



ASX ANNOUNCEMENT

13 FEBRUARY 2025

Oil Production Update

- **Gas to power operations enable increased oil production at Pathfinder #2 well:**
 - 20 BOPD and 280 mcf/day of gas over first 7 days
 - Takes total field production to ~50 BOPD with further upside anticipated
- **Amerigo Vespucci well flowing gas to generators, enabling reservoir equalisation:**
 - First ever oil production expected this week when well goes on pump
- **Pathfinder #1 well to be completed for oil and gas production in coming weeks:**
 - Greenhorn formation fracked and tested previously which flowed 75 barrels of oil and no water during 4-day flowback testing
 - Additional gas from Pathfinder #1 to be tied in for additional gas to power generation
 - Well to be fitted with production string and pump jack in coming weeks
- **The Pathfinder Field delivers multiple stacked producible pay zones:**
 - Pathfinder #1 intersects the Pierre, Niobrara the Greenhorn reservoirs (see Image 2 below)
 - Increased Proven Developed Producing and Probable Reserves expected
- **Bitcoin mining operations powered by AXP's gas-to-power infrastructure under the Joint Development Agreement ('JDA') with US-based Blackhart Technologies Limited ('Blackhart') are meeting expectations with pleasing uptime and reliability achieved in the first full week of operations. These are critical benchmarks for planned scale-up.**

AXP Energy Limited (ASX: AXP, OTC US: AUNXF), ('AXP', 'Company') is pleased to provide an update on the growth in oil production at the Company's 100%-owned Pathfinder oil & gas field located in Colorado's Denver-Julesburg ('DJ') Basin, USA.

As per the highlights above, oil production from the Pathfinder Field is increasing as gas is produced from well bores for gas-to-power generation to support Blackhart Technologies' bitcoin mining operations. The Pathfinder #2 well is currently producing 20 BOPD and 280 MCFD of gas from the Niobrara Formation. This demonstrates the ability for additional production to be brought online over the coming months. Total field production now sits at ~50 BOPD and further upside to this is anticipated based on new wells coming online near-term.

Additional gas production from the Amerigo Vespucci well has now been tied into the gas to power operation at the Pathfinder #2 production hub. This well will commence pumping operations as soon as the well head pressure stabilises; expected to occur within the next 7-10 days.

With the ability to also push gas to the Generators, the Pathfinder #1 is now being prepared to be put into production. This well is to be completed in the Greenhorn Formation at about 5,200 feet. The well was recently fracked and capped for future completion after being drilled in 2018. During flowback, after completion of fracture stimulation, the well flowed back 75 barrels

of oil during an initial 4-day test with no artificial lift. The initial oil recovery rates during flowback from the Pathfinder #1 represent a great result for AXP, given it marks the first time a well from the Greenhorn Formation has produced in this field.

AXP expected to bring the Pathfinder #1 into production this quarter and other field development activities, such as deepening some existing wells, is also planned for the coming months.

The scale-up of gas-to-power-data centre activities continues to be the key priority for AXP with additional sites planned as the Company looks to establish a new, significant revenue stream as more data centre sites are established.

AXP Director Dan Lanskey commented: *“As our gas-to-power operations begin to take shape, AXP is capitalising on extracting greater volumes of enhanced oil production from the Pathfinder Field and the added production from the Pathfinder #2 well represents our first in phase in growing this revenue stream. We expect to bring the Pathfinder #1 well on in the coming weeks and we have more activities planned beyond this. The results from this well are significant steps for AXP as they confirm that we have another productive formation across our leases, the Greenhorn. Recent transactions for acreage in the DJ Basin underscores the potential value we can unlock as new production is proved up. With multiple stacked producing formations, this should show an increase in our Proven and Probable Reserves across our leases during the end of year review.*

“Alongside our oil operations, we continue to focus on scaling up gas-to-power-data centre operations which will rapidly morph into a meaningful new revenue stream for AXP. The first site is performing well and we anticipate reporting further progress very soon. AXP is uniquely placed to repurpose much larger volumes of Pathfinder's gas for in-situ power generation for data centre owners and operators and interest in our operation is building considerably.”

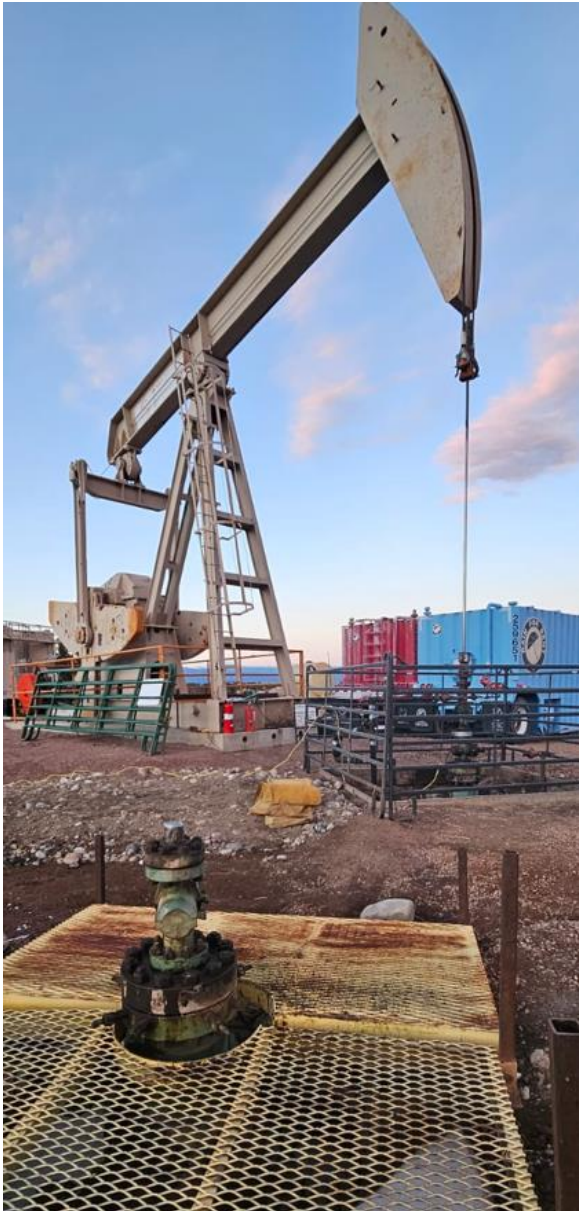


Image 1: Pathfinder #1 wellhead in the foreground ready for completion with Pathfinder #2 well on pump in the background

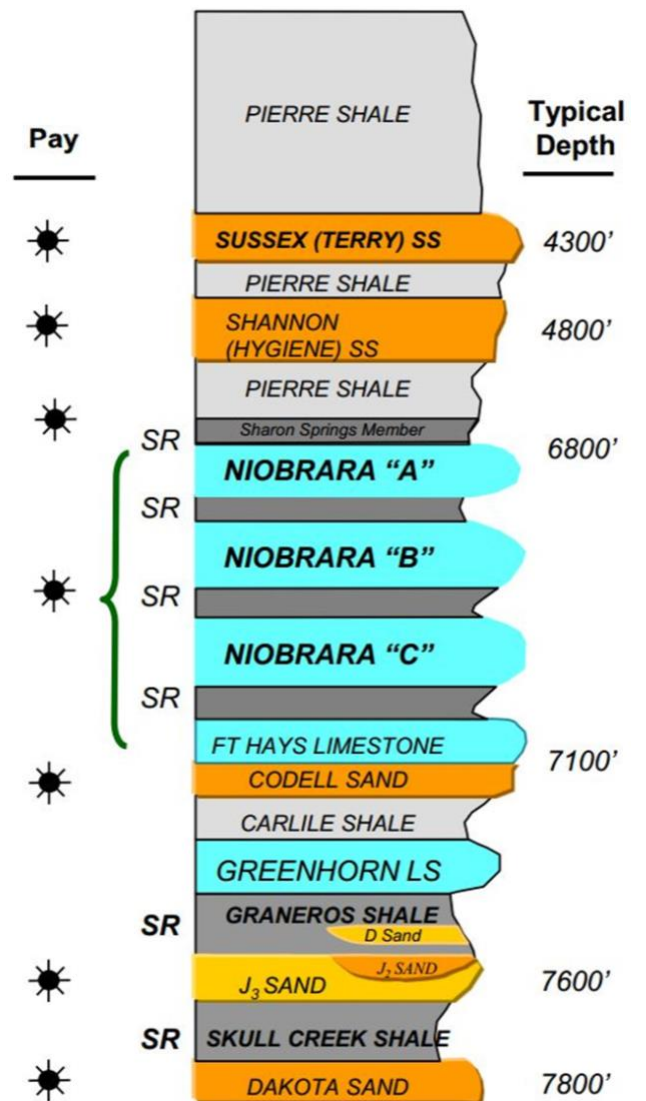


Image 2: Cross section showing Pierre, Niobrara and Greenhorn in the Pathfinder Field



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

FURTHER INFORMATION

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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.