

Anax Power and Magellan Scientific to Install 500kW Anax Turboexpander (ATE) to Mine Bitcoin in the Appalachian Basin

Wharton, NJ – Anax Power (www.anaxpower.com), whose proprietary technology generates clean power from natural gas, without combustion, has signed a joint operating agreement with Magellan Scientific, LLC (www.magellanscientific.com), an off-grid, decentralized digital asset company, to install a 500 kW Anax Turboexpander (“ATE”) paired with a Magellan Scientific off-grid immersion data center to mine for Bitcoin.

The project will be operational in Summer 2022, and it will be the first commercial installation of the 500kW ATE in the world. It also represents one of the only natural gas turboexpander projects in America in the past decade.

The ATE-Data Center system will be installed in the Appalachian Basin at a Pin Oak Midstream natural gas regulating station. The ATE harnesses waste energy to generate carbon-free electricity from the pressure letdown process. Magellan Scientific’s proprietary immersion data center consumes this clean electricity at the natural gas regulating site to mine for Bitcoin and recycles waste heat from the data center to reheat natural gas after regulation. The ATE-Data Center system will provide three unique benefits:

- 1. Modernization:** Pin Oak Midstream will replace its inefficient natural gas regulator at an existing regulating station with an Anax Power ATE. In addition to providing the same pressure regulation as a typical natural gas regulator, the ATE generates zero emission electricity.
- 2. Decarbonization:** Magellan Scientific’s proprietary mining system recycles waste heat from the data center to reheat gas after regulation, which allows for the elimination of natural gas fired heaters upstream of regulating stations. The result is a direct reduction in the site’s Scope 1 greenhouse gas emissions by avoiding the need to burn natural gas (and emit CO₂) to provide heat.
- 3. Sustainability:** Anax Power’s ATE is eligible for Tier II Alternative Energy Credits (“AECs”). By installing an ATE and consuming the electricity in Magellan Scientific’s proprietary data center, the parties will demonstrate the patent pending process to completely decarbonize natural gas regulating stations and improve the environmental footprint of the digital mining industry as well as the natural gas industry.

“The Appalachian Basin Project is a monumental milestone for Anax and Magellan! The 500kW ATE is the result of a decade of in-depth customer research, rigorous design and sophisticated engineering, and Anax is thrilled to deploy the technology alongside Magellan Scientific!” said Joe Longo, Anax’s CEO.

Brent Breon, VP of Power and Power Systems of Magellan Scientific, LLC stated, “Natural gas pipeline operators own and operate tens of thousands of natural gas regulating stations across North America. Magellan Scientific and Anax Power are excited to demonstrate this technological combination and to work in the future with other pipeline operators to modernize and decarbonize letdown stations.”

Anax Power is a New Jersey-based clean energy technology company that builds, markets, and develops projects around the 500kW Anax Turboexpander. Anax is headquartered in Wharton, New Jersey, one of the state's economic opportunity zones.

Magellan Scientific is an off-grid, decentralized digital asset technology company working within blockchain ecosystems to expand digital infrastructure and advanced computing in the United States. Magellan operates modular data centers throughout North America near its energy resources. This location lets Magellan capitalize on exceptionally low-cost fuel for electricity generation by minimizing fuel loss, reducing fuel transportation costs, and eliminating electrical transmission loss in a vertically integrated closed-loop system.

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