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Olenox Industries Highlights Transformational Year and Expanding Energy-to-Compute Platform

Chairman and CEO Michael McLaren Outlines Olenox's Growth, Strategic Acquisitions and Vision for Powering the Next Generation of AI Infrastructure and High-Density Computing

CONROE, TX / ACCESS Newswire / August 26, 2026 / Olenox Industries Inc. (NASDAQ:OLOX) ("Olenox" or the "Company"), a vertically integrated U.S. energy company, today issued the following letter to shareholders from Chairman and Chief Executive Officer Michael McLaren.

Dear Shareholders:

2026 is shaping up to be a transformational year for Olenox.

Over the past several months, we have taken significant steps toward building a differentiated, vertically integrated platform connecting energy production, behind-the-meter power, digital infrastructure, high-density computing and applied artificial intelligence. We have expanded our capabilities, added experienced members to our team and advanced strategic transactions intended to position Olenox at the intersection of two rapidly converging markets: energy and next-generation computing.

We believe the progress made this year reflects more than growth in the size of our business. It represents the emergence of a clearer and more powerful operating model - one designed to transform energy resources into power, power into compute and compute into intelligence.

As we move through the second half of 2026, Olenox is operating from a stronger foundation and with an expanded opportunity set. Our focus now is disciplined execution: integrating our businesses, developing our assets and pursuing opportunities capable of adding strategic value to the platform.

For the three months ended June 30, 2026, Olenox reported revenue of approximately $2.1 million, an increase of approximately 194% compared with approximately $721,000 for the same period in 2025. As of June 30, 2026, the Company's total assets had increased approximately 78%, to approximately $64.2 million from approximately $36.0 million as of December 31, 2025. Stockholders' equity increased approximately 155%, to approximately $19.4 million from approximately $7.6 million over the same period.

These results reflect the pace at which Olenox is evolving - from a collection of energy and infrastructure capabilities into an increasingly integrated platform spanning natural gas, power generation, digital infrastructure and applied intelligence. At the same time, we recognize that building and integrating this platform requires disciplined execution, careful capital allocation and continued attention to the Company's financial and operational foundation.

Following the acquisition of CS Digital Ventures, LLC ("CS Digital") in May 2026, its operations produced an average of approximately 17 bitcoin per month during June and July 2026, representing an average gross value of approximately $72,000 per bitcoin.

CS Digital's mining operations are currently hosted at third-party facilities. Our longer-term strategy is to transition portions of those operations to Olenox-controlled, self-hosted facilities utilizing behind-the-meter generation. We believe this model could reduce exposure to external hosting and grid-power costs while giving Olenox greater control over a critical component of its digital-infrastructure operations.

We are also continuing due diligence relating to our recently announced non-binding letter of intent involving the proposed acquisition of Wildboy Holdings, Ltd. and IPD Industries, Inc. We have engaged an independent engineering firm to evaluate certain assets and provide an assessment of their condition and value. We currently expect that work to be completed in the coming weeks, although the timing and outcome of the evaluation remain subject to change.

While due diligence continues, the Olenox, Wildboy and IPD teams are evaluating potential integration and development plans. If the transaction is completed and the relevant technical, commercial, financing, regulatory and infrastructure requirements are satisfied, Olenox intends to evaluate the initial development of an approximately 20-megawatt bitcoin-mining and hosting facility.

Such a project could represent an important first step toward transitioning a portion of the Company's mining capacity from third-party hosting to self-hosted operations powered closer to the point of energy production. It would also advance our broader vision of connecting energy resources directly with the growing demand for computing power.

The proposed transaction also includes IPD's project interests in the vicinity of the Waha Hub outside Pecos, Texas, within the Delaware Basin's Wolfbone trend area. Based on information provided by the sellers and subject to Olenox's continuing due diligence and independent engineering review, these interests may provide access to several components considered important to the phased development of large-scale energy and digital infrastructure:

- **Behind-the-meter power:** A potential generation footprint and adjacent natural-gas resources that could support phased deployment of dispatchable on-site generation. The sellers have identified a potential long-term development range of approximately 1-5 GW; this estimate remains subject to independent validation, resource availability, engineering, permitting, financing, infrastructure development and customer demand.

- **Natural-gas infrastructure:** Proximity to multiple transmission and midstream systems serving the Waha Hub market, potentially supporting natural-gas procurement and power generation near the point of consumption. Physical proximity does not necessarily establish capacity, access or contractual rights.

- **Substations and grid optionality:** Customer and utility substations reportedly located approximately 1.5 to 2.5 kilometers from certain project tracts, potentially providing construction power, interconnection opportunities or grid backup, subject to interconnection studies, available capacity and required approvals.

- **Fiber connectivity:** Regional fiber routes and transportation corridors that may support the connectivity requirements of data centers, bitcoin mining and other high-density computing applications.

- **Energy-market capabilities:** Potential access to relationships and infrastructure involving a Qualified Scheduling Entity, Retail Electric Provider and ERCOT market operations, which could support wholesale market participation, bilateral power sales, retail offtake and ancillary services, subject to verification, definitive commercial arrangements, licensing and regulatory requirements.

If successfully acquired and developed, these resources could provide the building blocks for a potentially significant energy-to-compute platform - connecting natural gas, behind-the-meter generation, digital infrastructure and computing capacity at scale.

We believe reliable, competitively priced power is becoming one of the most important constraints facing the expansion of AI infrastructure, data centers, bitcoin mining and other power-intensive applications. Olenox's opportunity is to help address that challenge by developing energy resources and computing infrastructure as interconnected components of a single operating platform.

Our strategy is to approach this opportunity in phases. The proposed generation potential should not be viewed as committed capacity or a near-term development forecast. Any deployment would depend on successful completion of the proposed acquisition, technical validation, gas availability, site control, permitting, financing, equipment procurement, interconnection requirements and customer demand.

Over the coming year, Olenox intends to continue integrating its recently acquired capabilities, advance its applied-intelligence platform across appropriate operating sites and evaluate opportunities to expand off-grid and behind-the-meter computing capacity.

We also intend to develop our existing energy properties and pursue selected drilling and completion activity, subject to available capital, technical results, commodity prices, permitting and operating conditions.

Future acquisitions will be evaluated according to whether they add a strategically valuable component to Olenox's integrated platform. Our objective is not simply to accumulate assets. It is to connect complementary capabilities across energy, power, infrastructure, compute and intelligence in a manner that can create durable value for shareholders.

Olenox enters the remainder of 2026 with greater capabilities, a broader opportunity set and a clearly defined strategy. We are energized by the progress made this year and focused on translating that momentum into disciplined execution and lasting shareholder value.

Thank you for your continued confidence and support.

Sincerely,

Michael McLaren
Chairman and Chief Executive Officer
Olenox Industries Inc.

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 computing.

For additional information, visit www.olenox.com.

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 the Company's strategy of converting low-cost natural gas into power and high-value digital products; the integration and future performance of CS Digital; bitcoin production, pricing and self-hosting plans; the proposed acquisitions of Wildboy Holdings and IPD; the completion and results of due diligence and independent engineering evaluations; the negotiation and execution of definitive agreements; the satisfaction of closing conditions and receipt of required approvals; the potential development of an approximately 20-megawatt mining and hosting facility; the availability of natural gas, power-generation capacity, substations, transmission infrastructure, fiber connectivity and energy-market capabilities; the potential deployment of behind-the-meter generation; the expansion of off-grid computing capacity; the deployment of applied-intelligence technologies; planned drilling and completion activities; future acquisitions; and the future business, operations and financial performance of the Company.

These statements are based on current expectations and assumptions and are subject to risks, uncertainties and other factors, many of which are outside the Company's control, that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Such factors include, among others, the possibility that definitive agreements for the proposed acquisitions will not be executed; that due diligence or independent evaluations will not confirm information provided by the sellers; that required financing, permits, approvals, infrastructure, commercial arrangements or third-party consents will not be obtained; that anticipated natural-gas availability, generation capacity, bitcoin production or power-cost savings will not be achieved; the ability to integrate acquired businesses, technologies and personnel; the availability and cost of capital; volatility in bitcoin, natural-gas and electricity prices; variability in customer demand and pricing for compute services; equipment availability and performance; the development of demand for artificial intelligence and high-density computing infrastructure; cybersecurity risks; regulatory and Nasdaq listing developments; and the other risks and uncertainties 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, which speak only as of the date made. The Company undertakes no obligation to update any *forward-looking statement as a result of new information, future developments or otherwise, except as required by law.*

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