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BLACK MOUNTAIN ENERGY RECEIVES NON-BINDING LETTER OF INTENT FROM HIGHWIRE TO EXPLORE OPTIONS FOR WELL-TESTING GAS

- **BME shares plans to collaborate with Highwire to explore opportunities to divert otherwise flared methane gas from well-testing at Valhalla to power mobile cryptocurrency servers.**
- **Highwire has provided a non-binding Letter of Intent to negotiate the purchase of up to 5TJ/day of methane gas from the wellhead to power generators and the installation of up to 25MW of generation to support operations.**
- **Potential opportunity to monetize what would otherwise be a wasted by-product. US Companies have already implemented the alternative.**

Black Mountain Energy Ltd is pleased to announce that it has been undertaking technical consultation and review to explore opportunities to divert flared methane gas into energy to power the mining of cryptocurrency.

As a result, the Company has received a non-binding Letter of Intent from Highwire Energy Partners LLC to use well-testing gas that would otherwise be flared at the Valhalla project in the Canning Basin of WA, to power mobile cryptocurrency servers. This document indicates Highwire's intention to negotiate the purchase of up to 5TJ/day of gas and the installation of up to 25MW of generation to support its operations, subject to the agreement of acceptable terms and conditions.

If gas is supplied in accordance with the proposal outlined in the LOI, the Company would pay for the infrastructure associated with the normal gas flaring process and Highwire would be responsible for containerized mining servers (see *Figure 1* below). The Company will continue its current activities. Any binding agreement would be subject to standard conditions such as completion of satisfactory due diligence as well as each party obtaining any necessary regulatory approvals.

Success with mining cryptocurrency from diverted waste natural gas has proven successful in the United States, with Highwire currently running similar operations in the state of Wyoming.

The Company does not see any immediate environmental impediments to the carrying out of cryptocurrency mining using Highwire's containerized mining servers.

For more information, please contact:

Investors/Media

Madeline Howson

Manager, Client Services

M +61 434 073 160

E madeline.howson@advisir.com.au

This ASX announcement was approved and authorised for release by the Board of Black Mountain Energy Ltd

About Black Mountain Energy

Black Mountain Energy Ltd (ASX: BME) is focused on sustainable development of Project Valhalla (EP371) in WA's Canning Basin, led by a team of highly experienced upstream oil and gas professionals.

Project Valhalla is a ~3,600km² permit area in the Canning Basin in northern Western Australia. The tight gas acreage is believed to hold 1.5 trillion cubic feet (TCF) of contingent gas resources and 11.8 TCF of prospective resources.

The Black Mountain Group is a major shareholder of BME, specialising in identifying and capturing high-growth opportunities in the global energy sector.

About Highwire Energy Partners

Highwire Energy Partners LLC is a US-based company that utilizes stranded and oversupplied natural gas to mine cryptocurrency. Highwire's business model is to leverage natural gas that would otherwise be flared or left unproduced due to lack of commercial options. Highwire uses proprietary containerized mining servers about 4m x 4m in size (see *Figure 1* below) on wellsites and powers them using a field generator run off the natural gas from that well.



Figure 1 – Highwire’s containerized cryptocurrency mining servers in action on a wellsite.

