ASX ANNOUNCEMENT **16 September 2026**

Oil Flow Rates Enhanced at Charlie #1 Well After Controlled Flow Test

Highlights

- **Charlie #1 completed an initial 10-day production flow test after the installation of a 320 kW natural gas-powered genset onsite and improvements to produced water handling capacity.**
- **Very encouragingly, the Well delivered a production rate equivalent to approximately 55 Barrels of Oil Equivalent ('BOE') per day (being 40 barrels of oil and 95 Mcf of gas per day) based on a 12 hour per day-controlled flow test.**
- **The installation of the gas-powered generator on site has increased the gas flow and therefore removed a key historical production constraint by creating on-site commercial use for produced gas. Enhancements to existing water handling infrastructure are now being pursued so the well can enter permanent production.**

AXP Energy Limited (ASX: AXP) ("AXP" or "the Company") is pleased to provide the results of preliminary flow testing and the subsequent 10-day production test conducted at the Charlie #1 well on the Company's 100%-owned Edwards Lease in Oklahoma.

Charlie #1 was operated over an initial 10-day period to assess oil and gas performance under a controlled production configuration. During this period, the well flowed for approximately 12 hours per day and maintained an operating-rate **equivalent of approximately 40 barrels of oil and 95 Mcf of gas per day, representing approximately 55 BOE per day.**

Overnight the well was producing from production tubing only with annulus flow shut in. This timing allowed Gas to Power operations to run 24 hours a day during the flow test period.

The test was designed to balance oil production, gas availability for the newly installed genset and fuel requirements for the pump-jack engine. AXP will continue evaluating choke settings, annulus pressure and daily operating hours to determine the most effective long-term production configuration. A key focus is on improving water handling capacity and volumes. The current saltwater disposal well servicing Charlie #1needs to be optimised and co-located to the well site.

The reported figures, whilst very encouraging, represent preliminary field results and remain subject to ongoing production measurement, reconciliation and further testing. They should not yet be regarded as an estimate of long-term stabilised production.

AXP Energy Managing Director and CEO, Daniel Lanskey, said: "*First and foremost, what is very encouraging about this flow test is the increased oil production which is consistent with other wells in the area. By enhancing some settings, liberating more gas and improving water handling capacity, we are confident that we can deliver sustainable production rates and capitalise on higher oil prices and a lower cost operating environment in Oklahoma. Whilst the performance of gas-to-power operations on site is encouraging and starting to deliver steady revenue, AXP is intent on scaling oil production from this first well and other opportunities across the leases and nearby. We see several compelling opportunities that can accelerate field development with minimal capital outlay.*"

Next steps

- Continue optimising the annulus choke and production configuration.
- Evaluate longer daily operating periods while maintaining appropriate wellhead pressure.
- Monitor oil, gas and water volumes under stabilised conditions.
- Monitor genset reliability, gas consumption and third-party digital mining performance.
- Evaluate opportunities to increase on-site generation and third-party computing capacity as additional gas becomes available.
- Assess new opportunities to enhance oil production across the leases and third-party sites.

Important notice

Production rates reported in this announcement are based on preliminary field measurements obtained during controlled testing and initial operations. Short-duration flow-test results and operating-rate equivalents are not necessarily indicative of sustainable long-term production. Actual future production may vary due to reservoir performance, operating configurations, equipment availability and other technical or commercial factors.

AXP holds a 100% Working Interest and an 81.25% Net Revenue Interest in the Edwards Lease, located in Noble County, Oklahoma

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 operations in Colorado and Oklahoma.

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