

ADX Energy Ltd (ASX: ADX)

February 02, 2026

Share price: A\$0.03

Target: A\$0.20

Momentum accelerating. Potential resources increase in Austria

- The Welchau-1 well is scheduled for re-entry in February to test the Reifling reservoir. An acid stimulation will be performed on the perforated interval to address wellbore damage and improve productivity in the carbonate section. The operation should also yield additional insight into the deeper Welchau Deep gas prospect and a potential up-dip oil accumulation. Further drilling could occur during the 2026/27 winter season.
- Drilling at the HOCH-1 shallow prospect is expected to begin in March, followed sequentially by the GOLD-1 and SCHOE-1 wells.
- The SGB-1 oil prospect in the Anshof area is planned for drilling in 4Q26.
- We reiterate our target price of A\$0.20 per share, representing a ~6.5x multiple of the current share price.

Potential resources increase

- Two additional shallow gas prospects (FUCHS and SAND) and the EHREN lead have now been matured and incorporated into the portfolio. These prospects lie close to one another, benefit from proximity to existing pipeline infrastructure, and carry a high chance of success. ADX expects to publish resource estimates by the end of 1Q26.
- Further data reprocessing may also enhance the potential of deeper Jurassic plays, including the ZAM and OHO prospects, as well as additional opportunities within the Puchkirchen reservoir channel system.
- In the Anshof area, the PERG prospect could contain up to four oil-bearing reservoirs, supported by results from nearby wells. This may lead to a material uplift in prospective resource estimates (currently 2.5 mmboe mean). An updated assessment is anticipated in 2Q26.

Valuation

ADX held A\$4.8 mm in cash at YE25 (in line). Our total unrisksed valuation for the company based on its 2P reserves and the shallow gas play in Austria is ~A\$0.08/sh assuming that ADX keeps 50% WI of the shallow gas play. Our ReNAV of A\$0.20/sh 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\$ 0.20	n.c.
Yield			0%
Implied total return			525%
Share data	2024	2025e	2026e
Shares dil., mm	657	875	875
Mkt cap, US\$mm	\$14	\$18	\$18
EV, US\$mm	\$9	\$16	\$23
Financial Data	2024	2025e	2026e
Gas, mmcf/d	0.1	0.1	0.1
Liquids, bbl/d	196	225	247
Total boe/d (6:1)	216	248	270
CFO, US\$mm	(\$1)	(\$3)	(\$1)
Net capex, US\$mm	\$7	\$2	\$5
Net debt, US\$mm	(\$5)	(\$2)	\$4
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\$ 0.032	A\$ 0.032	A\$ 0.032
EV/DACF	-5.2x	-4.1x	-15.9x
EV per boe/d (US\$	\$42,660	\$64,055	\$83,652
Net asset value			
CNAV, A\$/shr			A\$ 0.012
RENAV, A\$/shr			A\$ 0.202
Unrisked NAV, A\$/shr			A\$ 2.243
P/RENAV			0.2x
P/ENAV			0.0x
All figures in US\$ unless otherwise noted			
A\$/US\$:	0.65		

All figures in US\$ unless otherwise noted
 A\$/US\$: 0.65

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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	225	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	248	270	268	688	1,102
% Oil and Liquids	%	91%	90%	91%	91%	92%	36%	22%
Netbacks								
Realized Price	US\$/boe	\$83.56	\$90.29	\$85.52	\$64.70	\$65.88	\$68.40	\$69.00
Royalties	US\$/boe	\$4.73	\$5.75	\$4.41	\$3.35	\$3.44	\$10.74	\$12.49
Production & Transport Costs	US\$/boe	\$81.04	\$105.57	\$112.07	\$76.37	\$76.97	\$33.37	\$22.93
Operating Netback	US\$/boe	(\$2.21)	(\$21.03)	(\$30.97)	(\$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)	(\$31.02)	(\$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)	(\$3)	(\$1)	(\$2)	\$5	\$13
CFPS - diluted	US\$/shr	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	\$0.01	\$0.02
EBITDAX	US\$mm	\$1	(\$0)	(\$2)	(\$1)	(\$1)	\$7	\$15
E&D Capex	US\$mm	\$5	\$19	\$2	\$5	\$1	\$3	\$0
A&D Capex, Net	US\$mm	(\$5)	(\$12)	\$0	\$0	\$0	\$0	\$0
Total Net Capex	US\$mm	(\$0)	\$7	\$2	\$5	\$1	\$3	\$0
Total Net Capex/CFO	x	0.2x	-5.4x	-0.7x	-3.8x	-0.7x	0.5x	0.0x
Leverage								
Net Debt	US\$mm	(\$4)	(\$5)	(\$2)	\$4	\$8	\$6	(\$7)
Net debt/CFO (Trailing)	x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Entry Net Debt/CFO	x	n.a.	n.a.	n.a.	n.a.	-2.0x	1.5x	0.4x
Capital Structure								
Basic Shares o/s @ YE	mm	428	574	714	714	714	714	714
Diluted Shares o/s @ YE	mm	502	657	875	875	875	875	875
Market Capitalization	US\$mm	\$11	\$14	\$18	\$18	\$18	\$18	\$18
Enterprise Value	US\$mm	\$7	\$9	\$16	\$23	\$26	\$24	\$11
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)	(\$5)	(\$7)	(\$4)	\$3	\$13
Cash Use/CFO	%	16%	-535%	-72%	-376%	-66%	53%	3%
Performance								
Prod. Per Shr Growth (Y/Y) - dil	%	76%	240%	-3%	-9%	-1%	157%	60%
PPS Growth (Y/Y) DDA - dil. ^b	%	88%	656%	-33%	-48%	-27%	130%	296%
CFPS Growth (Y/Y) - dil.	%	-177%	-34%	122%	-51%	58%	-344%	141%
CFPS Growth (Y/Y) DDA - dil. ^b	%	-220%	569%	29%	-76%	16%	-319%	497%
ROCE	%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Asset Value								
RENAV (Atax) - diluted	A\$/shr	A\$ 0.202						
Unrisked NAV (Atax) - diluted	A\$/shr	A\$ 2.243						
P/CNAV	x	2.6x						
P/RENAV	x	0.2x						
P/Unrisked NAV	x	0.0x						
Valuation								
Share Price, YE/Current	A\$/shr	A\$ 0.032	A\$ 0.032	A\$ 0.032	A\$ 0.032	A\$ 0.032	A\$ 0.032	A\$ 0.032
P/CF	x	-58.7x	-5.6x	-5.0x	-18.2x	-19.4x	2.4x	1.2x
EV/DACF	x	n.a.	-5.2x	-4.1x	-15.9x	-19.8x	2.2x	0.5x
Target EV/DACF	x	-13.8x	-8.0x	-8.7x	-31.1x	-36.0x	4.3x	1.5x
EV per boe/d	US\$/boe/d	\$23,253	\$42,660	\$64,055	\$83,652	\$98,095	\$34,542	\$10,026
Proved Plus Probable	mmboe	5	5	5	5	5	4	4
EV per 2P boe	US\$/boe	\$1.32	\$1.84	\$3.23	\$4.68	\$5.56	\$5.31	\$2.71
EV per 2P boe, with FDC	US\$/boe	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	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 30-Jan-26

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)		2	0.004		2	0.004	2%
G&A		-12	-0.022		-12	-0.022	-11%
Options and Warrants Exercised		8	0.014		8	0.014	7%
Austria							
Zistersdorf 2P Reserves	2	8	0.014	100%	8	0.014	7%
Anshof Producing Reserves	4	1	0.002	100%	1	0.002	1%
Total Core NAV		7	0.012		7	0.012	6%
Austria							
Anshof Remaining 2P Reserves	0	14	0.024	20%	3	0.005	2%
SGB-1 Anshof area oil prospect (farm-out)	0	4	0.007	50%	2	0.003	2%
Remaining Anshof prospective resources	5	38	0.000				
Welchau Prospect - Steinalm formation	45	349	0.613	10%	35	0.061	30%
Welchau Prospect - Reifling formation	19	149	0.263	20%	30	0.053	26%
Welchau ROS oil prospect	11	86	0.000				0%
Welchau Deep gas prospect	11	85	0.000				0%
GOLD/ZAUN/GRAB shallow gas Cluster (farm-out)	1	20	0.035	72%	14	0.025	13%
PICH shallow gas prospect (farm-out)	0	8	0.013	75%	0	0.000	0%
STEY shallow gas prospect (farm-out)	0	1	0.001	68%	0	0.000	0%
HOCH and SCHOE shallow gas prospects (farm-out)	0	8	0.014	57%	4	0.008	4%
HASE Shallow Gas gas prospect (farm-out)	1	0	0.000				0%
Sub-Flysch area gas prospects	30	234	0.411				0%
Molasse area gas prospects	3	26	0.045				0%
Romania							
Iecea Mare	2	7	0.013				0%
Italy							
C.R150.AU gas prospective resources	115	242	0.425	25%	20	0.034	17%
Total Risked Appraisal & Exploration		1,269	1.863		112	0.189	94%
Total NAV		1,276.21	1.875		119	0.202	100%
Unrisked NAV						2.243	
P/NAV					15.9%		
P/Unrisked NAV					1.4%		

Source: Auctus, Company Disclosures

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