



ASX ANNOUNCEMENT

30 APRIL 2025

QUARTERLY ACTIVITIES REPORT

AXP Energy Limited (ASX: AXP, OTC US: AUNXF), ('AXP', 'Company') provides this summary of activities for the quarter ended 31 March 2025 (*all in USD unless stated otherwise*).

HIGHLIGHTS

- Successful gas-to power 60 day trial delivers 1.5 MW of off grid power at the Company's 100%-owned Pathfinder Field in Colorado:
 - Maiden Natural Gas revenue equivalent to \$4/mcf achieved through trial period.
 - Gas and power has been successfully delivered to Blackhart Technology's Modular Data Centres (MDCs) housing 522 ASIC miners at 45 PH/S mining Bitcoin.
 - Expansion of gas-to-power operations underway targeting 5 MW by 30 June.
 - Secured the support of NASDAQ listed BitFuFu, Inc (NASDAQ: FUFU, FUFU.WS) ('BitFuFu') for the next phase of expansion of bitcoin mining activities.
- Board and Management strengthened with key appointments of Dan Lanskey as Managing Director and James Dack as Non-Executive Director.
- Gross production for the quarter was **2,430 barrels of oil and 13,313 MCF of gas, the first time AXP's Colorado leases have ever sold natural gas:**
 - Oil inventory held at end of quarter was 1,580 barrels.
- Cash and cash equivalents at quarter end were **\$230,811** (previous quarter: \$177,704).
- Additional funds received since 31 March give AXP additional financial flexibility:
 - Kentucky well bond deposit refunds of **\$217,941**.
 - March oil receipts of **\$83,856** and Gas to Power receipts of **\$46,290**.
 - U.S. Internal Revenue Service (IRS) advised approval of **\$300,000** federal tax refund to be paid within 28 days.
 - Additional Director equity funds of **\$102,000** subject to shareholder approval at May 7 General Meeting.

COMMENT

Commenting on the performance for the quarter, Managing Director Dan Lanskey said: "AXP was pleased to report the successful commencement of gas-to-power operations at Pathfinder, marking the first time that gas has been monetised from these leases. Importantly, we have been able to achieve gas sales well above the Henry Hub spot price given ability to deliver in-situ power generation for our bitcoin mining customer. The support of BitFuFu has also been a pleasing development and we are committed to building out the gas-to-power-

bitcoin mining operations at designated well sites. We have also commenced work on three wells to enhance oil production and deliver increased and stabilised gas flows to our generators so we maintain a high degree of reliability for end users. We see considerable scope to grow our gas-to-power operations to support the bitcoin mining industry and data centre owners with off-grid energy and power solutions while at the same time building out our core liquids business. More updates in this regard are pending as activities advance."

FINANCIAL & CORPORATE OVERVIEW

Revenue from continuing operations for the March quarter was broadly in line with the December quarter at \$134,716 (prior quarter: \$136,285). During the period, oil production and sales were impacted by winter weather conditions. Revenue was enhanced by first contributions from gas-to-power operations which commenced in February and continued into March.

The March quarter resulted in an operating cash outflow of \$558,949, which included regulatory payments, corporate and power generation project payments, compared to an operating cash outflow of \$398,405 in the previous quarter.

Net cash outflow from investing activities was \$55,837, comprising of exploration & ongoing legacy payment plan disbursements.

Net cash inflow from financing activities was \$665,948, comprising of a share placement of 750 million fully paid ordinary shares at an issue price of A\$0.0015 per share with sophisticated and professional investors raising \$705,413.

Cash and cash equivalents at quarter end amounted to \$230,811, with no debt obligations.

PRODUCTION & OPERATIONS OVERVIEW

During the quarter, a successful 60 day gas-to-power trial was completed at the Pathfinder Field near Florence, Colorado. Operations include the deployment of two (2) natural gas fired 750 KW generators and two mobile data centre containers housing 522 ASIC miners configured for Bitcoin mining operations. Gas from the Pathfinder #2 and Amerigo Vespucci wells were used to fuel the generators with uptime greater than 80% achieved during the trial.

Following the successful trial, work has commenced on preparing the J W Powell site for gas-to-power operations to be implemented with a 750 MW generator scheduled for installation by 30 June 2025 and connected to additional MDCs.

Plans to scale operations to produce 25MW of power generation is underway with a target date of December 2025. As part of this expansion, during the period the Company was pleased to report that through its JV partner Blackhart Technologies Inc, it secured the support of NASDAQ listed BitFuFu, Inc (NASDAQ: FUFU, FUFU.WS) ('BitFuFu') for the next phase of expansion of bitcoin mining activities at the Pathfinder Field. Representatives from BitFuFu have subsequently visited the site and they remain supportive of a scaled-up operation.

Gross oil production for the March quarter was 2,430 barrels of oil down 10% on the previous quarter of 2,703 barrels of oil. This was due to winter weather conditions during the quarter. Activities are currently underway across the Pathfinder Field to increase oil production.

EXPLORATION AND FIELD DEVELOPMENT ACTIVITIES

Exploration & Evaluation expenses of \$55,837 paid during the quarter. Development expenses of \$10,465 paid during the quarter.

BOARD AND MANAGEMENT TEAM STRENGTHENED

During the period, AXP strengthened its leadership at both Board and Management levels to coincide with the scale up of its gas-to-power operations. In February, Non-executive director Dan Lanskey was appointed Managing Director and Chief Executive Officer. Since his appointment, Dan has been actively involved in the development of the gas-to-power project in Colorado under a Joint Development Agreement with Blackhart Technologies and he is assessing other expansion opportunities. Dan's appointment follows the decision by longstanding CEO Tim Hart to step down from this role.

Also, during the quarter, the Company was pleased to announce the appointment of James Dack as a Non-Executive Director. Along with a highly distinguished career in the Australian residential property sector, Mr Dack has held senior management roles in both the private sector and the NSW government and is a recognised community leader. As founding partner of one of Australia's largest and most successful real estate firms, Mr Dack had a highly successful +25-year career in the residential property sector before establishing his own private investment company.

HEALTH, SAFETY & ENVIRONMENT

No Recordable Injuries or environmental concerns were recorded during the quarter.

TENEMENT SCHEDULE

The following table summarizes the Group's tenements as at 31 March 2025.

OPERATING SEGMENT	Quarter ended 31-Dec-24		Quarter ended 31-Mar-25		Percentage change in holding during quarter
	NRI [%]	NET ACREAGE	NRI [%]	NET ACREAGE	
Denver-Julesburg Basin					
Colorado	76	12,902	76	12,902	-
TOTAL		12,902		12,902	-

PAYMENTS TO RELATED PARTIES

Director's fees & consulting fees of \$78,747 were paid in the quarter.

EXPECTED RECEIPTS IN FY25

Subsequent to the quarter end, the Company received bond deposit refunds of \$217,941 and oil receipts of \$83,856. In addition, the Company received confirmation from the U.S. Internal Revenue Service (IRS) of a \$300,000 federal tax refund, which is expected to be received in the next few weeks. The Company expects to receive a further return of bonds valued at approximately \$105,000 in the next month following the transfer of leases to Mountain V,

approximately \$102,000 of Director equity funds subject to shareholder approval at May 7 General Meeting, as well as state tax refunds of approximately \$59,000. Further revenue will also materialise from ongoing oil production and gas-to-power activities.

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

-ENDS-

FURTHER INFORMATION

Dan Lanskey, Managing Director / CEO: 0451 558 018

Sam Jarvis, Non-Executive Chairman: 0418 165 686

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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AXP Energy Limited

ABN

98 114 198 471

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	43	323
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(11)	(16)
	(c) production	(95)	(302)
	(d) staff costs	(176)	(604)
	(e) administration and corporate costs	(330)	(1,008)
1.3	Dividends received	-	-
1.4	Interest received	1	4
1.5	Interest and other costs of finance paid	(2)	(16)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – tax refund	11	27
1.9	Net cash from / (used in) operating activities	(559)	(1,592)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(50)
	(d) exploration & evaluation	(56)	(215)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other – net bonds/deposits received	-	152
2.6	Net cash from / (used in) investing activities	(56)	(113)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	705	705
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(28)	(28)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(11)	(465)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Post closing costs recovered from Mountain V Oil & Gas as part of final closing settlement	-	268
3.10	Net cash from / (used in) financing activities	666	480

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	178	1,464
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(559)	(1,592)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(56)	(113)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	666	480

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	2	(8)
4.6	Cash and cash equivalents at end of period	231	231

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	231	178
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	231	178

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	79
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	n/a		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(559)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(56)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(615)
8.4	Cash and cash equivalents at quarter end (item 4.6)	231
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	231
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.38
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Subsequent to the quarter end, the Company received bond deposit refunds of \$218k and oil receipts of \$84k. In addition, the Company received confirmation from the U.S. Internal Revenue Service (IRS) of a \$300k federal tax refund, which is expected to be received in the next few weeks. The Company also anticipates further refunds including: approximately \$200k from Mountain V Oil & Gas, Inc. in relation to the expiry of funds held in an escrow account; \$105k in return of bonds following the finalisation of the lease transfers to Mountain V; approximately \$102k of Director equity funds subject to shareholder approval at 7 May 2025 General Meeting; and a \$59k refund in state taxes. These cash receipts are expected to contribute to improved cash flows in the 4th quarter.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: See 8.8.1.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the entity expects to continue its operations and to achieve its business objectives. Subsequent to the quarter end, the Company received bond deposit refunds of \$218k and oil receipts of \$84k. In addition, the Company received confirmation from the U.S. Internal Revenue Service (IRS) of a \$300k federal tax refund, which is expected to be received in the next few weeks. The Company also anticipates further refunds including: approximately \$200k from Mountain V Oil & Gas, Inc. in relation to the expiry of funds held in an escrow account; \$105k in return of bonds following the finalisation of the lease transfers to Mountain V; approximately \$102k of Director equity funds subject to shareholder approval at 7 May 2025 General Meeting; and a \$59k refund in state taxes.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025.....

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.