

10 January 2025

Variation of Loan Note Agreements

“Extension to March 2026 provides financial flexibility to pursue multiple, immediate growth opportunities”

Key Points:

- The revised terms apply to twenty five (25) Loan Notes of A\$50,000 each (A\$1.25 million in total) issued in July 2023. Five (5) Loan Notes of A\$50,000 each (A\$250,000 in total) will be repaid on the original repayment date of 11 January 2025.
- The repayment date of the remaining A\$1.25 million principal is 31 March 2026 with loan interest rate continuing to accrue. Existing options previously issued in relation to the Loan Notes will lapse on 11 January 2025. New options will be granted for Loan Note holders who have executed variation agreements.
- The agreement by the Loan Note holders to extend repayment provides ADX with the financial flexibility to pursue multiple identified growth opportunities and reposition the Company for further drilling and development activities before requiring access to further capital.
- ADX will immediately focus on the following near term value development and strategic growth opportunities:
 - further evaluation and testing of the Welchau-1 well,
 - further oil appraisal and development activities in Upper Austria,
 - pursuing a multi target - low risk, shallow gas exploration play in Upper Austria,
 - ongoing portfolio development in Upper Austria,
 - the potential licencing of its Sicily Channel exploration permit offshore Italy, and
 - an ongoing partnership formation program to fund ongoing activities.

ADX Energy Ltd (ASX Code: **ADX**) is pleased to advise that it has 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). The Loan Note funding was originally used for to fund drilling and development activities in upper Austria. Five (5) Loan Notes of A\$50,000 each (A\$250,000 in total) will be repaid on the original repayment date of 11 January 2025.

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

Austrian Activities;

- Installation of a CO2 removal unit required to maintain Vienna basin field sales gas specifications.
- The continued testing of the Welchau-1 well and assessing potential for deepening and side track of the well, as well as the potential appraisal of the Molln discovery (tested gas in 1989).
- Anshof oil field nearfield drilling, targeting the drilling of up to two wells in 2025 where multiple targets have been matured for drilling within the same oil reservoirs as Anshof.
- ADX has developed an inventory of multiple shallow gas targets in Upper Austria which have a clearly discernible 3D seismic signature which is proven by other gas discoveries in close proximity. These prospects are low risk, relatively shallow and cheap to drill. The prospects target proven highly productive reservoirs and proximal to open access pipelines (approx. 2 kms or less). ADX plans to form a funding partnership early in 2025 to drill up to 3 prospects and continue to develop this highly repeatable play in a market that is starved of domestic gas supplies.
- Ongoing portfolio development of deeper and high reward targets within ADX' acreage in Upper Austria using reprocessed 3D seismic. These prospects are expected to be matured during the second half of 2025 with view to securing further funding from farmouts for drilling in 2026.

Sicily Channel Offshore Acreage Application:

- The acceptance and payment of fees, as well as the purchase of seismic, for the Sicily Channel Exploration block offshore Italy. The value of this prospective gas exploration acreage, which has multiple shallow targets in shallow water, has been enhanced with the recent commencement of production of nearby offshore gas fields operated by Italian oil and gas major ENI and the ongoing strategic importance of gas in Europe.

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	\$1,250,000
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)	-	2,000,000 in Total
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)	23,000,000 in Total

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Authorised for lodgement by Ian Tchacos, Executive Chairman

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