

27 September 2021

EXTENSION OF OIL PRICE HEDGING POSITION FOR VIENNA BASIN FIELD PRODUCTION

“Brent swap contract secured at USD 71.85 per barrel extending hedging expiring end October 2021”

Key Points:

- ◆ ADX’s current hedged oil production position from its Vienna basin fields is approximately 200 barrels per day or 80% of forecast proven (1P) oil production comprising of two 100 barrels per day fixed price swap contracts with the following term and price:
 - A. USD 66.03 per barrel hedged to end of December 2021; and
 - B. USD 71.71 per barrel to end of October 2021.
- ◆ ADX has secured a new fixed price swap contract at an average Brent crude oil price of USD 71.85 per barrel for the period from 1 November 2021 to 31 March 2022 to extend its hedged position.
- ◆ ADX’s hedging strategy is to secure the current strong revenues from production operations due to increased oil price while retaining some exposure to further upside in Brent crude oil pricing.
- ◆ The Vienna basin fields production rate averaged 306 barrels of oil equivalent per day during the first half of 2021.
- ◆ Strong operating revenues from the Vienna basin fields enables ADX to pursue further well work to enhance production and continue its program of portfolio growth initiatives for oil and gas as well as compatible green energy development opportunities.
- ◆ The hedging counterparty for this transaction as well as the previous hedging is BP.

ADX Energy Ltd (ASX Code: **ADX**) is pleased to advise that it has executed hedging transactions with BP for fixed price swaps from 1 November 2021 to 31 March 2022 representing 40% of ADX proven (1P) forecast oil production from its Gaiselberg and Zistersdorf fields in the Vienna basin at an average Brent crude oil price of USD 71.85 per barrel.

The volume of oil production covered by the new fixed price swaps is 14,930 barrels during the 5-month period of hedging, equating to approximately 100 barrels of oil per day. The Gaiselberg and Zistersdorf average field production rate for the first half of 2021 was 306 barrels of oil equivalent per day.

Favourable trading conditions for Brent crude oil have continued during 2021 and are expected to continue through to early 2022 with the Dated Brent Oil Price Forward Curve remaining above USD 70.00 per barrel during the first quarter of 2022. These market conditions have enabled ADX to secure favourable pricing for the abovementioned hedging contracts.

Increased net revenues due to higher oil price and sustained oil production rates have placed ADX in a strong position to fund production enhancing well work at the Gaiselberg and Zistersdorf fields and continue a program of portfolio growth initiatives for oil and gas as well as compatible green energy production opportunities.

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