

ADX Energy Ltd (ASX: ADX)

November 03, 2025

Share price: A\$0.03

Target: A\$0.30

Busy 1H26

- 3Q25 WI sales averaged 251 boe/d, in line with expectations. The company held ~A\$4 mm in cash at the end of September, also in line with forecasts.
- A busy operational period is anticipated in 1H26. Flow testing at Welchau is scheduled to recommence in January, starting with fluid sampling and pressure measurements in the already perforated Reifling formation—the shallowest reservoir. The well is expected to be acid-stimulated to mitigate formation damage and enhance productivity, with estimated costs of ~EUR0.5 mm. Our unrisked NAV for the Reifling formation is ~A\$0.34 per share.
- ADX's shallow gas drilling programme in Austria is expected to begin in February. Land has been secured for three prospects, with drilling and environmental permits anticipated by YE25. The HOCH-1 and GOLD-1 wells are planned first, followed by the optional SCHOE-1 well, contingent on HOCH-1 success. ADX holds a 50% WI in HOCH-1 and SCHOE-1, and a 100% WI in GOLD-1. The company intends to farm out an interest in GOLD-1 prior to drilling.
- An appraisal oil well at Anshof is planned for 3Q26. ADX has secured the drill site for the SGB-1 well (100% WI), which could be tied into the Anshof permanent processing facility. The well targets proven Eocene sandstone reservoirs, with secondary potential in deeper Cretaceous formations already validated by nearby wells. Our unrisked NAV for SGB-1 is ~A\$0.01 per share.
- We re-iterate our target price of A\$0.30 per share.

Valuation

Our total unrisked valuation for the company based on its 2P reserves and the shallow gas play is ~A\$0.10 per share assuming that ADX keeps 50% WI of the shallow gas play. Our ReNAV of A\$0.28 per share for the company reflects: (1) producing assets, (2) shallow gas targets (near-term focus), (3) Welchau-1, and (4) the Italian permit, based on anticipated farm-out terms.

Rating & target	Old	New	
Target	A\$ 0.300	n.c.	
Yield		0%	
Implied total return		900%	
Share data	2024	2025e	2026e
Shares dil., mm	657	673	673
Mkt cap, US\$mm	\$13	\$13	\$13
EV, US\$mm	\$8	\$12	\$16
Financial Data	2024	2025e	2026e
Gas, mmcf/d	0.1	0.1	0.1
Liquids, bbl/d	196	242	247
Total boe/d (6:1)	216	265	270
CFO, US\$mm	(\$1)	(\$2)	(\$1)
Net capex, US\$mm	\$7	\$2	\$3
Net debt, US\$mm	(\$5)	(\$1)	\$3
CFPS dil., US\$/shr	(\$0.00)	(\$0.00)	(\$0.00)
EPS dil., US\$/shr	(\$0.01)	(\$0.01)	(\$0.01)
Valuation	2024	2025e	2026e
Share price, A\$/shr	A\$ 0.030	A\$ 0.030	A\$ 0.030
EV/DACF	-4.7x	-3.9x	-11.2x
EV per boe/d (US\$)	\$38,606	\$44,988	\$58,769
Net asset value			
CNAV, A\$/shr			A\$ 0.016
RENAV, A\$/shr			A\$ 0.292
Unrisked NAV, A\$/shr			A\$ 2.762
P/RENAV			0.1x
P/ENAV			0.0x

All figures in US\$ unless otherwise noted
A\$/US\$:

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Figure 1. Financial & operating information

ADX Energy Ltd (ADX AU)

Financial & Operating Information		2023	2024	2025e	2026e	2027e	2028e	2029e
Commodity Prices								
Brent	US\$/bbl	\$82.46	\$80.48	\$68.47	\$68.77	\$70.00	\$70.00	\$70.00
Austria Gas price	US\$/mcf	\$17.95	\$11.68	\$10.13	\$11.34	\$11.65	\$11.67	\$11.67
A\$/US\$	A\$/US\$	\$0.67	\$0.67	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65
Production								
Oil and Liquids	bbl/d	263	196	242	247	247	247	247
Natural Gas	mmcf/d	0.2	0.1	0.1	0.1	0.1	2.6	5.1
Total (6 mcf = 1 boe)	boe/d	289	216	265	270	268	688	1,102
% Oil and Liquids	%	91%	90%	91%	91%	92%	36%	22%
Netbacks								
Realized Price	US\$/boe	\$83.56	\$90.29	\$77.84	\$64.70	\$65.88	\$68.40	\$69.00
Royalties	US\$/boe	\$4.73	\$5.75	\$4.23	\$3.35	\$3.44	\$10.74	\$12.49
Production & Transport Costs	US\$/boe	\$81.04	\$105.57	\$91.09	\$76.37	\$76.97	\$33.37	\$22.93
Operating Netback	US\$/boe	(\$2.21)	(\$21.03)	(\$17.48)	(\$15.02)	(\$14.52)	\$24.29	\$33.58
Taxes	US\$/boe	-\$2.47	\$0.00	\$0.00	\$0.00	\$0.00	\$0.16	\$0.10
Cash Flow Netback	US\$/boe	(\$8.94)	(\$27.44)	(\$22.44)	(\$9.37)	(\$8.83)	\$27.53	\$36.34
Government Take	%	3%	6%	5%	5%	5%	16%	18%
Financials								
Cash Flow (CFO)	US\$mm	(\$2)	(\$1)	(\$2)	(\$1)	(\$2)	\$5	\$13
CFPS - diluted	US\$/\$hr	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	\$0.01	\$0.02
EBITDAX	^a US\$mm	\$1	(\$0)	(\$1)	(\$1)	(\$1)	\$7	\$15
E&D Capex	US\$mm	\$5	\$19	\$2	\$3	\$1	\$3	\$0
A&D Capex, Net	US\$mm	(\$5)	(\$12)	(\$0)	\$0	\$0	\$0	\$0
Total Net Capex	US\$mm	(\$0)	\$7	\$2	\$3	\$1	\$3	\$0
Total Net Capex/CFO	x	0.2x	-5.4x	-0.9x	-1.8x	-0.7x	0.5x	0.0x
Leverage								
Net Debt	US\$mm	(\$4)	(\$5)	(\$1)	\$3	\$6	\$4	(\$9)
Net debt/CFO (Trailing)	x	n.a.						
Entry Net Debt/CFO	x	n.a.	n.a.	n.a.	n.a.	-1.2x	1.2x	0.3x
Capital Structure								
Basic Shares o/s @ YE	mm	428	574	579	579	579	579	579
Diluted Shares o/s @ YE	mm	502	657	673	673	673	673	673
Market Capitalization	US\$mm	\$10	\$13	\$13	\$13	\$13	\$13	\$13
Enterprise Value	US\$mm	\$6	\$8	\$12	\$16	\$20	\$17	\$4
Dividends & Sustainability								
Dividends	US\$mm	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$/shr	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dividend Yield	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Free Cash Flow	US\$mm	(\$7)	(\$20)	(\$4)	(\$4)	(\$4)	\$3	\$13
Cash Use/CFO	%	16%	-535%	-87%	-180%	-66%	53%	3%
Performance								
Prod. Per Shr Growth (Y/Y) - dil.	%	76%	240%	6%	-1%	-1%	157%	60%
PPS Growth (Y/Y) DDA - dil.	^b %	89%	727%	-38%	-35%	-30%	123%	548%
CFPS Growth (Y/Y) - dil.	%	-177%	-34%	57%	-30%	58%	-344%	141%
CFPS Growth (Y/Y) DDA - dil.	^b %	-220%	631%	-21%	-56%	12%	-312%	877%
ROCE	%	n.a.						
Net Asset Value								
RENAV (Atax) - diluted	A\$/shr	A\$ 0.292						
Unrisked NAV (Atax) - diluted	A\$/shr	A\$ 2.762						
P/CNAV	x	1.9x						
P/RENAV	x	0.1x						
P/Unrisked NAV	x	0.0x						
Valuation		2023	2024	2025e	2026e	2027e	2028e	2029e
Share Price, YE/Current	A\$/shr	A\$ 0.030						
P/CF	x	-55.0x	-5.2x	-5.9x	-14.2x	-15.2x	1.9x	0.9x
EV/DACF	x	n.a.	-4.7x	-3.9x	-11.2x	-14.7x	1.6x	0.2x
Target EV/DACF	x	-13.8x	-8.0x	-8.8x	-23.5x	-27.9x	3.2x	1.0x
EV per boe/d	US\$/boe/d	\$20,936	\$38,606	\$44,988	\$58,769	\$73,017	\$24,769	\$3,920
Proved Plus Probable	mmboe	5	5	5	5	5	4	4
EV per 2P boe	US\$/boe	\$1.19	\$1.66	\$2.43	\$3.30	\$4.15	\$3.81	\$1.06
EV per 2P boe, with FDC	US\$/boe	n.a.						

a) EBITDAX = Pre-Int. & Pre-Tax Cash Flow; b) DDA = Debt-and-Dividend-Adjusted

c) CNAV incl. 2P reserves, RENAV incl. 2P reserves + Risked LT inventory upside, ENAV incl. 2P reserves + Unrisked LT inventory upside

Source: Auctus Advisors, Company Disclosures

**Futures strip as of 31-Oct-25

Figure 2. NAV Table

	WI Reserves / Resources (mmboe)	Unrisked NAV (US\$ mm)	Unrisked NAV/sh A\$/Share	GCoS (%)	EMV (US\$ mm)	A\$/Share	% Total
Net Cash (YE25)		1	0.003		1	0.003	1%
G&A		-12	-0.029		-12	-0.029	-10%
Options and Warrants Exercised		9	0.021		9	0.021	7%
Austria							
Zistersdorf 2P Reserves	2	8	0.018	100%	8	0.018	6%
Anshof Producing Reserves	4	1	0.003	100%	1	0.003	1%
Total Core NAV		7	0.016		7	0.016	6%
Austria							
Anshof Remaining 2P Reserves	0	14	0.031	20%	3	0.006	2%
SGB-1 Anshof area oil prospect (farm-out)	0	4	0.008	50%	2	0.004	1%
Remaining Anshof prospective resources	5	38	0.000				
Welchau Prospect - Steinalm formation	45	345	0.788	10%	35	0.079	27%
Welchau Prospect - Reifling formation	19	148	0.338	25%	37	0.084	29%
Welchau ROS oil prospect	11	85	0.000				0%
Welchau Deep gas prospect	11	84	0.000				0%
GOLD/ZAUN/GRAB shallow gas Cluster (farm-out)	1	20	0.046	72%	14	0.033	11%
PICH shallow gas prospect (farm-out)	0	8	0.017	75%	6	0.013	4%
STEY shallow gas prospect (farm-out)	0	1	0.001	68%	0	0.001	0%
HOCH and SCHOE shallow gas prospects (farm-out)	0	8	0.018	57%	4	0.010	4%
HASE Shallow Gas gas prospect (farm-out)	1	0	0.000				0%
Sub-Flysch area gas prospects	30	231	0.528				0%
Molasse area gas prospects	3	25	0.058				0%
Romania							
Iecea Mare	2	7	0.016				0%
Italy							
C.R150.AU gas prospective resources	96	185	0.421	25%	20	0.045	15%
Total Risked Appraisal & Exploration		1,202	2.272		125	0.276	94%
Total NAV		1,208.85	2.288		132	0.292	100%
Unrisked NAV						2.762	
P/NAV							10.3%
P/Unrisked NAV							1.1%

Source: Auctus, Company Disclosures

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