



20 July 2021

OPERATIONS UPDATE

HIGHLIGHTS

- New coal-bearing sub-basin discovered
- Kingston-1S and Kingston-2S wells encounter coals
- Kingston-3S step out appraisal well spudded
- Nomgon Central-1 appraisal well due to spud in the next week

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to provide an operations update on the current exploration/appraisal program underway across its 100% owned Nomgon IX Coal Bed Methane (CBM) Production Sharing Contract (PSC).

Drilling in a new potential CBM bearing sub-basin has successfully established the presence of coal through two recently drilled strat-holes. Kingston-1S and Kingston-2S, intersecting 12m and 8 m of coal respectively.

Well Name	Sub Basin	Coal Thickness	Additional Highly Carbonaceous Mudstone Thickness	Total Depth
Kingston 1S	Kingston	12m	4m	384m
Kingston 2S	Kingston	8m	9m	801m

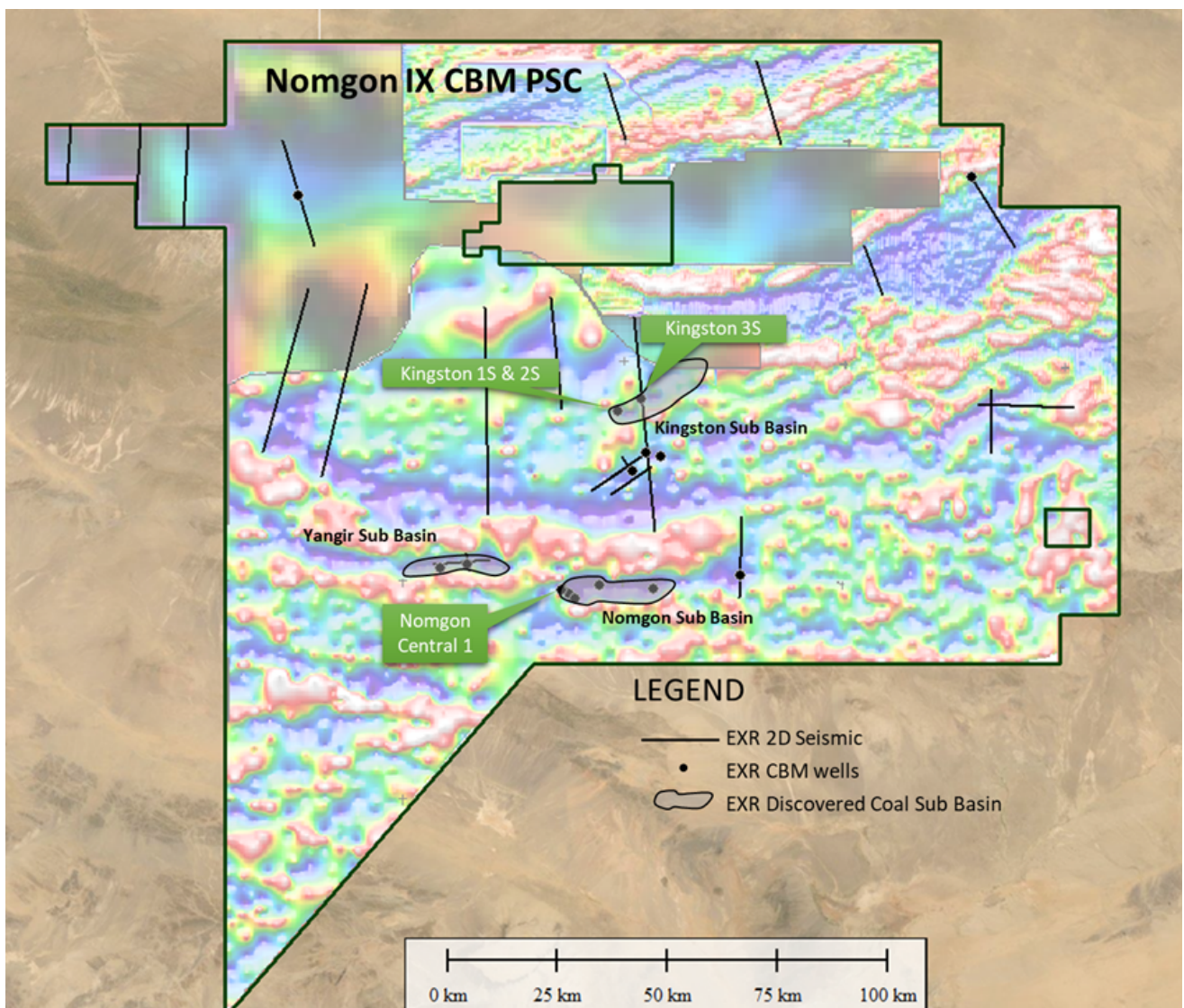
The Kingston 2S well is the deepest well that Elixir has drilled to date in the PSC.

A step out well – Kingston-3S - located some 6 kilometres east of Kingston-2S, has just spudded. Later in the year a core-hole will be drilled in the Kingston sub-basin to measure the key CBM parameters of gas content and permeability.

A new appraisal well in the Nomgon sub-basin is due to spud in around a week: Nomgon Central-1. Its objectives, in addition to taking cores and measuring permeability, will be to confirm a location and assist in other design parameters for one of the planned production test wells due to be drilled later this year.

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The first stage of the Company's 2D seismic program for this year is nearly completed, with the acquisition data now processed and interpretation underway. Relevant permissions for acquiring another 300 kilometres of 2D have been sought from the regulator and acquisition should recommence in a couple of months.



The Company will continue to provide regular operations updates in the months to come as it progresses through its work program for 2021 which now includes around 20 wells.

Elixir's Managing Director, Mr Neil Young, said: "I'm very pleased to let shareholders know that our "rinse and repeat" model of ultra low-cost exploration for potentially CBM bearing coals has delivered at Kingston. Further appraisal work is already underway to seek the extent of the sub-basin and will be followed up by a core-hole later this year. At our most mature sub-basin - Nomgon - our program is now moving to drill more wells to gather additional data to design the first phase production test wells planned for later this year."



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By authority of the Board:

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