



# Equity Raising & Corporate Update

22 April 2021

ASX:EXR



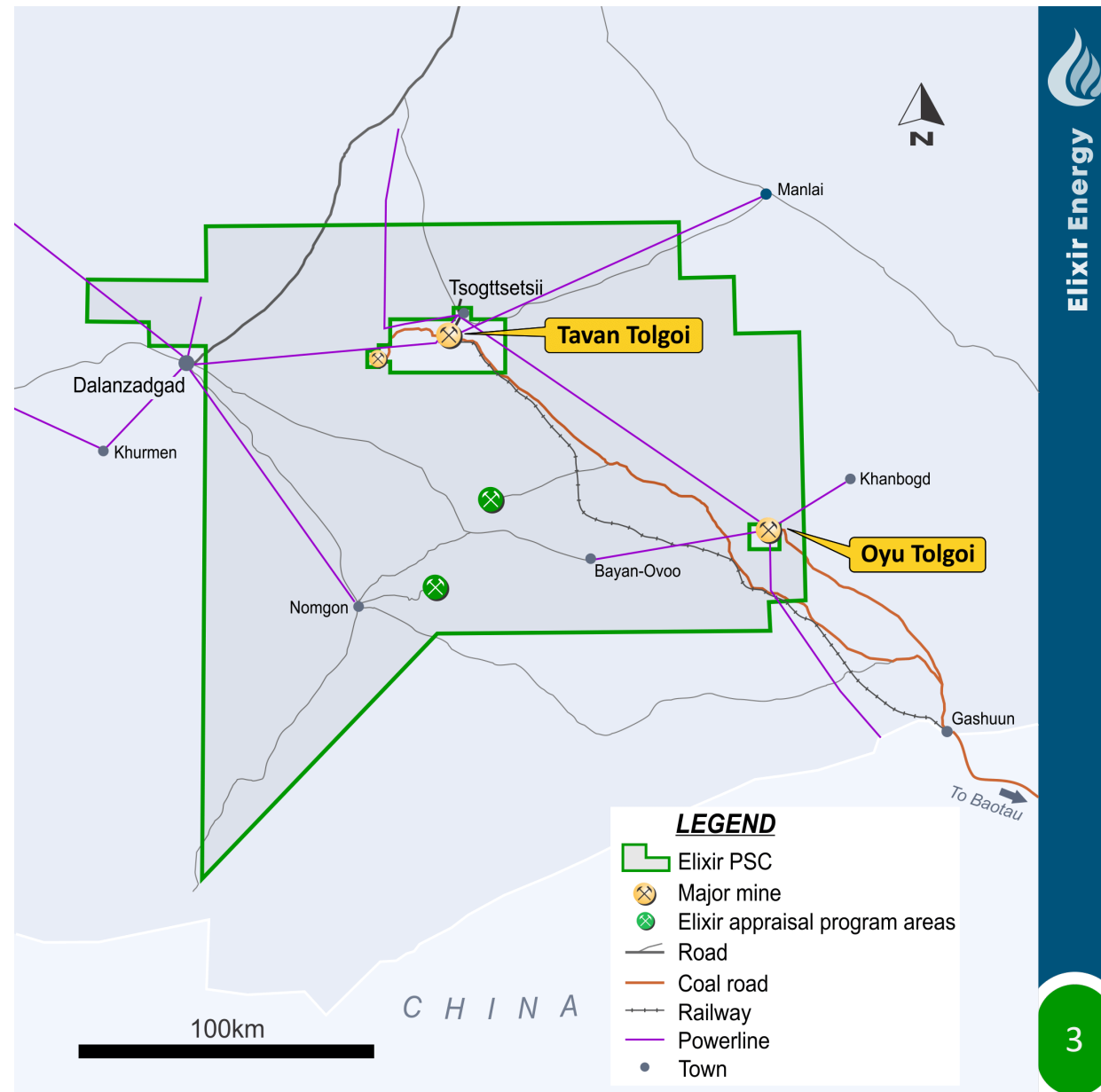
1.

# The Company

# Company Overview

- Elixir is solely focused on the 100% owned Nomgon IX Coal Bed Methane (CBM\*) Production Sharing Contract (PSC) project in the South Gobi region of Mongolia
- Highly experienced CSG team – in Australia and increasingly in Mongolia
- Located on Mongolian/Chinese border with excellent infrastructure, mines and planned pipelines
- Many market options, including the rapidly growing Chinese gas market
- Success in 2020 and early 2021 provides the foundation to launch a greatly accelerated exploration/appraisal program

\* Coal Seam Gas – CSG – is usually referred to as CBM outside Australia





# Capital Structure / Board

## Capital Structure

## Current (pre-raise)

No of Shares	<b>811M</b>
Performance Shares & Options	<b>28M</b>
Market Capitalisation (at 36c)	<b>\$292M</b>
Cash (at 31 <sup>st</sup> December)	<b>\$9.4M</b>
Enterprise Value	<b>\$290M</b>



## Highly experienced CSG team



### Richard Cottee

Non-Executive Chairman

Former Managing Director of CSG focused Queensland Gas Corporation (QGC), taking it from market cap of \$20M to \$5.7B  
Other former CEO positions include CS Energy, NRG Europe & Central Petroleum



### Neil Young

Managing Director

Former Business Development Manager at Santos, where he helped build Santos' CSG business  
Has worked in Mongolia since 2011



### Stephen Kelemen

Non-Executive Director

Extensive technical and commercial career at Santos, including managing its CSG business  
Current Non Executive Director at CSG focused Galilee Energy (GLL)



### Anna Sloboda

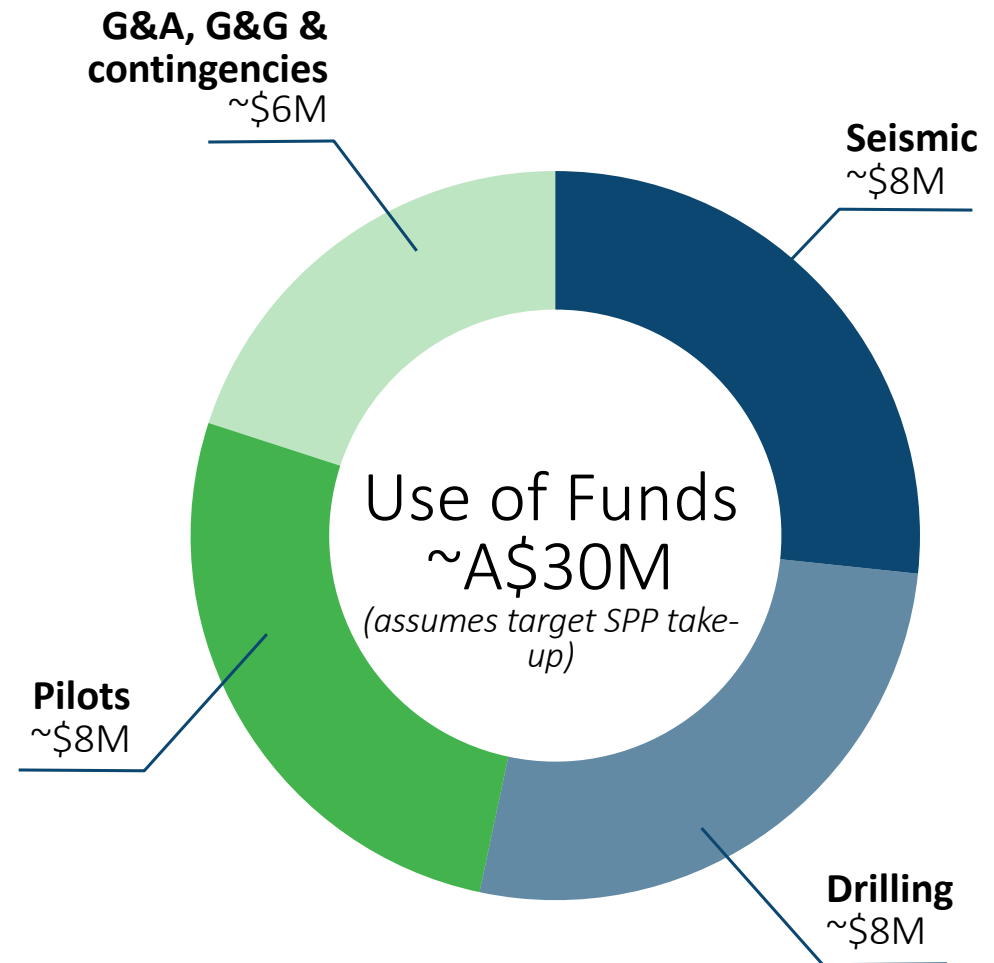
Non-Executive Director

Previous employers include Lehman Bros, Clough, Curtin University & Trans-Tasman Resources  
Belarus background and experience of working in China



# Capital raising

- Elixir has recently successfully closed an over-subscribed placement to sophisticated investors
- \$10M was raised at a price of 36c per share
- A Share Purchase Plan (SPP) is now being offered to EXR's nearly 7,000 shareholders on the same terms – with a target to raise another \$20M

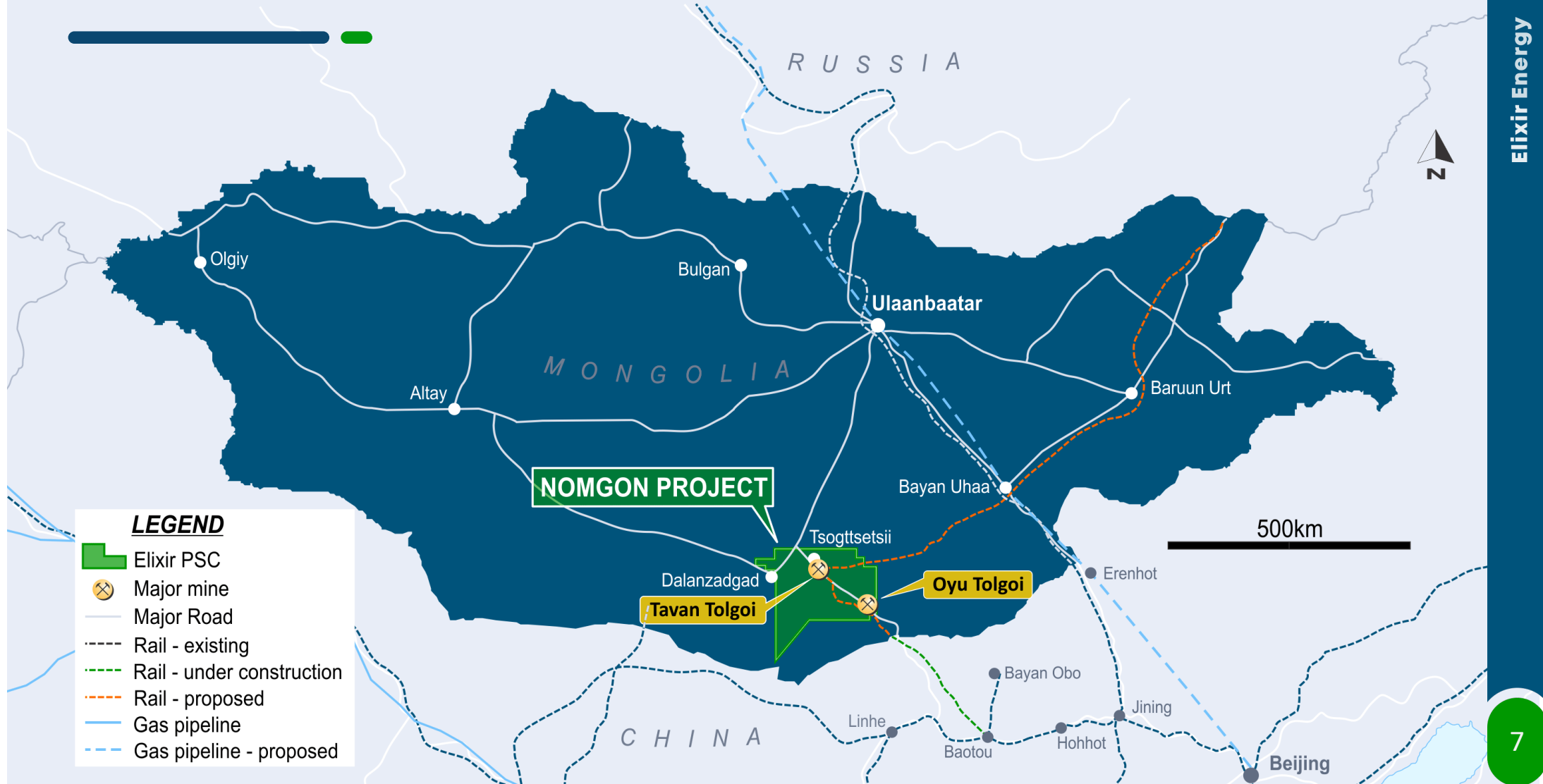




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## Location and Potential

# Located on Chinese Border

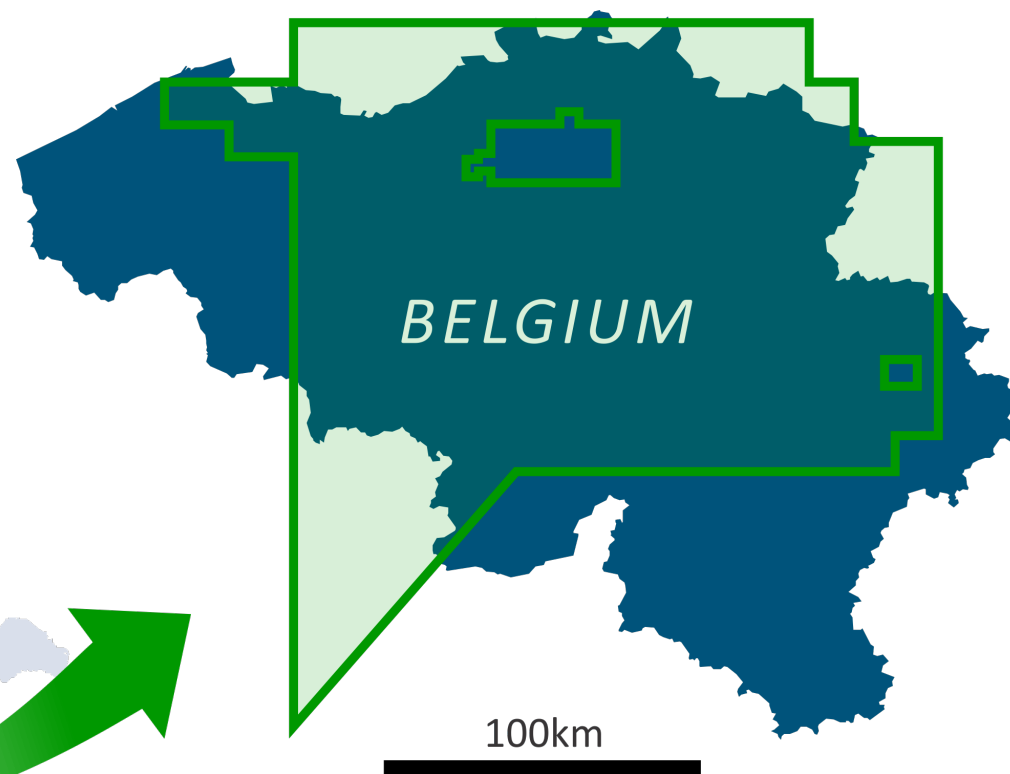


# Very Large PSC Area

Elixir's PSC in Mongolia covers a vast area comprising approximately

**30,000km<sup>2</sup>**

- equivalent to the size of Belgium
- Prospective Resource of 14.6 TCF (risked best case)







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# The Project

# Current State of Play – April 2021



Large Prospective Resource (Risked best case of 14.6 Tcf)



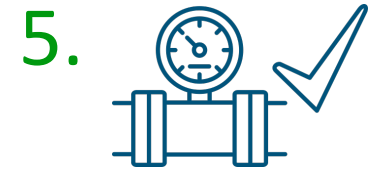
First Contingent Resource matched with Electricity Generation MOUs



13 well Exploration and Appraisal program in 2021 underway with promising early results



Multi-well production testing program scheduled for 2H. Will deliver extensive permeability information and stabilised water rates



Stabilised production test is pre-cursor to full pilot production program in 2022



# Acceleration Strategy

## A \$30million work program



designed to advance  
gas development and  
production in Mongolia  
by ~18-24 months



Expanding seismic program to bring forward drilling locations and identify sweet-spots for CBM development



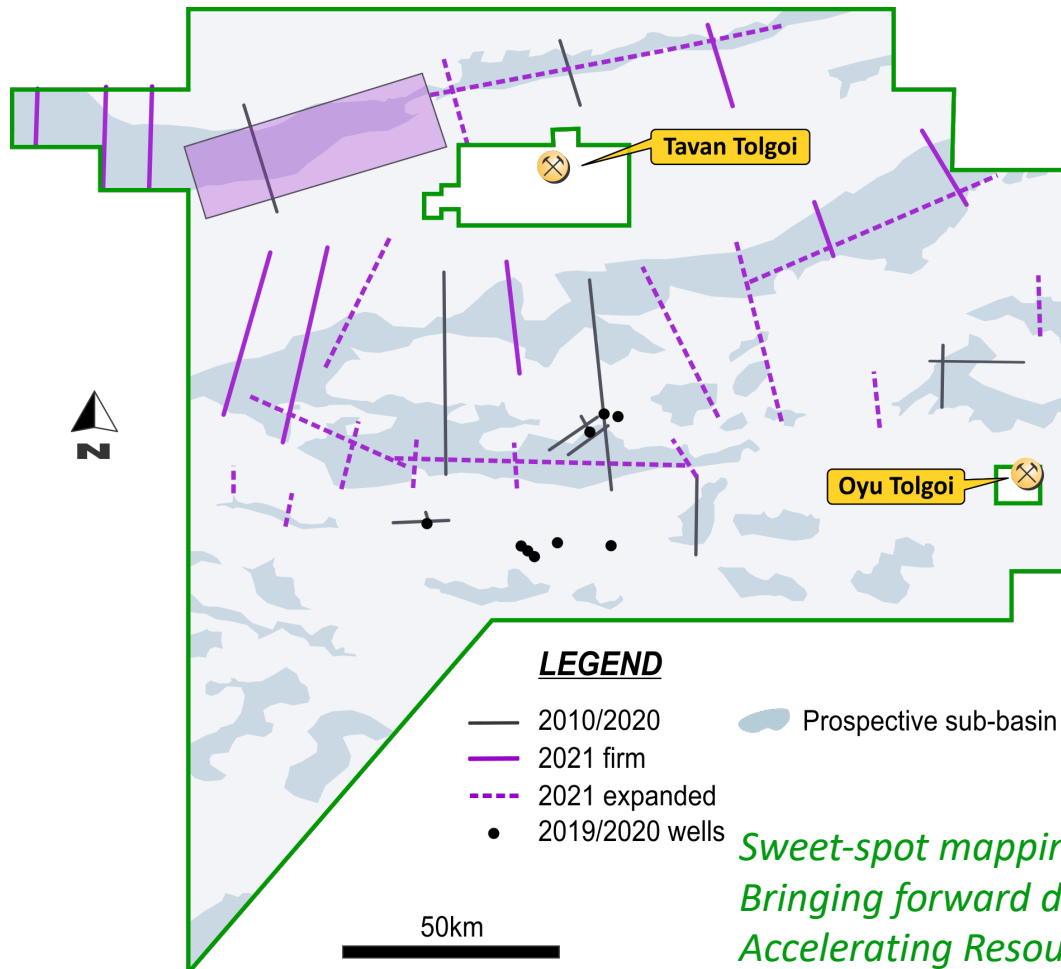
Bringing forward drilling program to evaluate sweet spots created from seismic and fast track developments



Accelerating multiple pilot production tests in 2021 and 2022



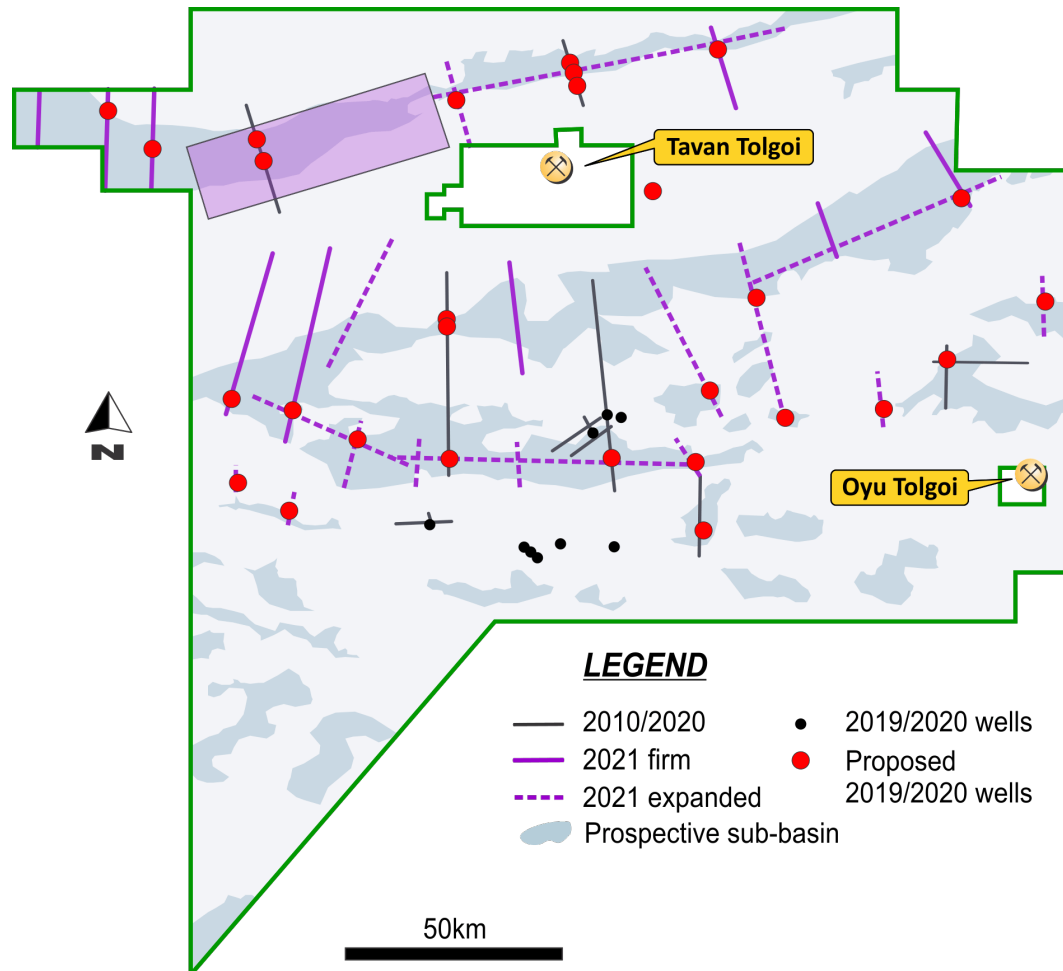
# Expanded Seismic



- Expanding program of seismic acquisition to 700km of 2D and up to 1,000km<sup>2</sup> of 3D
- Subject to a range of Govt approvals (and COVID limitations), planning of this expanded program will begin soon, and acquisition should begin in 2021. Crew is already in the field
- The intent of this program to bring forward a raft of drilling opportunities, and using the 3D, leveraging the ability to book contingent resources sooner and ultimately fast track development



# Accelerated Core-hole Program



- Accelerated core-hole program to drill an additional ~16 wells, bring the total strat and core holes in the 2021 and ~1H 2022 drilling seasons to ~30 wells
- Introduce a second coring rig into the mix with associated desorption unit
- Firmly positions Elixir as a leading North Asian gas resource own
- Wide ranging optionality in dealing with potentially interested counterparties, ranging from customers to potential co-owners





# Fast-track Pilot Program

- Two or more pilot programs to be pursued in 2021 and 2022
- Australian experience demonstrates differently designed pilots effective in different geologies
- Elixir brings international skills to bear in the Mongolian context
- Demonstrating fluid flow to be followed by sustained production





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## The Opportunity & Markets

# Gas Markets

## Shell LNG Outlook 2021

## China

*“**Gas** and LNG have a key role to play in a **decarbonising** world ”*

*“..**net-zero** emissions requires cleaner energy solutions for all sectors and specifically those which are hard to abate. And natural **gas** has an **important role** to play.”*

*“Natural **gas** – whether in partnership with renewables or as an energy source for **hard-to-electrify sectors** – helps to lower overall emissions.”*



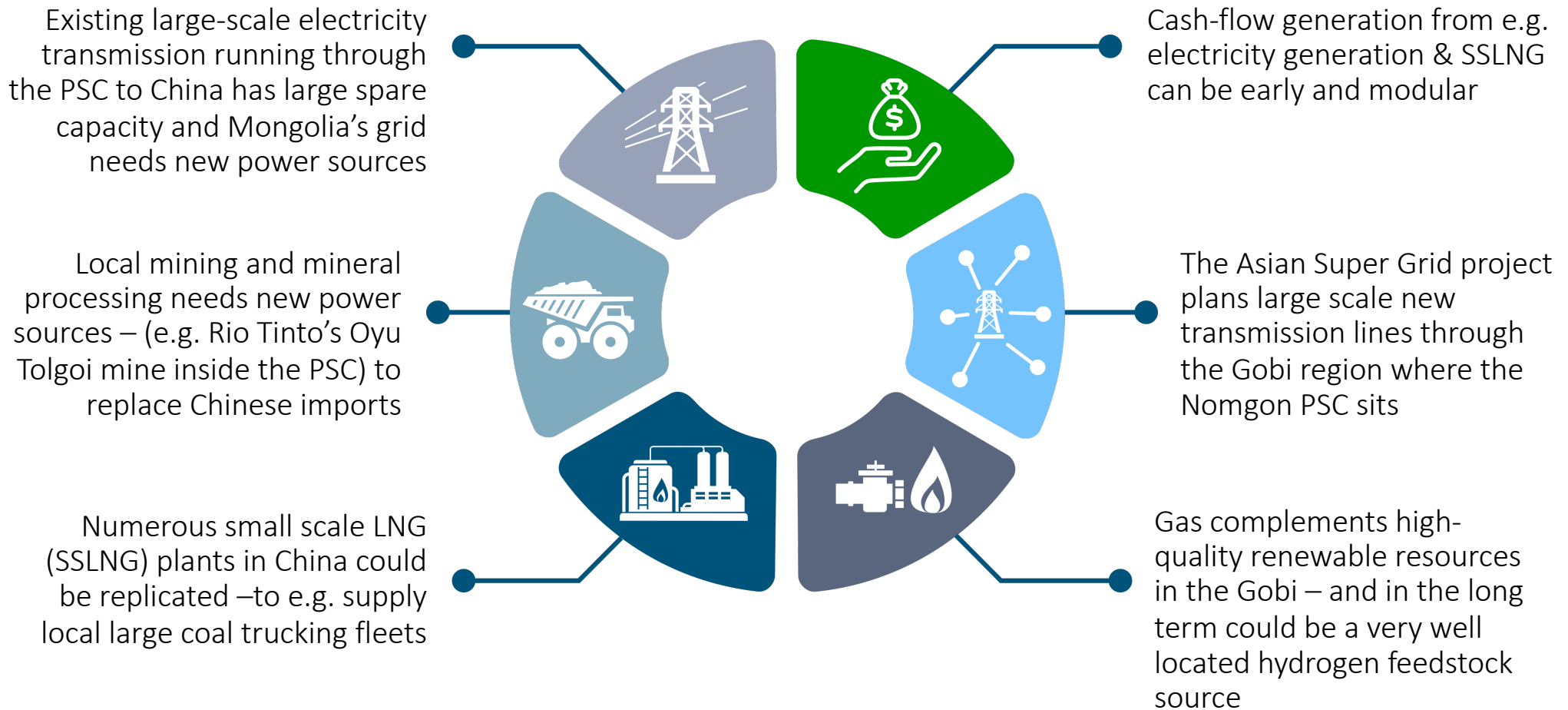
*“China is the **world’s most important** gas market” Wood Mackenzie 5 August 2020*

Mongolian CSG expected to be **highly cost competitive** compared to alternative sources of gas for China

- China strongly values **diversity** and **security** of supply
- Potential new **Russian pipeline** through Mongolia should be accessible for local gas



# Multiple Market Opportunities





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## Investment Highlights



# Work program now rapidly increasing

- ✓ *“Rinse & repeat” model established*
- ✓ *Consistently expanding each year*
- ✓ *Low risk and low cost*
- ✓ *Foundations now in place to rapidly expand work programs*

## 2022 Onwards

Accelerating work programs  
based on 2021's foundations

## 2021

13 wells, 1 production test & 200km seismic

Now expanding on all fronts

## 2020

7 wells and 106 km seismic  
Mongolia's first CBM discovery

## 2019

4 wells and 200 km seismic  
Setting the foundation in Year 1

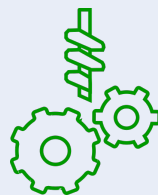
*Activity increasing every  
year, despite global  
impact of COVID*



# Investment Highlights



Elixir's ongoing success in the field provides the foundation to now rapidly expand its programs



"Rinse and repeat" exploration/appraisal program accelerates across the 30,000 km<sup>2</sup> PSC



Financial strength reinforces sustained 100% ownership position - to maximise future optionality



Low cost, safe and experienced Operator – with deep CSG expertise from Australia being transmitted to Mongolia



Multiple market channels, both local and export. Gas symbiotic with renewables and a key to net-zero by 2060 in China



China's "dual circulation" economic strategy reinforces the value of Mongolian gas



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## INVESTORS & MEDIA

**Neil Young**

Managing Director

[info@elixirenergy.com.au](mailto:info@elixirenergy.com.au)

Phone +61 8 7079 5610

[www.elixirenergy.com.au](http://www.elixirenergy.com.au)

[www.elixirenergy.com.au](http://www.elixirenergy.com.au)