



ASX ANNOUNCEMENT

13 NOVEMBER 2024

WORK UNDERWAY AT PATHFINDER FOR FIRST GAS-TO-POWER DATA CENTRE OPERATION

HIGHLIGHTS

- First two modular centres ('MDCs') delivered to AXP's site with interconnection to gas-fired generators scheduled to commence this weekend;
- The modular data centres operated by Blackhart Technologies will host 589 Bitmain S19J Pro (104T) Antminers used for Bitcoin mining (see images below);
- AXP will focus on its core operations and earn revenue from gas-to-power supply infrastructure maintenance and power uptime bonuses to support Blackhart's Bitcoin mining operations;
- Additional modular data centres are earmarked for two more sites, JW Powell and Kelce Court, with further expansion anticipated beyond this;
- The JDA with Blackhart represents the first step in AXP monetizing the large amounts of stranded gas at its Pathfinder Field in Colorado. Pathfinder's Contingent Resources (2C)¹ of 744 BCF of gas has the necessary scale to underpin a significant off-grid power generation operation to service data processing activities.

AXP Energy Limited (ASX: AXP, OTC US: AUNXF), ('AXP', 'Company') is pleased to provide this update regarding connection of the first two modular data centres under the Joint Development Agreement ('JDA') recently announced with US-based Blackhart Technologies Ltd, ('Blackhart').

The Company has received the first two modular containers (MDCs) and 589 Bitmain S19J Pro Antminers which Blackhart will use for Bitcoin mining activities and which will be housed within the MDCs. AXP will supply natural gas, power generation equipment and electricity for the site's planned data processing operations, in addition to providing installation, commissioning, maintenance and equipment servicing support.

The first two MDCs are expected to be connected this weekend subject to weather. Wet weather in the past week has caused some minor delays in set up activities. AXP's focus is to ensure it can deliver reliable and consistent gas supply and power generation to this first operation before commencing the setup of two more operations at the JW Powell and Kelce Court sites under the JDA with Blackhart.

The very large 744 BCF Contingent Resources (2C)¹ of gas at the Pathfinder Field has the scope to underpin a large off-grid power generation operation here for end users such as Blackhart who see considerable appeal in the asset's scale. The JDA with them represents the first step in AXP unlocking the potential value of the natural gas from this field.

¹Refer to ASX announcement dated 20 September 2024 – 'Reserves & Contingent Resources Update'

For personal use only

Comment

CEO Tim Hart commented: "We are encouraged by the speed at which Blackhart has deployed equipment to site and their willingness to establish this first operation at the Pathfinder #2 well. It reflects their commitment to the recently announced Joint Development Agreement. As confirmed today, Blackhart's data processing operations centre on Bitcoin mining with AXP delivering the necessary gas and power generation activities to support these activities. Pathfinder is a very large stranded natural gas resource and this initial site is the first step in establishing a large off-grid power generation operation here. We will provide another update as the first modules are brought online this weekend."



MDCs BEING UNLOADED IN COLORADO

MDCs ON SITE - COLORADO



ANTMINERS IN STORAGE AT AXP'S COLORADO PREMISES READY FOR INSTALLATION

For personal use only

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

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

FURTHER INFORMATION

Sam Jarvis, Non-Executive Chairman: 0418 165 686

For US-based inquiries please contact Tim Hart Chief Executive Officer: +1 (303) 999-5420

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.