ASX Announcement | 26 November 2026

X2M Signs Binding Joint Venture Agreement with 7 Heavens for 10MW Queensland AI-Enabled Data Centre

X2M to be contracted by joint venture for the high-density GPU data centre, taking capacity under agreement to 30MW

Highlights

- **Binding joint venture agreement:** X2M has entered a binding agreement with 7 Heavens International Corporation to establish a joint venture to develop, own and operate a data centre on an identified site in North Queensland
- **Joint venture revenue:** The joint venture is expected to earn revenue from long term contracts for data centre operations and/or from GPU based services with X2M receiving benefits depending on the relevant equity holdings in the joint venture when those revenues are recognised
- **Exclusive design, build and operate role:** Under the joint venture, X2M will be contracted to design, build and operate the data centre, and expects to earn a build margin and ongoing fees for management of the facility through its AI-enabled software platform
- **Outcome driven through partnership:** The binding agreement has been facilitated through the data centre partnership announced to ASX on 1 September 2026
- **Initial 10MW with scope to 100MW:** The data centre has an initial target capacity of 10MW and scope to expand to 100MW subject to relevant joint venture entity and regulatory approvals, reflecting demand for X2M's platform, which is designed to deliver more compute from every megawatt
- **Land, power and approvals:** Under the joint venture, 7 Heavens will lead negotiations to secure the land and power for the data centre through a lease or purchase of the target site and a power purchase agreement with local power sources already available, and will coordinate development approvals. The land negotiations are already at an advanced stage.
- **30MW under agreement:** The agreement lifts X2M's capacity under agreement to 30MW, with a combined estimated project cost of $750m, on which X2M expects to earn margins across project milestones
- **Next steps:** X2M and 7 Heavens will establish the joint venture including the shareholders agreement and will progress the project through external funding, commercial terms and project milestones

X2M Connect Limited (ASX: X2M) (X2M or the Company) is pleased to announce that it has entered a binding Data Centre Joint Venture Agreement with 7 Heavens International Corporation Pty Ltd (7 Heavens).

The parties have agreed to establish a joint venture company to develop and operate a data centre on an identified site in North Queensland. The joint venture agreement defines the respective roles of the parties in the joint venture activities. In the event that the identified site is found to not be suitable, the joint venture expects to proceed on a comparable site north of Brisbane.

The proposed data centre has an initial target capacity of 10MW, a committed minimum of 5MW, with scope to expand to 100MW subject to the joint venture entity and regulatory approvals, energy connections and water availability.

X2M will be contracted by the joint venture to design, install, commission and operate the data centre, and will manage the facility through its AI-enabled platform for the life of the asset. X2M will also deliver and install the X2M platform for data centre management and performance optimisation. X2M expects to charge a SaaS fee for a period of 10 years.

7 Heavens is a Queensland based private company that develops land. The company has clients with extensive land holdings in Queensland and who are looking to facilitate data centres in stand alone precincts or as part of larger integrated developments.

Joint Venture Roles and Responsibilities

7 Heavens

- Lead negotiations with the landowner to secure a long-term lease or purchase of the target site or a comparable alternative site north of Brisbane
- Negotiate a power purchase agreement with the landholder to secure the energy supply for the data centre
- Coordinate development and infrastructure approvals with council and other relevant authorities, using technical information supplied by X2M

X2M

- Assess the technical suitability of the site, including power and water availability, cooling requirements and fibre connectivity
- Prepare the technical design and project delivery plan, covering capacity, development stages, cost estimates and delivery timetable
- Design, install, commission and operate the data centre with its partners. X2M expects to earn a margin on the services and hardware it delivers through the build and operation
- Manage electricity, heat and water across the facility through its AI-enabled platform, with X2M expected to earn ongoing fees for the life of the asset
- Arrange project funding at the joint venture level, which may involve funders or other third parties taking equity in the joint venture

Next Steps

X2M and 7 Heavens will continue to progress the project, with the next stages expected to include:

- Incorporating the joint venture company and signing the shareholders agreement to govern shareholder approval and administration functions
- Finalising agreements for access to the target site
- Agreeing the technical, delivery and funding milestones for the project and their due dates

- Agreeing the scope of work and fees for X2M's services before work begins
- Securing one or more funders and tenants to contract for use of the data centre, with each party eligible for a sourcing fee for funders or tenants it secures

Delivering the Data Centre Pipeline

This agreement continues X2M's data centre strategy of developing modular, AI-enabled data centres in regional Australia, where land, power and regulatory approval can be secured.

The agreement has been facilitated through the data centre partnership announced to ASX on 1 September 2026. Through that partnership, a number of potential data centre opportunities have been identified and this joint venture agreement is the first crystallisation of those activities into binding agreement.

The joint venture with 7 Heavens lifts X2M's data centre capacity under binding agreement from 20MW to 30MW, with a combined estimated project cost exceeding $750m.

X2M CEO Mohan Jesudason said: *"This joint venture will provide the opportunity for X2M to have a partial ownership interest in a Queensland data centre alongside its role as nominated provider for the design, build and operation of the facility. This delivers on our strategy of building AI-enabled data centres in regional Australia, where land and power can be secured without the constraints of the metropolitan markets."*

"7 Heavens brings land development experience and will lead the land, power and approvals work, while X2M brings the platform and delivery partners to design, build and run the facility. Taking our capacity under binding agreement to up to 30MW shows progress in converting our pipeline, and we look forward to delivering the project with 7 Heavens."

Ends

The Board of X2M has approved this announcement.

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About X2M Connect Limited

X2M Connect Limited (ASX:X2M) is a leading Australian smart city technology company delivering patent supported solutions that enhance productivity, reduce operational costs and improve public safety for utility and government customers. Smart cities involve the collection, aggregation and processing of data from a wide range of sensors to automate controls that improve the speed, effectiveness and accuracy of outcomes for cities and their residents. X2M's platforms enable real-time data exchange, remote control and predictive insights by connecting water, gas and electricity resource devices as well as other critical sensors to edge and cloud based software. X2M delivers a mass of data that enables AI for customers.

X2M has contracted to provide services to develop data centre and energy infrastructure precincts in regional Australia including design, supply, installation, commissioning and operation. X2M provides platform services to manage the

data centre environment and energy and cooling networks for precincts leveraging AI to deliver optimised outcomes.

X2M's core platform underpins three product families, '*Vision by X2M*', '*Hive.AI by X2M*' and the '*Help Me*' safety device, supporting more than 90 customers across five key geographies. The Company has connected over 500,000 devices to date and continues to expand its footprint, leveraging strong government and enterprise relationships throughout Japan, South Korea, Taiwan and the Middle East. X2M generates revenue through a mix of service fees, hardware sales, recurring SaaS and platform fees, and device connection charges. To learn more about X2M click here: www.x2mconnect.com or follow us on LinkedIn.