



AXPENERGY

QUARTERLY UPDATE WEBINAR

3 FEBRUARY 2022

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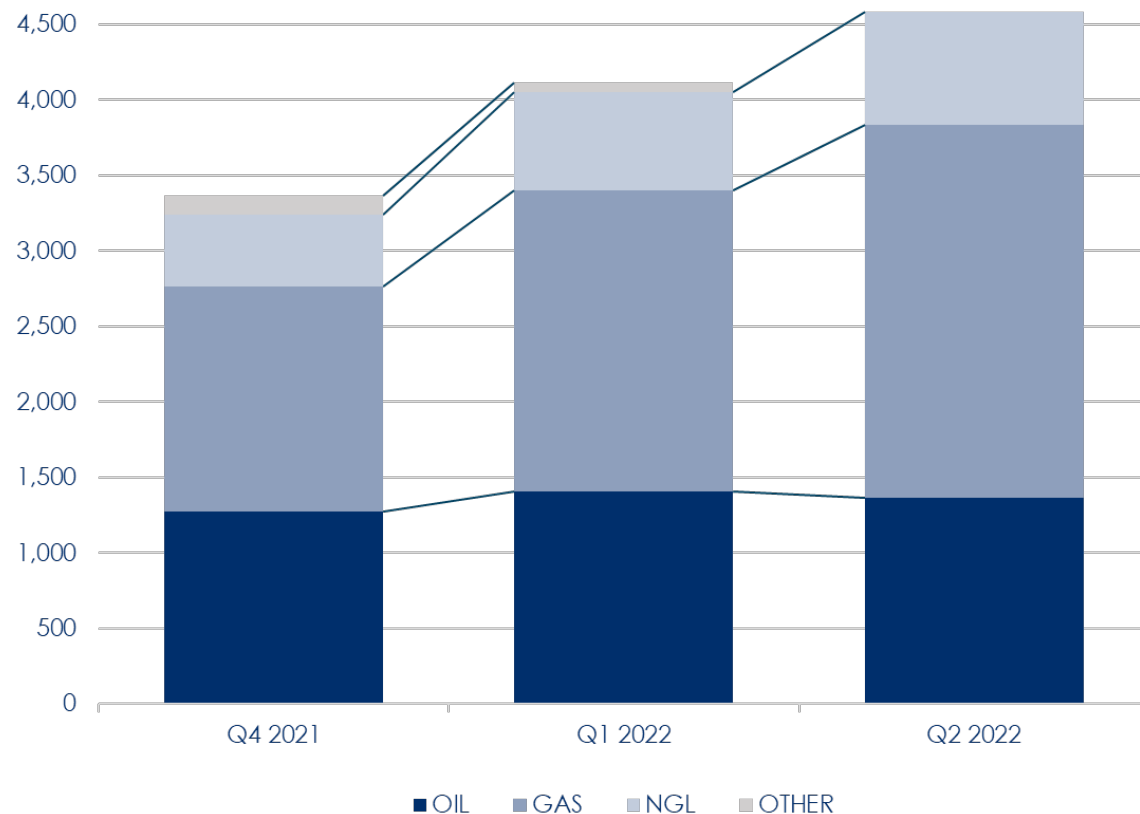
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QUARTERLY NET REVENUE – BY HYDROCARBON



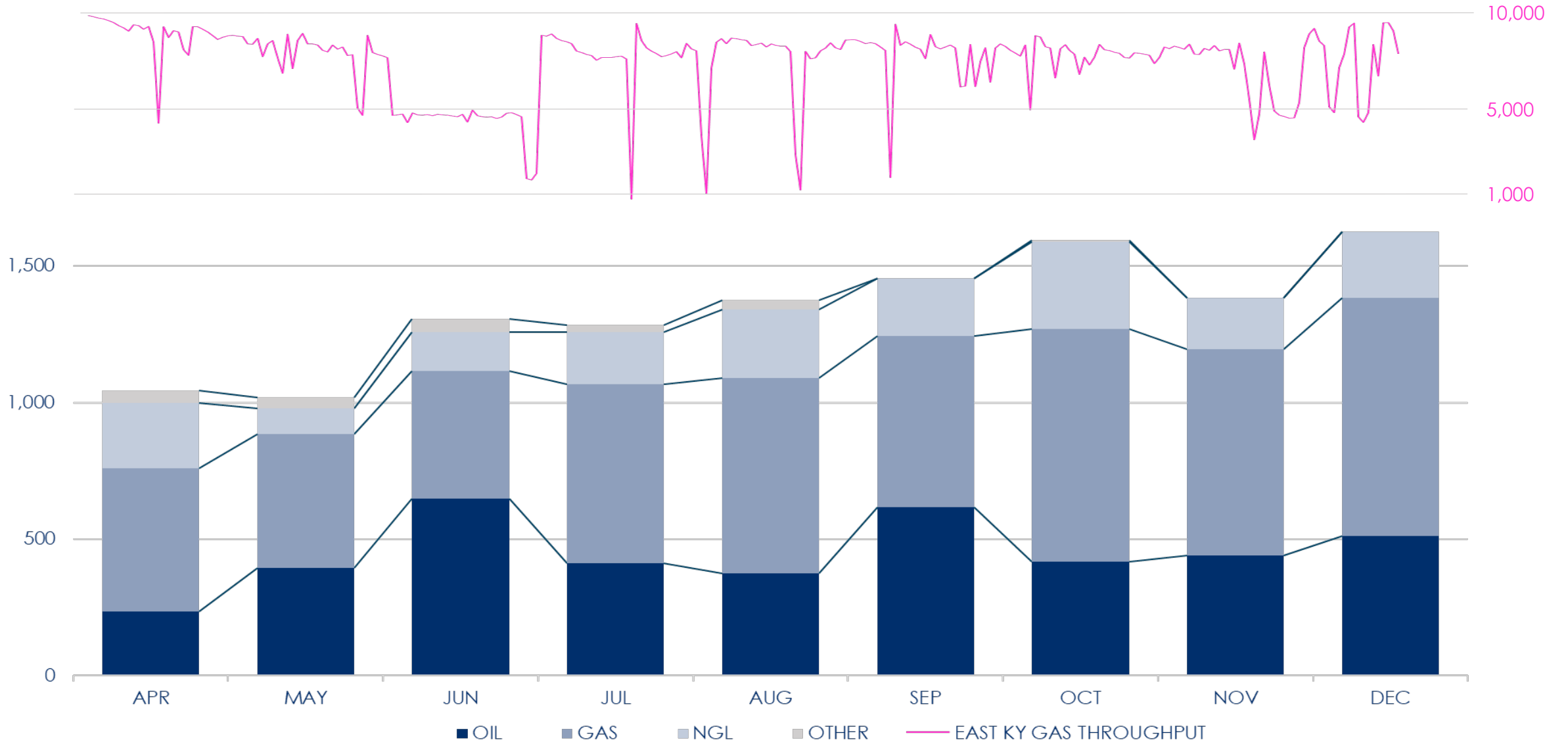
HIGHLIGHTS

- Quarterly Net Revenue **\$4,580,652** (prior quarter \$4,115,578) – An **11%** increase
- Net customer receipts **\$4,617,874** (prior quarter \$3,697,811) – A **25%** increase
- Barrels of oil sold: **26,385 BBL** (prior quarter 28,389 BBL)
- Oil inventory at 31 December: **17,762 BBL** (prior quarter end: 18,518 BBL)
- Natural gas sold: **697 MMcf** (prior quarter 774 MMcf)
- NGLs sold 26,882 BBL (prior quarter 31,202 BBL)
- Cash and cash equivalents at quarter end **\$2,709,422**, a slight decrease of \$224,327 on the previous quarter
- The Company incurred **~\$920K** in one-off costs during the quarter

CONTINUED REVENUE GROWTH



MONTHLY NET REVENUE [\$ '000] vs EAST KENTUCKY GAS THROUGHPUT [Mcf/day]



DRILLING

- In-house drilling team established in 2021
- 8 Illinois Basin well locations identified (oil producing targets)
- A further 2 Appalachian Basin verticals (where the vertical section has already been drilled - ~30% of the cost) designed as horizontals have also been identified

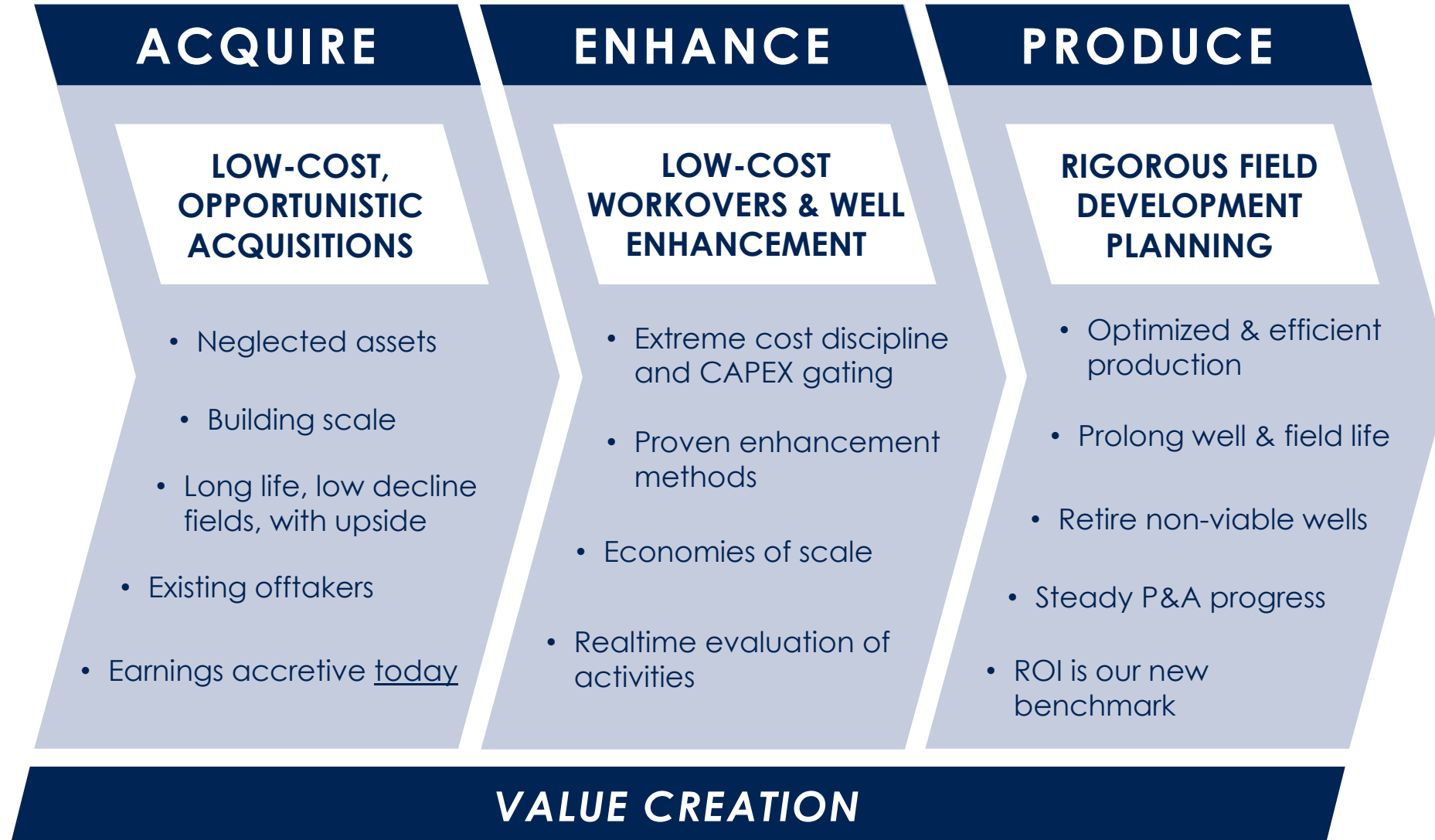
DUCs & RE-COMPLETIONS

- 9 DUCs identified thus far, 2 of which have now been perforated with fracking scheduled for next week
- The next 7 DUCs (2 in Western KY and 5 in Eastern KY) are predominantly gas but with a mix of oil and are now being assessed
- A further 10 Appalachian Basin gas wells have been identified with oil behind-pipe and are being studied for dual-completion
- Perforation of a potential producing zone in 1 well in the DJ Basin (Colorado) will also be completed

WORKOVER PROGRAM

- In calendar 2021 AXP worked over 70 wells bringing in 441 BOE/d of production
- In calendar 2022, this program continues as we continue assess and work on a further 104 wells in Eastern Kentucky (Appalachian) and a further ~30 similar candidates in Western Kentucky (Illinois Basin).

- **Growth Realization**
- **Consolidation of Assets (MHP, Trey & Kentucky Exploration)**
- **Continuing to bring production back online**
 - Many of the MHP wells were offline from being shut-in since the beginning of the pandemic
- **Cost out**
 - Building our staff to support organic growth
 - Finance
 - Human Resources
 - Land & Legal affairs
 - Operations - bringing more functions in-house
 - Exploration & Development
 - Oil Transportation – control of our revenue/inventory
- **Alternative Gas Sales & Power Generation**
 - Elite Site in Colorado – initial entry into this space
 - Exploring other sites in Kentucky
 - Great sales channel but it's an Emerging Market – treading lightly
- **Macro picture strong**
 - LNG demand continues to grow worldwide
 - US continues to expand it's LNG infrastructure to strengthen supply
 - This will support strong gas prices
 - US is in the midst of a pause in development which will continue to support a strong gas price





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THANK YOU