



ASX ANNOUNCEMENT

30 OCTOBER 2026

QUARTERLY ACTIVITIES REPORT

AXP Energy Limited (ASX: AXP, OTC US: AUNXF), ('AX'P or the 'Company') provides this summary of activities for the quarter ended 30 September 2026 (all amounts in USD unless stated otherwise).

HIGHLIGHTS

▪ Edwards Lease, Oklahoma

- first gas-to-power installation commissioned on 31 August 2026, supplying onsite third-party data mining operations.
- Initial 320 kW genset creates an additional outlet for produced gas and supports production optimisation at Charlie #1.
- Charlie #1 completed a 10-day controlled flow test, recording operating-rate equivalents of approximately 40 barrels of oil and 95 Mcf of gas per day. Test results do not represent stabilised production.

▪ Syrian Block IX

- farm-in terminated by mutual agreement, releasing AXP from further obligations under the arrangements.

▪ Gross quarterly production of 2,592 barrels of oil and 5,060 Mcf of gas (June quarter: 2,203 barrels and 2,531 Mcf).

- Oil inventory at quarter end of 976 barrels (June quarter: 804 barrels).

▪ Cash and cash equivalents at quarter end of \$259,806 (June quarterly report: \$60,596).

PRODUCTION & OPERATIONS OVERVIEW

Oklahoma

Edwards Lease Oklahoma- 100% Working Interest 81.25% Net Revenue Interest

During the quarter, AXP advanced operations at its Edwards Lease in Noble County, Oklahoma. The lease covers 1,000 acres with one well in production which was drilled in December quarter 2025. The Charlie #1 Well is a vertical well completed for production in the Mississippian Lime formation. With 40-acre spacing for new wells, the lease could accommodate more than 20 additional well locations. Oil sales from the lease commenced in June Qtr. 2026.

Gas to Power Operations

Installation of the initial 320 kW natural gas-powered generator and third-party data mining equipment was completed on 31 August 2026. Gas from the Charlie #1 well is supplied to the onsite generator which powers data mining operations that are connected to the internet via a Starlink satellite connection.

Under the arrangement with Pathfinder Partners, AXP supplies natural gas to the onsite generator with Pathfinder Partners owning and operating the data mining equipment. AXP receives gas-sale revenue alongside its oil-production revenue. The arrangement also provides an option for AXP to acquire the generator within 90 days of installation.

The installation provides a local market for gas previously restricted by sales-line capacity. AXP will assess expansion as gas availability and operating performance permit.

Charlie #1 Controlled Flow Test

As announced on 16 September 2026, Charlie #1 completed a 10-day test following installation of the genset and improvements to water handling. Flow for approximately 12 hours per day produced operating-rate equivalents of around 40 barrels of oil and 95 Mcf of gas per day.

These preliminary results require reconciliation and further testing and are not estimates of sustainable long-term production. Work focused on choke settings, annulus pressure and water-disposal capacity.

Colorado

Oil Production at the Company's leases near Florence, Colorado, remained steady at approx. 22 barrels of oil per day. Net sales volumes for the quarter were 1961 barrels. The average sales price for the quarter was \$88.20 per barrel.

Syrian Block IX Farm in

On 31 August 2026, AXP announced mutual termination of the farm-in and associated joint operating agreement with Simpura Latakia Limited. The decision reflected project timing and AXP's nearer-term Oklahoma priorities. Simpura retained the initial \$100,000 payment, and AXP has no further amounts payable under the terminated arrangements.

Oil and Gas Production

Gross oil production for the September quarter was 2,592 barrels. Gross gas production for the quarter was 5,060 Mcf.

FINANCIAL & CORPORATE OVERVIEW

Revenue from continuing operations for the September quarter was \$132,187 (June quarter: \$149,347).

Net cash used in operating activities was \$168,503, including customer receipts of \$143,788 and payments for production, staff, administration and finance costs. Net investing cash flow was \$312,291, and net financing cash flow was \$371,844.

Cash and cash equivalents at 30 September 2026 were \$205,806.

Board Changes

On 18 August 2026, AXP announced the resignation of Non-Executive Director James Dack. The Company acknowledged his contribution and advised it did not intend to appoint a replacement at that time.

HEALTH SAFETY & ENVIRONMENT

No Recordable Injuries were recorded during the quarter.

AXP's subsidiary, AusCo Petroleum Florence LLC entered a Compliance Order on Consent with Colorado's Air Pollution Control Division on 21 October 2026 to resolve alleged air-quality compliance violations. These concerned emissions reporting and permit renewals, leak detection inspections, gas-flow monitoring and recordkeeping, emissions controls at Oilfish, and engine permitting, testing and monitoring at Pathfinder. Without admitting liability, AusCo agreed to pay a US\$190,800 administrative penalty and provide outstanding records and updated emissions notices within 30 days of the order's effective date.

QUARTER ACTIVITIES REPORT

TENEMENT SCHEDULE

The following schedule summarises the Group's tenement holdings at 30 September 2026.

Operating segment	30 June 2026 NRI %	30 June net acres	30 September NRI %	30 September net acres
Colorado	76	5,835	76	5,835
Oklahoma	81.25	1,400	81.25	1,400
Total		7,235		7,235

The proposed neighbouring Oklahoma acquisition announced in October is excluded from the September holdings pending completion.

PAYMENTS TO RELATED PARTIES

Directors' fees of \$76,867 were paid in the quarter.

EVENTS SUBSEQUENT TO QUARTER END

Acquisition of adjoining Well Package

On 9 October 2026, AXP announced a conditional agreement to acquire seven previously producing oil and gas wells and associated infrastructure from Vertical Petroleum Industries LLC for US\$225,000, plus the assumption of plugging, abandonment and restoration obligations. The acquisition covers approximately 400 acres adjoining the Edwards Lease in Noble County, Oklahoma, and includes equipped wells, production facilities, gathering infrastructure and a saltwater disposal facility. On completion, AXP will hold a 100% working interest and approximately 80% net revenue interest in the acquired assets. A US\$22,500 deposit has been paid, with completion targeted by 3 November 2026, subject to due diligence and contractual conditions.

AXP plans to recomplete the seven wells in the Mississippian Lime formation at an estimated US\$150,000 per well, providing a lower-cost opportunity to grow production using existing wellbores and equipment. The acquired disposal facility is also intended to improve water management at Charlie #1, while additional gas from successful recompletions could support expansion of the Company's gas-to-power operations. Planning and design are underway, with field work expected to commence in November 2026, subject to acquisition completion, sufficient funding, contractor availability and applicable approvals.

Loans Received

As at 30 September 2026, the company received a total of \$AU537,500 in loans from third parties (refer Section 7 Appendix 5B).

Entitlement Offer

The October prospectus provides for a one-for-one non-renounceable offer at A\$0.005 per share, with one free option for every two new shares, targeting up to A\$2,248,668 before costs with a minimum subscription of A\$1,200,000. The offer opened on 20 October and is scheduled to close on 3 November 2026, subject to extension. Proceeds are intended to fund acquisition completion.

Gas to Power Operating Update

On 22 October 2026, AXP reported uptime exceeding 95% for the genset and third-party data mining equipment over the 30 days ended 19 October. Recompletion planning is underway, targeting commencement in November, subject to acquisition completion, funding, contractors, equipment and approvals. Additional gas may support expansion, depending on successful recompletions and gas suitability.

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 and gas production and development company with operations in Oklahoma and Colorado. Its Oklahoma strategy includes monetising produced gas through onsite generation supplying third-party data mining operations.

DISCLAIMER

This report includes forward-looking statements about production, acquisitions, funding, recompletions and gas-to-power expansion. These reflect expectations at the date of release and involve uncertainties, including reservoir performance, commodity prices, funding, equipment, approvals and completion conditions. Actual outcomes may differ materially. Short-duration flow tests and operating-rate equivalents do not establish sustainable production. Hydrocarbon rates may change with pressure, depletion, operating hours and maintenance. Except as required by law or the ASX Listing Rules, the Company does not undertake to update these statements.

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")

30 September 2026

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	144	144
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production	(60)	(60)
	(d) staff costs	(124)	(124)
	(e) administration and corporate costs	(129)	(129)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(169)	(169)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation		
	(e) investments		
	(f) other non-current assets		

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 (3 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 (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(3)	(3)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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	(8)	(8)
3.5	Proceeds from borrowings	380	380
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	372	372

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	61	61
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(169)	(169)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	372	372

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 (3 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	260	260

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	260	61
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)	260	61

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	77
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>		

6.1 Includes payment of US76,867 of fees, wages and superannuation payable to directors and key management personnel, including termination payments to company's former CFO.

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

7.	Financing facilities	Total facility amounts 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	380	380
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.		
	7.1 - Relates to short terms loans of AU\$537,500 provided during the quarter. The loans are repayable within 60 days and may convert to equity at a share price of \$0.005 (same as the rights issue). The interest component is 10% on the principal amount.		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(169)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(169)
8.4	Cash and cash equivalents at quarter end (item 4.6)	260
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	260
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.53
<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: Yes	
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: Yes, The Company is currently offering a rights issue to existing shareholders on a 1:1 basis and is intending to place any shortfall with interested investors. The issue is to raise up to \$2.2m in new equity.	

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. See 8.8.2 above.

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 October 2026.....

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.