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Olenox Industries Reports July 2026 Bitcoin Production, Its second Monthly Operating Update Following the Closing of the CS Digital Acquisition

Second post-closing operating disclosure from the newly combined, energy-led digital infrastructure platform. Current production is generated at third-party hosting facilities on the ERCOT grid; converting Olenox's low-cost natural gas into compute at the point of generation, targeting power costs below $0.02 per kWh, is the platform's forward strategy.

CONROE, TX / ACCESS Newswire / August 20, 2026 / Olenox Industries Inc. (NASDAQ:OLOX) ("Olenox" or the "Company"), a vertically integrated U.S. energy company, today reported Bitcoin production for the month of July 2026 from the operations of CS Digital Ventures, LLC ("CS Digital"), which the Company acquired on May 28, 2026. This is the Company's second monthly operating update as a combined, energy-led digital infrastructure platform.

July 2026 Production Highlights

- **Bitcoin mined:** approximately **15.13 BTC** credited to the Company's mining pool accounts during July 1-31, 2026.
- **Average operational hashrate:** approximately **1.02 EH/s** realized across the Company's mining pool accounts during the period.
- **Fleet utilization:** realized hashrate represented approximately **64%** of the fleet's economic capacity during the period, reflecting planned summer curtailment, low-power-mode operation and normal equipment availability.
- **Installed fleet: 9,584 current-generation S21-class ASIC miners** representing approximately **35 MW** of installed capacity (approximately 2.19 EH/s nameplate) at a blended hardware efficiency of approximately **16 J/TH**.

Production figures are preliminary, unaudited, and subject to final operational and financial review. Reported production reflects Bitcoin credited to the Company's pool accounts, before settlement of hosting profit-share amounts described below, and is shown net of mining-pool fees.

The July production reported herein was generated at third-party hosting facilities drawing power from the ERCOT grid. The Company's strategy of converting Olenox's natural gas into compute at the point of generation, including the targeted sub-$0.02 per kWh power cost, describes the combined platform's forward plan and is not reflected in the current period's results.

The Company expects to provide monthly production updates in the early part of each month, consistent with industry practice among Bitcoin mining operators.

Profit-Share Arrangement

The majority of the Company's mining fleet operates at third-party hosting facilities under profit-share arrangements, whereby the hosting provider is compensated through a share of mining-related value rather than solely through a fixed hosting fee. These arrangements are settled through two different mechanisms. Under most of them, the hosting provider's share is settled directly at the mining-pool level, so that only the Company's share is credited to its pool accounts. Under another arrangement, covering a portion of the fleet, the full output of the relevant machines is credited to the Company's pool accounts and the hosting provider is instead compensated separately through a monthly invoice covering power, a management fee and a profit-share component.

The production and hashrate figures reported above reflect Bitcoin and hashrate credited to the Company's pool accounts. For the portion of the fleet settled by monthly invoice, these figures are stated before deduction of the related hosting costs, which are recognized separately as an operating expense for the period and were not yet finalized as of the date of this release. Power costs are borne by the Company broadly in proportion to the economic output it retains. The Company intends to refine its production reporting methodology as invoicing for the period is finalized and expects to provide additional detail in future updates.

Seasonal Operations and Outlook

July production reflects deliberate, weather-driven curtailment at the Company's Texas hosting site. During periods of high ambient heat, the Company curtails or reduces operations to protect the fleet - a standard practice for Texas-based mining operations during the summer season, and one that also aligns power use with grid and pricing conditions. As a result, realized hashrate during the period was below the fleet's nameplate capacity.

For the summer, the Company has elected to operate the fleet in a low-power mode (LPM) to preserve hardware during the hottest months, reverting to normal operation once the high-heat season ends. Internal testing indicates that LPM maintains miner efficiency - reducing power consumption broadly in proportion to the reduction in hashrate - while meaningfully lowering the risk of heat-related hardware failures. The Company expects this approach to result in temporarily lower hashrate and Bitcoin production during the summer months, in exchange for improved fleet longevity, reduced downtime, and disciplined power consumption. Monthly production is expected to vary with seasonal temperatures, curtailment and network conditions.

Management Commentary

"July is our second month of reporting Bitcoin production as a combined platform," said Mike McLaren, Chairman and Chief Executive Officer of Olenox. "We intend to continue reporting production on a monthly basis as we bring Olenox's energy assets and CS Digital's operating capability together."

About Olenox Industries Inc.

Olenox Industries Inc. (NASDAQ:OLOX) is a vertically integrated U.S. energy company operating across multiple business lines, including oil and gas, energy services and energy technologies, including the proprietary Olenox process. The Company is focused on acquiring, optimizing and scaling energy-related infrastructure and operating assets across key U.S. markets, with a strategic focus on bringing low-cost natural gas to high-value end uses, including digital infrastructure and next-generation compute.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable U.S. federal securities laws. Forward-looking statements include, without limitation, statements regarding monthly Bitcoin production and the expectation of providing future monthly updates; expected benefits of the completed transaction between Olenox Industries Inc. and CS Digital Ventures, LLC; the Series D Preferred Stock, the Seller Note, the Warrants and any additional Series D Preferred Stock issuable upon achievement of post-closing milestones; the receipt of stockholder approval permitting conversion of the Series D Preferred Stock and exercise of the Warrants into common stock; the development and scaling of off-grid, gas-powered digital infrastructure; targeted power costs; and the future business, operations and financial performance of the combined company. These statements are based on current expectations and assumptions and are subject to risks, uncertainties and other factors, many outside the Company's control, that could cause actual results to differ materially, including, among others, volatility in Bitcoin price and network difficulty; the ability to integrate CS Digital's operations; the ability to service the Seller Note; the ability to obtain stockholder approval under applicable Nasdaq listing rules; the ability to achieve the milestones underlying the post-closing earnout; volatility in commodity prices, including natural gas and electricity; the availability and terms of hosting arrangements; regulatory developments; and the other risks described in the Company's filings with the U.S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any forward-looking statement except as required by law.

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