

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

ADX Energy Ltd

ABN

50 009 058 646

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers – Reimbursements from JVs	278	693
1.2 Payments for		
(a) exploration & evaluation	(3,787)	(6,415)
(b) development	-	-
(c) production	-	-
(d) staff costs	(105)	(386)
(e) administration and corporate costs, including marketing for projects	(514)	(1,250)
(f) Payments on behalf of JVs	(137)	(583)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(2)	(4)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material) – VAT/GST	-	4
1.9 Net cash from / (used in) operating activities	(4,267)	(7,941)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets – Austria acquisition	(3,137)	(3,926)
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material) –Funding – 3D seismic	-	296
2.6	Net cash from / (used in) investing activities	(3,137)	(3,630)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	2,797	2,797
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(246)	(246)
3.5	Proceeds from borrowings	3,500	4,705
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3.9	Other (provide details if material) – Proceeds from issue of shares in Subsidiary to Others	4,773	5,898
3.10	Net cash from / (used in) financing activities	10,824	13,154

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,623	3,299
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,267)	(7,941)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,137)	(3,630)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	10,824	13,154
4.5	Effect of movement in exchange rates on cash held	(25)	136
4.6	Cash and cash equivalents at end of period	5,018	5,018

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	5,018	1,623
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,018	1,623

Cash includes \$3.2 million held by 49.2% owned subsidiary Danube Petroleum Limited and its' Romanian subsidiary ADX Energy Panonia srl.

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	211
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payment of director fees and consulting fees.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities – convertible	1,100	1,100
Loan facilities - other	3,500	3,500
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Convertible Loan Facilities of \$1,205,000 were finalised in July 2019 (refer ASX announcement 16/7/19). Unsecured and for a term of 6 months to 12 January 2020. Interest at 10% payable at termination. Conversion to shares at no less than \$0.007 per share. During the quarter \$30,000 of the loan facilities were converted into shares.

Subsequent to quarter end, in January 2020, \$1,050,000 of convertible loan facilities were converted into 149,999,995 shares and \$50,000 of convertible note facilities were repaid in cash.

Other Loan Facilities – In October 2019, 35 loan notes of \$100,000 each totalling A\$ 3.5 million were issued (refer ASX announcement 14/10/19). Interest is payable quarterly at 6% per annum with 50% of the principal repaid after 12 months (26/11/2020), and the remainder after 24 months (26/11/2021). The loans are unsecured.

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9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation, net of JV cash calls	1,060
9.2	Development	-
9.3	Production, including well work capital costs	1,485
9.4	Staff costs	285
9.5	Administration and corporate costs (excl staff costs)	295
9.6	Other (provide details if material) Interest, Loan Repayments of \$50k, Capex	245
9.7	Total estimated cash outflows	3,370

Note 1: Excludes estimated revenue from oil and gas production A\$2.3 million for next quarter.

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		None		
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Zistersdorf and Gaiselberg fields, Vienna Basin, Austria	Producing oil and gas fields, onshore	Nil	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Director

Date: 31 January 2020

Print name: IAN TCHACOS

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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