



ASX ANNOUNCEMENT

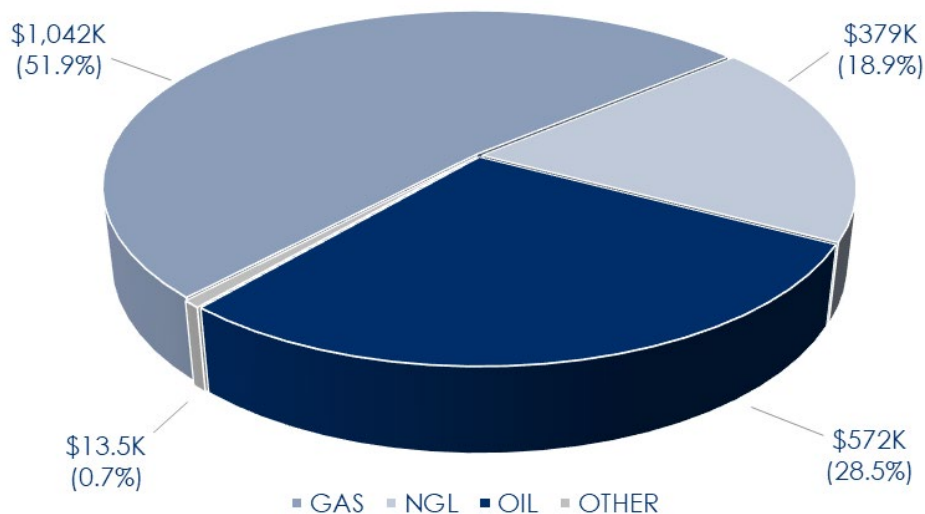
23 NOVEMBER 2021

OCTOBER NET REVENUE EXCEEDS \$2M

AXP Energy Limited (ASX: AXP, OTC US: AUNXF), ('AXP', 'Company') is pleased to report another month of consistent revenue generation with the Company recording net revenue (revenue after royalties) of approximately \$2.01M for October (refer chart) – broadly in line with September's net revenue of ~\$2.1M.

The result is encouraging given that oil sales of \$571,949 were down 32% (September: \$844,442) as the oil inventory sell down was deliberately slowed as the operations team focused on removing excess water (generated through oil production) from disposal tanks. Water is now being transported more consistently for disposal allowing for a more efficient movement of oil to sale points. Sales in November and December are therefore expected to improve.

NET REVENUE SPLIT BY HYDROCARBON



Particularly pleasing is the month-on-month improvement in natural gas and natural gas liquids revenue which was up ~24% to \$1.42M as downstream reliability stabilised and the Company continued to benefit from higher natural gas prices.

As at 19 November, unsold oil inventory was 19,398 barrels giving AXP added financial flexibility and sales optionality.

AXP's net revenue has continued to improve since the Appalachian Basin acquisition earlier in 2021 and the Company expects that with ongoing workovers and potential production to be added from drilling new low-cost conventional wells, this trend will continue.

Chairman Simon Johnson commented: "October was another pleasing month and we are encouraged by the improvement in natural gas and NGL sales despite reduced oil sales which were anticipated. Notwithstanding, we expect oil sales will pick up in November and December as we benefit from production improvements and more consistency in our logistics. As we have consistently stated, we continue to uncover new enhancement opportunities across the portfolio which will underpin sales growth. We will provide updates on field development activities as we bring new production online and add new customer sales channels. AXP is well-positioned for another solid quarter."

As reported last week, the Company will publish its reserves & resources in respect of the MHP and Trey acquisitions this week.

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

END

FURTHER INFORMATION

Simon Johnson Non-Executive Chairman: 0417 478 818

Sam Jarvis, Non-Executive Director: 0418 165 686

Robert Lees, Company Secretary: 0411 494 406

ABOUT AXP ENERGY LIMITED

AXP ENERGY Limited (ASX: AXP) (formerly Fremont Petroleum Corporation Limited) is an oil & gas production and development company with operations in Colorado, Illinois, Kentucky, Tennessee and Virginia. AXP's focus is to aggressively grow daily production by improving current asset performance and opportunistically acquiring onshore USA oil & gas assets with the following characteristics: producing conventional oil & gas wells; production that can be enhanced through low-cost field operations and workovers; leases which are held by production and which do not require ongoing drilling commitments; and economies of scale which can be achieved by acquiring and carrying out similar enhancement strategies on contiguous or nearby fields with similar characteristics.

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.