciated to their estimated residual values at rates based on their expected useful lives with a maximum period of 100 months. All items of oil and gas properties are depreciated using the straight-line method over their useful life capped at 100 months. The majority of the Oil and Gas equipment is depreciated over 8.3 years.

Impairment: Oil and gas properties are assessed for impairment on a cash-generating unit (CGU) basis. Individual assets within a CGU may become impaired if their ongoing use changes or if the benefits to be obtained from ongoing use are likely to be less than the carrying value of the individual asset.

	Consolidated	
	Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
Austria		
Buildings	236,374	266,833
Undeveloped land	189,251	182,913
Field office fixtures and equipment	281,001	340,222
Plant and machinery	6,491,416	3,511,728
Wells	7,846,509	6,960,443
Retirement obligation assets	2,041,522	1,655,805
Assets under construction	6,886,940	3,072,838
Rights and other intangible assets	586	10,807
	23,973,599	16,001,589
Romania		
Appraisal costs	9,596,802	9,143,998
	33,570,401	25,145,587
<i>Reconciliation of the carrying amount of oil and gas assets:</i>		
Buildings – opening balance	266,833	296,672
Depreciation	(38,889)	(38,817)
Translation differences	8,430	8,978
	236,374	266,833
Undeveloped Land – opening balance	182,913	177,793
Translation differences	6,338	5,120
	189,251	182,913

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Consolidated	
	Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
<b>NOTE 9 – OIL AND GAS PROPERTIES - continued</b>		
Field office fixtures and equipment – opening balance	340,222	265,259
Additions	5,654	143,408
Disposals	(144)	-
Transfers	11,872	-
Depreciation	(86,649)	(75,321)
Translation differences	10,046	6,876
	281,001	340,222
Plant and machinery – opening balance	3,511,728	3,723,913
Additions – net of partner contributions	3,082,022	373,687
Disposals	(19,987)	-
Transfers	618,070	-
Depreciation	(814,287)	(696,730)
Translation differences	113,870	110,858
	6,491,416	3,511,728
Wells – opening balance	6,960,443	4,647,644
Additions – net of partner contributions	1,862,444	94,323
Transfers	401,656	3,568,743
Dry well costs expensed	(146,014)	-
Depreciation	(1,433,807)	(1,459,433)
Translation differences	201,787	109,166
	7,846,509	6,960,443
Retirement obligation assets (Austria) – opening balance	1,655,805	1,441,571
Additions	769,618	449,456
Change of discount rate	(160,743)	-
Amortisation	(276,150)	(274,460)
Translation differences	52,992	39,238
	2,041,522	1,655,805
Assets under construction – opening balance	3,072,838	4,588,376
Additions – net of partner contributions	4,739,226	3,494,943
Transfers	(1,031,598)	(3,568,743)
Dry well costs expensed	-	(1,638,550)
Translation differences	106,474	196,812
	6,886,940	3,072,838



# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Consolidated	
	Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
<b>NOTE 9 – OIL AND GAS PROPERTIES - continued</b>		
Rights and other intangible assets – an opening balance	10,807	21,132
Depreciation	(10,378)	(11,057)
Translation differences	157	732
	586	10,807
Appraisal costs – Romania – opening balance	9,143,998	8,513,327
Additions	85,397	148,804
Additions – rehabilitation and restoration provision – note 14	48,544	237,826
Translation differences	318,863	244,041
	9,596,802	9,143,998
<b>NOTE 10 – RIGHT OF USE ASSETS</b>		
<b>Non-Current Assets</b>		
Right of use assets - properties	1,122,392	1,209,783
<i>Reconciliation of the carrying amount of right-of-use assets:</i>		
Opening balance	1,209,783	239,640
Additions	-	1,263,948
Disposals	-	(156,782)
Depreciation	(126,835)	(133,692)
Translation differences	39,444	(3,331)
	1,122,392	1,209,783
Refer to note 13 for lease liabilities for right-of-use assets.		
<b>NOTE 11 – TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Trade creditors and accruals	4,846,233	5,113,468
Accrued interest payable	23,397	23,397
	4,869,630	5,136,865
The Group's exposure to interest rate risk is discussed in Note 24.		

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 12 – BORROWINGS

#### Loan Notes

On 11 July 2023, ADX secured \$1,500,000 in loan note funding. A total of 30 loan notes of \$ 50,000 each totalling \$ 1,500,000 (Loan Notes) were issued to a small number of supportive existing shareholders and new sophisticated investors. The Loan Notes are unsecured. The terms for the Loan Notes are summarised as follows:

	Loan Note A	Loan Note B	Total Loan Notes
Face Value of Each Loan Note	\$50,000	\$50,000	\$50,000
Number of Loan Notes Issued	20	10	30
Total Loans aggregate amount	\$1,000,000	\$500,000	\$1,500,000
Loan Term	18 Months (11 January 2025)	18 Months (11 January 2025)	18 Months (11 January 2025)
Interest Rate per annum (payable quarterly in arrears)	8%	12%	8-12%
Free Attaching Unlisted Options with an Exercise Price of \$0.10, expiring 11 January 2025	150,000 Options per Loan Note (3,000,000 in Total)	-	Total of 3,000,000 Options*
Free Attaching Unlisted Options with an Exercise Price of \$0.14, expiring 11 January 2025	150,000 Options per Loan Note (3,000,000 in Total)	215,000 Options per Loan Note (2,150,000 in Total)	Total of 5,150,000 Options*

\* Post-consolidated amounts

Subsequent to year end, on 10 January 2025, ADX announced that it had entered into deeds of variation with the Loan Note holders in relation to 25 Loan Notes of A\$ 50,000 each totalling A\$ 1.25 million (Loan Notes).

Five (5) Loan Notes of A\$ 50,000 each (A\$ 250,000 in aggregate) were repaid on the original repayment date of 11 January 2025.

The variation to the Loan Note terms provides funding flexibility to ADX allowing it to utilise its current cash to fund its planned asset development program.

Under the revised terms, the repayment period has been extended to 31 March 2026. The revised terms for the Loan Notes are summarised as follows:

	Loan Note A	Loan Note B	Total Loan Notes
Face Value of Each Loan Note	\$50,000	\$50,000	\$50,000
Number of Loan Notes Issued	4	21	25
Total Loans aggregate amount	\$200,000	\$1,050,000	<b>\$1,250,000</b>
Loan Repayment Date	31 March 2026	31 March 2026	31 March 2026
Interest Rate per annum (payable quarterly in arrears)	8%	12%	8-12%
Free Attaching Unlisted Options with an Exercise Price of \$0.05, expiring 31 March 2026 – Per Loan Note	500,000 per Loan Note (2,000,000 in Total)	-	<b>2,000,000 in Total</b>
Free Attaching Unlisted Options with an Exercise Price of \$0.055, expiring 31 March 2026 – Per Loan Note	500,000 per Loan Note (2,000,000 in Total)	1,000,000 per Loan Note (21,000,000 in Total)	<b>23,000,000 in Total</b>

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 12 – BORROWINGS - continued

#### Bank Loans

As announced on 5 August 2020, ADX' Austrian subsidiary, ADX VIE GmbH, secured banking facilities totalling EUR 1,130,000 from Volksbank Wien AG (Volksbank) and guaranteed by the Austria Wirtschaft's ("Economy") Service (the Innovation and Start Up Financing bank of the Austrian state) (AWS), split between two loan facilities:

- Loan A - EUR 500,000 (A\$ 808,931): interest-free until 31 July 2022, at which point interest charged is at Euribor plus 0.75%, with the rate to be at least 0%; and
- Loan B - EUR 630,000 (A\$ 1,019,253): incurring interest at 1% per annum on the drawn down value.

As at 31 December 2024, these bank loans have been repaid in full.

	Consolidated	
	Year Ended 31 December 2024 \$	Year Ended 31 December 2023 \$
<b>Current</b>		
Bank loans – Loan A – interest bearing	-	339,751
Bank loans – Loan B – interest bearing	-	269,643
Loan notes – interest bearing – unsecured *	1,500,000	-
Insurance funding **	390,571	-
	<b>1,890,571</b>	<b>609,394</b>
<b>Non-Current</b>		
Loan notes – interest bearing – unsecured	-	1,500,000
Loan notes – borrowing costs (options)	-	(145,400)
Loan notes – borrowing costs (options – accretion)	-	48,467
	<b>-</b>	<b>1,403,067</b>

\* As disclosed on the previous page, subsequent to year end, \$250,000 of the Loan Notes were repaid, and the remaining \$1,250,000 loans were extended to a 31 March 2026 repayment date.

\*\* Insurance funding was provided during the year totalling EUR 344,361 (\$550,495) of which \$159,924 was repaid during 2024, with \$390,571 to be repaid in seven equal instalments during 2025, with the final instalment due for payment on 31 July 2025.

The Group's exposure to liquidity and interest rate risk is discussed in Note 24.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
<b>NOTE 13 – LEASE LIABILITIES</b>		
<b>Current</b>		
Right of use assets	113,626	105,644
<b>Non-Current</b>		
Right of use assets	1,035,614	1,110,752
<b>NOTE 14 – PROVISIONS</b>		
<b>Current</b>		
Provision for employee entitlements	307,398	241,701
<b>Non-Current</b>		
Provision for employee entitlements	259,451	234,346
Provision for asset retirement obligations (ARO) – production assets	19,071,099	17,144,238
Provision for rehabilitation and restoration – Romania	987,613	907,620
	20,318,163	18,286,204
<b>Provision for asset retirement obligations (non-current) – opening balance</b>	17,144,238	15,207,275
Additions capitalised – note 9	769,618	449,456
Additions capitalised (Assets under construction)	202,544	-
Additions expensed	408,657	970,159
Change of discount rate	(160,743)	-
Accretion	98,327	91,740
Translation differences	608,458	425,608
Provision for asset retirement obligations (non-current) – closing balance	19,071,099	17,144,238
<b>Provision for rehabilitation and restoration – Romania – opening balance</b>	907,620	651,046
Additions capitalised – note 9	48,544	237,826
Translation differences	31,449	18,748
Provision for rehabilitation and restoration – Romania – closing balance	987,613	907,620

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
<b>NOTE 15 – ISSUED CAPITAL</b>		
<b>(a) Issued Capital</b>		
Ordinary shares fully paid	105,161,657	90,503,290

### (b) Movements in Ordinary Share Capital

Number of Shares	Summary of Movements – Current Year (2024)	Note	2024 \$
427,865,791	Closing Balance as at 1 January 2024		90,503,290
214,660	Issue of shares to Directors (part remuneration for 12/2023 quarter)	3(b)	22,969
402,643	Issue of shares to Co Secs and Consultants (remuneration for 12/2023 quarter)	3(b)	41,388
131,547	Issue of shares to Directors (part remuneration for 3/2024 quarter)	3(b)	20,784
446,043	Issue of shares to Co Secs and Consultants (remuneration for 3/2024 quarter)	3(b)	64,819
188,501	Issue of shares to Directors (part remuneration for 6/2024 quarter)	3(b)	19,604
603,468	Issue of shares to Co Secs and Consultants (remuneration for 6/2024 quarter)	3(b)	64,571
234,189	Issue of shares to Directors (part remuneration for 9/2024 quarter)	3(b)	23,653
615,414	Issue of shares to Co Secs and Consultants (remuneration for 9/2024 quarter)	3(b)	61,922
1,684,225	Options exercised at \$nil		-
9,943,337	Options exercised at \$0.13		1,292,610
35,000	Options exercised at \$0.16		5,600
128,571,428	Placement (T1 and T2) at \$0.105		13,500,000
2,972,081	Employee Share Scheme – Shares issued to employees in Vienna	3(b)	365,566
-	Costs of shares issued - cash		(825,119)
<b>573,908,327</b>	<b>Closing Balance as at 31 December 2024</b>		<b>105,161,657</b>

Current Year transactions:

#### (i) Placement Raising A\$ 13.5 million

In May 2024, ADX advised it had successfully raised A\$13.5 million (before costs) from the issue of 128,571,429 new fully paid ordinary shares at an issue price of A\$0.105 per share. One (1) free-attaching quoted option was issued for every two (2) Placement Shares. The exercise price of the Placement Options is A\$0.15 with an expiry date of 8 May 2026.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 15 – ISSUED CAPITAL - continued

#### (b) Movements in Ordinary Share Capital - continued

##### Summary of Movements – Prior Year (2023)

Number of Shares	<i>Note: Effective 28 September 2023, ADX Shareholders approved a capital conversion of every ten (10) existing Securities into one (1) Security. All data below is based on post-consolidation data.</i>	2023
		\$
351,291,583	Opening balance 1 January 2023	84,105,646
35,714	Issue of shares to Directors (part remuneration for 12/2022 quarter)	2,500
68,571	Issue of shares to Company Secretary (remuneration for 12/2022 quarter)	4,800
488,396	Issue of shares to Consultants (remuneration for 12/2022 quarter)	34,188
305,956	Issue of shares to Directors (part remuneration for 09/2022 quarter)	21,417
591,184	Issue of shares to Directors (part remuneration for 12/2022 quarter)	41,383
640,959	Issue of shares to Directors (part remuneration for 3/2023 quarter)	44,867
68,571	Issue of shares to Company Secretary (remuneration for 3/2023 quarter)	4,800
310,399	Issue of shares to Consultants (remuneration for 3/2023 quarter)	21,728
5,641,853	Shares issued upon exercise of Performance Rights	-
2,580,756	Options exercised by Directors at \$Nil	-
677,120	Issue of shares to Directors (part remuneration for 6/2023 quarter)	47,398
68,571	Issue of shares to Company Secretary (remuneration for 6/2023 quarter)	4,800
369,679	Issue of shares to Consultants (remuneration for 6/2023 quarter)	25,878
442,795	Issue of shares to Directors (part remuneration for 9/2023 quarter)	39,852
53,333	Issue of shares to Company Secretary (remuneration for 9/2023 quarter)	4,800
450,351	Issue of shares to Consultants (remuneration for 9/2023 quarter)	37,777
48,000,000	Placement and SPP at 10 cents	4,800,000
15,780,000	Placement and SPP at 10 cents	1,578,000
	Costs of share issues – cash	(316,544)
<u>427,865,791</u>	Closing Balance as at 31 December 2023	<u>90,503,290</u>

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# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 15 – ISSUED CAPITAL - continued

#### (c) Options on issue at year end

	Number	Exercise Price	Expiry Date
Listed Options	64,285,731	15 cents	08/05/2026
<b>Total Listed Options</b>	<b>64,285,731</b>		

	Number	Exercise Price	Expiry Date
Unlisted Options	3,000,000	10 cents	11/01/2025
Unlisted Options	5,150,000	14 cents	11/01/2025
Unlisted Options	6,350,000	17 cents	30/04/2025
Unlisted Options	245,625	Nil cents	31/07/2025
Unlisted Options	500,000	17 cents	31/03/2026
Unlisted Options	329,465	Nil cents	31/10/2025
Unlisted Options	185,796	Nil cents	31/01/2026
Unlisted Options	311,719	Nil cents	31/05/2026
Unlisted Options	269,532	Nil cents	31/07/2026
Unlisted Options	380,358	Nil cents	31/10/2026
Unlisted Options	283,929	Nil cents	31/01/2027
Unlisted Options	275,893	Nil cents	31/05/2027
Unlisted Options	300,000	Nil cents	31/07/2027
Unlisted Options	218,750	Nil cents	31/10/2027
Unlisted Options	131,425	Nil cents	31/01/2028
Unlisted Options	89,003	Nil cents	31/05/2028
Unlisted Options	196,514	Nil cents	31/07/2028
Unlisted Options	167,079	Nil cents	31/10/2028
<b>Total Unlisted Options</b>	<b>18,385,088</b>		

During the year:

- (i) 603,513 unlisted options were granted in lieu of remuneration to Directors Ian Tchacos and Paul Fink. Refer note 3(b)(ii).
- (ii) 1,684,225 unlisted options were exercised by Directors (exercise price was nil as these were previously granted in lieu of remuneration).
- (iii) 500,000 unlisted options were granted to a consultant pursuant to the Company's Employee Incentive Plan.
- (iv) 250,000 unlisted options were issued to Directors as part of the 2023 Securities Purchase Plan, upon Shareholder approval.
- (v) 9,943,337 unlisted options were exercised at an exercise price of \$0.13 each.
- (vi) 35,000 unlisted options were exercised at an exercise price of \$0.16 each.
- (vii) 13,231,674 unlisted options with an exercise price of \$0.13 lapsed during the year.
- (viii) 31,855,000 unlisted options with an exercise price of \$0.16 lapsed during the year.
- (ix) 64,285,731 listed options were issued during the year under the Placement (one (1) free-attaching option was issued for every two (2) Placement Shares). The exercise price of the Placement Options is A\$0.15 with an expiry date of 8 May 2026.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
<b>NOTE 16 - RESERVES</b>		
Share-based payments reserve	6,726,614	6,638,109
Foreign currency translation reserve	(812,004)	(1,238,619)
	<u>5,914,610</u>	<u>5,399,490</u>
<b>Share-based payments reserve</b>		
Balance at the beginning of the year	6,638,109	5,724,244
Share-based payments (options granted)	88,505	913,865
Balance at the end of the year	<u>6,726,614</u>	<u>6,638,109</u>
<i>Nature and purpose of the reserve:</i>		
The Share-based payments reserve is used to recognise the fair value of options issued but not exercised.		
<b>Foreign currency translation reserve</b>		
Balance at the beginning of the year	(1,238,619)	(1,603,160)
Currency translation differences	426,615	364,541
Balance at the end of the year	<u>(812,004)</u>	<u>(1,238,619)</u>
<i>Nature and purpose of the reserve:</i>		
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.		

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 17 – NON-CONTROLLING INTERESTS

Non-Controlling Interests

*Movement during the year:*

Balance at the beginning of the year

Share of loss for the period

Share of other comprehensive income

Balance at the end of the year

Non-controlling interests represent Reabold Resources Plc (LSE AIM:RBD) (Reabold) interest held in the Danube group. The Danube Group consists of Danube Petroleum Limited (registered in England and Wales) and its wholly owned Romanian subsidiary, ADX Energy Panonia Srl.

As at 31 December 2024, Reabold holds a 50.82% interest in Danube (2023: 50.82%). ADX Energy Ltd continues to consolidate the Danube Group as it has control via day-to-day management, accounting and two out of three directors on the board of Danube Petroleum Limited are directors of ADX Energy Ltd.

Summarised financial information for Danube Petroleum Limited and its 100% owned subsidiary ADX Energy Panonia SRL is as follows. The amounts disclosed are before inter-company eliminations:

#### Summarised Statement of Financial Position

Current assets

Current liabilities

Current net assets

Non-current assets

Non-current liabilities

Non-current net assets

Net Assets

#### Summarised Statement of Profit or Loss and Other Comprehensive Income

Revenue

Loss for the period

Other comprehensive income

Total comprehensive income

Loss allocated to Non-Controlling Interests

Other comprehensive income allocated to Non-Controlling Interests

Consolidated	
31 December 2024 \$	31 December 2023 \$
7,802,414	8,112,092
-	-
8,112,092	8,381,640
(158,834)	(145,506)
(150,844)	(124,042)
7,802,414	8,112,092
143,723	569,779
(42,250)	(198,909)
101,473	370,870
16,195,591	15,861,710
(987,613)	(907,620)
15,207,978	14,954,090
15,309,451	15,324,960
(312,541)	(286,309)
(296,821)	(244,081)
(609,362)	(530,390)
(158,834)	(145,506)
(150,844)	(124,042)

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
<b>NOTE 17 – NON-CONTROLLING INTERESTS - continued</b>		
<b>Summarised Statement of Cash Flows</b>		
Cash flows from/(used in) operating activities (including VAT paid)	(282,159)	(139,076)
Cash flows from/(used in) investing activities	(85,397)	412,403
Cash flows from financing activities	(83,696)	185,336
Net foreign exchange differences	3,051	(3,501)
Net increase/(decrease) in cash and cash equivalents	(448,201)	455,162

### NOTE 18 – DERIVATIVE FINANCIAL INSTRUMENTS

The Group's accounting policy for cash flow hedges is as follows:

Cash flow hedges are a derivative or financial instrument designated to hedge the exposure to variability in cash flows attributable to a particular risk associated with an asset, liability or forecast transaction.

- Recognition date: At the date the instrument is designated as a hedging instrument.
- Measurement: Measured at fair value. The fair value of oil derivative contracts is determined by estimating the difference between the relevant market prices and the contract price, for the volumes of the derivative contracts.
- Changes in fair value: Changes in the fair value of derivatives designated as cash flow hedges are recognised directly in other comprehensive income and accumulated in equity in the hedging reserve to the extent that the hedge is effective. Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. To the extent that the hedge is ineffective, changes in fair value are recognised immediately in the income statement within other income or other expenses. Amounts accumulated in equity are transferred to the income statement or the statement of financial position, for a non-financial asset, at the same time as the hedged item is recognised. When a hedging instrument expires or is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the underlying forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Hedge effectiveness is determined at the inception of the hedge relationship, and through regular prospective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

#### *Hedging reserves*

The hedging reserve includes the cash flow hedge reserve and the costs of hedging reserve. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. The group defers the changes in the forward element of forward contracts and the time value of option contracts in the costs of hedging reserve.

As at 31 December 2024, there were no derivative financial instruments in place.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Company	
	31 December 2024 \$	31 December 2023 \$
<b>NOTE 19 – PARENT ENTITY INFORMATION</b>		
<b>Statement of Financial Position information</b>		
Current assets	6,455,793	4,852,494
Non-current assets	15,742,066	4,575,920
Current liabilities	(2,652,255)	(400,138)
Non-current liabilities	(20,536)	(1,421,993)
Net Assets	19,525,068	7,606,283
Issued capital	105,161,657	90,503,290
Reserves	6,726,616	6,638,110
Accumulated losses	(92,363,205)	(89,535,117)
	19,525,068	7,606,283
<b>Profit and loss information</b>		
Loss for the year	(2,828,088)	(3,142,856)
Other comprehensive income for the year	(2,828,088)	(3,142,856)

### Commitments and contingencies

There are no commitments or contingencies, including any guarantees entered into by ADX Energy Ltd on behalf of its subsidiaries as at year end.

### Subsidiaries

Name of Controlled Entity	Class of Share	Place of Incorporation	% Held by Parent Entity	
			31 December 2024	31 December 2023
AuDAX Energy Srl	Ordinary	Italy	100%	100%
Bull Petroleum Pty Ltd	Ordinary	Australia	100%	100%
Terra Energy Limited	Ordinary	UK	100%	100%
ADX VIE GmbH	Ordinary	Austria	Held 100% by Terra Energy Limited	Held 100% by Terra Energy Limited
Danube Petroleum Limited	Ordinary	UK	49.18%	49.18%
ADX Energy Panonia Srl	Ordinary	Romania	Held 100% by Danube Petroleum Limited	Held 100% by Danube Petroleum Limited
Kathari Energia Limited	Ordinary	UK	100%	100%
Kathari Energia GmbH	Ordinary	Austria	Held 100% by Kathari Energia Limited	Held 100% by Kathari Energia Limited

Refer to note 17, non-controlling interests, for details on Danube Petroleum Limited Group.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

		Consolidated	
		31 December 2024 \$	31 December 2023 \$
<b>NOTE 20 – COMMITMENTS AND CONTINGENCIES</b>			
<b>(a) Short term leases (non-cancellable):</b>			
Within one year		14,309	15,076
Later than one year, not later than five years		-	-
Balance at the end of the year		14,309	15,076

Short term leases are primarily for the office lease in Perth.

The Group has a lease-to-buy contract for a production unit for Anshof operations in upper Austria. The rental cost of EUR 50,000 per quarter (for a maximum of eight quarters) has been capitalised as assets under construction. The agreement commenced on 1 November 2023. ADX has the option to purchase prior to the end date of 31 October 2025 with a balloon payment of up to EUR 600,000.

The Group has a capital commitment to purchase a CO2 reduction unit. 50% of the purchase price was paid during the 2024 year (recorded as a Prepayment at year-end), and the remaining 50% (EUR 195,500, excluding VAT) is due in the 2025 year once the unit is delivered.

### (b) Commitments and Contingencies for Oil and Gas Properties

In order to maintain current rights of tenure to exploration licences the Company may be compelled to perform minimum exploration activities to meet requirements specified by the relevant governments. These expenditure commitments may be varied as a result of renegotiations, relinquishments, farm-outs or sales. Land leases in lower Austria are held by an unrelated party and reimbursed by ADX. These amount to approximately EUR 51,500 per annum (A\$ 86,000) and comprise approximately 95 individual lease contracts, and have no end date or termination date. Land leases in upper Austria (primarily government-owned) amount to approximately EUR 37,500 per annum (A\$ 63,000).

### Parta Exploration Licence and Iecea Mare Production Licence - Western Romania

#### *Ownership of Parta Exploration Licence and Iecea Mare Production Licence*

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 licence (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production licence. ADX is the operator of the permit pursuant to a Services Agreement with Danube.

#### Parta Exploration Licence

In December 2012, the Romanian Government ratified the concession agreement for ADX' EX 10 Parta licence (Parta Permit). The committed work program agreed in June 2019 for the Parta Permit required the acquisition of 60 km of 2D and 100 km<sup>2</sup> of 3D seismic and the drilling of two exploration wells. Total commitments are estimated at A\$ 5.4 million (EUR 3.5 million) for a 2-year period commencing 21 June 2019 following an extension agreed with the National Agency of Mineral Resources (NAMR), which was extended for another 18 months until 3 December 2022. ADX Energy Panonia SRL is the Romanian licence holder in accordance with the concession agreement for exploration phase 1. The total concession agreement duration is 20 years with a possible 15-year extension. After phase 1, which expired on December 3, 2022, ADX had the option to immediately enter phase 2 by assuming further commitments or apply for another extension, which will require a government-ratified approval. ADX chose the second option and is in ongoing discussions with the governing body, i.e., NAMR, with a view to the submission of an extension application to the government.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 20 – COMMITMENTS AND CONTINGENCIES - continued

#### **Iecea Mare Production Licence**

In 2018, ADX acquired a 100% equity interest in the Iecea Mare Production licence (Licence). ADX has committed to pay a 5% royalty from the licence seller Amromco Energy for production from wells located within Licence. The current production licence is valid until November 2034 and extensions are possible. The licence does not carry any commitments, but an annual work-program has to be agreed with the Romanian government (via NAMR), which then becomes a commitment. ADX estimates the annual cost for such activities may be approximately \$50,000 per annum.

#### **Data User Agreement – Upper Austria**

In December 2019, ADX entered into a Data User Agreement (DUA) with RAG Austria AG (RAG) for access to RAG Exploration Data (including 3650 km<sup>2</sup> of modern 3D seismic) in the Molasse Basin, in Upper Austria. Under the DUA, ADX has exclusive access to 3D and 2D seismic and geological data from RAG for oil and gas activities in its exploration, production and gas storage licences (AGS Licences). ADX has agreed to pay RAG a licence fee as a function of the active AGS licence areas for up to 5 years. The fee paid to RAG under the DUA in 2024 was EUR 67,494.

#### **Upper Austria Exploration (AGS) Licences – Austria**

ADX executed concession agreements for exploration, production and gas storage in Upper Austria (Upper Austria AGS) on the 8<sup>th</sup> of January 2021 between ADX and Federal Ministry responsible for Mining (Ministry) on behalf of the Republic of Austria. Effective on 1<sup>st</sup> April 2022, ADX successfully was awarded licence area additions for the Upper Austria AGS Licence areas ADX-AT-I and ADX-AT-II resulting in a total area of 1022 km<sup>2</sup>. In order to secure the AGS Licences and the related work program, ADX VIE GmbH had to put in place a bank guarantee for an amount of EUR 1,178,422 (of which EUR 606,178 is secured by cash). The total term for the AGS Licences including the newly awarded extension area is 16 years without any relinquishment and the first 4-year firm period commenced on 1<sup>st</sup> January 2021. ADX had a 3 well exploration drilling commitment during the first 4-year firm period. The financial and drilling commitment during first 4-year term was exceed with the drilling of three exploration wells (two in the ADX-AT-2 licence and one in the ADX-AT-1 licence) as well as the drilling of an appraisal well in the ADX-AT-II licence. During the reporting period ADX made an application for a licence extension for a further 4-year period. The extension application has been confirmed by the Ministry for the second 4-year firm period commencing on 1<sup>st</sup> January 2025. The work program obligation is one exploration well in the ADX-AT-I licence and one exploration well in the ADX-AT-II licence for the period 2025 to 2028.

ADX has entered into partnership agreements with MND Austria a.s. (MND) which are described below in relation to ADX-AT-I and with within the Anshof Discovery Area in ADX-AT-II. MND holds economic interests in the areas of 50% and 30% respectively having satisfied earn in obligations in each area during the reporting period. In accordance the abovementioned partnership agreements MND may fund its own economic interests in future exploration drilling in each licence.

#### **Anshof Prospect in Upper Austria – Xstate Partnership Agreement**

In November 2021, ADX signed a farm-in agreement with Xstate Resources Limited (Xstate) to partially fund the drilling of the Anshof prospect in the ADX-AT-II exploration licence in Upper Austria (Farmin HOA). Under the terms of the Farmin HOA, Xstate has funded 40% of the Anshof well drilling expenditure up to a cap amount of EUR 1.8 million (EUR 720,000 net to Xstate) to earn a 20% economic interest in the Anshof Prospect Area. Xstate satisfied its funding commitments by funding 40% of the Anshof well drilling expenditures and has earned an economic interest in the Anshof Prospect Area. Xstate has elected not to fund 40% of a second well in Anshof or the Anshof Farmin Area to earn a 20% economic interest in the entire Anshof Farmin Area (Second Well Funding).

As a result of the abovementioned election Xstate only has economic rights in relation to the Anshof Prospect Area, not the entire Anshof Farmin Area.



# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 20 – COMMITMENTS AND CONTINGENCIES - continued

#### Anshof Field Area in Upper Austria – MND Partnership Agreement

On 7 August 2023, ADX and MND entered into an Energy Investment Agreement (EIA) in relation to the appraisal and development of the Anshof Field Area. The total firm investment payment obligations under the EIA by MND are EUR 5.28 million for the drilling, completion and tie-in of the Anshof-2 and Anshof-1 wells. Under the terms of EIA, MND has secured 30% economic interest in the Anshof Field Area by the payment of past costs as well as the payment of firm investment obligations. To date MND has funded the drilling of the Anshof-2 well and the subsequent Anshof-2A. MND has not yet funded the drilling of second well in accordance with the EIA.

ADX VIE, MND and existing partner XST finalised partnership and operating agreements covering the Anshof Field Area following the announced clearance of documentation between ADX VIE, MND and existing partner XST by the BMF.

ADX is the operator and retains a 50% economic interest in the Anshof Field Area with partners MND and XST holding a 30% and 20% economic interest respectively in the partnership. ADX has retained a 100% interest in the remainder of the ADX-AT-II exploration area other than the Welchau Area where ADX holds a 75% economic interest.

Subsequent to partnership formation in August 2023, XST also elected not to participate in the drilling of the Anshof-2 and the follow up Anshof-2A appraisal well. ADX and MND agreed to jointly fund XST's 20% non-participation share of the Anshof-2 and Anshof-2A wells on a 50:50 basis. As a result, ADX holds a 50% interest in the production from the Anshof-3 and a 60% interest in the Anshof-2A well.

#### Welchau Investment Area – MCF Partnership Agreement

On the 29th of November 2022, ADX announced an investment agreement with Kepis & Pobe Financial Group Inc., (KPFG). KPFG committed to fund 50% of the Welchau-1 well costs based on a well cost cap of EUR 3.8 million to earn a 20% economic interest in the Welchau Investment Area. Subsequently, KPFG satisfied completion conditions, including the payment of initial funds for long lead items during the first quarter of 2023. As announced on 23 January 2023, KPFG assigned its interest in the investment agreement to TSXV listed MCF Energy Ltd (MCF).

On the 9th of January 2024, ADX announced that MCF and ADX had agreed to vary the terms of the EIA such that MCF would fund 50% of the Welchau-1 well costs up to EUR 5.1 million to earn a 25% economic interest in the Welchau Investment Area. Following earn in MCF and ADX will paid their economic interest share of Welchau Investment Area related costs of 25% and 75% respectively after the revised well cost cap was reached during the drilling of the Welchau-1 well in March 2024.

ADX and MCF have agreed to enter into a partnership comprised of Articles of Association, production sharing agreement and a cooperation agreement which will cover the conduct of ongoing operations and sharing of production from the Welchau Investment Area.

#### ADX-AT-I Investment Area in Upper Austria – MND Partnership Agreement

On the 5th of December 2023, ADX announced an Energy Investment Agreement (EIA) with MND for co-investment in an exploration area within the ADX-AT-I licence (Investment Area), in Upper Austria. In accordance with the terms of the EIA MND has paid back costs of EUR 0.45 million to ADX and has committed to fund EUR 4.5 million for exploration drilling to earn a 50% economic interest in the Investment Area. The Lichtenberg-1 well was spudded on September 2024 and MND satisfied their investment obligations in relation to exploration drilling to earn a 50% economic interest in the Investment Area.

ADX is the operator and retains a 50% economic interest in the ADX-AT-I Investment Area. ADX retains a 100% interest in the remainder of the ADX-AT-I licence area.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 20 – COMMITMENTS AND CONTINGENCIES - continued

#### Welchau-1 Well Operations Interruption

ADX has continued to undertake testing operations lawfully and in accordance with Environmental Clearance provisions at all times. Four registered Austrian environmental non-governmental organisations (NGOs) have objected to the Environmental Clearance. After the reporting period, a court ruling has repealed a previous law allowing operations to be undertaken during the review process for an objection to an Environmental Clearance. As a result of this ruling, ADX has suspended the Welchau-1 testing operations (refer ASX release 14 January 2025). The basis for the above-mentioned objection and the resulting court ruling are summarised as follows:

- Four registered Austrian environmental NGOs objected to the Environmental Clearance, by submitting an appeal to the Relevant issuing Environmental Authority as well as seeking a suspension of operations. The suspension of operations was rejected by the Relevant Environmental Authority ("Rejection"). Testing operations at Welchau-1 were conducted despite the appeal process on the basis of the existing regulations that such appeals do not have a suspensive effect.
- The Rejection was forwarded to the State Administrative Court of Upper Austria which in turn referred the Rejection to Austrian Constitutional Court to examine the legal basis (Judicial Review) for the article which prevented the suspension of operations for the period during which an objection is considered (Suspensive Effect Article). Following the Judicial Review, the Austrian Constitutional Court determined to repeal the Suspensive Effect Article on the basis that it was not constitutional.

Based on advice received to date by ADX' lawyers the testing of Welchau-1 has been suspended until the State Administrative Court of Upper Austria clarifies the approval situation.

At present the well continues to be monitored to evaluate the rate of pressure build up with a view to determining the nature of fluid flow into the well. Monitoring of pressure and analysing the nature of fluid inflow into the well is important to ensure that the integrity of the well is maintained.

#### Other contingencies

##### d363 C.R.-AX licence – Italy

ADX was advised on the 4th of February 2019 that the Italian senate passed legislation to suspend exploration activities in all permits that have been approved or are in the process of being approved for a period of up to 18 months (to approximately August 2020) to enable the government authorities to evaluate the suitability of exploration areas for sustainable hydrocarbon exploration and production activities. The Italian senate further advised that the suspension will be extended to the first quarter of 2021. Due to the COVID-19 pandemic the suspension of exploration activities was further extended.

In 2022, the Italian licencing authorities ("Authorities") offered ADX the opportunity to ratify d363 C.R.-AX prospecting licence. The ratification was subject to a number of conditions including that only the gas potential within its d363C.R.-AX licence is commercially exploited. ADX submitted a report to the Authorities detailing the natural gas prospectivity of the licence, following which the Authorities reacted positively and requested ADX to submit a new work program suitable for exploration and development of the offshore gas resources. Based on discussions with the Authorities a detailed report and work commitment and resource potential was submitted in October 2022.

A proposed work program commitment was submitted by ADX for the first three licence years which consisted of:

- 150 km of seismic data purchase from ENI and Total with a minimum expenditure of EUR 70,000;
- 2D and 3D seismic reprocessing with a minimum expenditure of EUR 40,000; and
- Acquisition of new 2D seismic of 150 line km or 60 sqkm of 3D seismic, subject to the outcome of the preceding reprocessing and interpretation work. The financial commitment is EUR 500,000.

Note: After each licence year and fulfilment of the respective work program, ADX can drop the licence. In licence year 4, ADX can elect to drill a well (with a commitment to reach 2500 metres total depth or drop the licence).

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 20 – COMMITMENTS AND CONTINGENCIES - continued

During the 2024 year, the licence was offered by the Authorities to ADX and, in January 2025, ADX accepted the licence in accordance with the revised regulatory framework focusing on gas exploration. The licence acceptance included the confirmation that ADX would commit to the maximum licence area of 346 Km<sup>2</sup>. The formal approval of the Permit is expected during the second quarter of 2025. The final work program submitted by ADX in January 2025 was as follows;

- Within 12 months of the assignment, the purchase, reprocessing and interpretation of approximately 150 km of 2D seismic (a financial commitment of EUR 70,000 for the purchase and EUR 40,000 for seismic reprocessing, including specialised amplitude versus offset (“AVO”) analysis).
- Within 36 months of the assignment, if the interpretation of the seismic lines purchased requires a more detailed definition of the prospects, a new 2D seismic survey of 150 km will be acquired or a 3D seismic survey of 60 km<sup>2</sup> will be acquired (a financial commitment of EUR 500,000).
- Within 48 months of the transfer, if the interpretation of the seismic data leads to the identification of an economically viable prospect, an exploratory well will be drilled to a depth of approx. 2,500 m total depth (a financial commitment of EUR 20,000,000 <sup>1</sup>).

<sup>1</sup> ADX can drop the licence after each licence year. In licence year four ADX can elect to drill a the well or drop the licence

### NOTE 21 – RELATED PARTY DISCLOSURES

#### (a) Compensation of Key Management Personnel

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
Short-term employment benefits	860,855	1,013,885
Post-employment benefits	18,424	16,433
Share-based payments	131,786	285,945
	<u>1,011,065</u>	<u>1,316,263</u>

#### (b) Other transactions and balances with Key Management Personnel

- i) Director Ian Tchacos, through Warroorah Pty Ltd ATF Tchacos Fund and Ian Z Tchacos, provides office premises to ADX Energy Ltd. The key terms are gross monthly rental of \$2,176.86 per month, monthly estimated outgoings of \$443.66 per month (both excluding GST), lease commencing 1 August 2022 for a 12 month term, thereafter on 3 month rolling terms. Rent reviews are undertaken on 1 July of each year based on CPI. These terms are considered normal commercial rates. Rental paid, including outgoings, for the year (excluding GST) ended 31 December 2024 totalled \$30,996 (2023: \$29,395).
- ii) Andrew Childs, a Director of ADX until his resignation on 4 March 2024, is Executive Chairman of Xstate Resources Limited (Xstate). Xstate holds a 20% economic interest in ADX' Anshof field in Upper Austria.
- iii) In July 2023, Company Secretary, Amanda Sparks, through the A & A Sparks S/F A/C and her spouse Anthony Sparks, provided \$100,000 loan notes to ADX Energy Ltd (refer to note 12). The interest rate was 12%. These terms were considered normal commercial rates. During the year, interest of \$12,033 (2023: \$5,030) was paid or accrued.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 21 – RELATED PARTY DISCLOSURES - continued

#### (c) Transactions with Other Related Parties

- i) In July 2023, Company Secretary, Peter Ironside, through Ironside Pty Ltd <Ironside Family A/c>, provided \$200,000 loan notes to ADX Energy Ltd (refer to note 12). The interest rate was 8% for \$100,000 and 12% for \$100,000. These terms were considered normal commercial rates. During the year, interest of \$20,055 (2023: \$8,384) was paid or accrued.

ii)

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
<b>NOTE 22 – AUDITOR’S REMUNERATION</b>		
Amount paid or due and payable to the auditor for:		
Audit and review of the financial statements	54,500	52,000
Other services	-	-
Total remuneration of auditors	54,500	52,000

### NOTE 23 – SEGMENT INFORMATION

#### Reportable Operating Segments Identified

For management purposes, the Group has organised its operating segments into three reportable segments as follows:

- Sicily Channel Offshore Exploration and Evaluation Segment: this segment includes assets and activities that are associated with oil and gas exploration offshore Italy.
- Romania Exploration and Appraisal/Development Segment: this segment includes assets and activities that are associated with oil and gas exploration, appraisal and development in that region, and include the costs if the parent entity, Danube Petroleum Limited.
- Austria Production, Appraisal/Development and Exploration Segment: this segment includes assets and activities that are associated with oil and gas operations in that region. All oil sales are made to a single customer in Austria, and all gas sales are made to a single customer in Austria.

The following items are not allocated to segments as they are not considered part of core operations of any segment and are managed on a Group basis.

- Interest revenue
- Foreign currency gains/(losses)
- Corporate costs

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 23 – SEGMENT INFORMATION - continued

Operating Segments	Sicily Channel \$	Romania \$	Austria (Production) \$	Total Operations \$
<b>Year ended 31 December 2024</b>				
Revenue and income	-	-	10,676,046	10,676,046
<b>Total segment revenue</b>				<b>10,676,046</b>
<b>Result</b>				
Segment result after tax	(55,501)	(267,260)	(5,321,839)	(5,644,600)
<b>Reconciliation of segment profit after tax to net loss after tax:</b>				
Unallocated revenue and income				186,680
Foreign currency gains/(losses)				(346,700)
Unallocated expenditure				(2,221,746)
<b>Net loss after tax</b>				<b>(8,026,366)</b>
<b>Depreciation, amortisation and impairment included in segment result</b>	-	-	2,786,997	<b>2,786,997</b>
<b>Assets</b>				
Segment assets	22,536	9,695,111	35,024,068	44,741,715
<b>Reconciliation of segment assets:</b>				
Unallocated cash				6,387,965
Other				143,124
<b>Total assets</b>				<b>51,272,804</b>
<b>Liabilities</b>				
Segment liabilities	(3,838)	(1,018,204)	(24,840,262)	(25,862,304)
<b>Reconciliation of segment liabilities:</b>				
Unallocated liabilities				(2,672,698)
<b>Total liabilities</b>				<b>(28,535,002)</b>
<b>Capital expenditure for the year (net of partner contributions)</b>				
Segment capital expenditure – oil and gas assets	-	85,397	14,095,285	14,180,682
<b>Reconciliation of capital expenditure:</b>				
Unallocated additions				-
<b>Total capital expenditure</b>				<b>14,180,682</b>

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 23 – SEGMENT INFORMATION - continued

Operating Segments	Sicily Channel \$	Romania \$	Austria (Production) \$	Total Operations \$
<b>Year ended 31 December 2023</b>				
Revenue and income	-	-	13,178,208	13,178,208
<b>Total segment revenue</b>				<b>13,178,208</b>
<b>Result</b>				
Segment result after tax	(45,552)	(204,207)	(1,441,731)	(1,691,490)
<b>Reconciliation of segment profit after tax to net loss after tax:</b>				
Unallocated revenue and income				3,760
Foreign currency gains/(losses)				(84,892)
Unallocated expenditure				(2,437,093)
<b>Net loss after tax</b>				<b>(4,209,715)</b>
<b>Depreciation, amortisation and impairment included in segment result</b>				
	-	-	2,689,510	<b>2,689,510</b>
<b>Assets</b>				
Segment assets	34,075	9,247,218	27,994,830	37,276,123
<b>Reconciliation of segment assets:</b>				
Unallocated cash				5,207,126
Other				151,903
<b>Total assets</b>				<b>42,635,152</b>
<b>Liabilities</b>				
Segment liabilities	(8,232)	(1,254,382)	(23,314,000)	(24,576,614)
<b>Reconciliation of segment liabilities:</b>				
Unallocated liabilities				(2,317,013)
<b>Total liabilities</b>				<b>(26,893,627)</b>
<b>Capital expenditure for the year (net of partner contributions)</b>				
Segment capital expenditure – oil and gas assets	-	-	4,704,621	4,704,621
<b>Reconciliation of capital expenditure:</b>				
Unallocated additions				-
<b>Total capital expenditure</b>				<b>4,704,621</b>

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# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 24 – FINANCIAL RISK MANAGEMENT

The Group is exposed to market risk (commodity, currency and interest rate risks), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. ADX' Board of Directors (Board) is responsible for approving ADX's policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal controls. Risk management is carried out by the senior executives under these policies which have been approved by the Board. Management identifies, evaluates and, if necessary, hedges financial risks.

#### Commodity price risk

During the year the Group continued generating revenue from its fields in Austria. With this oil and gas production and revenue, the group is exposed to the Brent Benchmark crude oil price and European gas price fluctuations. Exposure to oil and gas price risk is measured by monitoring the Group's forecast financial position and cash flows with various assumptions. This analysis is regularly performed. Commodity prices' hedging may be undertaken where the Board of Directors determines that a hedging strategy is appropriate to mitigate potential periods of adverse movements in commodity prices and protect forward cash flows to meet commitments. This will be balanced against the desire to expose shareholders to oil price upside and the reliability of production forecasts.

As at 31 December 2024, no derivative financial instruments were in place.

The hedging program is designed to provide certainty of cash flows during a period of expected ongoing volatility.

#### Currency risk

The Group's source currency for the majority of costs is in Euro (EUR). Operating revenue is invoiced in EUR but is indexed to Dated Brent price which is denominated in United States Dollar (USD). Currency risk arises where the value of a financial instrument or monetary item fluctuates due to changes in foreign currency exchange rates. The exposure to currency risk is measured using sensitivity analysis and cash flow forecasting.

The Board has formed the view that in the ordinary course of business it would not be beneficial for the Group to purchase forward contracts or other derivative financial instruments to hedge any currency risk. Currency risk for operating revenue is hedged via hedging of the commodity as necessary (see section 'Commodity price risk').

During the year the company undertook capital raising activities via the issue of new shares on the ASX. These capital raisings are priced and received in AUD. Over the time period of a capital raising there is some short-term exposure to movements in the AUD to EUR exchange rates as part of the funds are used in Europe. At year end, management has assessed that the entity's exposure to foreign exchange movements is immaterial due to revenues and costs primarily in EUR and therefore no further analysis is provided. The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in EUR and AUD, to meet current operational commitments.

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# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 24 – FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

#### Interest rate risk

At balance date the Group's exposure to market risk for changes in interest rates relates primarily to the Company's borrowings. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of existing positions, the mix of fixed and variable interest rates and the period to which deposits may be fixed.

Given the very low interest rates for variable borrowings, the interest rate risk is considered immaterial.

	31 December 2024	31 December 2023
	\$	\$
Borrowings - fixed rate	1,890,571	1,500,000
Borrowings – variable	-	609,394
<b>Total</b>	<b>1,890,571</b>	<b>2,109,394</b>

#### Liquidity risk

Liquidity risk is the risk that Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows with scenario analysis. As at reporting date the Group had sufficient cash reserves to meet its current requirements.

The contractual maturity analysis of payables as at year end are:

	Total	Less than 1 Year	Between 1-5 Years
	\$	\$	Years \$
<b>31 December 2024</b>			
Trade and other payables	4,869,630	4,869,630	-
Borrowings	1,890,571	1,890,571	-
<b>Total</b>	<b>6,760,201</b>	<b>6,760,201</b>	<b>-</b>
<b>31 December 2023</b>			
Trade and other payables	5,136,865	5,136,865	-
Borrowings	2,109,394	609,394	1,500,000
<b>Total</b>	<b>7,246,259</b>	<b>5,746,259</b>	<b>1,500,000</b>

#### Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis.

Significant cash deposits are with institutions with a minimum credit rating of A+ (or equivalent) as determined by a reputable credit rating agency e.g. Standard & Poor.

The Group has only one customer for operating revenue being a significant company in Austria. Revenue is received monthly and hence the credit risk deemed very low. The customer is Austria's largest energy storage company, and one of Europe's leading gas storage facility operators

The Group does not have any other significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 25 -PARTNERSHIPS – ANSHOF EOCENE OIL PROJECT

Under ADX's upper Austria AGS licence, ADX must retain 100% ownership of the licence and is required to act without restrictions from partners. ADX is permitted to establish a partnership with other parties to allow an economic participation within the licence area.

ADX has an Anshof Partnership with MND Austria a.s. (MND) and Xstate Resources Limited (ASX: XST) (Xstate). ADX is the operator and holds an 50% economic interest in the Anshof Discovery Area, with MND and Xstate holding a 20% and 30% economic interest respectively, other than the Anshof-2A well where ADX holds a 60% interest and MND has a 40% economic interest. For the period prior to 8 September 2023, ADX held 80% and Xstate held 20%.

As ADX provides the Partners with an interest in the operating result of Anshof, ADX recognises 100% of all sales revenue and 100% of expenses associated with the operations and also recognises an expense representing the Partners share of operating results.

	Consolidated	
	31 December 2024 \$	31 December 2023 \$
<b>Partner Share of Operations (included as cost of goods sold)</b>		
Partners share of Anshof operations profit/(loss) – refer to note 2	78,585	89,427
<b>Operations – Anshof</b>		
Sales revenue	3,044,672	3,433,391
Cost of Goods Sold (excluding depreciation and amortisation)	(2,919,359)	(2,851,270)
	125,313	582,121
Profit allocated:		
ADX VIE GmbH	46,728	492,694
MND Austria a.s.	43,956	(26,997)
Xstate Resources Limited	34,629	116,424
	125,313	582,121

### NOTE 26 - SUBSEQUENT EVENTS

#### Equity Issues in Lieu of Remuneration

On 6 February 2025, ADX issued the following shares and options. These amounts were accrued in the 31 December 2024 financial statements:

- 287,914 shares issued pursuant to ADX' Directors' Share Plan, approved by Shareholders on 22 May 2024. The shares were issued to directors in consideration of remuneration elected to be paid in shares for the quarter ended 31 December 2024 (\$19,002).
- 72,727 shares issued to ADX's Company Secretaries and consultants in consideration of remuneration elected to be paid in shares for the quarter ended 31 December 2024 (\$4,800).
- 345,880 Options granted to Directors Ian Tchacos and Paul Fink, as approved by Shareholders on 22 May 2024. The options were granted in consideration of consultancy fees remuneration elected to be paid in options for the quarter ended 31 December 2024 (value \$22,828). The options have a nil exercise price and expire on 31 January 2028.

# ADX ENERGY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTE 26 - SUBSEQUENT EVENTS - continued

#### Loan Note Variations

On 10 January 2025, ADX announced that it had entered into deeds of variation with the Loan Note holders in relation to 25 Loan Notes of A\$ 50,000 each totalling A\$ 1.25 million (Loan Notes).

Five (5) Loan Notes of A\$ 50,000 each (A\$ 250,000 in aggregate) were repaid on the original repayment date of 11 January 2025.

The variation to the Loan Note terms provides funding flexibility to ADX allowing it to utilise its current cash to fund its planned asset development program.

Under the revised terms, the repayment period has been extended to 31 March 2026. The revised terms for the Loan Notes are summarised as follows:

	Loan Note A	Loan Note B	Total Loan Notes
Face Value of Each Loan Note	\$50,000	\$50,000	\$50,000
Number of Loan Notes Issued	4	21	25
Total Loans aggregate amount	\$200,000	\$1,050,000	<b>\$1,250,000</b>
Loan Repayment Date	31 March 2026	31 March 2026	31 March 2026
Interest Rate per annum (payable quarterly in arrears)	8%	12%	8-12%
Free Attaching Unlisted Options with an Exercise Price of \$0.05, expiring 31 March 2026 – Per Loan Note	500,000 per Loan Note (2,000,000 in Total)	-	<b>2,000,000 in Total</b>
Free Attaching Unlisted Options with an Exercise Price of \$0.055, expiring 31 March 2026 – Per Loan Note	500,000 per Loan Note (2,000,000 in Total)	1,000,000 per Loan Note (21,000,000 in Total)	<b>23,000,000 in Total</b>

There are no other matters or circumstances that have arisen since 31 December 2024 that have or may significantly affect the operations, results, or state of affairs of the Group in future years.

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ADX ENERGY LTD

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

31 DECEMBER 2024

Name of Entity	Entity Type	Country of Incorporation	% Ownership	Tax Residency
ADX Energy Ltd	Body Corporate	Australia	Parent	Australia
Bull Petroleum Pty Ltd	Body Corporate	Australia	100%	Australia
AuDAX Energy Srl	Body Corporate	Italy	100%	Italy
Terra Energy Limited	Body Corporate	United Kingdom	100%	United Kingdom
ADX VIE GmbH	Body Corporate	Austria	100%	Austria
Kathari Energia Limited	Body Corporate	United Kingdom	100%	United Kingdom
Kathari Energia GmbH	Body Corporate	Austria	100%	Austria
Danube Petroleum Limited	Body Corporate	United Kingdom	49.18%	United Kingdom
ADX Energy Panonia Srl	Body Corporate	Romania	100% owned by Danube Petroleum Limited	Romania

## ADX ENERGY LTD INDEPENDENT AUDITOR'S REPORT

To the members of ADX Energy Ltd

### Opinion

We have audited the financial report of ADX Energy Ltd ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**In.Corp Audit & Assurance Pty Ltd**  
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**ADX ENERGY LTD**

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Emphasis of Matter – Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$8,026,366 and a net cash outflow from operating activities of \$1,766,069 during the year ended 31 December 2024. As stated in Note 1, these events or conditions along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Revenue. Refer to Note 2 to the financial statements	How our Audit Addressed the Key Audit Matter
<p>The Group generated revenue of \$10,676,046 predominately from the sale of oil and gas.</p> <p>Revenue recognition is considered to be a key audit matter given the significance of revenue to the group's results and performance.</p>	<p>Our procedures over revenue included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• We documented and assessed the processes and controls in place to recognize revenue;</li> <li>• We verified a sample of oil and gas sales revenue transactions and associated receipts to determine they were accurately accounted for;</li> <li>• We reviewed the accounting policy for revenue recognition and ensured it was in accordance with AASB 15 "Revenue"; and</li> <li>• We assessed the appropriateness of the revenue disclosures included in the financial report.</li> </ul>
Key Audit Matter – Oil and Gas Properties. Refer to Note 9 to the financial statements	How our Audit Addressed the Key Audit Matter
<p>The Group's principal assets are oil and gas production plant and equipment with a carrying value of \$33,570,402 as at 31 December 2024.</p> <p>The carrying value of these assets is considered to be a key audit matter given they represent approximately 65% of the total assets of the Group.</p>	<p>Our procedures over oil and gas properties included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• We verified a sample of additions to supporting documentation and/or invoices;</li> <li>• We reviewed management's assessment for impairment;</li> <li>• We reviewed the terms and conditions of the partnership agreements and the associated accounting for partner contributions under these agreements; and</li> <li>• We assessed the appropriateness of the disclosures included in the financial report.</li> </ul>

**ADX ENERGY LTD**

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Key Audit Matters (continued)**

Key Audit Matter – Asset Retirement Obligations. Refer to Note 14 to the financial statements	How our Audit Addressed the Key Audit Matter
<p>The Group has a significant asset retirement obligation provisions for the Austrian and Romanian oil and gas properties.</p> <p>These provisions are considered to be a key audit matter given they are subject to a significant level of judgement and are material in the context of the financial statements as a whole.</p>	<p>Our procedures over the asset retirement obligation provisions included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• We reviewed management's estimate, the useful lives and valuation of the assets forming part of the asset retirement obligation;</li> <li>• We discussed with management as to the regulatory compliance surrounding their retirement obligations;</li> <li>• We reviewed the compliance of the accounting treatment of the asset retirement obligation in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, and</li> <li>• We assessed the appropriateness of the disclosures included in the financial report.</li> </ul>

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**ADX ENERGY LTD**

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the director determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our auditor's report.



**ADX ENERGY LTD**

**INDEPENDENT AUDITOR'S REPORT (continued)**

**REPORT ON THE REMUNERATION REPORT**

**Report on the Remuneration Report**

We have audited the remuneration report included in the directors' report for the year ended 31 December 2024.

In our opinion the remuneration report of ADX Energy Ltd for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

**Responsibilities for the Remuneration Report**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**In.Corp Audit & Assurance Pty Ltd**



**Graham Webb**  
Director

**31 March 2025**

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# ADX ENERGY LTD

## ADDITIONAL SHAREHOLDER INFORMATION

Information as at 25 March 2025

### a) Substantial Shareholders (who have lodged notices with ADX Energy Ltd)

Name	Number of Shares Disclosed in Substantial Holder Notice
Mitsubishi UFJ Financial Group, Inc.	31,230,240
Morgan Stanley and subsidiaries	31,230,240

### b) Shareholder Distribution Schedule

Size of Holding	Number of Shareholders	% of Shares	Number of Quoted Option Holders	% of Quoted Options
1 - 1,000	104	0.01%	-	-
1,001 - 5,000	134	0.08%	-	-
5,001 - 10,000	391	0.57%	5	0.07%
10,001 - 100,000	924	6.27%	37	3.62%
100,001 and over	457	93.07%	59	96.31%
Total	2,010	100%	101	100%
Number of shareholders holding less than a marketable parcel	976			

### c) Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy or attorney, Representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder has one vote; and
- (i) on a poll every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited).

There are no voting rights for Option holders or Performance Rights.

# ADX ENERGY LTD

## ADDITIONAL SHAREHOLDER INFORMATION

### d) Twenty largest Shareholders:

	Name	Number of Ordinary Shares	% of Issued Capital
1.	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	95,150,509	16.54
2.	CITICORP NOMINEES PTY LIMITED	53,470,303	9.30
3.	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	31,230,238	5.43
4.	BNP PARIBAS NOMS PTY LTD	26,957,306	4.69
5.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	15,380,527	2.67
6.	MR WILLIAM CLARK PHELPS <WILLIAM PHELPS A/C>	14,285,715	2.48
7.	MR PAUL FINK	11,546,600	2.01
8.	JETOSEA PTY LTD	10,751,846	1.87
9.	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	8,357,143	1.45
10.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	8,088,826	1.41
11.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	7,386,566	1.28
12.	IRONSIDE PTY LTD <IRONSIDE SUPER FUND A/C>	5,997,317	1.04
13.	EONIA PTY LTD	5,289,901	0.92
14.	MR TIMOTHY FRANCIS CLIVE MCDONNELL	5,288,888	0.92
15.	NGX COMMODITIES LTD	4,634,331	0.81
16.	ASHLITE PTY LTD	4,500,000	0.78
17.	MR BRIAN THOMAS CLAYTON + MRS JANET CLAYTON	4,133,334	0.72
18.	WARROORAH PTY LTD <TCHACOS FUND A/C>	4,066,416	0.71
19.	MR JAMIE RUSSELL STUART + MRS TANYA CARLENE STUART <SAREBEMA A/C>	4,000,000	0.70
20.	CITICORP NOMINEES PTY LIMITED	3,820,955	0.66
		<b>324,336,721</b>	<b>56.39</b>
	Remaining Holders Balance	250,852,590	
	<b>Shares on issue</b>	<b>575,189,311</b>	

**ADX ENERGY LTD**

**ADDITIONAL SHAREHOLDER INFORMATION**

**e) Twenty largest Quoted Optionholders:**

	<b>Name</b>	<b>Number of Quoted Options</b>	<b>% of Quoted Options</b>
1.	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	15,497,618	24.11
2.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	8,311,905	12.93
3.	MR WILLIAM CLARK PHELPS <WILLIAM PHELPS A/C>	7,142,858	11.11
4.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,390,476	6.83
5.	CITICORP NOMINEES PTY LIMITED	2,773,811	4.31
6.	MR COLIN MILLS + MISS TRACY MILLS <MILLS FAMILY SUPER FUND A/C>	2,500,000	3.89
7.	MR DOMENIC MARINO	1,766,640	2.75
8.	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	1,428,572	2.22
9.	TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	1,190,477	1.85
10.	MR COLIN MILLS	1,133,000	1.76
11.	BNP PARIBAS NOMINEES PTY LTD BARCLAYS	952,382	1.48
12.	IRONSIDE PTY LTD <IRONSIDE SUPER FUND A/C>	952,382	1.48
13.	WAVELL BROCKMAN PTY LTD <JAGIA S/F A/C>	855,121	1.33
14.	BILPIN NOMINEES PTY LTD	785,715	1.22
15.	JETOSEA PTY LTD	766,667	1.19
16.	MR PETER IRONSIDE <IRONSIDE FAMILY FUND A/C>	757,093	1.18
17.	HARDY ROAD INVESTMENTS PTY LTD	546,429	0.85
18.	AUSVAAL PTY LTD	500,000	0.78
19.	MR FARIS SALIM CASSIM	500,000	0.78
20.	IRONSIDE PTY LTD <IRONSIDE FAMILY A/C>	476,191	0.75
		<b>53,227,337</b>	<b>82.80</b>
	Remaining Holders Balance	11,058,394	
	Quoted options on issue	<b>64,285,731</b>	

**ADX ENERGY LTD**  
**ADDITIONAL SHAREHOLDER INFORMATION**

**f) Unlisted Options (Holders of more than 20%):**

	Number	Exercise Price	Expiry Date	Holders of >20%
Unlisted Options	6,350,000	17 cents	30/04/2025	Employee Incentive Plan
Unlisted Options	245,625	Nil cents	31/07/2025	Mr Ian Tchacos (100%)
Unlisted Options	500,000	17 cents	31/03/2026	Mr John Begg (100%)
Unlisted Options	2,000,000	5 cents	31/03/2026	Chippenham Superannuation Pty Ltd <The Chippenham Nom S/F A/C> (25%), Ironsides Pty Ltd <Ironsides Family A/C> (50%), Mr Gary John Jeffery & Mrs Jane Elizabeth Jeffery <Dungay Super Fund A/C> (25%)
Unlisted Options	23,000,000	5.5 cents	31/03/2026	Jetosea Pty Ltd (43.5%), remainder varies holders < 20%
Unlisted Options	329,465	Nil cents	31/10/2025	Mr Ian Tchacos (100%)
Unlisted Options	185,796	Nil cents	31/01/2026	Mr Ian Tchacos (100%)
Unlisted Options	311,719	Nil cents	31/05/2026	Mr Ian Tchacos (100%)
Unlisted Options	269,532	Nil cents	31/07/2026	Mr Ian Tchacos (100%)
Unlisted Options	380,358	Nil cents	31/10/2026	Mr Ian Tchacos (100%)
Unlisted Options	283,929	Nil cents	31/01/2027	Mr Ian Tchacos (100%)
Unlisted Options	275,893	Nil cents	31/05/2027	Mr Ian Tchacos (100%)
Unlisted Options	300,000	Nil cents	31/07/2027	Mr Ian Tchacos (100%)
Unlisted Options	218,750	Nil cents	31/10/2027	Mr Ian Tchacos (100%)
Unlisted Options	131,425	Nil cents	31/01/2028	Mr Ian Tchacos (100%)
Unlisted Options	89,003	Nil cents	31/05/2028	Mr Ian Tchacos (100%)
Unlisted Options	196,514	Nil cents	31/07/2028	Mr Ian Tchacos (100%)
Unlisted Options	167,079	Nil cents	31/10/2028	Mr Ian Tchacos (100%)
Unlisted Options	345,880	Nil cents	31/01/2029	Mr Ian Tchacos (62%) and Mr Paul Fink (38%)
<b>Total Options</b>	<b>35,580,968</b>			

# ADX ENERGY LTD

## TENEMENT / PERMIT SCHEDULE

Permit	% held
Onshore Austria, Zistersdorf and Gaiselberg Production Licence	100%
Upper Austria ADX-AT-I AGS Licence <sup>(a)</sup>	100%
Upper Austria ADX-AT-II AGS Licence <sup>(b)</sup>	100%
Onshore Romania, Parta <sup>(c)</sup>	100%
Onshore Romania, Iecea Mare Production Licence <sup>(c)</sup>	100%
Offshore Italy, d363C.R-.AX <sup>(d)</sup>	100%

**Note a:** ADX-AT-I Concession agreement for exploration, production and gas storage in Upper Austria.

ADX holds a 100% interest in the ADX-AT-I exploration licence. ADX' interest in part of this licence, the MND Investment Area, has reduced to 50% due to the completion of MND's investment obligations under the energy investment agreement relating to the MND Investment Area with the funding of the Lichtenberg-1 well (refer ASX release 8 January 2024).

**Note b:** ADX-AT-II Concession agreement for exploration, production and gas storage in Upper Austria

ADX holds a 100% interest in the ADX-AT-II exploration licence, except as follows:

- ADX holds a 75% interest in the Welchau Area of the ADX-AT-II licence; and
- ADX holds a 50% interest in Anshof Field Area of the ADX-AT-II licence other than the Anshof-2A well where ADX holds a 60% interest.

**Note c:** 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 licence (including a 100% interest in the Parta Appraisal Sole Risk Project) and a 100% interest in the Iecea Mare Production licence. ADX is the operator of the permit pursuant to a Services Agreement with Danube.

**Note d:** ADX has been offered the Permit by the Italian Designated Authority and ADX has accepted the Permit in January 2025. Formal award is expected during the first quarter of 2025.