

17 September 2020

OPERATIONS UPDATE

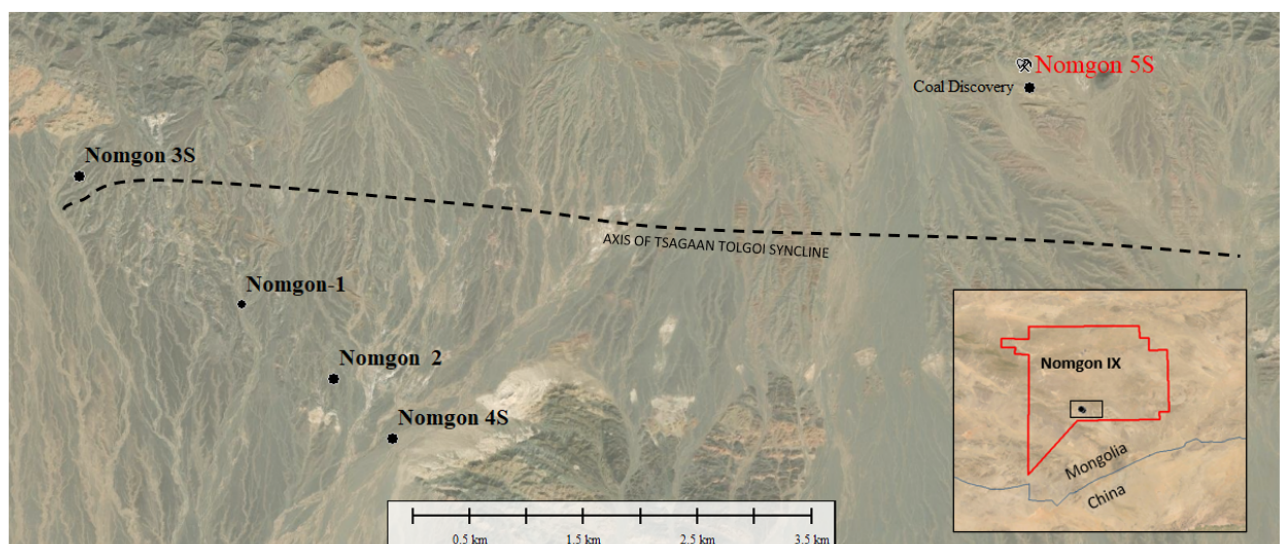
HIGHLIGHTS

- Additional appraisal well added to program
- Nomgon 5S strat-hole has spudded
- Exploration wells to follow
- Seismic now fully processed and interpretation underway

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to provide an update on operations in its 100% owned Nomgon IX CBM PSC.

Following the positive results recently generated from the drilling of the Nomgon-2 core-hole and Nomgon 3S and Nomgon 4S strat-holes, Elixir has decided to follow up with another appraisal strat-hole in the Nomgon sub-basin. This new well - Nomgon 5S – spudded yesterday afternoon and its location within the Nomgon sub-basin is illustrated below:

Nomgon 5S Appraisal Well



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Elixir Energy Ltd is a gas exploration company focused on the 100% owned Nomgon IX coal-bed methane (CBM) production sharing contract (PSC) located in the South of Mongolia, proximate to the Chinese border. The 30,000 km² PSC was executed in September 2018 and has a 10+ year exploration period.

ASX ANNOUNCEMENT



Immediately following the drilling of Nomgon 5S, the company will move to drill three to four exploration strat-holes over the balance of this calendar year. Further announcements on well locations (which may themselves evolve as new data comes in) will follow in due course.

Laboratory testing work on coals sampled from the Nomgon-2 corehole is still progressing, with results due to be progressively announced in the coming weeks.

Processing of the 106 kilometres of 2D seismic data acquired in recent months has now been finalized and interpretation is underway.

Elixir's Managing Director, Mr Neil Young, said: *"Our CSG appraisal and exploration program in Mongolia continues to go to plan. The Nomgon 5S strat-hole is a low cost appraisal well we have added to the program immediately prior to the move away from the Nomgon sub-basin to new exploration targets, which we look forward providing more information on in early course."*

By authority of the Board:

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