



Elixir Energy

Corporate Presentation

February 2024

ASX:EXR



1. Company Overview

Macro Overview



Oil and gas Prices & animal spirits

- Global & Australian gas prices very strong
- Energy transition is much longer dated than hoped
- Corporate animal spirits coming from US – now washing around the world



Security of supply for gas buyers

- Wars and choke point risks show value of security of supply
- A key Australian advantage for East Asian gas buyers
- East Coast Australia facing growing supply shortfalls



Location, Location Close to markets

- Elixir's assets located close to infrastructure
- LNG plants in Queensland have growing spare capacity
- Low carbon footprint for development capital

Corporate Strategy

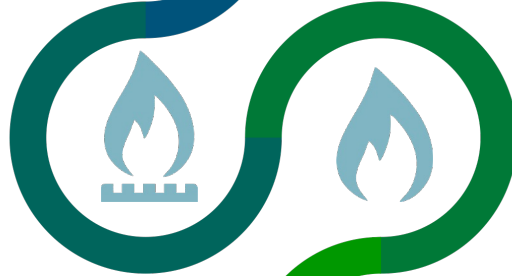


01

Elixir's corporate strategy rests on the **early stage identification** and **de-risking** of **well located natural gas projects**:

Australia: Elixir entered the Taroom Trough in 2022, **successfully drilled the Daydream-2 appraisal well** in late 2023 – and is about to commence an extended stimulation and production testing program on this well

02



03

Mongolia: Elixir signed the country's first CBM Production Sharing Contract and made the first gas discovery thereafter

The Company **leverages its technical and commercial skills** in early stage ventures – but recognizes that success in exploration and appraisal should be accompanied by bringing in new partners and owners thereafter – a key focus for 2024

04



Elixir Team

Board of Directors



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

Ex-USSR background and experience of working in China

Current Partners and Suppliers



– Information Sharing Agreement



– Data Sharing Agreement



– Drilling services



– Stimulation services



– Drilling management services



Australian Government

– 48.5% R&D tax credit

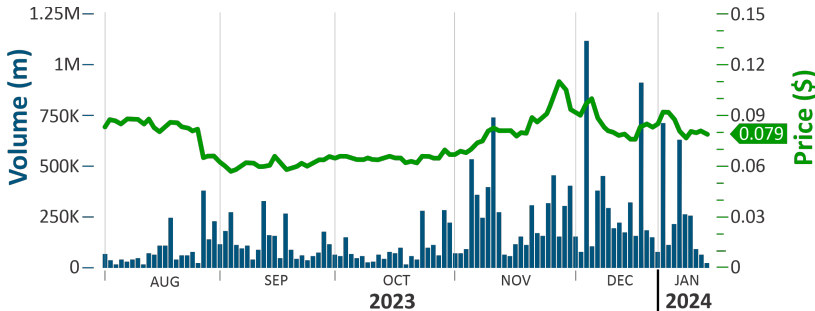


Capital Structure

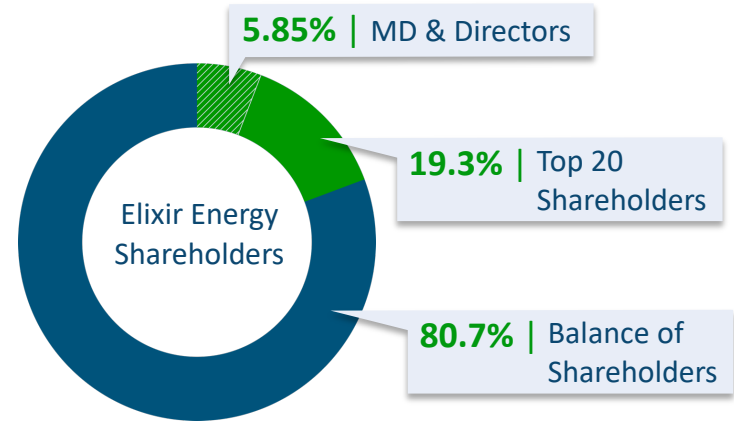
Capital Structure

Capital Structure	Current
Number of Shares	1,132 million
Options & Perf Rights	108 million
Market Capitalisation (at A\$0.08)	A\$90 million
Cash (31/12/23 – inclusive of R&D)	A\$16 million
Enterprise Value	A\$74 million

Share Price Performance

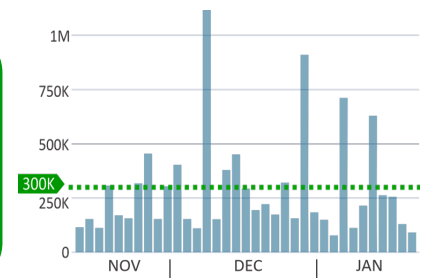


Shareholder Information



Company Liquidity

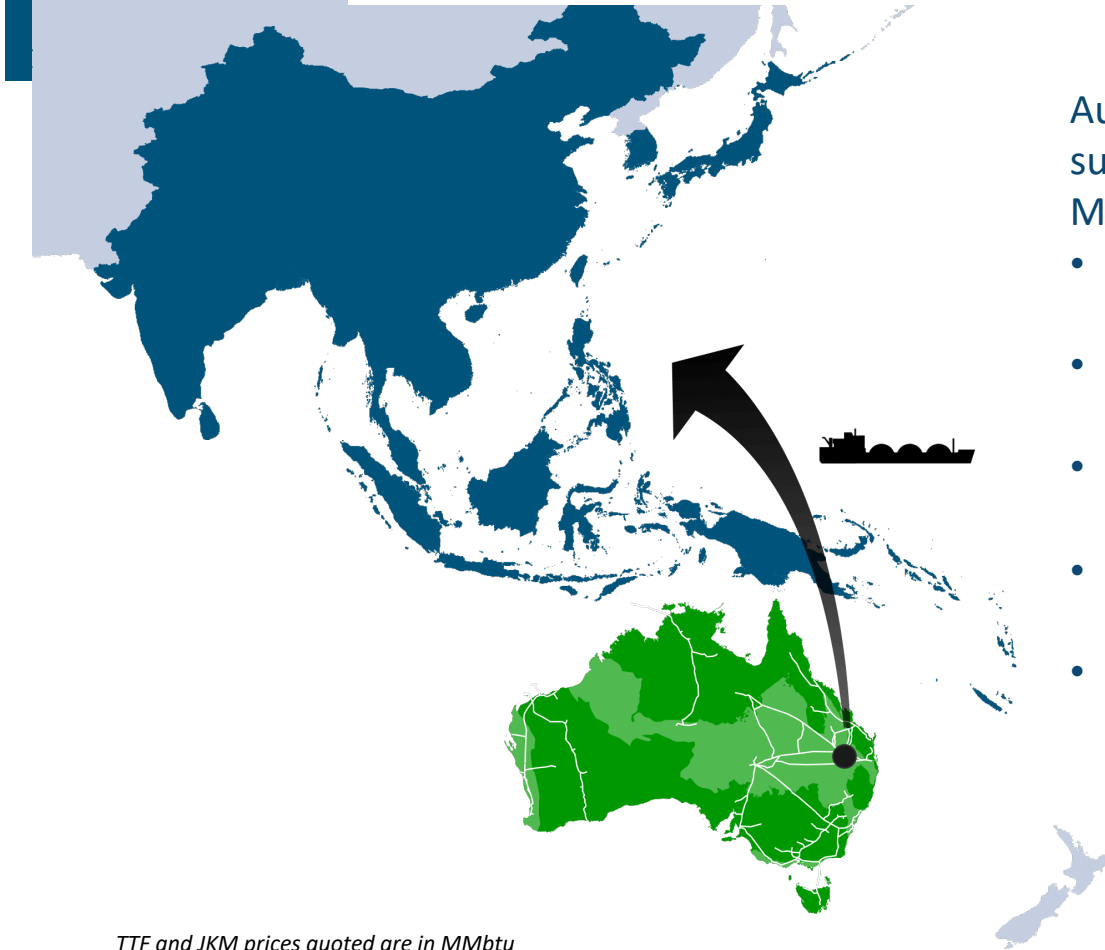
Average trading of **>\$300k/day** over last 3 months



An aerial photograph of an oil drilling site. A tall, yellow derrick stands prominently in the center. The ground is a mix of dirt and gravel, with various pieces of equipment, including a yellow tractor and several large metal structures, scattered around. The background shows a flat, open landscape under a clear sky. The image is overlaid with a semi-transparent green filter and a white geometric shape on the left side.

2. Grandis Gas Project

Current LNG Market Dynamics

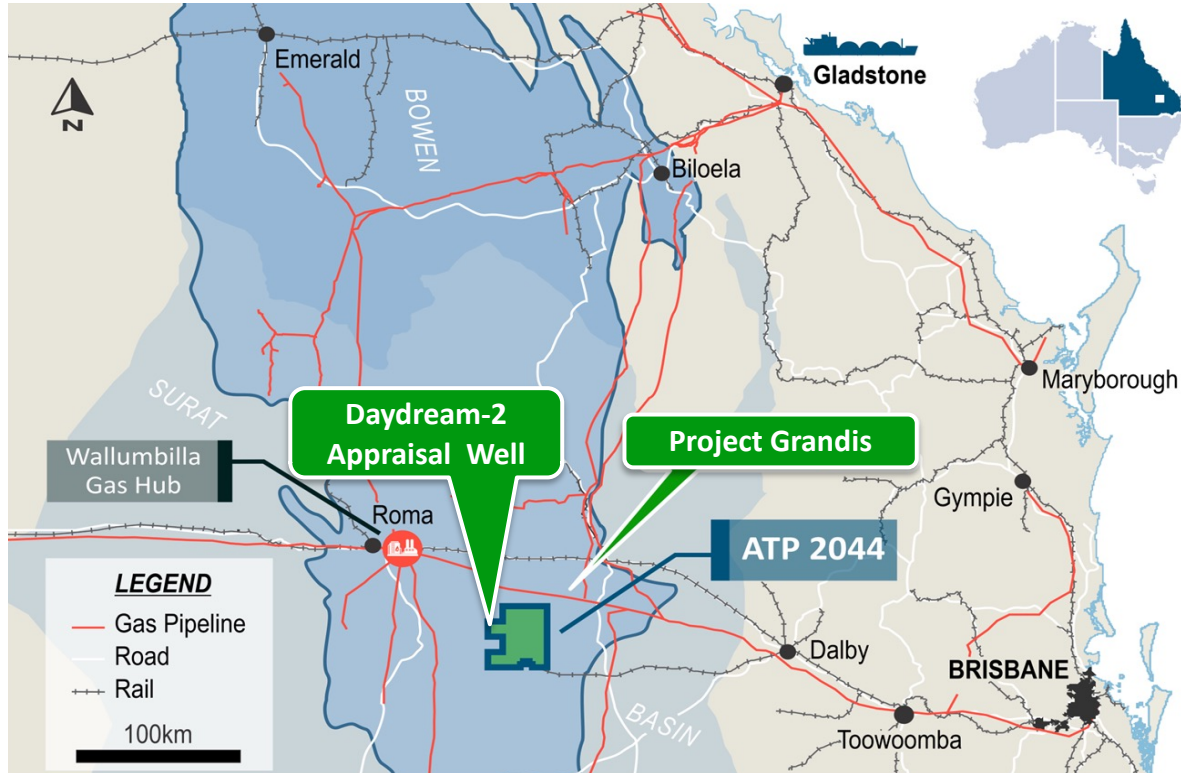


Australia still the best placed supplier to East Asian LNG Markets:

- Lower transportation costs than USA or Qatar
- No choke points like Panama Canal, Red Sea, Malacca Straits
- Geo-political ally of traditional buyers Japan and South Korea
- Largest supplier of LNG to the PRC
- Strong history of reliability over many decades

Project Location

Elixir currently undertaking Daydream-2 Appraisal Well

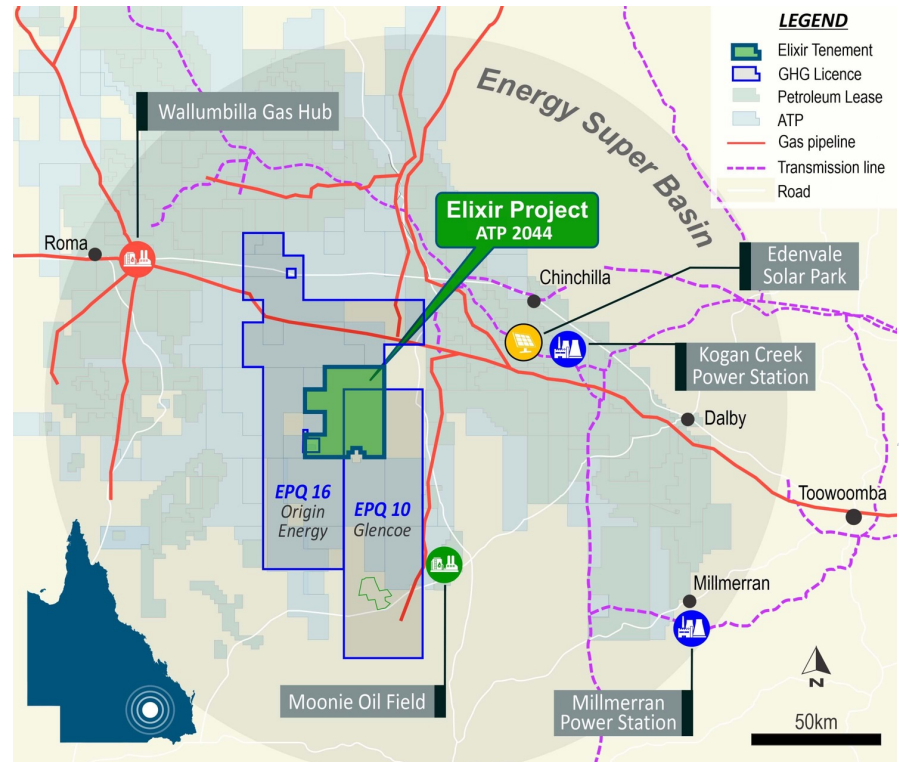


- The Grandis Gas Project is very well located in the southern Taroom Trough (TT)
- Market factors are now driving new rounds of drilling in the TT, including by Majors:
 - The rapidly growing demand/supply gap in the East Coast gas market
 - Spare capacity in Queensland’s LNG plants – also growing
 - International buyers’ requirements for reliable supply – especially given the Ukraine War and other geopolitical factors
- **Australian Government to fund 48.5% of total well costs for Daydream-2 through R&D rebate**

An Emerging Energy Super Basin

Elixir's \$1M deal with Origin Energy for CCS data confirms the Taroom as an emerging Energy Super Basin

- Wood Mackenzie's **Energy Super Basin** concept:
 - “Super basins are the future”
 - “The future is upstream co-located with low carbon”
 - “These are basins with the co-location of upstream hydrocarbons, clean electricity, standalone and/or hub scale CCS”
- Grandis is located in such an **Energy Super Basin**:
 - Tcfs of contingent and prospective gas resources (with low CO₂)
 - Overlapping GHG (CCS) licences
 - Major electricity infrastructure – with solar projects adding to thermal power stations

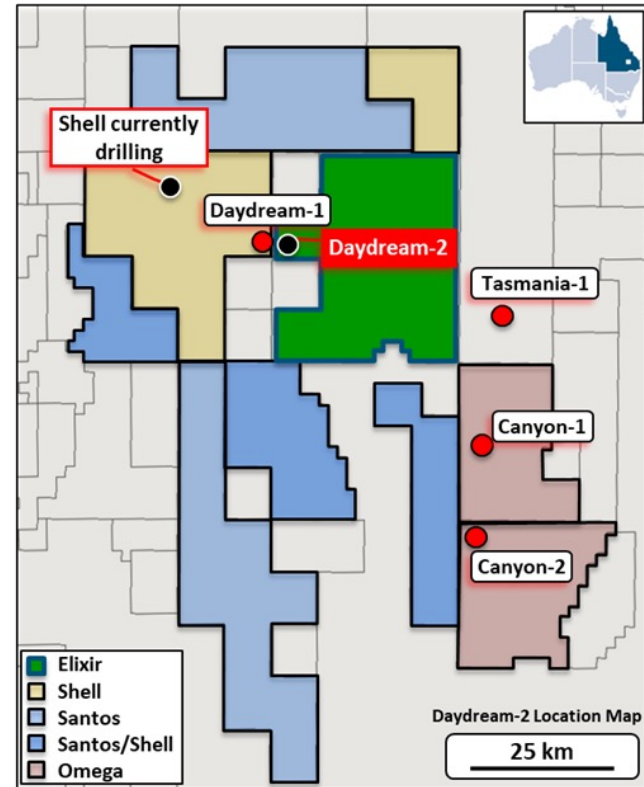


Taroom Trough

Home to several majors, the Taroom Trough hosts material discovered and potential gas resources

- **Shell:** Currently drilling. *“The estimate of recoverable hydrocarbons in this reservoir across ATP 645 in the area covered by PCA 1 (305), on an unrisks P50 basis, is 3.0 Tcf sales gas and 252 mmmboe NGLs and condensate”*¹
- **Santos:** Recently executed Data Sharing Agreement with Elixir. *“If the play works then we believe there is multi-Tcf potential”* (Kevin Gallagher - Santos CEO - Australian Financial Review on 15 November 2018)
- **Elixir:** 2C contingent resources of 395 Bcf and 2U prospective resources of 1,287 Bcf
- **Omega:** 2C contingent resources of 1.73 Tcf. Stimulated horizontal well to follow in 2024

With multiple operators investing substantially and experimenting with different approaches – the greater the chance the “code” is cracked for the benefit of all



1 - https://www.daf.qld.gov.au/data/assets/pdf_file/0010/1672921/21-296-File-G.pdf

Resources

Contingent Resources – Sandstones only

ATP – 2044 – GRANDIS GAS PROJECT				
Contingent Resources (100%)				
	Units	1C	2C	3C
Gas Initially In Place	Bcf	2,128	7,007	22,699
Recoverable Gas	Bcf	93	395	1,493
Recoverable Condensate	MMbbl	0.7	3.6	17.3

Note – tight sandstone reservoirs only

- In October 2022 ERC Equipose Pte Ltd (ERCE) prepared a Competent Person’s Report (CPR)
- ERCE has attributed Contingent Resources to the ATP 2044 permit as shown
- Only the sandstone reservoirs’ hydrocarbon volumes were attributed as Contingent Resources

Prospective Resources - Fractured Coals

ATP – 2044 – GRANDIS GAS PROJECT				
Prospective Resources (100%)				
	Units	1U	2U	3U
Recoverable Gas	Bcf	401	1,287	4,135
Recoverable Condensate	MMbbl	4	25.7	165.4

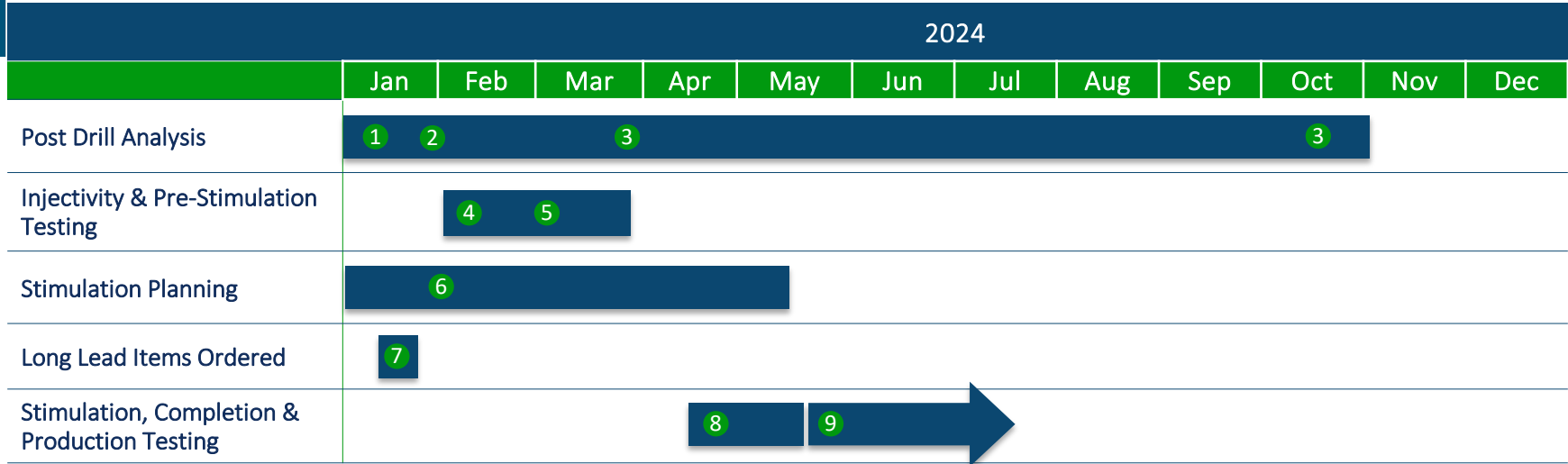
Note – fractured, thermally mature coals only

- In addition to the Contingent Resources calculated by ERCE in the Tight Sandstone Play, the Fractured, Thermally Mature Coals Play provides an additional primary target
- Flowing gas from the coals in Daydream-2 should start to convert prospective into contingent resources

Notes

1. Prospective Resources are those estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further explorations appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. 2 At least a 90% probability that the quantities actually recovered will equal or exceed the estimate. 3. At least a 50% probability that the quantities actually recovered will equal or exceed the estimate. 4. The arithmetic average of the probability distribution. 5. At least a 10% probability that the quantities actually recovered will equal or exceed the estimate. 6. Prospective Resources have been assessed on the basis that they are unconventional in nature. 7. Bcf means billion standard cubic feet of gas. 8. MMbbl means million barrels of oil or condensate. 9. The resource calculations are probabilistic but each reservoir was added arithmetically. See appendix for further information.

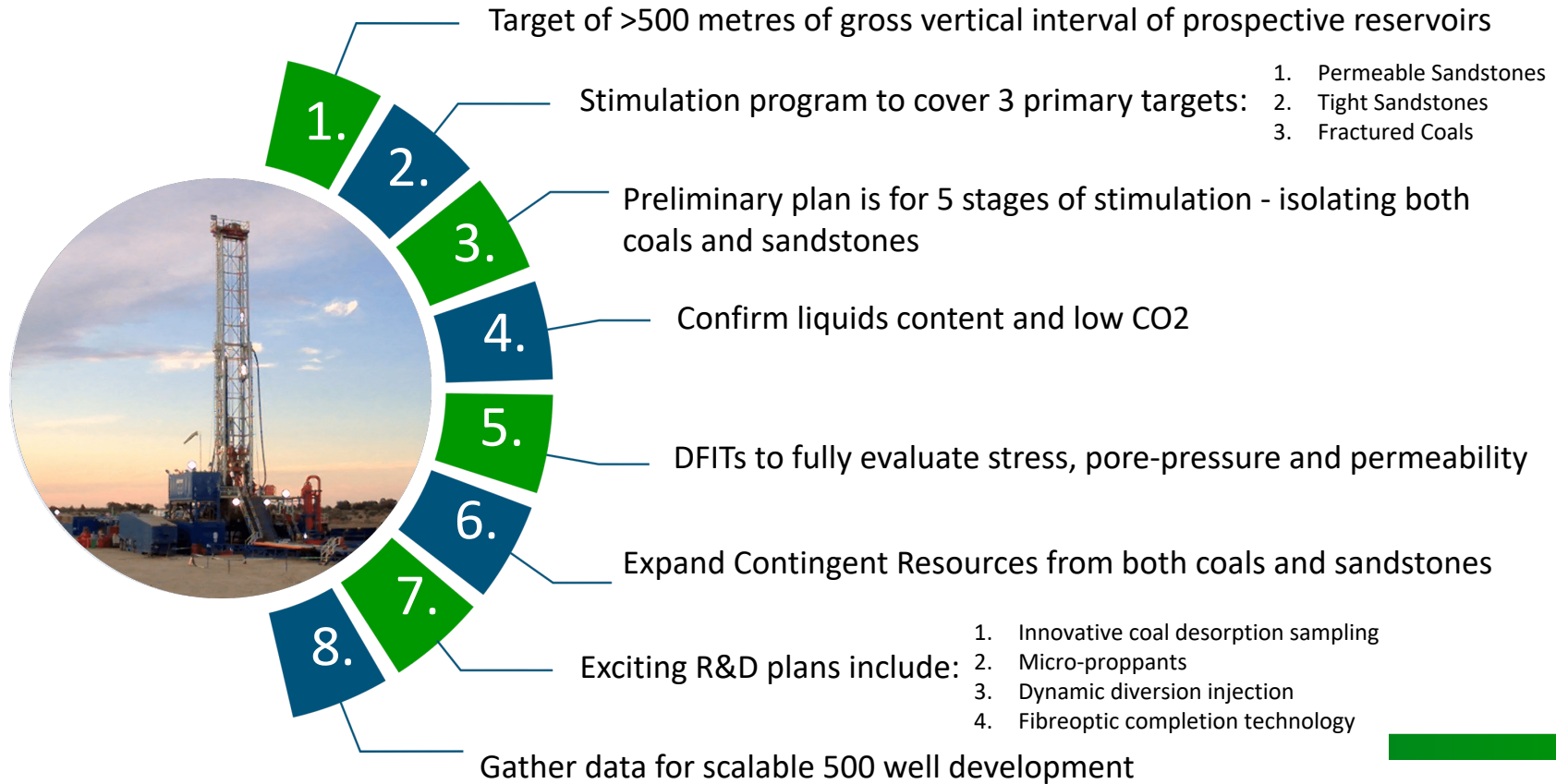
Grandis Gas Project Timeline



- 1 Compilation of post well analysis (final pay information and initial production testing plans)
- 2 Additional Laboratory Analysis
- 3 Review of Resource Certification
- 4 Diagnostic Fracture Injectivity Testing (DFIT) to directly measure formation stress, pore pressure and permeability
- 5 Pre-stimulation optimisation and testing activity (to guide formal stimulation plans)
- 6 Working with Halliburton Global Technology Centre for optimal strategy on stimulation of Daydream 2 reservoirs
- 7 Long Lead Items including micro-proppant
- 8 Execution of stimulation program for sandstone and coal reservoirs
- 9 Completion and production testing (initial flow rates from specific isolated intervals in coals and sandstones)

Daydream-2 – Game Changing Objectives

Daydream-2 has multiple objectives that collectively can deliver enormous de-risking and value



Daydream-2

Daydream-2 successfully drilled in late 2023

- Drilled to total depth of 4,300 metres (14,108 feet)
- Well drilled under budget
- Gross interval of 607 metres intersected with peak gas shows of up to 800 units
- Logged 154 metres of net pay in the Permian sandstones
- Measured an additional 65 metres of gaseous coals in the primary objective interval as a new target for stimulation and flow testing
- ***Encountered an unexpected free-flowing gas zone at 4,200 metres – gas flowed to surface without stimulation***
- Now moving to stimulation and flow testing phase



Flare at Daydream-2



3. Nomgon CBM PSC

CBM PSC located on the Chinese Border



CBM Asset Overview

- 01 | Elixir's foundation asset – the 100% owned Nomgon IX Coal Bed Methane (CBM*) Production Sharing Contract (PSC) project in the South Gobi region of Mongolia
- 02 | Highly experienced CSG team – first mover in taking Australia's industry leading skills to Mongolia
- 03 | Located on Mongolian/Chinese border with excellent infrastructure, mines and planned pipelines
- 04 | This location provides many market options – domestic and export
- 06 | Exploration commenced in 2019 and first CBM discovery made in 2020
- 07 | Production Pilot Project will be ongoing though 2024



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

Extended Pilot Production Test

Progress to date

- Mongolia's first CBM pilot - commenced in late 2022
- Early gas flows - likely due to dual porosity/perm
- Meaningful gas production from coal desorption requires de-pressurisation from longer term water production from what are now 3 pilot wells
- Applying careful monitoring of water production rates to minimise formation damage and wellbore "skin" - and ultimately improve gas rates

Goals for 2024

- Water with increasing gas production to continue through 2024 at the Nomgon Pilot Project
- A workover is scheduled for Nomgon-10 well shortly
- Up to 2 further Nomgon Pilot wells planned and included in recently submitted Annual Budget
- Continue to evaluate data from 2023 discoveries to provide platforms for new pilots



Nomgon-9 flare

Gobi H2 Overview

Elixir's longstanding experience in Mongolia's energy sector has provided a strong foundation for the *Gobi H2* green hydrogen project

- Gobi H2 is Elixir's green hydrogen project (i.e. one where hydrogen is produced from renewable electrical energy sources) located in the Gobi region of Mongolia
- The South Gobi region possesses superb renewable resources – Elixir has been gathering bankable wind and solar data for some years and owns a pre-development solar project
- Elixir's longstanding experience in Mongolia's energy sector and stakeholder engagement with Governments (at multiple levels), communities, customers, etc, has provided a strong foundation upon which to build the Gobi H2 business
- The strength of the concept behind the project was demonstrated in mid-2022 when Elixir announced the signing of a Memorandum of Understanding (MOU) over Gobi H2 with Japan's SB Energy Corp (now Terras Energy following Toyota Tsusho taking control)
- Green hydrogen infrastructure projects in neighbouring China – including the development of a regional hydrogen pipeline transmission network – can ultimately be expanded Northwards to capture the benefits of the Gobi's exceptional renewable resources



Term sheet with Terras



Pilot pre-feasibility results secured



Targeting local and export markets



Project financiers engaged for pilot



Short and long term water procurement



Banking renewable resources



The background image shows an industrial facility at night. A prominent feature is a flare stack emitting a large, bright orange and yellow flame that rises into the dark sky. The facility includes various structures, pipes, and equipment, all illuminated by the ambient light of the flare and other industrial lights. The overall scene is dark, with the flare providing the primary light source.

4. Highlights, Disclaimer and Appendix

Corporate Highlights



High impact Daydream-2 appraisal **well successfully drilled**



Stimulation and **flow testing** of Daydream-2 **due in H1 2024**



Key catalysts in 2024 - adding material resources, de-risking and partnering



Highly experienced team with material equity position



Clear **need for energy security** and key role for gas in the medium term



Strong balance sheet and **100% gas asset ownership** provides strategic optionality

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Appendix

Methodology:

The estimate of Prospective Resource was compiled by Elixir's Chief Geoscientist, Mr Greg Channon, who has completed a detailed and formal report on the prospective resources in ATP 2044. The work was undertaken in accordance with the Society of Petroleum Engineers internationally recognised Petroleum Resources Management System 2018 (PRMS). Mr Channon's methodology was to compile and review all available data and make interpretations of (amongst other things) the wireline logs, seismic data and historical well records relevant to the permit area. An estimate of the gross and net rock volume was determined, and from that, a probabilistic distribution of the prospective resource was compiled. A site visit to the area was conducted.

Competent Person:

Elixir's Competent Person is Mr Greg Channon. Mr Channon is a qualified geoscientist with over 35 years of oil and gas industry experience and is a member of the American Association of Petroleum Geologists and the South East Asian Exploration Society and is a graduate of the Australian Institute of Company Directors. He is qualified as a competent person in accordance with ASX listing rule 5.41. Mr Channon consents to the inclusion of the information in this report in the form and context in which it appears.

Reporting Standards:

Reserves and resources are reported in accordance with the definitions of reserves, contingent resources and prospective resources and guidelines set out in the Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the American Association of Petroleum Geologists (AAPG), World Petroleum Council (WPC), Society of Petroleum Evaluation Engineers (SPEE), Society of Exploration Geophysicists (SEG), Society of Petrophysicists and Well Log Analysts (SPWLA) and European Association of Geoscientists and Engineers (EAGE), revised June 2018.

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