



ASX ANNOUNCEMENT

11 SEPTEMBER 2025

DRILLING OPERATIONS UNDERWAY FOR CHARLIE #1 WELL OKLAHOMA

HIGHLIGHTS

- *Commencement of site and drilling operations now underway on the Charlie #1 Well with drill permit secured;*
- *First vertical well to be drilled on the 1,400-acre leases in Kay & Noble Counties, Oklahoma to a depth of 4,700 feet;*
- *Targeting multiple stacked pay zones within the Mississippian Lime and Pennsylvanian formations;*
- *Field operations supported by proven contractor network, existing infrastructure, and proximity to Ponca City refinery;*
- *Drilling budget allocated from A\$2.7 million placement to fund initial vertical wells and gathering infrastructure;*
- *Seeking to expand gas-to-power-bitcoin mining operations in Oklahoma following completion and successful production from this first well.*

AXP Energy Limited (ASX: AXP, OTC: AUNXF) ('AXP', 'Company') is pleased to announce the commencement of drilling operations on its **Charlie #1 Well**, the first of two planned vertical wells, located on recently secured lease holdings in Kay & Noble Counties, Oklahoma.

The Charlie #1 Well is located within a geologically prospective setting along the Nemaha Ridge, targeting the Simpson Series, Mississippian Lime and Pennsylvanian stacked pay zones. AXP Energy owns a 100% Working Interest and an 81.25% Net Revenue interest in the Edwards Lease, where the Charlie #1 Well is located.

With site preparation underway, drilling operations are expected to commence over the coming weekend with an expected total vertical depth of 4,700 feet.

Drilling of the Charlie #1 Well is fully funded from the A\$2.70 million capital raising, announced on 11 August 2025, which provided the necessary capital for the drilling of two new vertical wells and the installation of downstream gathering equipment.

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OPERATING CONTEXT

Oklahoma's favourable regulatory environment, combined with its robust contractor network and oil-field infrastructure, underpins AXP's strategy to rapidly scale oil production, but also grow gas-to-power operations, including those supporting its partners in bitcoin mining.

AXP is actively pursuing additional lease acquisitions, targeting a cumulative **6,400 acres** to support a long-term portfolio of vertical wells spaced at approximately 40-acre intervals.

AXP's Managing Director, Dan Lanskey, commented: *"We are pleased to have commenced field operations on the Charlie #1 Well following receipt of the Intent to Drill permit. With an established track record in Kay County — including a 95% success rate from drilling 50+ wells during my tenure at AusTex Oil — we believe the potential of these stacked oil and gas formations is significant. The operational efficiencies in Oklahoma allow us to drill and complete vertical wells faster and more cost effectively than many onshore locations in the USA. We look forward to generating early production results and expanding our operations with our joint-venture partners in gas-to-power-bitcoin mining."*

Regular operational updates on this well program will be made as field activities advance.

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

- ENDS -

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 and Oklahoma. 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 such as Bitcoin Mining. It has secured its first customer with Blackhart Technologies LLC. AXP has 24 operating oil & gas wells at its Pathfinder Field. The Company is also pursuing oil production opportunities in Oklahoma through recently acquired leases.

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.