



ASX ANNOUNCEMENT

6 FEBRUARY 2025

FIRST TWO MODULAR DATA CENTRES ONLINE AT PATHFINDER LEASE IN COLORADO

HIGHLIGHTS

- First two modular data centres (MDCs) hosting a total of 515 Bitmain S19J Pro (104T) Antminers mining bitcoin are now operational and connected via Starlink. AXP is supporting Blackhart Technologies bitcoin mining operations with co-located gas-to-power generation and on-site technical support;
- AXP's two gas-fired Gentec generators are producing 1.2MW of electricity from natural gas sourced from the Pathfinder #2 well. As a result of the gas flow from the well, oil production is now occurring from the Niobrara Formation. This is the first time this well has produced gas allowing oil production;
- AXP and Blackhart are working collaboratively to ensure the first two MDCs achieve benchmarked uptime and reliability over the trial period of 14 days. Planning is underway for the build-out of two more gas to power sites at the JW Powell and Kelce Court production hubs. When completed the combined targeted power output is 5MW/h from Gas to Power from the Company's leases in the Florence Oil Field in Colorado;
- A longer term goal is to scale operations to meet the power generation requirements of bitcoin miners and data centre owner/operators interested in tapping the Pathfinder Field's 2C gas resources of 0.744 Tcf⁽¹⁾;
- The Pathfinder #2 operation adds a new gas-to-power revenue stream to AXP as well as increased oil revenue.
- A video of the first site's bitcoin mining operation can be seen at:

<https://vimeo.com/1053640003/d738f51826>

AXP Energy Limited (ASX: AXP, OTC US: AUNXF), ('AXP', 'Company') is pleased to confirm that following the receipt of permits from the State of Colorado, the first two modular data centres at the Pathfinder #2 well site are online with bitcoin mining operations underway under the Joint Development Agreement ('JDA') with US-based Blackhart Technologies Limited ('Blackhart'). The two MDCs are powered by AXP's natural gas from the Pathfinder #2 well and are co-located with two gas-fired generators that AXP has secured with a lease-to-purchase arrangement.

The establishment of this first site in ~10 months is an excellent achievement for AXP and acts as a valuable blueprint for the set-up of future sites in the coming months. Our focus at this time is to deliver reliable gas-to-power generation over a set number of days from this first site. Next steps will be to build out of future sites with Blackhart and to secure additional counterparties under the JDA.

(1) 'Tcf' means Trillion Cubic Feet. This information is extracted from AXP's Annual Report to Shareholders 2024, ASX announcement dated 20 September 2024, available at www.axpenergy.com.au or www.asx.com.au

Comment

Non-Executive Director Dan Lanskey, who is currently onsite in Colorado, said:

"Our technical team in Colorado is to be congratulated for their efforts in getting the first site up and running. Operations are performing well; the bitcoin miners have now been online for over 72 hours and our co-sited generators and gas processing infrastructure are meeting expectations and the well is also producing oil to the tank battery.

Now that we have a live, working model at Pathfinder we have a great opportunity to showcase the field to much larger potential customers, which we are doing in collaboration with Blackhart. Demand for off-grid power from data centre owner/operators including bitcoin miners in the USA is considerable and the Federal US Government is now actively supporting the industry growth.

AXP's 2C gas resource of .75 Tcf can deliver the necessary volumes to support very large data centres and pursuing these opportunities is a key focus for us right now. The gas being used by the generators will allow us to grow our oil revenue in addition to the revenue stream from the Gas to Power output.

We are monitoring oil production daily and a further update is expected early next week once we have 7 days of the site being online."

AXP will report on oil production activities next week and will also keep shareholders updated on the progress of the Pathfinder #2 gas-to-power-data centre operation.

This announcement has been authorised by the Board of AXP Energy Limited.

FURTHER INFORMATION

Sam Jarvis, Non-Executive Chairman: 0418 165 686

Dan Lanskey, Non-Executive Director: 0451 558 018

Released through: Ben Jarvis, Six Degrees Investor Relations: 0413 150 448 ben.jarvis@sdir.com.au

ABOUT AXP ENERGY LIMITED

AXP ENERGY Limited (ASX: AXP, OTC: AUNXF) is an oil & gas production and development company with core operations in Colorado. AXP is focused on repurposing stranded gas at its 100%-owned Pathfinder Field for power generation and plans to sell this power to data centre operators and owners focused on High Performance Computing (HPC) including AI, rendering and other high processor intensive operations. It has secured its first customer with Blackhart Technologies LLC. AXP has 24 operating oil & gas wells at its Pathfinder Field.

DISCLAIMER

This announcement contains or may contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as "expects", "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might" occur. Hydrocarbon production rates fluctuate over time due to reservoir pressures, depletion, down time for maintenance and other factors. The Company does not represent that quoted hydrocarbon production rates will continue indefinitely.