



Elixir Energy

ASX ANNOUNCEMENT

ASX : EXR

4 January 2022

2021 DRILLING PROGRAM COMPLETED

HIGHLIGHTS

- Elixir awarded “Investor of the Year” for second year in a row by Mining Ministry
- Final 3 wells in 2021 drilling program completed
- Regulatory process well underway for 2022 program, which includes Mongolia’s first pilot production program

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

Last year Elixir was awarded “Investor of the Year 2020” by Mongolia’s Minister of Mining and Heavy Industry in recognition of our efforts to keep exploring in the year of COVID’s emergence. Last week the Company was exceptionally pleased to again receive this prize for 2021.



MMHI Minister G Yondon (left) presenting the award



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The Company's 2021 drilling program has now wrapped up, with the following results:

- The Nomgon-7S well has been successfully drilled and suspended as a pressure monitoring well for next year's production pilot in the Nomgon sub-basin.
- The Richcairn-4 appraisal well reached a total depth of 560 metres and encountered 20m of coal and 6m of silty coal. Further appraisal work will be undertaken in the Richcairn sub-basin in 2022.
- The Bag-1S exploration well reached a total depth of 779 metres but did not intersect coal.

Elixir's final 2021 drilling program comprised 17 wells of which 65 % successfully intersected coals in the CBM window.

After nearly 300 days of non-stop drilling undertaken by the Company in 2021, there will be a short hiatus in the field, whilst the mandatory annual regulatory processes for the 2022 program are well underway:

- The Company's exploration drilling tendering process has closed and a number of bids are currently being evaluated.
- The pilot drilling tender is still open and to date a number of companies have informally expressed their interest.
- The Company's currently open seismic tender has also attracted multiple informal expressions of interest.
- Standard discussions are underway with the petroleum regulator over the formal 2022 budget.
- Key long lead items for the pilot production program have recently been ordered.

Elixir's Managing Director, Mr Neil Young, said: *"It is a great tribute to our local staff and contractors that we have yet again been formally awarded as 'The Investor of the Year' by the Mining Minister. This recognises their great resilience in not just maintaining, but in fact greatly increasing, our exploration & appraisal efforts, notwithstanding all COVID has thrown at them. We look forward to even more growth in 2022 as we undertake Mongolia's first sustained production pilot program and continue our 'rinse & repeat' model of adding new coal bearing sub-basins to our inventory"*.

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