

20 May 2025

ADM Energy PLC

("ADM" or the "Company")

**First Production at Altoona Lease
Debt Settlement and Issue of Equity**

ADM Energy PLC (AIM: ADME; BER and FSE: P4JC), an AIM-quoted natural resource investing company, announces the initiation of production at the SPI-1 well at the Altoona Lease, Kern County, California (the "**Lease**").

Investment Update

On 17 April 2025, the Company announced that the Board had decided to transfer the ownership of the Lease to its 100% owned investee company Vega Oil and Gas LLC ("**VOG**"), as a part of an investment restructuring to better manage the Company's onshore U.S. oil and gas investments.

Further to the announcement, the Company has invested US 100,000 to buy out the underlying oil and gas lease from the previous lease holder (the participation of the Company was previously via farm-in). The purchase of the lease includes in-place equipment and infrastructure including five new pump jacks and a new 150-barrel storage tank.

First Production at the Lease

Following completion of the investment, the SPI-1 well was put into production on 18 April 2025. As of 16 May 2025, the SPI-1 well has now produced approximately 90 barrels of oil or an average of approximately 3 barrels per day.

The SPI-1 well was originally drilled in 2004 to a depth of 2,434 feet and, it is the Company's understanding, that the well was drilled using water-based mud (in place of oil-based mud).

Due to the presence of expandable clays in the formation and suggested formation damage caused by the use of water-based mud, it is believed that the SPI-1 well is not capable of producing at typical rates that otherwise would be achievable. However, as the SPI-1 well is the only well on the Altoona Lease that was drilled to a depth exceeding 2,000 feet, the Company is pleased that the well is producing oil and believes that evidence of production from this well is highly encouraging and a supportive data point for the Company's plan to deepen two further wells (using oil-based mud) in order to test deeper production that may be contributing to the positive results realised in adjoined leases by Chevron (USA).

Further Development Plans

As stated in the announcement on 17 April 2025, VOG and the Lease partners intend to bring up to 11 of the available well bores (including the SPI-1) into production (the "**Phase 1**" work program). The initial US 150,000 of the US 750,000 total sum from the farm-out consortium has been escrowed and will be used to fund the remainder of Phase 1. VOG is currently working with its partners to plan Phase 2 of the work program which will consist of the deepening of two wells in order to test deeper potential pay zones that are also currently producing in a neighbouring lease that is operated by Chevron (USA). As noted in the announcement on 17 April 2025, the remaining US 600,000 has been deposited into escrow and will be released upon completion of necessary pre-drill regulatory and technical work, and will be utilised to facilitate Phase 2.

An updated investor presentation containing information on the Company's portfolio of investments will be made available in due course and will be posted on the Company's website.

Debt Settlement

The Company announces that it has agreed to settle an outstanding amount owed to a creditor, representing in aggregate approximately £37,697.50, via the issue of 37,697,500 new ordinary shares of 0.001 pence ("**Ordinary Shares**") at the issue price of 0.1 pence per new Ordinary Share ("**Debt Settlement Shares**").

Admission and Total Voting Rights

Application will be made for the 37,697,500 Debt Settlement Shares to be admitted to trading on AIM which is expected to occur on or around 23 May 2025 ("**Admission**"). The Debt Settlement Shares will rank *pari passu* in all respects with the ordinary shares of the Company currently traded on AIM.

Following Admission, the Company's issued share capital will comprise 1,726,874,644 ordinary shares of 0.001 pence each. This number will represent the total voting rights in the Company and may be used by shareholders as the denominator for the calculation by which they can determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Commenting on the recent developments within ADM's portfolio, Randall Connally, CEO, commented "Having returned from a trip to southern California to inspect Altoona, I am more excited than ever about the significant potential that this lease holds for the Company. The extensive infrastructure and production activity by Chevron in the immediate vicinity of Altoona is a testament to the highly prolific reservoir rock in this area. The teams are working to advance the deepening of two wells which are expected to be completed before the end of August 2025 and ADM looks forward to updating investors further in due course."

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

Enquiries:

ADM Energy plc

+1 214 675 7579

Randall Connally, Chief Executive Officer

Cairn Financial Advisers LLP

+44 207 213 0880

(Nominated Adviser)

Jo Turner
Liam Murray
Ed Downes

Novum Securities Limited

+44 207 399 9400

(Broker)

Gavin Burnell
Colin Rowbury

ODDO BHF Corporates & Markets AG

+49 69 920540

(Designated Sponsor, Frankfurt Stock Exchange)

Michael B. Thiriot

About ADM Energy PLC

ADM Energy PLC (AIM: ADME; BER and FSE: P4JC) is a natural resources investing company with investments including a 100% interest in Vega Oil and Gas, LLC ("**Vega**") and through Vega holds a 25% carried working interest in the Altoona Lease, California ("**Altoona**"); a 41.4% economic interest in JKT Reclamation, LLC ("**JKT**"); a 42.2% economic interest in OFX Technologies, LLC (www.ofxtechnologies.com) ("**OFXT**"), and through OFXT holds 100% of Efficient Oilfield Solutions, LLC ("**EOS**"); and, a 9.2% profit interest in the Aje Field, part of OML 113, which covers an area of 835km² offshore Nigeria. Aje has multiple oil, gas, and gas condensate reservoirs in the Turonian, Cenomanian and Albian sandstones with five wells drilled to date.

About the Altoona Lease

The Altoona Lease is a circa 20-acre lease located in a crestal position within the Spellacy Anticline Region of the prolific Midway Sunset oil field. Discovered in 1915, the Altoona Lease has produced less than 1 million barrels of oil from multiple reservoir intervals primarily between 1,000 and 1,600 feet. Chevron (USA), Inc. ("**Chevron**") is actively developing leases contiguous with and surrounding the Altoona Lease. In March/April 2020 Chevron drilled and started producing the 3-8R and 3-8AR wells located approximately 250 meters from the Altoona Lease. These wells were drilled to deeper reservoir intervals at approximately 1,935 feet and combined, have produced in excess of 214,000 barrels of oil to the end of February 2025.

A StockBox interview with ADM's CEO, Randall Connally focused on the Altoona Lease is available at <https://youtu.be/TtmgtDy6vsw>.

Forward Looking Statements

Certain statements in this announcement are, or may be deemed to be, forward-looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward-looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

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