AXPENERGY

2024 ANNUAL REPORT

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CHAIRMAN'S REPORT

Dear shareholders,

On behalf of the Board, I am pleased to present the 2024 Annual Report for AXP Energy (AXP or the Company). The 2024 financial year was defined by a strategic pivot which saw the end of the Company's association with the Appalachian Basin project, and a renewed focus on its Florence Oil Field project in Colorado.

The sale of the Appalachian Basin assets for a gross price of $US4 million positioned the company with the balance sheet strength to restart production in Colorado, and our on-site staff there have engaged with renewed vigour in pursuit of the Company's new growth strategy.

In May 2024, we installed a 750kW generator on site to demonstrate that electricity could be produced reliably and consistently using AXP's wellhead gas, and we are pleased to report that we have had no down time since the generators were installed other than as a result of periodic maintenance of the generator and our own mechanical maintenance issues.

The generator operation has achieved the establishment of certainty in relation to the commercial application of our fully owned deeper wells. The Company has moved nimbly to pursue commercial outcomes in line with changes to Colorado regulations, first with respect to the flaring or venting of gas which necessitated a solution to move the gas to create oil production.

By introducing the generators, we have opened up potential new addressable markets for electricity supply. We are now looking at ways of using that electricity and this has seen us engage with a range of end-users including data centres and AI companies.

Oil production at Colorado increased over the final quarter of FY2024, and the Company is targeting increased production in FY2025 as we source more generators, utilise more gas and produce more electricity. On the costs side, we have aggressively cut the Company's administration costs both overseas and locally, reviewing contracts with all of our service providers and achieving significant savings across the board.

Over the coming 12 months, our team on the ground in Colorado are committed to making the project work and believe in the prospectivity of the field. We have a lot of gas available to us and the aim is to produce it and monetise it. If we can execute on our stated strategy, the 2025 financial year will finish on a high note.

In closing, I would like to sincerely thank shareholders for their ongoing support through this period of transition for the business. Heading into FY2025, the Board is confident that AXP Energy has emerged from a challenging period with streamlined operations and clearly defined business strategy to unlock value from our core asset suite in Colorado.

With strong execution, those assets have the potential to generate significant returns and act as a catalyst for a re-rating of the Company's share price. We look forward to providing more updates in the near-term, amid strong market tailwinds in the US for cost stable energy supply to meet the growing demand for power from data centres and AI companies, which in turn will generate additional momentum for group oil sales.

Yours faithfully,

Samuel Jarvis
Non-executive Chairman

CORPORATE GOVERNANCE STATEMENT

AXP, through its Board of Directors (‘*Board’*) is responsible for the overall corporate governance of AXP and has adopted as a guiding principle that it acts honestly, conscientiously and fairly in accordance with the law and in the interests of the shareholders with a view to building sustainable value for them, the Company’s employees and other stakeholders in the Company.

The Board has adopted a suite of governance materials, which are available in the Corporate Governance section of the Company’s website. The governance materials have been prepared and adopted on the basis that corporate governance procedures can add to the performance of the Company and the creation of shareholder value and help to engender the confidence of the investment market.

ASX Corporate Governance Principles and Recommendations

This statement sets out the material governance principles and processes adopted by the Board. The Board supports the Corporate Governance Principles and Recommendations, 4th edition as released by the ASX Corporate Governance Council (‘*ASX Principles*’ or ‘*ASXCGC’*). The Board considers and applies these recommendations to the extent that there is a sound reason to do so, given the circumstances of the Company. The Corporate Governance Statements were reviewed and approved by the Board on 20 September 2024 and are available on the Company’s website, www.axpenergy.com.

DIRECTORS REPORT

The Directors of AXP Energy Limited (‘*AXP*’ or ‘*Company*’), present their report, together with the financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2024.

All amounts in this report are in US Dollars, unless stated otherwise.

Directors

Directors in office during the full financial year and to the date of this report, unless otherwise stated, are:

Mr Samuel Jarvis – Non-Executive Chairman. Member of the Audit Committee. Chairman of Remuneration and Nominations Committee.

Mr Samuel Jarvis has extensive experience in commercial management and development drilling as well as knowledge of the upstream oil and gas value chain. For the past 18 years, he has held senior executive roles with leading global oil and gas drilling companies in SE Asia.

Mr Jarvis graduated with Honours in Engineering in 1995 and also holds a degree in Economics with a Finance Major.

Other current or former listed directorships in the last 3 years: Nil

Relevent interest: 187,806,855 fully paid ordinary shares.

Mr Stuart Middleton – Non-Executive Director. Chairman of the Audit Committee. Member of Remuneration and Nominations Committee.

Mr Middleton has extensive international resources experience as the Group Executive for TDS, Banpu Plc, Asian Energy Company (coal, oil, gas and power) with assignments assessing, managing and developing resources assets in China, Mongolia, Indonesia, Australia and Thailand, also previously having managed and developed major operations in Australia, the USA, Indonesia and Colombia. A 40+ year veteran of the energy & mining industry, Stuart has a strong business development base combining both Mining Engineering (Hons.) and a Masters in Commerce (majoring in Finance & Management) degrees (The University of Sydney) with operational, commercial and technical foundations, having held various C-suite/VP executive positions and statutory management roles across multiple mining ventures. During his engagements with major mining houses, Stuart has served as a Director and CEO (GM) of numerous companies and subsidiary or affiliated companies and held statutory positions as Registered Mine Manager.

Other current or former listed directorships in the last 3 years: Nil.

Relevent interest: 31,808,507 fully paid ordinary shares.

Mr Robert Edward Lees – Non-Executive Director (appointed 16 September 2024) and Company Secretary (appointed 30 June 2015)

Mr. Lees is a member of Chartered Accountants Australia and New Zealand and a Fellow of the Governance Institute of Australia. He is a graduate of the University of Technology, Sydney, holding a Bachelor of Business (Accounting) and a Graduate Diploma in Data Processing. He also holds a Graduate Diploma in Corporate Governance. In the past 21 years he has provided company secretarial services to small ASX-listed companies.

Other current or former listed directorships in the last 3 years: Nil

Relevent interest: 2,000,000 fully paid ordinary shares.

Mr Andrew Bald – Non-executive Director (appointed 23 January 2024, resigned 16 September 2024)

Mr Bald has over 35 years of experience in financial markets and has advised and listed a number of oil & gas and mineral exploration companies. Mr Bald is the founder and executive director of Panthea Capital, a boutique corporate advisory firm with significant expertise in the energy sector that provides strategic advice and services to ASX listed companies.

Mr. Bald B. Ec. (Hons)

Other current or former listed directorships in the last 3 years: Mr Bald is currently a director of copper, gold & lithium explorer, ActivEx Limited (ASX: AIV) since 1 February 2022 and XState Resources Limited (ASX: XST) since 6 June 2022, which has interests in various oil and gas projects in Canada, Austria and USA.

Mr Simon Johnson – Non-Executive Director (resigned 23 January 2024)

Mr Johnson has extensive international oilfield experience having lived and worked in the USA, the Middle East, the Far-East and Europe over the past 26 years, including as a C-suite executive for several large cap NYSE-listed drilling contractors. He also has substantial experience in Board level engagement. Simon is currently the CEO of Seadrill and has held senior positions at Borr Drilling and Noble Corporation. He completed the Advanced Management Program at Harvard University and holds a double major in Economics and Finance from Curtin University.

Other current or former listed directorships in the last 3 years: Nil

Director Meetings

The number of director meetings and number of meetings attended by each of the directors of the Group during the financial year were:

DIRECTOR	DIRECTORS MEETINGS Attended / Held(1)	AUDIT COMMITTEE MEETINGS Attended / Held(1)
Samuel Jarvis	5 / 5	2 / 2
Stuart Middleton	5 / 5	2 / 2
Andrew Bald (appointed 23/1/2024)	3 / 3	1 / 1 (2)
Simon Johnson (resigned 23/1/2024)	0 / 2	-

(1) Held whilst the director was in office
(2) Attended as an invitee

The Group notes that a Remuneration and Nominations Committee existed however it did not formally meet during the year, with the full board acting in the role.

Principal Activities

The principal activities of the Group continued to be oil and gas exploration, development and production in the United States of America.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the year. No recommendation for the payments of dividends has been made.

Financial Review

AXP reported a loss of $4,458,917 for the year ended 30 June 2024 (2023: $6,126,214 loss). The Group's financial performance during the year was negatively impacted by:

- Loss from discontinued operations of $3,429,150 (2023: $484,253). During the year, the Group announced that it had entered into a binding letter agreement to sell its non-Colorado oil and gas assets in the Appalachian and Illinois Basins to Mountain V Oil & Gas, Inc. The loss includes discontinued operations performance for the period and a writedown of the net assets of discontinued operations being greater than the proceeds (net of costs of disposal).

a) Profit or Loss (from continued operations)

- Gross production from 100%-owned Colorado operations for the year was up by 7% to 11,246 BOE from 10,537 BOE.
- Sales revenue from Colorado increased by 35% to $643,222 from $477,737. The increase was driven by improved pricing and higher sales volumes.
- There were no impairments recorded in 2024 (2023: $3,675,034).
- Other expenses reduced to $1,509,223 from $1,828,470. 2023 included the write off of bad debts of $192,375.
- Other gains include a gain on vendor settlement of $564,339 as a result of a settlement of debt with one of its vendors for $100,000.

b) Financial Position

- The Group's net assets decreased 42% from $10,520,690 to $6,051,218 due to the sale of the Group's non-Colorado assets.
- The Group had a positive net working capital gain of $2,025,910 (2023: deficit of $1,235,010).

c) Cash flows

- The Group ended the year with cash and cash equivalents of $1,464,487, a material increase from $521,788 in 2023.
- Net cash used in operating activities was $2,550,423, compared to $1,252,447 in 2023. This was mainly due to the settlement of historical payments to non-Colorado vendors.
- Net cash provided by investing activities improved significantly to $4,249,906 from a net outflow of $991,397 in 2023, due to proceeds from the disposals of oil and gas assets and property, plant, and equipment.
- Net cash used in financing activities was $756,529, an increase from $572,741 in 2023, mainly due to the repayment of borrowings, lease liability payments and net payments made on behalf of Mountain V Oil & Gas, Inc.

Operations Review

A review of the operations for AXP during the 2024 financial year and the results of those operations is as follows:

During the 2024 financial year, the group's primary focus was on the strategic divestiture of its Appalachian and Illinois assets, with the proceeds from the sale to be deployed towards unlocking additional value from its Colorado assets.

On 20 December 2023, the Company announced it had entered into a signed asset sale agreement to sell its non-Colorado oil and gas assets, including projects in Tennessee, Eastern

Kentucky, Virginia, and the Illinois Basin, to Mountain V Oil & Gas, Inc. Consideration for the sale was $4,000,000 plus oil in tank inventory in cash, subject to closing adjustments, to be paid in stages. The sale followed a binding letter agreement signed by the parties on 29 September 2023.

The sale process was successfully completed during the March 2024 quarter, with the sale of all leases in the Appalachian Basin and the Illinois Basin to the counterparty, Mountain V Oil & Gas, Inc. Final closing adjustments in connection with the sale were completed in July 2024, resulting in an additional inflow of $270,251 to AXP Energy.

During the first half of the financial year, the Company's Appalachian Basin and the Illinois Basin assets were kept in maintenance mode with no field enhancements carried out, in preparation for a pending sale. At this time the Company was also considering a possible divestiture of the Colorado assets, and the management team worked in conjunction with EnergyNet to set up an auction and communicated directly with multiple potential buyers.

The Board and management team then took the strategic decision not to sell and refocus the Company's efforts on improving operations and unlocking value from the Colorado asset suite. As part of this process, management revisited the potential to generate revenue through the provision of power to meeting growing demand from data centres.

In August 2023, AXP terminated its agreement with the Elite Mining cryptocurrency operation. Later in the financial year, the Company began working with UnMapped, a digital asset mining company on new gas purchase agreement before determining the economics weren't strong enough to pursue ongoing sales contracts.

AXP then revised its growth strategy to comprise gas to electricity for sale to end users, along with a share of data centre profits. In June 2024, AXP commenced a 90-day test to convert gas to electricity in order to bring the Pathfinder well at Colorado back online. The test started on 13 June 2024 and is scheduled for completion on 13 September 2024. Since the test began, AXP has sold 314 barrels of oil from Pathfinder. The Company estimates that the Pathfinder well will increase production approximately by approximately 7 barrels of oil per day (BOPD) based on the test results observed as at the date of this report.

During the financial year, the Company also commenced discussions with Holcim, a leading manufacturer of innovative & sustainable building materials, to explore options for carbon sequestration. Heading into the end of the 2024 financial year, the management team's ongoing focus with the Colorado assets is to perfect gas-to-electric generation and attract qualified customers and in turn generate profits from oil sales.

Strategy & Future Developments

As we continue into FY2025, our focus is on optimising production from our existing assets and looking for growth opportunities. To that end, we have introduced a new gas and power sales channel which has been tasked with the role of selling electricity to end users, primarily data customers who are seeking to diversify their geographic risks whilst also lowering their energy costs.

The establishment of profitable sales channels for our gas remains a key strategic priority for the business, during the regulations in Colorado which ban the practice of gas flaring.

In turn, for AXP's portfolio of wells which flow both oil & gas, the Company must secure buyers and end-users for the gas in order to realise profits from the oil.

In pursuit of that strategy, the Company rounded out FY24 by successfully installing the first gas-powered generator at the Pathfinder Field in Colorado, which underpinned an increase oil in production by providing an avenue to dispose of more gas. The installation marked the first step in establishing Pathfinder as a large, off-grid gas-fired power generation operator, and the Company now heads into FY2025 having established product-market fit with the opportunity to convert additional commercial opportunities for its Colorado asset base.

The Company is also currently engaged with our neighbours on two new joint ventures which have the potential to dramatically increase AXP's asset base in Colorado, while also significantly increasing the group's oil and gas production.

Collectively, these efforts are aligned with the Company's stated strategy to channel its resources behind the Colorado asset suite and establish consistent cash-flow stream while also pursuing opportunities to scale up production to meet demand. With a targeted approach to growth and clearly established performance benchmarks, AXP expects to provide further updates on the growth of its Colorado operations over the course of the 2025 financial year.

Key Business Risks

There are a range of specific business risks and other general risks which may directly impact the Company's performance, many of which are largely beyond the control of the Company. We have attempted to identify a number of these business and other general risk factors and their potential impact on the Company's ability to deliver on its business strategy and which in turn, may have a material impact on AXP's financial performance in the future.

(a) Commodity prices

The Company generates revenue from the sale of oil, natural gas, NGLs and to a lesser extent, electricity. As a result, the Company's revenue is subject to market volatility resulting from moves in the benchmark prices for these commodities. Such fluctuations are caused by factors beyond the control of the Company including: supply and demand fluctuations, technological advancements, forward selling activities and other macroeconomic and geopolitical factors.

The Company may, at times, use various mechanisms to hedge portions of its revenue against adverse oil and gas price movements however such mechanisms, when put in place, may also inhibit the Company's ability to realise revenue gains from favourable benchmark price movements.

(b) Operational risk

The operations of the Company may be affected by various factors, including failure to achieve predicted well production flow rates, operational and technical difficulties encountered in field development and production, unanticipated reservoir problems which may affect field production performance, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Specific operational risks also include:

i) Access to services, equipment and infrastructure

The ability to procure competitively priced third-party oilfield goods and services, including both personnel and equipment which are utilised in field development, production and hydrocarbon transportation to market are important factors affecting the Company's operations in the USA.

To date the Company has been able to procure such services on competitive terms, however changes in the level of activity in the oil and gas industry in the US may result in changes to the Company's cost structures which in turn, may impact the Company's financial performance.

ii) Retention of key personnel

The board, senior management and its key personnel are responsible for overseeing the day-to-day operations and the strategic management of the Company. Continuity of employment of key personnel is important and staff movements may have a detrimental impact on the Company's performance.

iii) Midstream partners operational performance

The Company depends on a number of midstream partners to process and deliver a significant proportion of its produced gas and all of its NGLs to sales channels. The operational performance of these midstream partners, and their ability to meet their obligations under our agreements, directly impacts the Company's revenue. Should one or more of these midstream partners experience operational or technical difficulties of their own, AXP's revenue may be materially impacted.

iv) Production

Production from existing wells, new or worked-over wells may not meet expectations and may decline beyond estimates. Disruption to, or any reduction in, the expected production of the Company's oil and gas field may negatively impact the Company's revenue and could have an adverse effect on the Company's financial performance and ongoing operations.

v) Exploration & field development

The Company expects to undertake future exploration and field development that involves inherent risks in drilling and completing wells withing target production zones and typically relies on certain sampling techniques, interpreting geological, drilling, production and other data.. Effective field development has similar requirements, as well as the technical risks associated with well workovers on previously shut-in or idle wells, particularly where the well integrity is uncertain. Lack of success in realising its exploration and development goals may impact the Company's future financial performance.

(c) Legal & regulatory risks

The Company's exploration, development and production activities are governed by extensive US federal and state laws and regulations. The Company's exploration activities require a range of approvals including, but not limited to, approval for drilling (and in some cases workovers) and these permits are issued by the relevant state oil and gas commissions.

Obtaining approvals can be a time-consuming process and there is a risk that the Company may not obtain these approvals. The costs and delays associated with obtaining the necessary approvals and complying with applicable laws and regulations may materially delay or restrict the Company from proceeding with proposed development wells or the operation of its existing wells. Any failure to comply with applicable laws and regulations, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of its wells.

(d) Health, Safety & Environment

The Group is subject to significant environmental and workplace health and safety regulations pertaining to the oil and gas industry under federal and state laws in the USA.

Compliance with the various federal and state laws and regulations is a significant cost burden and penalties for breaches or failure to comply can be substantial. The Company intends to continue to conduct its activities to a high standard of environmental obligation, including compliance with all environmental laws and regulations. Regardless, there are inherent risks in the Company's activities including, but not limited to: accidental leakages or spills, or other unforeseen circumstances which could subject the Company to fines or other liability.

Significant Changes in the State of Affairs

The following significant changes in the state-of-affairs of the Group occurred during the financial year:

The Company divested its non-Colorado oil and gas assets located in the Appalachian and Illinois Basins to Mountain V Oil & Gas, Inc ("transaction"). Effective control of the assets transferred on 1 October 2023. The consideration for this transaction amounted to $4,000,000 plus oil in tank inventory in cash, subject to closing adjustments, payable in stages. Discontinued operations were recognised from 29 September 2023. The transaction concluded on 7 February 2024.

As of 30 June 2024, all remaining assets and liabilities associated with operations in the Appalachian and Illinois Basins, and not subject to the transaction, were reclassified as held for sale.

Other than noted in this director's report, there have been no other significant changes in the Group's state of affairs during the financial year.

Environmental Regulations

The Group is subject to significant environmental regulations under federal, state and local laws in the areas within which it operates in the USA. During the financial year ended a spill occurred and was reported in the Appalachian Basin. The Company worked in conjunction with regulatory and environmental agencies, completed the cleanup and incurred an immaterial fine.

Proceedings on Behalf of Group

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings. The Group was not a party to any such proceedings during the year.

Events Arising Since the end of the Reporting Period

The following matters or circumstances have arisen since the end of the financial year:

a) The Company concluded the sale of its non-Colorado oil and gas assets with Mountain V Oil & Gas, Inc, resulting in an inflow of $270,251.

b) The Company repaid its unsecured working capital facility loan of $330,280 in full to First Energy Partners Pty Ltd, resulting in the closure of the unsecured working capital facility.

c) Mr Andrew Bald resigned as Non-executive Director effective 16 September 2024.

d) Mr Robert Lees was appointed as Non-executive Director effective 16 September 2024.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of emoluments for each key management person of the Group, and for the executives receiving the highest remuneration.

Remuneration Policy

The Group's remuneration policy has been designed to align director and executive objectives with shareholder and business objectives, by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for senior executives, was developed and approved by the Board;
- All senior executives may receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives;
- The Board regularly reviews executive packages by reference to the Group's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed annually with each executive and is based on a basket of measures including financial results, share price, production targets, safety and environmental issues. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Australian directors do not receive retirement benefits other than superannuation guarantee contributions.

All remuneration paid to directors and executives is valued at the cost to the Group and is expensed. Shares and options given to directors and executives are valued with reference to services provided, or if this cannot be measured reliably, the fair value of the shares or options granted. Shares are recognised as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology. Performance rights are valued using the share price at the date of grant.

The Board's intention is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration regularly, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and currently stands at A$750,000 in total. Fees for non-executive directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Group (but not trade in them) and have in the past been granted options.

Performance of Shareholder's Wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

MEASURE	2024	2023	2022	2021 Restated*	2020 Restated*
Basic EPS (US$)	(0.08) cents	(0.11) cents	0.01 cents	0.10 cents	(0.36) cents
Net (loss) / profit (US$)	(4,458,917)	(6,126,214)	606,945	4,064,607	(6,200,864)
Share Price	A0.10 cents	A0.20 cents	A0.40 cents	A0.30 cents	A0.40 cents

** Amounts have been restated into US$ from A$ as a result of the Group changing its presentational currency as previously reported in 2022 annual report.*

Remuneration Details

Details of the remuneration of the key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) including directors and executives of the Group are set out in the following table:

	POSITION HELD AT 30 JUNE 2024 AND CHANGES DURING PERIOD	DETAILS (DURATION & TERMINATION)
DIRECTORS		
Mr Samuel Jarvis	Non-executive Chairman	No change
Mr Stuart Middleton	Non-executive Director	No change
Mr Andrew Bald	Non-executive Director	No change
Mr Simon Johnson	Non-executive Director	Resigned 23/1/2024
GROUP KEY EXECUTIVES		
Mr Tim Hart	President & CEO	No change
Mr Greg Grotke	Interim COO	Resigned 30/6/2024
Mr Bradley Mervis	CFO	No change
Mr Russel Hamilton	VP and General Manager	Resigned 1/12/2023

2024	SHORT TERM BENEFITS		POST EMPLOYMENT	SHARE-BASED PAYMENTS			TOTAL [$]	%*
	A [$]	B [$]	C [$]	D [$]	E [$]	F [$]		
DIRECTORS								
Mr Samuel Jarvis	44,835	-	4,932	-	-	-	49,767	-
Mr Stuart Middleton	39,336	-	4,327	-	-	-	43,663	-
Mr Andrew Bald[1]	17,449	-	1,920	-	-	-	19,369	-
Mr Simon Johnson[2]	24,469	-	2,691	-	-	-	27,160	-
GROUP KEY EXECUTIVES								
Mr Tim Hart	150,000	-	-	-	-	-	150,000	-
Mr Greg Grotke[3]	51,837	-	-	-	-	-	51,837	-
Mr Bradley Mervis[4]	163,900	-	18,029	-	-	-	181,929	-
Mr Russel Hamilton[5]	61,346	-	-	-	-	-	61,346	-
TOTAL	**553,172**	**-**	**31,899**	**-**	**-**	**-**	**585,071**	**-**

2023	SHORT TERM BENEFITS		POST EMPLOYMENT	SHARE-BASED PAYMENTS			TOTAL [$]	%*
	A [$]	B [$]	C [$]	D [$]	E [$]	F [$]		
DIRECTORS								
Mr Simon Johnson[2]	48,406	-	5,083	-	-	-	53,489	-
Mr Stuart Middleton	40,338	-	4,235	-	-	-	44,573	-
Mr Samuel Jarvis	40,338	-	4,235	-	-	-	44,573	-
Mr Christian Paech[6]	33,615	-	3,530	-	-	-	37,145	-
GROUP KEY EXECUTIVES								
Mr Tim Hart	150,000	-	-	-	-	-	150,000	-
Mr Greg Grotke[3]	156,750	-	-	-	-	-	156,750	-
Mr Bradley Mervis[4]	133,059	-	13,971	-	-	-	147,030	-
Mr Russel Hamilton[5]	145,000	-	-	-	-	-	145,000	-
Mr Lonny Haugen[7]	-	-	-	-	-	-	-	-
TOTAL	**747,506**	**-**	**31,054**	**-**	**-**	**-**	**778,560**	**-**

* *Percentage of performance base remuneration*
A: *Salary & Fees*
B: *Other*
C: *Superannuation contribution*
D: *Performance Rights*
E: *Options*
F: *Shares*

1 *Mr Bald was appointed on 23 January 2024. Mr Bald is the sole Director of Panthea Captial Partners ("Panthea"). In addition to the above, the Company engaged Panthea for consulting services totalling $12,783 for the year ended 30 June 2024.*
2 *Mr Johnson resigned on 23 January 2024.*
3 *Mr Grotke was appointed interim COO on 7 November 2022. Mr Grotke resigned on 30 June 2024.*
4 *Mr Mervis was appointed CFO on 16 September 2022*
5 *Mr Hamilton resigned on 1 December 2023*

6 Mr Paech resigned on 28 April 2023.

7 Lonny Haugen is President of CFO Colorado Accounting & Tax Services. The Company used CFO Colorado for its accounting services in the prior period. Fees paid to CFO Colorado for the year ended 30 June 2023 were $37,873. Mr Haugen resigned as CFO on 16 September 2022.

All non-executive directors enter into a service agreement with the company in the form of a letter of appointment. All directors are non-executive and hold office subject to a shareholder vote. The maximum term of office for directors is three years and one-third of the directors are required to resign each year. The chairman receives an annual director fee of A$72,000. The other non-executive directors receive an annual director fee of A$60,000.

Share-based Compensation

No performance rights or options were issued as remuneration to Directors or KMPs for the year ended 30 June 2024 (30 June 2023: nil).

Shares Provided on Exercise of Remuneration Options

No options were exercised by directors or KMP during the year ended 30 June 2024, nor during the year ended 30 June 2023.

No performance rights were exercised by directors or KMP during the year ended 30 June 2024.

Mr Mervis exercised his 12,500,000 performance rights during the year ended 30 June 2023, converting them each to one fully paid ordinary share at $Nil exercise price.

Director and KMP Shareholdings

The number of ordinary shares in AXP held by each KMP of the Group during the financial year is as follows:

2024	BALANCE 1 Jul 2023	EXERCISE OF RIGHTS	PURCHASED	OTHER	BALANCE 30 Jun 2024
DIRECTORS					
Mr S Jarvis	187,806,855	-	-	-	187,806,855
Mr S Middleton	31,808,507	-	-	-	31,808,507
Mr A Bald[1]	-		7,986,574	10,000,000	17,986,574
Mr S Johnson	-	-	-	-	-
SUB-TOTAL	**219,615,362**	**-**	**7,986,574**	**10,000,000**	**237,601,936**
GROUP KEY EXECUTIVES					
Mr T Hart	81,749,365	-	-	-	81,749,365
Mr G Grotke	-	-	-	-	-
Mr B Mervis	12,500,000	-	-	-	12,500,000
Mr R Hamilton	-	-	-	-	-
SUB-TOTAL	**94,249,365**	**-**	**-**	-	**94,249,365**
TOTAL	**313,864,727**	**-**	**7,986,574**	**10,000,000**	**331,851,301**

1 Mr Bald was appointed on 23 January 2024. At the date of his appointment, Mr Bald held 10,000,000 shares in the Company.

KMP Option Holdings

Directors and Key Management Personnel have no listed or unlisted options during the year ended 30 June 2024, nor during the year ended 30 June 2023.

KMP Performance Rights Holdings

There are no performance rights on issue during the reporting period (2023: nil). In the prior period, 12,500,000 performance rights held by Mr Mervis vested and were exercised for $Nil consideration, resulting in the issue of 12,500,000 fully paid ordinary shares to Mr Mervis.

2024 Performance Rights

There were no performance rights issues in 2024.

2023 Performance Rights

Mr Mervis exercised his performance rights and 12,500,000 shares were issued.

END OF REMUNERATION REPORT (AUDITED)

Retirement, Election and Continuation in Office of Directors

Directors are subject to retirement by rotation and election by shareholders at a general meeting. No director other than the Managing Director may remain on the Board for more than three years without re-election. Where a director is appointed during the year, the director will hold office until the next Annual General Meeting and then be eligible for election.

Indemnifying Officers

The Group has entered into Deeds of Indemnity with each of the Directors and Company Secretary and has taken out Directors and Officers Insurance (D&O) on behalf of each of the Directors and Company Secretary.

No liability has arisen under this indemnity as at the date of this report.

Shares Under Option and exercised during the year

On 20 October 2023 95,000,000 Unlisted Placement Options lapsed.

As of 30 June 2024 and the date of this report, there were no shares under option on issue (2023: 95,000,000).

See Note 24 and Note 32 for further information.

Shares under Performance Rights

There were no performance rights on issue as at 30 June 2024 or the date of this report (2023: Nil)

Non-Audit Services

Only audit and review services were performed by the auditors during the fiscal year ended 30 June 2024 (2023: Nil).

Rounding

The company is of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the directors' report and the financial statements are rounded off to the nearest dollar unless otherwise indicated.

Auditor's Independence Declaration

A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001, has been included overleaf.

Signed in accordance with a resolution of the Board of Directors,

Samuel Jarvis
Non-executive Chairman

Dated this 20th day of September 2024

AUDITOR'S INDEPENDENCE DECLARATION

(overleaf)

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF AXP ENERGY LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of AXP Energy Limited and it's controlled entities for the year ended 30 June 2024, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.

PITCHER PARTNERS BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD

MICHAEL LIPRINO
Executive Director
Perth, 20 September 2024

CONSOLIDATED PROFIT OR LOSS AND OTHER CONSOLIDATED INCOME

CONSOLIDATED GROUP	Note	2024	2023
Continuing operations		$	$
Revenue	5	643,222	477,737
Lease and field operating expenses		(347,526)	(339,572)
Depreciation, depletion, and amortisation	6	(222,333)	(187,962)
Other expenses	6	(1,509,223)	(1,828,470)
Impairments	6	-	(3,675,034)
Finance costs	6	(162,770)	(118,376)
Other gains	6	569,213	29,716
Loss before income tax		**(1,029,417)**	**(5,641,961)**
Income tax benefit	7	(350)	-
Loss for the year from continued operations		**(1,029,767)**	**(5,641,961)**
Discontinued operations			
Loss from discontinued operations	28	(3,429,150)	(484,253)
Loss for the year		**(4,458,917)**	**(6,126,214)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange rate differences on translation of foreign operations		(10,555)	(30,531)
Other comprehensive loss for the year net of tax		**(10,555)**	**(30,531)**
Total comprehensive loss for the year		**(4,469,472)**	**(6,156,745)**
Loss for the year attributable to:			
Members of the parent entity		(4,458,917)	(6,126,214)
		(4,458,917)	**(6,126,214)**
Total comprehensive loss attributed to:			
Members of the parent entity		(4,469,472)	(6,156,745)
		(4,469,472)	**(6,156,745)**
Earnings per share from continuing operations:			
Basic and diliuted loss per share (in cents)	10	(0.02)	(0.10)
Earnings per share from discontinued operations:			
Basic and diliuted loss per share (in cents)	10	(0.06)	(0.01)
Earnings per share attributable to the equity holders of AXP Energy Limited:			
Basic and diliuted loss per share (in cents)	10	(0.08)	(0.11)

This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED GROUP	Note	30 June 2024 $	30 June 2023 $
Current assets			
Cash and cash equivalents	11	1,464,487	521,788
Trade and other receivables	12	446,502	2,312,853
Oil in tank inventory	13	9,001	344,961
Other current assets	14	1,289,163	743,875
Non-current assets classified as held-for-sale	28	210,329	-
Total current assets		**3,419,482**	**3,923,477**
Non-current assets			
Property, plant and equipment	15	48,296	888,651
Development and producing assets	16	1,213,595	9,155,067
Exploration and evaluation assets	17	3,889,701	3,889,701
Right of use assets	18	-	1,022,867
Deferred tax assets	7	-	670,355
Other assets	14	-	561,060
Total non-current assets		**5,151,592**	**16,187,701**
Total assets		**8,571,074**	**20,111,178**
Current liabilities			
Trade and other payables	20	882,454	4,280,580
Lease liability	18	-	411,201
Asset retirement obligation	21	-	274,875
Financial liabilities	22	329,662	191,831
Liabilities associated with non-current assets classified as held-for-sale	28	181,456	-
Total current liabilities		**1,393,572**	**5,158,487**
Non-current liabilities			
Other long-term liabilities	20	-	4,454
Financial liabilities	22	-	670,536
Lease Liability	18	-	647,410
Asset retirement obligation	21	1,126,284	3,109,601
Total non-current liabilities		**1,126,284**	**4,432,001**
Total liabilities		**2,519,856**	**9,590,488**
Net assets		**6,051,218**	**10,520,690**
Equity			
Issued capital	23	90,431,638	90,431,638
Reserves	24	185,644	196,199
Accumulated losses		(84,566,064)	(80,107,147)
Total equity		**6,051,218**	**10,520,690**

This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED GROUP	Issued capital $	Share-based payment reserve $	Foreign currency reserve $	Accumulated losses $	Total $
Balance at 30 June 2022	**90,376,981**	**106,738**	**175,509**	**(73,980,933)**	**16,678,295**
Loss for the year	-	-	-	(6,126,214)	(6,126,214)
Movement in FX reserve	-	-	(30,531)	-	(30,531)
Total comprehensive loss	**-**	**-**	**(30,531)**	**(6,126,214)**	**(6,156,745)**
Share issue costs	(860)	-	-	-	(860)
Conversion of performance rights	55,517	(55,517)	-	-	-
Balance at 30 June 2023	**90,431,638**	**51,221**	**144,978**	**(80,107,147)**	**10,520,690**
Loss for the year	-	-	-	(4,458,917)	(4,458,917)
Movement in FX reserve	-	-	(10,555)	-	(10,555)
Total comprehensive loss	-	-	**(10,555)**	**(4,458,917)**	**(4,469,472)**
Share issue costs	-	-	-	-	-
Conversion of performance rights	-	-	-	-	-
Balance at 30 June 2024	**90,431,638**	**51,221**	**134,423**	**(84,566,064)**	**6,051,218**

This statement should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED GROUP	Note	2024 $	2023 $
Cash flow from operating activities			
Receipts from customers		6,993,550	16,331,417
Payments to suppliers and employees		(9,478,863)	(17,450,598)
Interest received		3,660	6,998
Interest paid		(68,770)	(140,264)
Net cash used in operating activities	27	**(2,550,423)**	**(1,252,447)**
Cash flow from investing activities			
Payments for exploration and evaluation activities		(159,009)	(328,187)
Payments for development and producing activities		-	(638,834)
Payments for property, plant and equipment		-	(45,676)
Proceeds from disposal of property, plant and equipment		595,273	23,000
Proceeds from disposal of oil and gas assets		3,643,642	-
Proceeds from security deposits and bonds		-	(1,700)
Net cash provided by/(used in) investing activities		**4,249,906**	**(991,397)**
Cash flow from financing activities			
Repayment of borrowings		(188,848)	(164,466)
Principal payment for lease liabilities		(269,729)	(407,415)
Net payments made on behalf of Mountain V Oil & Gas, Inc		(297,952)	
Share issue costs		-	(860)
Net cash used in financing activities		**(756,529)**	**(572,741)**
Net increase/(decrease) in cash held		942,954	(2,816,585)
Cash at the beginning of the year		521,788	3,386,466
Effects of exchange rate changes on cash & cash equivalents		(255)	(48,093)
Cash at the end of the year	11	**1,464,487**	**521,788**

This statement should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

The financial report includes the consolidated financial statements and notes of AXP Energy Limited (‘*Parent Entity*’ or ‘*Company*’) and its controlled entities (‘*Group*’) of AXP Energy Limited (‘*AXP*’) which is a listed public Company, incorporated and domiciled in Australia.

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

a) Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (‘*AASB*’) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report of AXP for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the Directors on 20 September 2024.

AXP is a for-profit entity for the purpose of preparing the financial statements.

The financial report has been prepared on an accruals basis and is based on historical costs.

The presentation currency of the Group is the United States Dollar (‘USD’ or ‘US$’)

The following is a summary of the significant accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

b) Principles of Consolidation

A controlled entity is any entity over which AXP, is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 26 to the financial statements. All controlled entities have a 30 June financial year end.

As at the reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered/(left) the Group during the year, their operating results have been included/(excluded) from the date control was gained/(ceased).

All inter-Group balances and transactions between entities in the consolidated Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

c) Revenue

Revenue from contracts with customers is recognised in the income statement when the performance obligations are considered met, which is when control of the hydrocarbon products or services provided are transferred to the customer. Revenue is recognised at an amount that reflects the consideration the Group expects to be entitled to, net of taxes and royalty interests.

Revenue from the sale of oil, gas and Natural Gas Liquids are recognised when the product is delivered at a fixed or determinable price, title has transferred, and collectability is reasonably assured. Revenue from sources other than hydrocarbons include well and field work, oil and water hauling, water disposal and equipment rental and is recognized when services have been provided at a fixed and determinable price and collectability is reasonably assured.

d) Income Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted or are substantially enacted as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authorities.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

State and county severance taxes, ad valorem taxes and production taxes are accounted for as an expense and not an income tax.

e) Trade and Other Receivables

Trade receivables and other receivables are carried at amounts due less any allowance for expected credit losses.

f) Impairment of Non-Financial Assets

i) Property, Plant and Equipment & Development and Producing Assets

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

ii) Exploration and Evaluation Assets

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective area of interest.

Each area of interest is reviewed half-yearly to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. Where a potential impairment is indicated, assessment is performed using a fair value less costs to dispose method to determine the recoverable amount for each area of interest to which the exploration and evaluation expenditure is attributed.

This assessment requires management to make certain estimates and apply judgement in determining assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves have been found. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, the Group concludes that it is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the statement of profit or loss.

g) Interests in Joint Arrangements

The consolidated Group's share of the assets, liabilities, revenue and expenses of joint operations are included in the appropriate items of the consolidated financial statements.

Details of the consolidated Group's interests in joint arrangements are shown at Note 19.

h) Exploration, Evaluation and Development Expenditure and Restoration Provisions

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Development and producing assets are accounted for under AASB 116 Property, Plant and Equipment.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

i) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Items of property, plant, and equipment, are depreciated over their estimated useful lives ranging from 3 to 40 years to write off the net cost of each asset during its expected useful life to the Group. The straight line method of depreciation is used.

The assets residual values and useful lives are reviewed and adjusted if appropriate at each reporting date. An asset's carrying amount is written down immediately from its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses are determined by comparing proceeds received with the asset's carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

j) Leases

(i) Right-of-use Assets

The Group’s right of use assets comprises various plant and equipment under lease.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(ii) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

k) Foreign Currency Transactions and Balances

(i) Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which the entity operates. The parent entity's functional currency is A$, while its subsidiaries have a US functional currency. The consolidated financial statements are presented in US$.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. The average foreign exchange rate for 12 months ended 30 June 2024 was 1.5253 (2023: 1.4874) Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year-end exchange rate. The closing exchange rate as at 30 June 2024 was 1.5010 (2023: 1.5083).

Exchange differences arising on the translation of monetary items are recognised in statement of profit or loss and other comprehensive income.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

(iii) Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date; and
- Income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of the Group's US$ functional subsidiaries are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

Exchange differences arising on the translation of intercompany loans, on the basis that the repayment is not recoverable in the future, are taken to equity as a hedge of the net investment in the subsidiary.

l) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be payable later than one year are measured as the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity which match the expected timing of cash flows.

Contributions made by the Group to employee superannuation funds are charged to expenses as incurred.

A 401(k) retirement plan is offered to AXP Energy, Inc. employees. Employees are eligible to make deferrals and Roth contributions 30 days after hire, make safe harbour matching contributions 90 days after hire and participate in employer profit sharing 12 months after hire. AXP Energy, Inc matches 100% of the first 3% of contributions and 50% of the next 2%. Employer matches are charged to expense as incurred. Employee contributions and employer contributions are always 100% vested. AXP Energy, Inc may make discretionary contributions in the form of employer profit sharing. Employer profit sharing contributions vest based on years of service. Profit sharing is charged to expense as incurred.

m) Equity-Settled Compensation

The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using an appropriate valuation model. Performance rights are valued by reference to the value of the Company's equity instruments on the ASX at grant date. For equity-settled share-based payment transactions related to goods or serviced received, the group shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably.

n) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group.

o) Financial Assets and Financial Liabilities

Classification & Initial Recognition

The Group classifies its financial assets and liabilities in the following categories: financial assets at fair value through profit or loss and amortised cost. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

(i) Financial Assets at Fair Value Through Profit or Loss

Financial assets initially recognised at fair value through profit or loss are assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term.

(ii) Amortised Cost

The Group classifies and initially recognises its financial assets as at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest.

Impairment of Financial Assets

The group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers and contract assets. Under the AASB 9 simplified approach, the group determines the allowance for credit losses for receivables from contracts with customers and contract assets on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

The group determines expected credit losses using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the financial asset as well as current and future expected economic conditions relevant to the financial asset. When material, the time value of money is incorporated into the measurement of expected credit losses.

Subsequent Measurement of Financial Liabilities

The Group's financial liabilities including borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss. All derivative financial instruments that are not designated and effective as hedging instruments are accounted for at FVTPL.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are including within finance costs or finance income.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership.

p) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalent includes cash on hand and at call in banks net of overdrafts.

q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

r) Issued Capital

Ordinary share capital is recognised at the fair value of the consideration received. Any transaction costs arising on the issue of shares are recognised (net of tax) directly in equity as a reduction in the share proceeds received. When options or performance rights are exercised, any amounts previously included in reserves for these instruments, are subsequently transferred to Issued Capital.

s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

t) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

u) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

v) Parent Entity Financial Information

The financial information for the parent entity, AXP Energy Limited, disclosed in Note 4 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in Subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of AXP Energy Limited.

w) Discontinued Operations

A discontinued operation is a component of the Group that has been disposed of in the current, or prior, year or is classified as held for sale at the reporting date, and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are disclosed separately in the statement of profit or loss and other comprehensive income.

As required by accounting standards, comparative profit or loss amounts have been restated to distinguish discontinued operations.

NOTE 2 – CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets, such as outcomes of drilling projects, the Company's portfolio priorities and leasing requirements. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs of disposal calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Exploration and Evaluation

The Group's policy for exploration and evaluation is discussed at Note 1(h). The application of this policy requires management to make certain estimates and assumptions as to future events and circumstances.

Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sales or exploitation, then the relevant capitalised amount will be written off through the statement of profit or loss and other comprehensive income. Impairment expense recognised during the year is disclosed in Note 17 to the financial statements.

Asset Retirement Obligations

The Company incurs retirement obligations for wells. The best estimates of these obligations are recorded as liabilities on a discounted basis, which is typically at the time the wells are drilled. In the estimation of expected cost for these obligations, the Company uses assumptions and judgments for the legal obligation for an asset retirement obligation, technical assessments of the wells, estimated amounts and timing of remediation, discount rates and inflation rates. Asset retirement obligations are disclosed in Note 21 to the financial statements.

Income Tax

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Share-based Payment Transactions

The group measures the cost of equity-settled transaction with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the share price at the date of grant. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimate of Reserve Quantities

The estimated quantities of proven and probable hydrocarbon reserves reported by the Group are integral to the calculation of amortisation (depletion) and depreciation expense and to assessments of possible impairment of assets. Estimated reserve quantities are based upon interpretations of geological and geophysical models and assessment of the technical feasibility and commercial viability of producing the reserves. Management prepares reserve estimates annually which conform to guidelines prepared by the Society of Petroleum Engineers. These estimates are then verified by independent technical experts.

These assessments require assumptions to be made regarding future development and production costs, commodity prices, exchange rates and fiscal regimes. The estimate of reserves may change from period to period as the financial and economic assumptions used to estimate the reserves can change from period to period, and as additional geological data is generated during the course of operations

Accounting for Interests in Other Entities or Arrangements

Judgement is required in assessing the level of control obtained in a transaction to acquire an interest in another entity. Depending upon the facts and circumstances in each case, the Group may have obtained control, joint control or significant influence over the entity or arrangement. Judgement is applied when determining the relevant activities of a project and if joint control is held over them.

Relevant activities include, but are not limited to, work program and budget approval, investment decision approval, voting rights in joint operating committees, amendments to permits and changes to joint arrangement participant holdings. If the Group obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture. If the Group has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then accounted for as an associate.

Leases

The Group has lease contracts in place. Management has applied judgement to determine the lease term for some of the lease contracts as well as the discount rate to be applied.

NOTE 3 – GOING CONCERN

The financial report of the Group has been prepared on a going concern basis, which contemplates the continuity of normal business activities, the realisation of assets, and the discharge of liabilities in the ordinary course of business.

The Group incurred a loss for the year after tax of $4,458,917 (2023: 6,126,214 loss). $3,429,150 of the current year's loss was due to discontinued operations. The Group incurred a net cash outflow from operating activities of $2,550,423 (2023: $1,252,447 outflow). Additionally, the Group had a working capital surplus of $2,025,910 as of 30 June 2024 (2023: $1,235,010 deficit).

The Group's ability to continue as a going concern is dependent on the continued generation of cash from operations, the sufficiency of current cash reserves to meet existing obligations and, if required, the ability to raise capital.

The Board consider that there are reasonable grounds to believe that the Company and the Group will continue as a going concern. The Group's ability to continue as a going concern is contingent on one or more of the following:

- continued workover of existing wells and general field development to enhance production;
- continued sell down of oil in tank inventory;
- continued rationalisation and right-sizing of the Company's cost base and postponement of capital expenditure if required;
- support of major creditors in respect of the restructured payables obligations;
- reducing overhead and other costs through rationalisation initiatives;

- the Group has the ability to issue up to 25% of the current issued share capital of 5,824,680,673 ordinary shares;
- the ability to raise funds via debt, farm-outs, joint ventures, asset sales or a combination of these; and/or
- the realisation of commodity prices in line with current global forecasts.

Subsequent to the end of the period, the Group finalised the sale of its non-Colorado oil and gas assets located in the Appalachian and Illinois Basins, leading to a reduction in expenditure going forward.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of this financial report.

Should the Group be unsuccessful with the initiatives detailed above then, there is a material uncertainty which may cast significant doubt as to whether the Group may in the future not be able to continue as a going concern and may therefore be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statement.

This financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated Group does not continue as a going concern.

NOTE 4 – PARENT ENTITY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

Statement of financial position	2024 $	2023 $
Total current assets	148,684	309,303
Non-current assets excl. inter-company receivables	-	-
Non-current inter-company receivables[i]	6,020,495	10,374,420
Total assets	**6,169,179**	**10,683,723**
Total current liabilities	117,961	163,033
Total non-current liabilities	-	-
Total liabilities	**117,961**	**163,033**
Net assets	**6,051,218**	**10,520,690**
Share capital	90,431,638	90,431,638
Reserves excluding foreign currency	51,221	51,221
Foreign currency reserve	(19,176,608)	(19,121,303)
Accumulated losses	(65,255,033)	(60,840,866)
Total equity	**6,051,218**	**10,520,690**
Statement of profit or loss and other comprehensive income		
Loss for the year after tax	(4,414,167)	(5,607,219)
Total comprehensive loss	**(4,414,167)**	**(5,607,219)**

(i) Non-current inter-company receivables are eliminated upon consolidation.

The parent entity has not provided any financial guarantees on behalf of its subsidiary. In the prior year, the parent entity accounted for its joint venture interest at cost. The parent entity did not have any contingent liabilities as at 30 June 2024 (2023: Nil). The parent entity had no contractual commitments as at 30 June 2024 (2023: Nil).

NOTE 5 – REVENUE

From continuing operations:

	2024 $	2023 $
Gas	-	10,132
Oil	643,222	467,605
Total revenue from operations	**643,222**	**477,737**

Gas and oil revenues is comprised of revenue from contracts with customers. Revenue is recognised at point in time. Refer to note 25 for disaggregation of revenue from contracts with customers based on geographic basins.

NOTE 6 – PROFIT FROM CONTINUING OPERATIONS

Profit before income tax has been determined after:

	2024 $	2023 $
Depreciation, depletion, and amortisation:		
Depreciation of plant and equipment	8,377	10,129
Depletion	162,628	124,745
Amortisation	51,328	53,088
	222,333	**187,962**
Other expenses:		
Director fees	126,088	162,697
Payroll and employee benefits	370,124	404,884
Superannuation	31,899	34,633
Professional fees	510,942	567,678
Regulatory compliance – DJ Basin	86,930	91,518
Administrative and corporate expenses	383,240	374,685
Bad debts	-	192,375
	1,509,223	**1,828,470**
Impairments:		
Exploration and evaluation assets (see Note 17)	-	3,675,034
	-	**3,675,034**
Finance costs		
Accretion (see Note 21)	62,189	58,024
Interest expense	100,581	60,352
	162,770	**118,376**
Other gains		
Interest income	(4,874)	(6,716))
Gain on disposal of plant and equipment	-	(23,000)
Gain on vendor settlement [(i)]	(564,339)	-
	(569,213)	**(29,716)**

(i) During the year, the Company settled a debt with one of its vendors for $100,000, resulting in a gain on settlement of $564,339.

NOTE 7 – INCOME TAX EXPENSE / BENEFIT

	2024 $	2023 $
(a) The components of income tax expense / (benefit) comprise:		
Current Tax	350	-
Prior year under / over provision	504	210,090
Deferred Tax	670,355	(519,805)
	671,209	**(309,715)**
Income tax expense / (benefit) attributable to:		
Continuing operations	350	-
Discontinued operations	670,859	(309,715)
	671,209	**(309,715)**
(b) The prima facie tax expense / (benefit) on loss from ordinary activities is reconciled to the income tax as follows:		
Loss before Income Tax - continuing	(1,029,417)	(5,641,961)
Loss before Income Tax – discontinued	(2,758,291)	(793,968)
Net Loss	(3,787,708)	(6,435,929)
Prima facie tax benefit on loss from ordinary activities before income tax at 25%	(946,927)	(1,608,982)
- Other allowable / (non-allowable) items		
- Depreciation, amortisation and depletion	44,729	11,482
- US percentage depletion (IRC section 613)	-	(153,876)
- Return to provision true-ups	108,579	182,422
Tax effect of tax losses and temporary differences not brought to account as they do not meet the recognition criteria	1,464,828	1,259,239
Income tax attributable to operating profit	**671,209**	**(309,715)**

	2024 $	2023 $
(c) Deferred tax balances		
Deferred tax assets comprise:		
Allowance for doubtful debts	-	3,170
Asset retirement obligations – provision	275,669	837,492
Lease liabilities	-	254,105
Development and producing assets - depletion	70,259	501,267
Exploration and evaluation	293,234	293,234
Tax losses	8,813,313	7,028,955
Non-recognition of DTL / losses	(9,452,475)	(7,415,843)
Total deferred tax assets	-	1,502,380
Deferred tax liabilities comprise:		
Development and producing assets	-	379,658
Right of use assets	-	258,073
Property plant and equipment	-	194,294
Total deferred tax liabilities	-	832,025
Net deferred tax asset	**-**	**670,355**
(d) Unused tax losses and temporary differences for which no deferred tax asset has been recognised:		
- In Australia at 25%	3,238,685	3,212,630
- In USA at 25%	5,574,628	3,816,325
	8,813,313	7,028,955
(e) Deferred tax asset arising from temporary differences:		
- In USA at 25%	-	670,355
	-	**670,355**

NOTE 8 – INTEREST OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2024.

The totals of remuneration paid to KMP of the Group and the Group during the year are as follows:

	2024 $	2023 $
Short term employee benefits	553,172	747,506
Other benefits (see Note 32)	-	-
Post-employment benefits	31,899	31,054
Share based payments	-	-
	585,071	**778,560**

NOTE 9 – AUDITOR'S REMUNERATION

	2024 $	2023 $
Remuneration of auditor of consolidated Group for:		
Pitcher Partners BA&A Pty Ltd – audit and review of the Group's annual and interim financial reports	60,281	138,119
	60,281	**138,119**

No services other than audit services were performed by the auditors during the fiscal years ended 30 June 2024 or 30 June 2023.

NOTE 10 – EARNINGS PER SHARE & DILUTED EARNINGS PER SHARE

	2024 $	2023 $
Loss attributable to the ordinary shareholders of AXP Energy Limited:		
-Loss from continuing operations	(1,029,767)	(5,641,961)
-Loss from discontinued operations	(3,429,150)	(484,253)
Loss used in calculating earnings and diluted earnings per share (EPS)	(4,458,917)	(6,126,214)
	No of Shares	**No of Shares**
Weighted average number of ordinary shares used in calculating basic and diluted EPS	5,824,680,673	5,820,913,550
Continuing operations		
Basic and diluted EPS	(0.02) cents	(0.10) cents
Discontinued operations		
Basic and diluted EPS	(0.06) cents	(0.01) cents
Earnings per share from loss attributable to the equity holders of AXP Energy Limited:		
Basic and diluted EPS	(0.08) cents	(0.11) cents

As the Group generated a loss for the financial year ended 30 June 2024, all potential ordinary shares on issue will not have a dilutionary effect and therefore, no calculation of diluted earnings per share is performed. Refer to Note 23 for option details.

NOTE 11 – CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Cash at bank and on hand	1,464,487	521,788

The effective annual interest rate on cash at bank was 0.49% (2023: 0.35%) per annum.

NOTE 12 – TRADE AND OTHER RECEIVABLES

	2024 $	2023 $
Trade receivables		
Customers	58,849	1,948,185
Other receivables		
Joint interest billings (JIB)	-	375,347
Expected credit allowance - JIB	-	(12,564)
Current tax asset	385,000	-
GST Receivable	2,653	1,885
	446,502	**2,312,853**

	2024 $	2023 $
Loss allowance at beginning of period	(12,564)	(34,448)
Recognised on acquisition	-	-
Decrease from write-off of pre-acquisition receivable	12,564	21,884
Decrease from derecognition	-	-
Loss allowance at end of period	**-**	**(12,564)**

The Group uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. There was a $nil credit loss allowance for AXP Energy, Inc. joint interest billing receivables as at 30 June 2024 (2023: $12,564 credit loss allowance). Outstanding invoices are generally due within 30 days of the invoice date. Joint interest billing receivables are netted by royalty payments due, as applicable.

NOTE 13 – INVENTORY

	2024 $	2023 $
Oil in tank	9,001	344,961

Oil in tank is calculated using the lower of cost or market method and is included at cost as at 30 June 2024 and 30 June 2023. Adjustments to oil in tank inventory are recorded as lease and field operating expenses in the profit or loss.

NOTE 14 – OTHER ASSETS

	2024 $	2023 $
Other current assets		
Bond deposits	845,900	431,588
Other deposits	123,171	135,840
Amount owed by Mountain V Oil & Gas, Inc(i)	270,251	-
Prepaid expenses and other	49,841	176,447
	1,289,163	**743,875**
Other non-current assets		
Bond deposits	-	546,060
Other deposits	-	15,000
	-	**561,060**

(i) During the year, the Group sold its non-Colorado oil and gas assets located in the Appalachian and Illinois basins to Mountain V Oil & Gas, Inc. As part of the transition process, the Group assisted Mountain V Oil & Gas, Inc. with the payment of certain expenses (and continued to receive revenue from contracts with customers) until the payment details with various parties were updated. The Group received this net amount owing in full in July 2024. See note 28 for further information.

NOTE 15 – PROPERTY, PLANT AND EQUIPMENT

	2024 $	2023 $
Plant and equipment:		
- At cost	436,809	1,558,723
- Less: Accumulated depreciation	(388,513)	(670,072)
	48,296	**888,651**

Refer to Note 22 for details surrounding additions $nil (2023: $345,562) in the year as a result of finance lease arrangements.

Movement in Property, Plant and Equipment at Cost

	2024 $	2023 $
Plant and equipment:		
Opening cost	1,558,723	1,227,947
Additions	-	368,208
Assets sold/written down (note 28)	(888,215)	(37,432)
Classified as held for sale or included in a disposal group classified as held for sale (note 28)	(233,699)	-
Closing – Cost	**436,809**	**1,558,723**

Movement in Property, Plant and Equipment Accumulated Depreciation

	2024 $	2023 $
Plant and equipment:		
Opening: Accumulated depreciation	(670,072)	(470,347)
Depreciation – continuing operations	(59,705)	(63,217)
Depreciation – discontinued operations	(52,697)	(173,940)
Assets sold/written down (note 28)	370,591	37,432
Classified as held for sale or included in a disposal group classified as held for sale (note 28)	23,370	-
Closing - Accumulated depreciation	**(388,513)**	**(670,072)**

NOTE 16 – DEVELOPMENT AND PRODUCING ASSETS

	2024 $	2023 $
Producing assets at cost	2,970,548	13,539,291
Accumulated depletion	(1,756,953)	(4,384,224)
	1,213,595	**9,155,067**

Movement in Carrying Amounts

	2024 $	2023 $
Balance at beginning of year	9,155,067	13,149,686
Other asset additions	-	638,834
Assets sold (note 28)	(8,267,425)	
Transfer from exploration and evaluation assets	-	262,513
Impairment of assets – discontinued operations	-	(174,197)
Asset retirement obligation changes	703,582	(3,332,138)
Depletion expense – continuing operations	(162,628)	(124,745)
Depletion expense – discontinued operations	(215,001)	(1,264,886)
Balance at end of year	**1,213,595**	**9,155,067**

At each period end, the Directors' review the carrying values of its development and producing assets to determine whether there is any indication that those assets have been impaired. For those prospects where the Directors believed such an indication existed at period end, they compared the asset's fair value less costs to sell and value in use to the asset's carrying value. Where it was not possible to estimate the recoverable amount of an individual asset, the Directors' estimated the recoverable amount of the cash-generating unit to which the asset belongs.

There were no indicators of impairment identified in relation to the carrying amounts of developing and producing assets during the year ended 30 June 2024.

At 30 June 2023 the Illinois Basin assets recoverable amount reduced to less than the carrying value as a result of the impact of adverse commodity prices, leading to an impairment of $174,197.

NOTE 17 – EXPLORATION AND EVALUATION ASSETS

	2024 $	2023 $
Exploration and evaluation assets at cost	3,889,701	3,889,701

Movement in Carrying Amounts:

	2024 $	2023 $
Balance at beginning of year	3,889,701	7,917,824
Additions	-	28,234
Transfer to development and producing assets	-	(262,513)
Transfer to trade receivables (for recharge)	-	(118,810)
Exploration expenditure impairment	-	(3,675,034)
Balance at end of year	**3,889,701**	**3,889,701**

As of 30 June 2024 and 30 June 2023, the Group's exploration and evaluation assets relate only to the Denver Julesburg area of interest.

Impairment

There were no indicators of impairment identified in relation to the carrying amounts of exploration and evaluation assets during the year ended 30 June 2024.

During the year ended 30 June 2023, the Group recorded an impairment of exploration and evaluation asset balances totaling $3,675,034, in connection with its Cimarex lease in Colorado, to a carrying value of $nil. In consultation with Cimarex, the Company has not undertaken any development activity on this lease since the outbreak of the Covid-19 pandemic but there have been ongoing discussions with Cimarex as to the future of the lease. During the year ended 30 June 2023, the lease was placed under new ownership. The Company has held discussions with the new owners regarding lease tenure renewal, however it remains uncertain as to whether the new owners will permit the Company to maintain the lease operating license, and under what conditions. Notwithstanding the decision to impair the asset, the Company intends to continue good-faith discussions with the new lease owner in order to determine if continued tenure can be secured on acceptable terms. Therefore, the Company will not amend its reserves and resources until a final determination on tenure is made.

NOTE 18 – LEASE ASSETS AND LIABILITIES

	2024 $	2023 $
Lease assets		
Carrying amount of lease assets	-	1,022,867
Office buildings under lease arrangements		
At cost	-	439,406
Accumulated depreciation	-	(299,986)
	-	139,420
Equipment		
At cost	-	1,458,633
Accumulated depreciation	-	(575,186)
	-	883,447
Total carrying amount of leases	**-**	**1,022,867**
Reconciliation of the carrying amount of lease assets at the beginning and the end of the financial year:		
Carrying amount at beginning of period	1,022,867	1,119,127
Additions	-	315,147
Depreciation – discontinued operations	(115,799)	(411,407)
Asset disposals	(907,068)	-
Carrying amount at end of period	**-**	**1,022,867**
Lease liabilities		
Current lease liabilities	-	411,201
Non-current lease liabilities	-	647,410
Total carrying amount of lease liabilities	**-**	**1,058,611**
Lease expenses and cash flows		
Interest expense on lease liabilities – discontinued	36,277	81,898
Expense relating to leases of 12-months or less for which a lease liability has not been recognised	35,133	144,624
Depreciation expense on lease assets - discontinued	115,799	411,407
Total cash outflow in relation to leases	304,121	489,313

NOTE 19 – INTERESTS IN JOINT ARRANGEMENTS

During the year ended 30 June 2024, the Group held interests in Joint Arrangements in the United States of America, as follows:

Joint Operations

Following the acquisition of AXP Energy, Inc. during the year ended 30 June 2021, the Group had a portfolio of over ~1,500 wells. The Group held an average Net Revenue Interests (NRI) in the acquired AXP Energy, Inc of approximately 75%.

The registered address of the Group's joint operations is as follows:

AXP Energy
113 North Santa Fe Ave.
Florence, CO, 81226
USA

The Group operated the majority of its interests in the properties, however there was a small number for which the Group did not operate. Amounts relating to invoices for costs and revenue between the operator and non-operator are disclosed as Joint Interest Billings (JIBs) within these financial statements.

On 29 September 2023, the Company announced it had entered into a binding letter agreement to sell its non-Colorado oil and gas assets located in the Appalachian and Illinois Basins to Mountain V Oil & Gas, Inc. (the "transaction"). All of the Group's joint operations reside within the Appalachian and Illinois Basins, and therefore, the Group's interest in these joint operations was disposed of upon completion of the transaction. Shareholders approved the sale at a General Meeting held on 6 February 2024. The sale closed on 7 February 2024.

NOTE 20 – PAYABLES

	2024 $	2023 $
Current		
Trade payables(i)	636,456	1,770,262
Revenue payable(ii)	-	611,376
Other payables(iii)	245,998	1,877,462
Contingent liability(	-	21,480
	882,454	**4,280,580**
Non-Current		
Other long-term liabilities	-	4,454

(i) Trade payables are generally due within 30 days of invoice. $203,830 of trade payables are on a payment plan through which $38,256 is expected to be paid over the twelve months ending 30 June 2025, $120,000 is to be paid over the twelve months ending 30 June 2026, and the remaining $45,574 is due over the twelve months ending 30 June 2027.

(ii) Revenue payables include revenues held in suspense of $nil (2023: $517,251).

(iii) Other payables include accruals for the year ended.

NOTE 21 – ASSET RETIREMENT OBLIGATIONS

	2024 $	2023 $
Current	-	274,875
Non-current	1,126,284	3,109,601
	1,126,284	**3,384,476**
Beginning balance	3,384,476	6,360,918
Accretion – continuing operations	62,189	58,024
Accretion – discontinued operations	186,534	447,295
Plugging and abandonment costs incurred	(8,469)	(149,623)
Change in estimate Asset Retirement Obligations	703,582	(3,332,138)
Asset disposals (note 28)	(3,202,028)	-
Ending Balance	**1,126,284**	**3,384,476**

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas.

A restoration provision is recognised and updated at different stages of the development and construction of a facility and then reviewed on an annual basis. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related exploration and evaluation assets. Over time, the liability is increased for the change in the present value based on a pre-tax discount rate appropriate to the risks inherent in the liability. The unwinding of the discount is recorded as accretion charge. At 31 December 2023 AXP revised its estimate on the pre-tax discount rate to 13%. At 30 June 2024 the estimate of the pre-tax discount rate was 15% (FY23: 15%) used to calculate the provision for rehabilitation based on updated available information and to more correctly reflect the risks related to the asset retirement obligation and the related oil and gas assets. Additionally, the change in estimate will also have an impact of the amount unwound in future periods which is dependent on the life of the oil and gas wells.

The resulting change in the Asset Retirement Obligations has been recognised against developing and producing assets as at 30 June 2024 and 30 June 2023.

NOTE 22 – INTEREST BEARING LIABILITIES

	2024 $	2023 $
Current		
Working capital facility	329,662	33,150
Field vehicle / equipment financing	-	158,681
	329,662	**191,831**
Non-Current		
Working capital facility	-	260,081
Field vehicle / equipment financing	-	410,455
	-	**670,536**

Working capital

The Company entered into an unsecured working capital facility of $500,000 with First Energy Partners (Pty) Ltd during financial year 2021. The facility attracts interest at the greater of 9% per annum or US prime rate + 2.75% interest per annum. $329,662 of the facility has been drawn upon as of 30 June 2024. The unused amount is $170,338. Subsequent to the year end, the Company repaid the loan in full, resulting in the closure of the facility.

Field Vehicle / Equipment Financing

Interest bearing liabilities for field vehicles / equipment used in AXP's Appalachian Basin.

There were no liabilities for field vehicles / equipment at 30 June 2024.

Total financed vehicles / equipment at 30 June 2023 amounted to $569,136 and was to be paid over an average remaining life of 3.4 years. The financed field equipment under contract at fixed interest rates of 6-7%.

NOTE 23 – ISSUED CAPITAL

a. Issued Capital

	No of Shares	2024 $	No of Shares	2023 $
Ordinary Shares				
At the beginning of the reporting period	5,824,680,673	90,431,638	5,812,180,673	90,376,981
Performance rights issued at A$0.006/share (nil cash consideration)	-	-	12,500,000	55,517
- Less: Cost of capital raising	-	-	-	(860)
At the end of the reporting period	**5,824,680,673**	**90,431,638**	**5,824,680,673**	**90,431,638**

b. Options

	2024 Number	2023 Number
Unlisted		
At the beginning of the reporting period	95,000,000	306,778,999
- Issued	-	-
- Exercised	-	-
- Expired	(95,000,000)	(211,778,999)
At the end of the reporting period	**-**	**95,000,000**

Options Outstanding by Class

Unlisted Options	2024 Number	2023 Number
- $0.005 expire 20 October 2023	-	95,000,000
At the end of the reporting period	**-**	**95,000,000**

See details regarding performance rights in Share Based Payments Note 32.

d. Management

Management controls the capital of the Group to maintain a good debt to equity ratio, provide the shareholders with adequate returns, and ensure the Group continues as a going concern.

The Group's debt and capital includes ordinary share capital, share options, drilling advances payable and bank debt. Management effectively manages the Group's capital by assessing the financial risks and adjusting the capital structure in response to those risks. These responses include share issues.

	2024 $	2023 $
Total borrowings (interest bearing debt)	329,662	862,367
Less: cash and cash equivalents	1,464,487	521,788
Net (cash) / debt	**(1,134,825)**	**340,579**
Total equity	6,051,218	10,520,690
Total capital	90,431,638	90,431,638
Gearing ratio	**5.45%**	**8.20%**

Gearing ratio is calculated as total interest-bearing debt divided by total shareholders' equity.

NOTE 24 – RESERVES

	2024 $	2023 $
Foreign currency reserve	134,423	144,978
Share based payment reserve	51,221	51,221
	185,644	**196,199**

Foreign Currency Reserve

This reserve is used to record foreign currency translation differences arising on the translation of the Group's Australian entity (the parent) into US dollars.

Share Based Payments Reserve

This reserve is used to record the fair value of performance rights or options issued.

NOTE 25 – SEGMENT REPORTING

Identification of Reportable Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of geographical location since the diversification of the Group's operations has notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Basis of Accounting for Purposes of Reporting by Operating Segments

a) Description of Segments:

The group's chief operating decision maker has identified the following reportable segments which are defined by geographic area within its major Oil & Gas basins in the US:

- **Appalachian and Illinois Basin**: These segments were disposed of during the year ended 30 June 2024.
- **Denver-Julesburg ("DJ") Basin**: These assets are located in the historic Florence oilfield and are geologically defined by the Canon City Embayment. This area is an extension of the prolific DJ Basin which spans across Colorado, Kansas, Montana and Wyoming. Formations of interest in this area include the Pierre Shale, Niobrara Shale, Codell Sandstone & Greenhorn Limestone.
- **Corporate and Other**: Includes non-trading operations and unallocated corporate costs.

Operating segments have been identified based on internal reports reviewed by the Group's chief executive officer in order to allocate resources to the segment and assess its performance.

b) Segment information:

The Group's chief executive officer uses segment revenue, segment result, segment assets and segment liabilities to assess each operating segment's financial performance and position. Amounts reported for each operating segment are the same amount reported in the internal reports to the chief executive officer.

Amounts of segment information are measured in the same way in the financial statements. They include items directly attributable to the segment and those that can reasonably be allocated to the segment based on the operations of the segment.

All revenue is generated in the United States of America.

The total amount of revenue derived from customers whose revenue is greater than 10% of the Group's total revenue is $1,947,717 (2023: $11,830,133).

Revenue from customers whose revenue is greater than 10% of the Group's total revenue was generated by three (2023: three) customers during the year ended 30 June 2024.

2024	**Appalachian & Illinois Basin**	**DJ Basin**	**All Other Segments**	**Total**
	(discontinued)		(unallocated)	
	$	**$**	**$**	**$**
Segment revenue	2,469,034	643,222	-	3,112,256
Production costs	(2,957,289)	(347,526)	-	(3,304,815)
DD&A	(370,598)	(169,517)	(52,816)	(592,931)
Other expenses	(1,639,059)	(312,273)	(1,196,950)	(3,148,282)
Impairments	-	-	-	-
Finance costs	(260,379)	(139,278)	(23,492)	(423,149)
Other gains	-	566,751	2,462	569,213
Total (loss) / profit before income tax	(2,758,291)	241,379	(1,270,796)	(3,787,708)
Income tax expense	(670,859)	(350)	-	(671,209)
Total (loss) / profit	**(3,429,150)**	**241,029**	**(1,270,796)**	**(4,458,917)**
Total segment assets	**210,329**	**5,687,927**	**2,672,818**	**8,571,074**
Total segment liabilities excluding inter-company transactions	**181,456**	**2,096,491**	**241,909**	**2,519,856**

2023	Appalachian & Illinois Basin	DJ Basin	All Other Segments	Total
	(discontinued)		(unallocated)	
	$	$	$	$
Segment revenue	19,324,925	477,737	-	19,802,662
Production costs	(15,897,211)	(339,571)	-	(16,236,782)
DD&A	(1,850,231)	(134,874)	(53,089)	(2,038,194)
Other expenses	(1,648,205)	(693,808)	(1,134,662)	(3,476,675)
Impairments	(174,197)	(3,675,034)	-	(3,849,231)
Finance costs	(549,257)	(86,003)	(32,373)	(667,633)
Other gains	208	23,080	6,636	29,924
Total profit / (loss) before income tax	(793,968)	(4,428,473)	(1,213,488)	(6,435,929)
Income tax benefit	309,715	-	-	309,715
Total profit / (loss)	**(484,253)**	**(4,428,473)**	**(1,213,488)**	**(6,126,214)**
Total segment assets	**13,990,729**	**5,811,145**	**309,304**	**20,111,178**
Total segment liabilities excluding inter-company transactions	**7,181,759**	**2,245,696**	**163,033**	**9,590,488**

NOTE 26 – CONTROLLED ENTITIES

	Country of Incorporation	Equity Holding	
		2024	2023
Parent Entity:			
AXP Energy Limited	Australia		
Subsidiaries of AXP Energy Limited:			
AusCo Petroleum Inc	USA	100%	100%
AusCo Petroleum Florence, LLC	USA	100%	100%
Kentucky Exploration, Inc. [1]	USA	0%	100%
AXP Energy (US) LLC	USA	100%	100%
AXP Energy, Inc	USA	100%	100%
NGAS Gathering, LLC[2]	USA	100%	100%
Daugherty Petroleum ND Ventures, LLC[2]	USA	100%	100%

[1] *dissolved 11 October 2023*

[2] *100% owned by AXP Energy, Inc.*

NOTE 27 – CASH FLOW INFORMATION

	2024 $	2023 $
Loss from ordinary activities after income tax	(4,458,917)	(6,126,214)
Non-cash flows in loss from ordinary activities		
Depreciation, Depletion, Amortisation - continuing	222,333	187,962
Depreciation, Depletion, Amortisation - discontinued	383,497	1,850,233
Accretion - continuing	62,189	58,024
Accretion - discontinued	186,534	447,295
Accrued interest expense	78,190	59,634
Impairment and write downs	-	4,041,606
Foreign currency – non cash	(7,522)	11,543
Loss on sale – discontinued operations	725,170	-
Changes in assets and liabilities		
Decrease in receivables	2,141,622	163,218
Increase in inventory	(7,878)	(95,671)
Decrease in payables	(2,537,527)	(1,180,649)
Decrease / (Increase) in deferred tax assets	670,355	(519,805)
Decrease in asset retirement obligations	(8,469)	(149,623)
Cash flow from operations	**(2,550,423)**	**(1,252,447)**

Non-cash financing and investing activities

There was no financing for new field vehicles/equipment for the year ended 2024. During the year ended 30 June 2023 the Group financed the purchase of field vehicles/equipment, totalling $345,562. Refer to Note 22 for further information.

No new lease agreements were entered into for the year ended 30 June 2024. During the year ended 30 June 2023, the Group entered into new lease agreements for vehicles and equipment totalling $315,147. Refer to Note 18 for further information.

NOTE 28 – DISCONTINUED OPERATIONS

On 29 September 2023, the Company announced it had entered into a binding letter agreement to sell its non-Colorado oil and gas assets located in the Appalachian and Illinois Basins to Mountain V Oil & Gas, Inc. (the "transaction"). Effective control of the assets transferred on 1 October 2023. The consideration for this transaction was $4,000,000 plus oil in tank inventory in cash, subject to closing adjustments, payable in stages. Discontinued operations were recognised on 29 September 2023.

Shareholders approved the sale at a General Meeting held on 6 February 2024. The sale closed on 7 February 2024. Closing adjustments of $270,251 were received subsequent to year end (See note 14).

As of 30 June 2024, all remaining assets and liabilities associated with operations in the Appalachian and Illinois Basin, and not subject to the transaction, were reclassified as held for sale.

Results of discontinued operations for the year are presented below:

	2024 $	2023 $
Financial performance information		
Revenue	2,469,034	19,324,925
Expenses	(4,502,155)	(20,118,893))
Loss before income tax	(2,033,121)	(793,968)
Income Tax	(670,859)	309,715
Loss after income tax of discontinued operations	(2,703,980)	(484,253)
Loss on sale of discontinued operations before income tax (i)	(725,170)	-
Income tax	-	-
Loss on sale of discontinued operations after income tax	(725,170)	-
Loss from discontinued operations (ii)	**(3,429,150)**	**(484,253)**

(i) The loss on sale of discontinued operations before income tax arises as a result of a writedown to the net assets of discontinued operations being greater than the proceeds (net of costs of disposal).

Consideration received	**2024** **$**
Consideration, including oil in tank at fair value and the sale of property, plant and equipment	5,638,902
Working capital adjustments	(973,121)
Total consideration received	4,665,781
Assets sold as a result of the transaction:	
Property, plant and equipment – net (note 15)	517,624
Development and producing assets (note 16)	8,267,425
Right of use assets (note18)	907,068
Total assets sold as a result of the transaction	9,692,117
Liabilities extinguished as a result of the transaction:	
Lease liability	(808,108)
Asset retirement obligation (note 21)	(3,202,028)
Financial liabilities	(291,030)
Total liabilities extinguished as a result of the transaction	(4,301,166)
Net assets disposed of as a result of the transaction	5,390,951
Loss on discontinued operations before income tax	**(725,170)**

(ii) The amount of loss from discontinued operations is attributable to the owners of AXP Energy Limited.

Cash flow information	**2024** **$**	**2023** **$**
Net cash (used in) / provided by operating activities	(1,870,955)	46,802
Net cash provided by / (used in) investing activities	4,408,915	(667,203)
Net cash used in financing activities	(756,529)	(544,936)
Net cash flows from discontinued operations	**1,781,431**	**(1,165,337)**

The major classes of assets and liabilities of discontinued operations classified as held for sale at 30 June 2024 are presented below:

	30 June 2024 $
Assets	
Property, plant and equipment	210,329
Non-current assets held for sale	**210,329**
Liabilities	
Financial liabilities	181,456
Liabilities directly associated with non-current assets held for sale	**181,456**
Net assets of discontinued operations classified as held for sale	**28,873**

NOTE 29 – FINANCIAL INSTRUMENTS

Financial Risk Management Policies

The Group's activities expose it to a variety of financial risks: credit risk, market risk (including interest rate risk and currency risk) and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign exchange and aging analysis for credit risk.

Risk management is carried out by the finance department under policies approved by the board of Directors.

The Group holds the following financial instruments:

	2024	2023
	$	$
Financial Assets		
Cash and cash equivalents	1,464,487	521,788
Trade and other receivables	446,502	2,312,853
Bonds	845,900	977,648
Other deposits	123,171	150,840
Other current assets	270,251	-
	3,150,311	**3,963,129**
Financial Liabilities		
Trade payables	636,456	1,770,262
Revenue suspense (see Note 20(ii))	-	517,251
Lease liability	-	1,058,611
Borrowings	329,662	862,367
	966,118	**4,208,491**

All balances above are measured at amortised cost.

a) Market Risk

Foreign Currency Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Australian dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis.

The Group's exposure to foreign currency risk through AUD holdings at the end of the reporting period was as follows:

	2024	2023
	$	$
Cash and cash equivalents	96,189	281,509
Trade and other receivables	52,495	27,795
Trade and other payables	117,961	163,033

Foreign Currency Sensitivity

Based on the financial instruments held at fiscal year end, had the Australian dollar weakened/strengthened by 10% against the US dollar with all other variables held constant, the Group's post-tax profit and equity for the year would have been the following:

	2024 $	2023 $
Change in profit		
Improvement in AUD to USD by 10%	(66,847)	(78,322)
Decline in AUD to USD by 10%	66,847	78,322
Change in equity		
Improvement in AUD to USD by 10%	(66,847)	(78,322)
Decline in AUD to USD by 10%	66,847	78,322

Interest Rate Sensitivity Analysis

At fiscal year end, the effect on profit and equity as a result of changes in the interest rate on cash and cash equivalents, with all other variables remaining constant would be as follows:

	2024 $	2023 $
Change in profit		
Increase in interest rate by 1%	9,931	19,541
Decrease in interest rate by 1%	(9,931)	(19,541)
Change in equity		
Increase in interest rate by 1%	9,931	19,541
Decrease in interest rate by 1%	(9,931)	(19,541)

Price Sensitivity Analysis

At fiscal year end, the effect on profit and equity as a result of changes in gas and oil prices (impacting revenues from continuing operations), with all other variables remaining constant would be as follows:

2024	Gas $	Oil $	Total $
Change in profit			
Increase in average price by 5%	-	32,161	32,161
Decrease in average price by 5%	-	(32,161	(32,161)
Change in equity			
Increase in average price by 5%	-	32,161	32,161
Decrease in average price by 5%	-	(32,161)	(32,161)

2023	Gas $	Oil $	Total $
Change in profit			
Increase in average price by 5%	507	23,380	23,887
Decrease in average price by 5%	(507)	(23,380)	(23,887)
Change in equity			
Increase in average price by 5%	507	23,380	23,887
Decrease in average price by 5%	(507)	(23,380)	(23,887)

b) Credit Risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, revenue and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors, Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management.

c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

The Company entered into an unsecured working capital facility of $500,000 with a First Energy Partners Ptd Ltd at the greater of 9% per annum or US prime rate + 2.75% interest per annum. $329,662 of the facility has been drawn upon as of 30 June 2024. The unused amount is $170,338. Subsequent to the year end, the Company repaid the loan in full, resulting in the closure of the facility.

The following table outlines the group's remaining contractual maturities for financial liabilities. The amounts presented in the table are the undiscounted contractual cash flows of the financial liabilities, allocated to time bands based on the earliest date on which the group can be required to pay.

	< 6 months	6-12 months	1-5 years	Total contract cash flows	Carrying amount
2024	**$**	**$**	**$**	**$**	**$**
Trade and other payables	700,463	16,417	165,574	882,454	882,454
Lease liabilities	-	-	-	-	-
Field vehicle / equipment financing	-	-	-	-	-
Working capital facility	329,662	-	-	329,662	329,662
	1,030,125	16,417	165,574	1,212,116	1,212,116
2023	**$**	**$**	**$**	**$**	**$**
Trade and other payables	3,410,630	38,000	831,950	4,280,580	4,280,580
Lease liabilities	252,606	214,942	694,056	1,161,604	1,058,611
Field vehicle / equipment financing	94,056	94,056	546,430	734,542	569,136
Working capital facility	13,260	19,890	310,072	343,222	293,231
	3,770,552	366,888	2,382,508	6,519,948	6,201,558

d) Fair Value Measurements

The carrying value monetary financial assets and financial liabilities of the Group approximate their fair value as all amounts are short term and/or at market rates.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

NOTE 30 – RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

a) Directors and executives

Disclosures relating to key management personnel are set out in Note 8 and Note 32.

b) Transactions with related entities of key management personnel:

For the year ended 30 June 2024, the Group utilised the services of Panthea Capital Partners for the provison of consulting services. Mr Andrew Bald is the sole Director of Panthea Captial Partners. The cost of these services to 30 June 2024 was $12,783.

For the year ended 30 June 2023, the Group utilised the services of CFO Colorado Accounting & Tax Services for the provision of accounting and taxation services at commercial rates. Mr Lonny Haugen is President of CFO Colorado Accounting & Tax Services. Mr Haugen resigned as CFO on 16 September 2022 and ceased being a key management personnel on the same date. To 16 September 2022 the costs of these services was $37,873.

NOTE 31 – CAPITAL COMMITMENTS

The Group is required to meet minimum expenditure requirements of various Government bodies and joint venture agreements. These obligations may be subject to renegotiation, may be farmed out or may be relinquished and have not been provided for in the financial statements.

	2024 $	2023 $
Due within one year	-	276,125
Due between 2 and 5 years	-	636,175
Due between 6 and 10 years	-	793,775
	-	**1,706,075**

Capital commitments for the fiscal year ended 30 June 2023 include AXP Energy, Inc. abatement commitments.

NOTE 32 – SHARE BASED PAYMENTS

Performance Rights

Performance rights are valued at the share price of AXP at their grant date. All performance rights convert to one fully paid ordinary share upon exercise, at a $Nil exercise price. The number of performance rights accrued during the financial year and the respective accruals, are as follows:

	2024 Number	2023 Number
Beginning of year	-	12,500,000
Issued	-	-
Exercised	-	(12,500,000)
End of year (vested)	**-**	**-**

There were no share based payments for the year ended 30 June 2024 (2023: nil).

2024 Performance Rights

There were no performance rights issued during the year.

2023 Performance Rights

Mr Mervis exercised his performance rights and 12,500,000 shares were issued. The performance rights were issued at A$0.006/share.

NOTE 33 – CONTINGENT LIABILITIES

The Company occasionally receives claims arising from its operations in the normal course of business including contractual, interest-owner, partner, third-party and contractor claims. It is the opinion of the Directors that all such matters are either covered by insurance or, if not covered, are generally without merit or are of such a nature that the amount involved would not have a material impact on the Company's results.

With the exception of matters noted above, there are no other material contingent liabilities that exist at reporting date.

NOTE 34 – SUBSEQUENT EVENTS

The following matters or circumstances have arisen since the end of the financial year:

a) The Company concluded the sale of its non-Colorado oil and gas assets with Mountain V Oil & Gas, Inc, resulting in an inflow of $270,251.

b) The Company repaid its unsecured working capital facility loan of $330,280 in full to First Energy Partners Pty Ltd, resulting in the closure of the unsecured working capital facility.

c) Mr Andrew Bald resigned as Non-executive Director effective 16 September 2024.

d) Mr Robert Lees was appointed as Non-executive Director effective 16 September 2024.

NOTE 35 – ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following standards have been issued but are not yet effective. The effective dates are listed to the right of the pronouncement. The standards, when applicable, will be applied in accordance with the effective date. The impact of the initial application of the Accounting Standard has not been determined as of the date of this report.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	1 Jan 2024
AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 Jan 2024
AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements	1 Jan 2024
AASB 18 Presentation and Disclosure in Financial Statements	1 Jan 2027

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-1 amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

A liability will be classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. Meaning of settlement of a liability is also clarified.

AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements

AASB 2023-1 amends AASB 107 Statement of Cash Flows and AASB 7 Financial Instruments: Disclosures to require an entity to provide additional disclosures about its supplier finance arrangements. The additional information will enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 replaces AASB 101 Presentation of Financial Statements to improve how entities communicate in their financial statements, with a focus on information about financial performance in the profit or loss.

AASB 18 has also introduced changes to other accounting standards including AASB 108 Basis of Preparation of Financial Statements (previously titled Accounting Policies, Changes in Accounting Estimates and Errors), AASB 7 Financial Instruments: Disclosures, AASB 107 Statement of Cash Flows, AASB 133 Earnings Per Share and AASB 134 Interim Financial Reporting.

They key presentation and disclosure requirement are:

(a) the presentation of two newly defined subtotals in the statement or profit or loss, and the classification of income and expenses into operating, investing and financing categories – plus income taxes and discontinuing operations;

(b) the disclosure of management-defined performance measures; and

(c) enhanced requirements for grouping (aggregation and disaggregation) of information.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AXP Energy Limited is required by Australian Accounting Standards to prepare consolidated financial statements in relation to the company and its controlled entities (the "Group").

In accordance with subsection 295(3A) of the Corporations Act 2001, this consolidated entity disclosure statement provides information about each entity that was part of the Group at the end of the financial year.

Name of entity	Country of Incorporation	Equity Holding	Australian tax resident or foreign tax resident	Foreign tax jurisdiction
AXP Energy Limited	Australia	n/a	Australia	n/a
AusCo Petroleum Inc	USA	100%	Foreign	USA
AusCo Petroleum Florence, LLC	USA	100%	Foreign	USA
AXP Energy (US) LLC	USA	100%	Foreign	USA
AXP Energy, Inc	USA	100%	Foreign	USA
NGAS Gathering, LLC	USA	100%	Foreign	USA
Daugherty Petroleum ND Ventures, LLC	USA	100%	Foreign	USA

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the Group, a partner in a partnership within the Group or a participant in a joint venture within the Group.

DIRECTORS' DECLARATION

The directors declare that:

1. In the directors's opinion, the consolidated financial statements and accompanying notes, as set out on pages 22 to 71 are in accordance with the Corporations Act 2001 including:

   a) complying with Australian Accounting Standards and the Corporations Regulations 2001;

   (b) as stated in Note 1, the consolidated financial statements also comply with International Financial Reporting Standards; and

   b) giving a true and fair view of the financial position of the Group as at 30 June 2024 and of its performance for the year ended on that date.

2. In the directors' opinion, the consolidated entity disclosure statement required by subsection 295(3A) of the Corporations Acts is true and correct.

3. In the directors' opinion there are reasonable grounds, at the date of this declaration, to believe that the Company will be able to pay its debts as and when they become due and payable.

4. This declaration has been made after receiving the declarations by the Chief Executive Officer and Chief Financial Officer to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ending 30 June 2024.

This declaration is made in accordance with a resolution of the Board of Directors.

Samuel Jarvis
Non-executive Chairman

Dated 20 September 2024

INDEPENDENT AUDITOR'S REPORT

(overleaf)

AXP ENERGY LIMITED
ABN 98 114 198 471

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AXP ENERGY LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AXP Energy Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's consolidated financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 in the financial report for the year ended 30 June 2024 which indicates that the Group has incurred a loss for the year after tax of $4,458,917 (2023: loss of $6,126,214). $3,429,150 of the current year's loss was due to discontinued operations. The Group incurred a net cash outflow from operating activities of $2,550,423 (2023: $1,252,447 cash outflow). Additionally, the Group had a working capital surplus of $2,025,910. These conditions, along with other matters as set forth in Note 3, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Pitcher Partners BA&A Pty Ltd
An independent Western Australian Company ABN 76 601 361 095.
Level 11, 12-14 The Esplanade, Perth WA 6000
Registered Audit Company Number 467435.
Liability limited by a scheme under Professional Standards Legislation.

AXP ENERGY LIMITED
ABN 98 114 198 471

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AXP ENERGY LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition Refer to Notes 1(c) and 5 to the financial report.	
For the year ended 30 June 2024, the Group had revenue of USD$3,112,256 from contracts with customers for its sale of gas, oil and non-gas liquids. The determination of revenue recognition requires management judgement in accounting for revenue, performance, obligations, discounts, incentives and rebates in accordance with the Group's identified performance obligations as part of the transaction, as required under *AASB 15 Revenue from contracts with customers* ("AASB 15").	Our procedures included, amongst others: Understanding and evaluating the design and implementation of the relevant controls associated with the treatment of revenue, including, but not limited to, those relating to identification of performance obligations, discounts, incentives and rebates. Reviewing samples of significant contracts to understand their terms and conditions, including specified performance obligations included within and whether managements' assessment for recognition of revenue under these contract terms is in accordance with AASB 15. Testing a sample of transactions by sighting evidence of collection for related invoices and comparing the revenue amount recognised to the timing of when the Group satisfies performance obligations associated with the transaction in accordance with AASB 15. Assessing the entitlement and recoverability for trade receivables, the basis of Management's approach for determining amounts that are deemed to be recoverable and corroborating key assumptions made. Considering the adequacy of the disclosures included within Note 1(c) and Note 5 of the financial report.

Asset Retirement Obligations

Refer to Notes 1(h) and 21 to the financial report.

As a result of the Group's interests in oil and gas properties in Colorado, the Group is jointly and severally liable to rehabilitate the environment disturbed by the historical operations. Rehabilitation activities are governed by a combination of legislative and licence requirements.

At 30 June 2024, the consolidated statement of financial position included a provision for such obligations of USD$1,126,284.

This was a key audit matter given the determination of this provision requires evaluating the key assumptions used by management and judgement in the assessment of the nature and extent of future works to be performed, the future cost of performing the works, the timing of when the rehabilitation will take place and the economic assumptions such as the discount and inflation rates applied to future cash outflows associated with rehabilitation activities to bring them to their present value.

Our procedures included, amongst others:

Obtaining and reviewing the Group's assessment of its obligations to rehabilitate disturbed areas and the estimated future cost of that work, which forms the basis for the rehabilitation provision calculations for the Group's relevant oil and gas interests.

Evaluating and reviewing key assumptions including economic assumptions through the performance of the following procedures:

- Evaluating and assessing the qualifications and experience of the preparer as an expert in the field and the adopted future cost estimates for asset retirement obligations.
- Evaluating and assessing the discount rate and inflation rates applied to future cash outflows used in calculating the provision; and

Assessing the adequacy of the disclosures included in Note 1(h) and Note 21 of the financial report.

Carrying value of developing and producing assets

Refer to Notes 1(h) and 16 to the financial report.

As at 30 June 2024, the Group's statement of financial position included developing and producing assets, totalling USD$1,213,595. This amount represents 15% of total assets.

AASB 136 *Impairment of Assets* ("AASB 136") requires an entity to test non-current assets where there are indicators of impairment.

The carrying value of developing and producing assets is assessed for impairment by the Group when facts and circumstances indicate that the carrying value may exceed its recoverable amount.

At balance date, the Group concluded that there were no impairment indicators within the cash generating unit ("CGU"s) held by the group.

The evaluation of the recoverable amount of the Group's cash generating units ('CGUs) requires significant Management judgement in determining the key assumptions and estimates, including but not limited to:

- growth rate assumptions; and
- discount factors

supporting the expected future cash flows of the business and the utilisation of the relevant assets.

Due to the significance to the Group's financial report and the level of Management judgment involved in assessing the recoverable amount of the Group's CGUs, we consider this to be a key audit matter.

Our procedures included, amongst others:

Obtaining an understanding of the design and implementation of the relevant controls associated with the preparation of the carrying value of developing and producing assets.

Evaluating the Group's consideration of internal and external sources of information in assessing whether indicators of impairment or reversal of impairment existed.

Examining the Group's licence to operate, which included obtaining and assessing supporting documentation of the Group's operating leases.

Comparing the carrying value as at 30 June 2024 to reports provided by management appointed experts in the current year, updated by management for units of production and forecast assumptions for the current year.

Re-calculating the amortisation expense on a units of production basis and comparing inputs to the calculation to the reports provided by management's appointed experts.

Assessing the adequacy of the disclosures included within Note 1(h) and Note 16 of the financial report.

Capitalisation of exploration and evaluation expenditure

Refer to Note 1(h) and 17 to the financial report.

As at 30 June 2024, the Group held capitalised exploration and evaluation expenditure of USD$3,889,701.

In accordance with AASB *6 Exploration for and Evaluation of Mineral Resources*, the Group is required to assess whether there are any triggers for impairment, or reversal of impairment.

The determination as to whether there are any indicators to require the capitalised exploration and evaluation expenditure to be assessed for impairment involves a number of judgements including but not limited to:

- Whether the Group has tenure of the relevant area of interest;
- Whether the Group has sufficient funds to meet the relevant area of interest minimum expenditure requirements; and
- Whether there is sufficient information for a decision to be made that the relevant area of interest is not commercially viable.

Given the size of the balance and the judgemental nature of the impairment indicator assessments associated with exploration and evaluation assets, we consider this is a key audit matter.

Our procedures included, amongst others:

Obtaining an understating of and evaluating the design and implementation of the processes and controls associated with the capitalisation of exploration and evaluation expenditure, and those associated with the assessment of impairment, and reversal of impairment, indicators.

Assessing and evaluating management's assessment of trigger events prepared in accordance with AASB 6 including:

- Examining the Groups right to explore in the relevant area of interest, which included obtaining and reviewing supporting documentation on a sample basis and considering the status of the Group's licences as it relates to tenure.
- Enquiring of management regarding their intentions to carry out exploration and evaluation activity in the relevant area of interest, including a review of management's budgeted expenditure; and
- Understanding whether any data exists to suggest that the carrying value of the capitalised exploration and evaluation expenditure is unlikely to be recovered through development and sale.

Assessing the adequacy of the disclosures included within Note 1(h) and Note 17 of the financial report.

PITCHER PARTNERS

AXP ENERGY LIMITED
ABN 98 114 198 471

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AXP ENERGY LIMITED

Asset held for sale and discontinued operations

Refer to Note 1(w) and 28 to the financial report.

During the year the Group entered into a binding letter agreement ("sale agreement") to sell its non-Colorado oil and gas assets located in the Appalachian and Illinois Basins to Mountain V Oil & Gas, Inc for total consideration of $4 million, plus the oil in tank inventory subject to closing adjustments (the "Transaction") The Group was required to calculate the gain on disposal, which was complex due to the detailed terms in the binding letter agreement.

The disclosure of these transactions in the financial report was also complex as the Group needed to separate its assets, liabilities and operations into continuing and discontinued business operations which has a significant and pervasive impact on the financial results and report of the Group.

We focused on this matter because of the importance to readers of the financial report of the allocation between continued and discontinued operations and the material impact of the loss on disposal in the financial report.

To assess whether the asset held for sale and discontinued operations have been appropriately accounted for, our procedures included, amongst others:

Obtaining an understanding of the design and implementation of the relevant controls associated with the Transaction and the decision to discontinue operations within the Appalachian and Illinois Basins.

Reading and evaluating the underlying sale agreement to understand the terms and conditions of the disposals.

Evaluating the substance of the Transaction using the terms and conditions of the underlying sale agreement against the criteria for discontinued operations in accounting standards.

Recalculating the carrying value of the assets and liabilities as identified in the sales agreements to test that these were accurately separated from the continuing business.

Reperforming the calculations of the loss on disposal by comparing the consideration received to the carrying value of the identified assets and liabilities, noting no significant differences.

Agreeing the consideration received for the Transaction to the respective sale agreement and, where already received, to bank records; and

Assessing the adequacy of the disclosures included within Note 1(w) and Note 28 of the financial report.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AXP ENERGY LIMITED

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

(i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
(ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

AXP ENERGY LIMITED
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AXP ENERGY LIMITED

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PITCHER PARTNERS

AXP ENERGY LIMITED
ABN 98 114 198 471

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AXP ENERGY LIMITED

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 17 of the directors' report for the year ended 30 June 2024. In our opinion, the Remuneration Report of AXP Energy Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

PITCHER PARTNERS BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD

MICHAEL LIPRINO
Executive Director
Perth, 20 September 2024

ADDITIONAL INFORMATION REQUIRED BY ASX

Additional Information required by the ASX and not disclosed elsewhere in this report is set out below.

Shareholdings

a) Distribution of Shareholders as at 2 September 2024

CATEGORY	ORDINARY SHARES HOLDERS	TOTAL SHARES	% OF ISSUED CAPITAL
1- 1,000	184	52,927	0.00%
1,001 – 5,000	126	337,589	0.01%
5,001 – 10,000	69	527,836	0.01%
10,001 – 100,000	803	45,683,814	0.78%
100,001 and over	1,476	5,778,078,507	99.20%
TOTAL	**2,658**	**5,824,680,673**	**100.00%**

b) Unmarketable Parcels as of 2 September 2024:

There were 1,888 holders of unmarketable parcels (minimum parcel size: 500,000 shares) comprising 211,755,252 shares or 3.635% of the total shares outstanding.

c) Substantial Shareholders

There are three substantial shareholders owning more than 5% of shares listed in the holding Group's register as at 2 September 2024.

NAME	FULLY PAID ORDINARY SHARES	PERCENTAGE HELD
CITICORP NOMINEES PTY LIMITED	882,121,950	15.145%
MS MARGARET LYNETTE HARVEY	666,666,666	11.446%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	454,412,703	7.802%

d) Voting Rights

Fully Paid Ordinary Shares:

Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

Options:

Options do not carry a right to vote.

Twenty Largest Shareholders

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the Australian Securities Exchange Limited, including the number and percentage held by those at 2 September 2024, are as follows:

NAME	FULLY PAID ORDINARY SHARES	PERCENTAGE HELD
CITICORP NOMINEES PTY LIMITED	882,121,950	15.145%
MS MARGARET LYNETTE HARVEY	666,666,666	11.446%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	454,412,703	7.802%
MR VICTOR LORUSSO	200,000,000	3.434%
MR BRIAN LAURENCE EIBISCH	178,397,536	3.063%
MR BRUCE KENRIC GLOVER CROSSLEY	141,000,000	2.421%
CAPP SMSF PTY LIMITED <CAPP SUPER FUND A/C>	122,180,714	2.098%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	106,739,536	1.833%
WFC NOMINEES PTY LTD <WFC NOMINEES AUSTRALIA A/C>	104,992,777	1.803%
MR TIMOTHY HART	81,749,365	1.403%
DR PETER KENCH	70,000,000	1.202%
MONEX BOOM SECURITIES (HK) LTD <CLIENTS ACCOUNT>	62,929,788	1.080%
LOLOMA HOLDINGS PTY LTD <THE LEVUKA A/C>	61,833,334	1.062%
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	61,575,756	1.057%
COVE STREET PTY LTD <THE COVE STREET A/C>	51,000,000	0.876%
MR GEORGE SPIROS PAPACONSTANTINOS	50,224,000	0.862%
MR WILLIAM LESLIE KELSO	50,000,000	0.858%
MR SAMUEL MCCANN JARVIS	48,780,488	0.837%
MR BOJAN KARAN	48,000,000	0.824%
CHALEYER HOLDINGS PTY LTD <RUBBEN FAMILY A/C>	40,000,000	0.687%
TOTAL	**3,482,604,613**	**59.790%**

Unquoted Securities

There are currently no Options over Unissued Shares.

Tenement Schedule

The following table is a summary of the Group's tenements by operating segment:

OPERATING SEGMENT	30 JUNE 2023		30 JUNE 2024		YEAR ON YEAR CHANGE
	NRI [%]	NET ACREAGE	NRI [%]	NET ACREAGE	
Appalachian Basin					
Kentucky [(a)]	74	62,769	-	-	(100%)
Virginia	83	4,504	-	-	(100%)
Tennessee	85	2,485	-	-	(100%)
Illinois Basin					
Kentucky	80	6,393	-	-	(100%)
Indiana	78	2,011	-	-	(100%)
Illinois	80	130	-	-	(100%)
Denver-Julesburg Basin					
Colorado	76	12,902	76	12,902	-
TOTAL		89,939		12,902	(86%)

The year-on-year acreage changes were as a result of the following:

a) Appalachian and Illinois Basin

The Company sold all of its Appalachian and Illinois Basin tenements during the year to Mountain V Oil & Gas, Inc.

A detailed breakdown of the above summary table is provided on the Company's website, www.axpenergy.com, under the Tenements section.

Annual Reserves Statement

The tables overleaf summarise AXP's reserve and contingent resources ('*R&R*') estimate as at 1 July 2024. The percentage changes noted in the first table have been calculated from 1 July 2023.

All figures are *net* to the Company.

RESERVE & RESOURCE CATEGORY AS AT 1 JULY 2024	**OIL** [MBBL[(1)]]	**GAS** [MMCF[(2)]]	**NGL** [MBBL]	**TOTAL [MBOE[(3)]]**	**% CHANGE[(4)]**
Proved Developed (PDP & PDNP)	64	-	-	64	-99%
Proved Undeveloped (PUD)	-	-	-	-	0%
Proved Reserves (1P)	**64**	**-**	**-**	**64**	-99%
Probable Reserves	-	-	-	-	- 100%
Proved + Probable Reserves (2P)	**64**	**-**	**-**	**64**	-99%
Contingent Resource (2C)	**78,018**	**743,764**	**-**	**201,937**	-5%

(1) MBBL means one thousand barrels of oil;
(2) MMCF means one million standard cubic feet of natural gas;

(3) MBOE means one thousand barrels of oil equivalent;
(4) The percentage changes noted above are calculated based on the change from 1 July 2023.

AXP's reserves and contingent resources as at 1 July 2023 were as follows:

RESERVE & RESOURCE CATEGORY AS AT 1 JULY 2023	**OIL** [MBBL]	**GAS** [MMCF]	**NGL** [MBBL]	**TOTAL [MBOE]**
Proved Developed (PDP & PDNP)	821	18,181	1,230	5,082
Proved Undeveloped (PUD)	-	-	-	-
Proved Reserves (1P)	**821**	**18,181**	**1,230**	**5,082**
Probable Reserves	148	7,504	62	1,460
Proved + Probable Reserves (2P)	**969**	**25,685**	**1,292**	**6,542**
Contingent Resource (2C)	**68,373**	**714,382**	**3,699**	**212,066**

Consistent with the sale of the Appalachian and Illinois Basins to Mountain V Oil & Gas, Inc, Proved Reserves (1P) and Proved + Probable Reserves (2P) relate to the remaining 100%-owned oil and gas assets located in the Colorado DJ Basin.

Proved Developed oil reserves in the DJ Basin have increased to 64 thousand barrels of oil, up from 48 thousand barrels of oil in 2023, due to the combination of improved well performance, with slightly higher forecast oil prices and lower operating costs resulting in delayed economic limit and extended producing life.

Proved Developed gas reserves in the DJ Basin have technically decreased to zero (2023: 105 MMCF) because the gas market is currently interpreted to be uncertain whilst under development; therefore, it is not possible to quantify these gas quantities as reserves at this time. Notwithstanding, all gas volumes are now included in Contingent Resources (2C).

The differences in both gas and oil 2C Resources are due to the technical variation in interpretation of average expected production within undeveloped locations, as well as the sale of non-Colorado oil and gas assets.

The above totals represent an aggregation of the assessed Reserves for the Company's producing area.

Refer to the separate ASX Reserves & Contingent Resources Update announcement for more information.

Competent Persons Statement

Pursuant to the requirements of the ASX Listing Rules Chapter 5, the above R&R assessment is based on and fairly represents information and supporting documentation prepared by Ms. Letha Lencioni, Consulting Engineer at Double L Engineering, LLC.

Ms. Lencioni is a registered professional engineer in the states of Colorado (#29506) and Wyoming (#8493) and a member of the Society of Petroleum Evaluation Engineers. Ms. Lencioni holds a Bachelor of Science Degree in Petroleum Engineering from the University of Tulsa and has over 40 years' experience in the conduct of evaluation and engineering studies relating to oil and gas fields, including estimating quantities of reserves and resources.

Other than the information provided above, the Company confirms that it is not aware of any new information or data that materially affects the R&R assessment provided above. All material assumptions and technical parameters utilised in carrying out the assessment continue to apply and have not materially changed.

DIRECTORS

Mr Samuel Jarvis	Non-Executive Chairman
Mr Stuart Middleton	Non-Executive Director
Mr Robert Lees	Non-Executive Director

COMPANY SECRETARY

Mr Robert Lees

REGISTERED OFFICE AND PRINCIPAL ADMINISTRATIVE OFFICE

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AUSTRALIAN SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange. The home exchange is Sydney. ASX Codes (Fully Paid Ordinary Shares): AXP

WEBSITE

The Company's website is www.axpenergy.com

ABN

The Company's Australian Business Number is 98 114 198 471

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