

11 February 2025

EXPANDING IN THE TAROOM TROUGH

HIGHLIGHTS

- Farmin deal with Santos secures Elixir a 50% Working Interest in 2 additional permits in the Taroom Trough
- Contingent Resource attributed to the deal is 1.1 trillion cubic feet of gas (2C net to Elixir)
- Upto \$9 million dollars equity capital raising to fund the farmin work
- Deal & fund raising is highly accretive on a contingent resource per share basis

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to announce a material expansion of its Grandis Project in the Taroom Trough, Queensland, through the following elements:

1. The execution of two Farmout Agreements with a wholly owned subsidiary of Santos Ltd (“Santos”) over two 100% owned exploration licences in the Taroom Trough – ATP 2056 and ATP 2057.
2. The booking of independently certified contingent resources (2C) of 1.2 trillion cubic feet equivalent (TCFE) from ATP 2056. Elixir’s total 2C contingent resource in the Taroom Trough is now 3.0 TCFE.
3. A new equity capital raising of upto \$9M to fund the farmin work; \$7M for a Placement and upto \$2M from a Shareholder Placement.

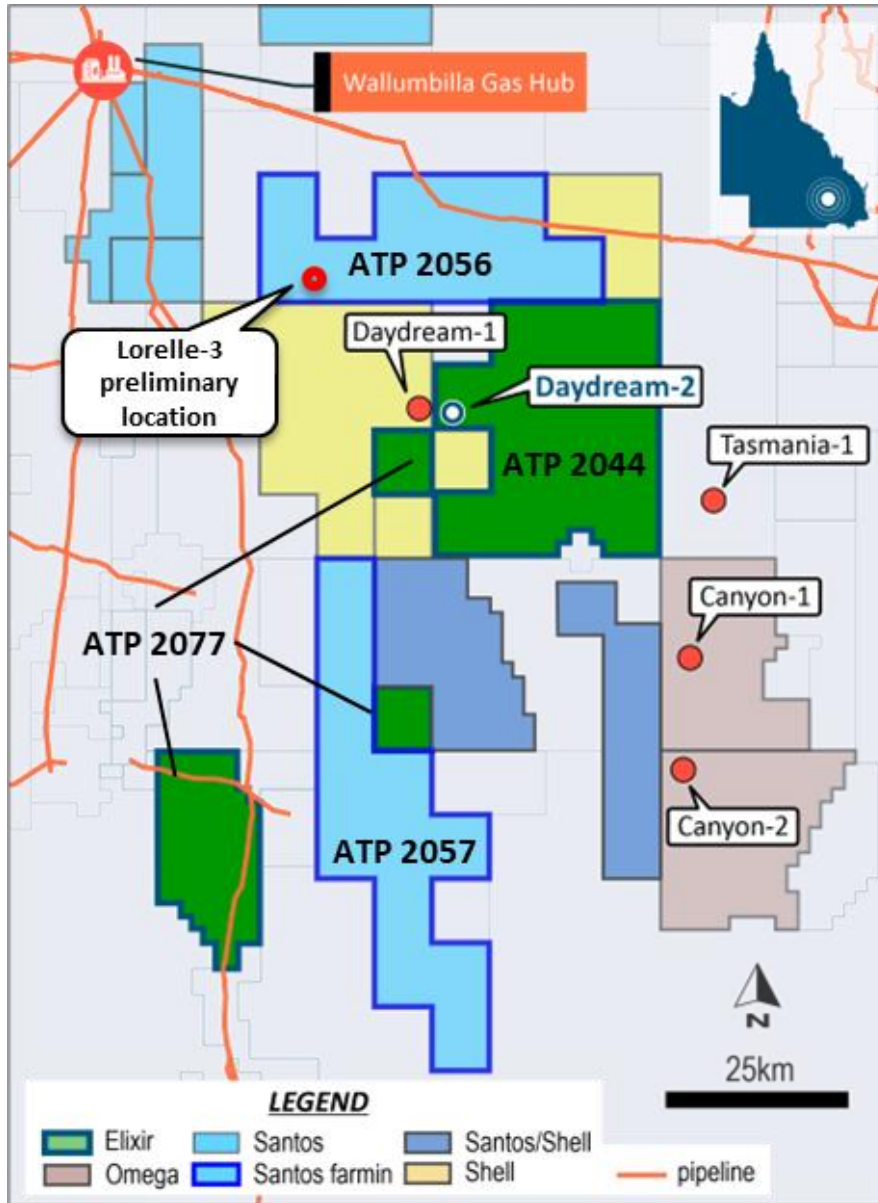
Farmin Agreements

Elixir has executed two separate Farmin Agreements with a wholly owned Santos subsidiary to earn 50% working interests (WI) in ATP 2056 and ATP 2057. The map below illustrates where these licences are located in the Taroom Trough.

The acreage acquired contains an extension of the basin centred gas (BCG) play that the Company has proven in ATP 2044. Additionally, it contains the more updip targets in this play that have been the subject of a very active drilling program in 2024 by another Operator. The new blocks have obvious synergies with ATPs 2044 and 2077 and are a strong strategic addition to Elixir’s Grandis Project.

Elixir will fund and operate the farmin programs for each licence, which in the case of ATP 2056 is the drilling of a vertical well to 3,100 metres and for ATP 2057 is the acquisition of 200 kilometres of 2D

seismic. These programs will meet the exploration commitments for the two licences. Operatorship will revert to Santos thereafter.



Taroom Trough Location Map

The Company plans to drill a well (which it has named Lorelle-3) in ATP 2056 in or around the third quarter of this year (with final timing being subject to rig availability and the procurement of long lead items). The seismic acquisition is likely to follow in 2026.

Lorelle-3 will be an appraisal well, whose objectives will be to apply novel evaluation and testing techniques to, inter alia, determine the optimal section for the placing of a horizontal lateral. A further objective is to measure the condensate content, which is known to be much higher west of the Daydream wells. Elixir will immediately seek an extension of its current Advanced Finding for R&D tax credit purposes to cover the costs of this well.

Contingent Resource Booking

Elixir has received independent certification of a contingent resource within ATP 2056. The certification was undertaken by Independent Resource/Reserve Auditor ERCE Australia Pty Ltd (“ERCE”).

Based on the work undertaken by ERCE, the contingent resource for ATP 2056 – and an updated contingent resource for the overall Project Grandis - are summarized below. The addition of a 50% stake in ATP 2056 increases the total Project Grandis 2C recoverable gas resources by 68% to 3.0 TCFE.

Total Contingent Resource Project Grandis ¹											
			Gas Contingent Resource			Condensate Contingent Resource			Total Gas Equivalent Contingent Resource		
			1C (BCF)	2C (BCF)	3C (BCF)	1C (MMBBLs)	2C (MMBBLs)	3C (MMBBLs)	1C (BCFE)	2C (BCFE)	3C (BCFE)
ATP 2044	100% WI	Tight Sands (BCG)	405	1,297	4,290	3.0	10.8	36.1	423	1,362	4,507
		Deep Dry Coals	33	216	1,030	0.0	0.0	0.0	33	216	1,030
ATP 2077 "A"	100% WI	Tight Sands (BCG)	68	173	439	0.6	1.8	5.3	72	184	471
		Deep Dry Coals	5	29	105	0.0	0.0	0.0	5	29	105
ATP 2056	50% WI	Tight Sands (BCG)	442	994	2,146	5.0	10.5	23.0	472	1,057	2,284
		Deep Dry Coals	37	157	517	0.0	0.0	0.0	37	157	517
TOTAL (Elixir Net) before Santos Farmin			511	1,715	5,864	4	13	41	533	1,791	6,112
TOTAL (Elixir Net) after Santos Farmin			990	2,866	8,527	9	23	64	1,041	3,005	8,913
% Increase Since Last Announcement			94%	67%	45%	139%	83%	56%	95%	68%	46%

¹Notes:

1. These are un-risked contingent resources that have not been risked for the chance of development and there is no certainty that it will be economically viable to produce any portion of the contingent resources. These Contingent Resources are classified as “Development Unclassified”.
2. Totals added arithmetically.
3. Gas equivalency: 1 barrel is 6,000 cubic feet of gas
4. The new contingent resources for ATP 2056 have been evaluated by ERCE in a report dated 7 February 2025.
5. Deep Dry Coals, Tight Sands Gas and Condensate Contingent Resources were previously evaluated, detailed in separate reports by ERCE and announced to the stock market on 15 January 2025, 27 May 2024 for ATP 2044 and 19 August 2024 for ATP 2077.
6. There are no overriding royalties associated with this resource

Detailed notes on the background to the preparation of the contingent resources report are set out in Appendix 1.

Equity Raising

Elixir conducted an equity placement where it received binding firm commitments to support this expansion of its Taroom Trough position, on the following terms:

1. Placement to raise \$7 million (before costs) through the issue of 199,468,466 new shares to institutional and sophisticated investors at a price of 3.5 cents per share (a 20.5% discount to the last close and a 16.3% discount to the 5 day VWAP).
2. Each two new shares issued will receive an attached listed option of the class currently on issue (EXROBs)⁽ⁱ⁾.
3. The Board has determined that it will provide existing shareholders with some ability to participate in this capital raising on the same terms. Shareholders as at the record date of 10 February 2025 will be invited to consider participation in a Shareholder Placement (SHP) on similar terms to a share purchase plan to raise up to \$2 million. Given that the SHP includes the issue of attaching options, the SHP offer will be conditional on shareholder approval being obtained so as to entitle Elixir to issue the SHP shares and options under the ASX Listing Rules. A SHP prospectus and EGM notice will be issued shortly.

The placement was strongly supported, with demand in excess of the placement size, and introduced a number of new institutional investors to the Company's register.

The new capital raised will primarily be used to fund the drilling of an appraisal well in ATP 2056.

The 199,468,466 Placement Shares and 99,734,233 attaching EXROB listed options will be issued under listing rules 7.1 and 7.1A⁽ⁱⁱ⁾, with the anticipated issue date being Monday, 17 February 2025.

Taylor Collison Limited, Originate Capital Pty Ltd and MST Financial Services Pty Ltd acted as Joint Lead Managers to the Placement.

Elixir's Managing Director, Mr Neil Young, said: *"This highly accretive deal is a fantastic one for our shareholders. It adds significantly to our already very material contingent and prospective resources in the Taroom Trough, such that, even after the associated capital raising, the contingent resources owned on a per share basis have increased substantially. Our overall team has great experience in working for and with Santos, who we greatly respect as Australia's premier onshore Operator, and we look forward to expanding those long term relationships."*

By authority of the Board:

Neil Young - Managing Director
Elixir Energy Ltd (ABN 51 108 230 995)
Level 3, 60 Hindmarsh Square
Adelaide SA 5000, Australia

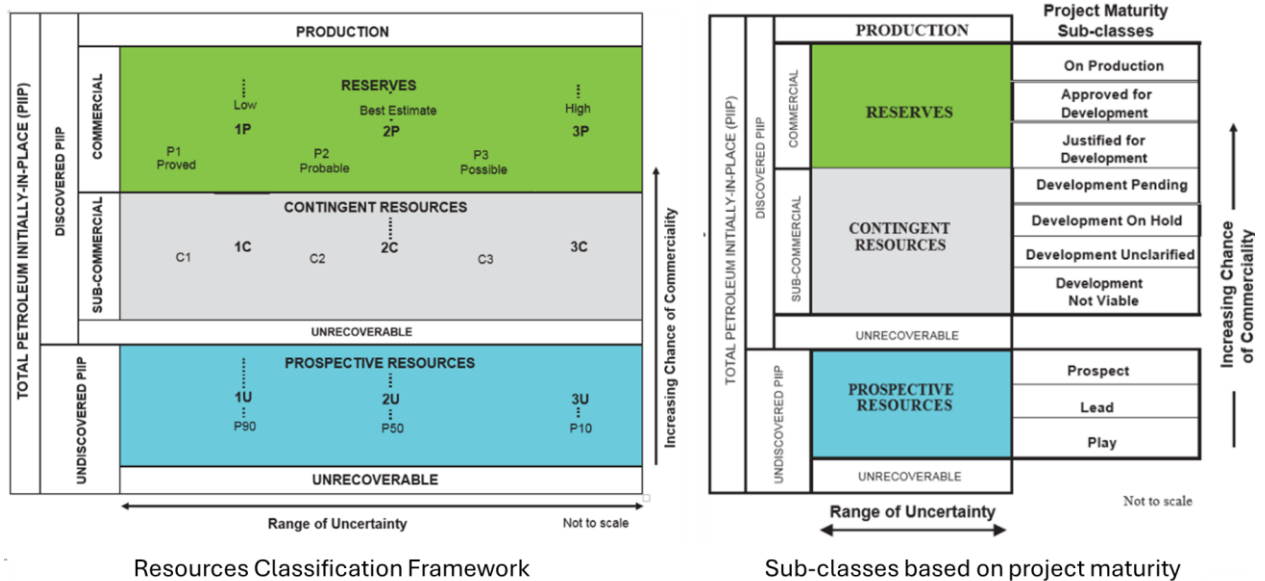
For further information on Elixir Energy, please call us on +61 (8) 7079 5610, visit the Company's website at www.elixirenergy.com.au

Notes:


- (i) The listed options EXROB have an exercise price of \$0.12c per security and an expiry date of 17 October 2026.
- (ii) The securities will be issued as follows: Shares and Options 179,521,619 under LR7.1 and Shares 119,681,080 million under LR7.1A.

APPENDIX 1

1. The evaluation date of the ERCE Contingent Resources is 07/02/25.
2. Elixir's working interest share of ATP 2056 is 50%. An ATP is an Authority To Prospect, and post a regulatory updating process, will be held in a wholly owned subsidiary of Elixir Energy.
3. The Contingent Resources are considered to be in the "development unclarified" category as defined by the 2018 PRMS SPE-PRMS standards. As such it is premature at this point to identify what contingencies need to be addressed to convert the resources into reserves.



4. Per Listing Rule 5.33.5, the land area and the number of wells for which the estimates of contingent resources are 730 km² and ~523 respectively (for the mid/best case). The Deep Dry Coals are considered an add-on to the existing tight sand gas development and would not require additional drilling. The production method will be by stimulated vertical, deviated and horizontal wells. As the gas is "dry" and 93% Methane with only 1% CO₂, minimal processing will be required at the wellsite, with dehydration and separation likely to be required to meet pipeline specifications.
5. With respect to the contingency of the resource, Elixir is currently evaluating 1. new well locations; and 2. offtake and infrastructure negotiations. The wells are being considered for appraisal on the western and eastern sides of the permit, and will target both coals and sands. In addition to EXR's own plans, the work undertaken by its neighbours also serves to assess and improve the chances of development. These activities will assist the determination of commercial flowrates which will in turn derisk the contingency of the resource.
6. BCF means Billions of Standard Cubic Feet.
7. MMbbls means Millions of Stock Tank Barrels.
8. The totals are based on arithmetic aggregation of reservoir estimates.
9. Contingent resource assessments in this release were estimated using probabilistic methods in accordance with 2018 PRMS SPE-PRMS standards.

- 
10. *The data used to compile the independent contingent resources report includes detailed geological interpretation of seismic, well, core and test data within the region. ERCE has used standard petroleum evaluation techniques in the preparation of this report. These techniques combine geophysical and geological knowledge with assessments of porosity and permeability distributions, fluid characteristics and reservoir pressure. There is uncertainty in the measurement and interpretation of basic data, given that data is recorded remotely, and requires interpretation by experienced technicians. ERCE has estimated the degree of this uncertainty and determined the range of petroleum initially in place and recoverable hydrocarbons. The accuracy of estimates of volumes of gas is a function of the quality and quantity of available data and of interpretation and judgment. While the estimates of contingent resources presented herein are considered reasonable, these estimates should be accepted with the understanding that reservoir performance subsequent to the date of the estimate may justify revision, either upward or downward. There is no certainty that it will be economically viable to produce any portion of the contingent resources.*
 11. *This document contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they and or their timing may be affected by many variables which could cause actual results or trends to differ materially. The technical information provided has been reviewed by Mr Gregory Channon, Chief Geoscientist of Elixir Energy Limited. Mr Channon is a qualified geologist with over 35 years technical, commercial and management experience in exploration for, appraisal and development of, oil and gas. He is qualified as a competent person in accordance with ASX listing rule 5.41. Mr Channon is a member of the American Association of Petroleum Geologists and consents to the inclusion of the information in the form and context in which it appears.*
 12. *ERCE is a globally recognised, independent Reserves and Resources auditor with over 40 years of experience. With a team of over 50 full-time technical staff, ERCE provides expertise in geoscience, reservoir engineering, facilities and cost engineering, and economic/commercial assessments across conventional and unconventional projects. ERCE has offices in the UK, Canada, Kuala Lumpur, and Perth, WA.*

Disclosures of Farmin Agreement key terms per 4.15 of Guidance Note 8:

1. Equity to be earned by Elixir under the Farmin Agreements - 50% in each of ATPs 2056 and 2057.
2. Farmin work to be paid for by Elixir - in ATP 2056, the drilling of a vertical well to 3,100 metres and in ATP 2057 the acquisition of 200 kilometres of 2D seismic.
3. Timeframe for farmin work to be carried out by Elixir - in the case of ATP 2056, by March 2026 and in the case of ATP 2057 by June 2026.
4. Operator of farmin work - Elixir. Operator post farmin work - Santos.
5. Joint venture agreements for each permit will come into effect post the completion of the farmin work. These contain standard oilfield practice terms.