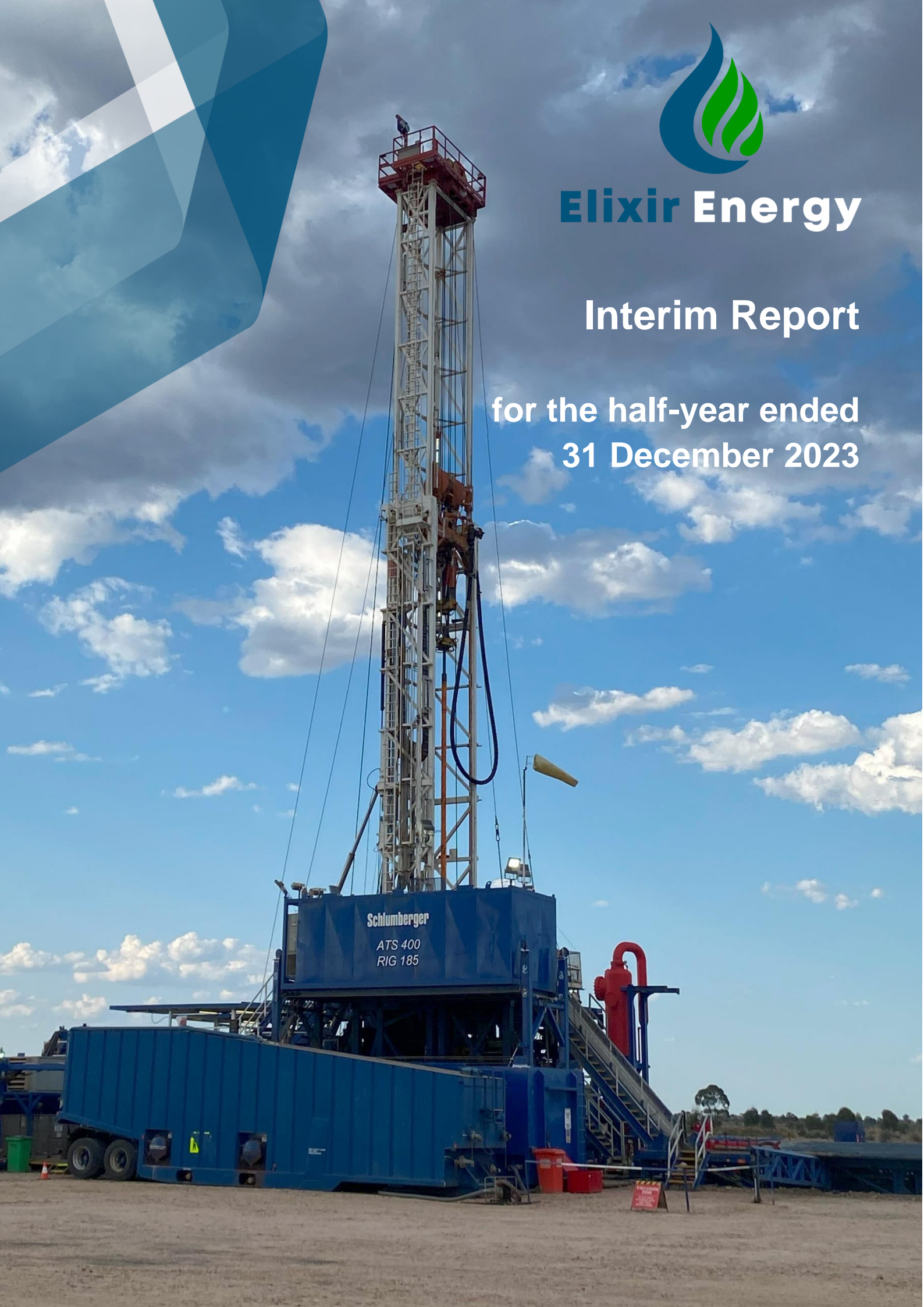




**Elixir Energy**

## Interim Report

for the half-year ended  
31 December 2023



## Contents

<b>Corporate Directory .....</b>	<b>2</b>
<b>Directors' Report .....</b>	<b>3</b>
<b>Independent Auditor's Declaration .....</b>	<b>8</b>
<b>Independent Auditor's Report .....</b>	<b>9</b>
<b>Directors' Declaration .....</b>	<b>11</b>
<b>Consolidated Statement of Profit or Loss and Other Comprehensive Income....</b>	<b>12</b>
<b>Consolidated Statement of Financial Position .....</b>	<b>13</b>
<b>Consolidated Statement of Changes in Equity .....</b>	<b>14</b>
<b>Consolidated Statement of Cash Flows.....</b>	<b>15</b>
<b>Notes to the Consolidated Financial Statements .....</b>	<b>16</b>

## Corporate Directory

### Directors

Mr Richard Cottee  
Mr Neil Young  
Mr Stephen Kelemen  
Ms Anna Sloboda

Non-Executive Chairman  
Managing Director  
Non-Executive Director  
Non-Executive Director

### Company Secretary

Ms Victoria Allinson

### Registered Office

3B, Level 3  
60 Hindmarsh Square  
Adelaide 5000  
South Australia

### Auditors - Australia

BDO Audit Pty Ltd  
Level 7, 420 King William Street  
Adelaide 5000  
South Australia

### Bankers

National Australia Bank Limited  
Level 9, 22 King William Street  
Adelaide 5000  
South Australia

### Share Registry

Automic Pty Ltd  
Level 5, 126 Phillip Street  
Sydney 2000  
New South Wales

### Stock Exchange Listing

Australian Securities Exchange code: EXR

### Email address

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





## Directors' Report

### DIRECTORS

The names of the Directors of Elixir Energy Limited in office during the financial period and at the date of this report are:

Director	Position	Date appointed	Last elected or re-elected at AGM
Richard Cottee	Non-Executive Chairman	29 April 2019	18 November 2022
Neil Young	Managing Director	14 December 2018	-
Stephen Kelemen	Non-Executive Director	6 May 2019	28 October 2021
Anna Sloboda	Non-Executive Director	1 October 2020	16 October 2023

Other than as stated above, each Director held office from 1 July 2023 until the date of this report.

### PRINCIPAL ACTIVITIES

Elixir Energy Limited and its subsidiaries ("Group") is an oil and gas Group focussed gas appraisal in Queensland, coal bed methane ("CBM") exploration and development in Mongolia; and green hydrogen production in Mongolia. Further details are provided in the Review of Operations.

### DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial period ended 31 December 2023 (2022: Nil).

### REVIEW OF OPERATIONS

#### Operating Results

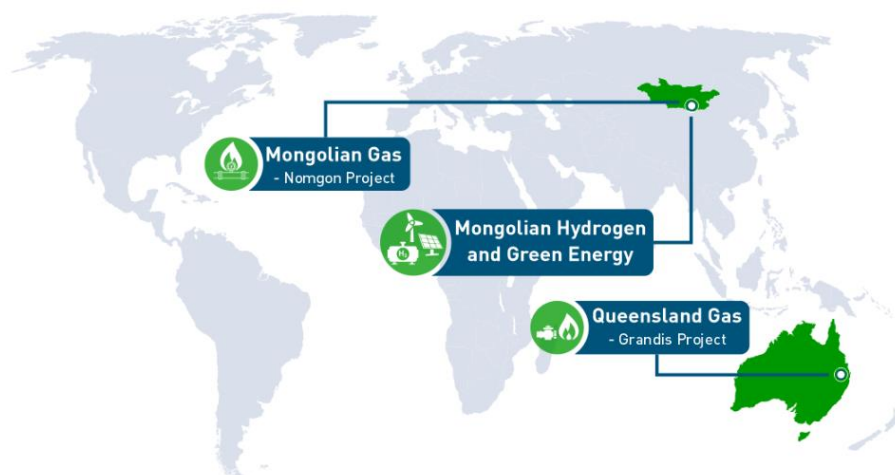
For the financial period ended 31 December 2023, the Group recorded a net loss from continuing operations after tax of \$397,131 (December 2022: \$1,163,290). The loss is lower than the prior period, this is primarily due to Project Grandis data sharing net income of \$1,000,000 (December 2022: \$nil), lower share-based payments \$51,385 (December 2022: \$331,656), offset by higher general administration expenses \$440,048 (December 2022: \$225,414), and higher compliance costs \$370,230 (December 2022: \$242,244).

At 31 December 2023, the Group held cash totalling \$11,224,945 (June 2023: \$9,555,235).

#### Operations Review

During the period, the Group's primary focus was on drilling the Daydream-2 appraisal well in its Grandis Gas Project in Queensland and on ongoing appraisal in its 100% owned Nomgon IX CBM Production Sharing Contract (PSC) in Mongolia.

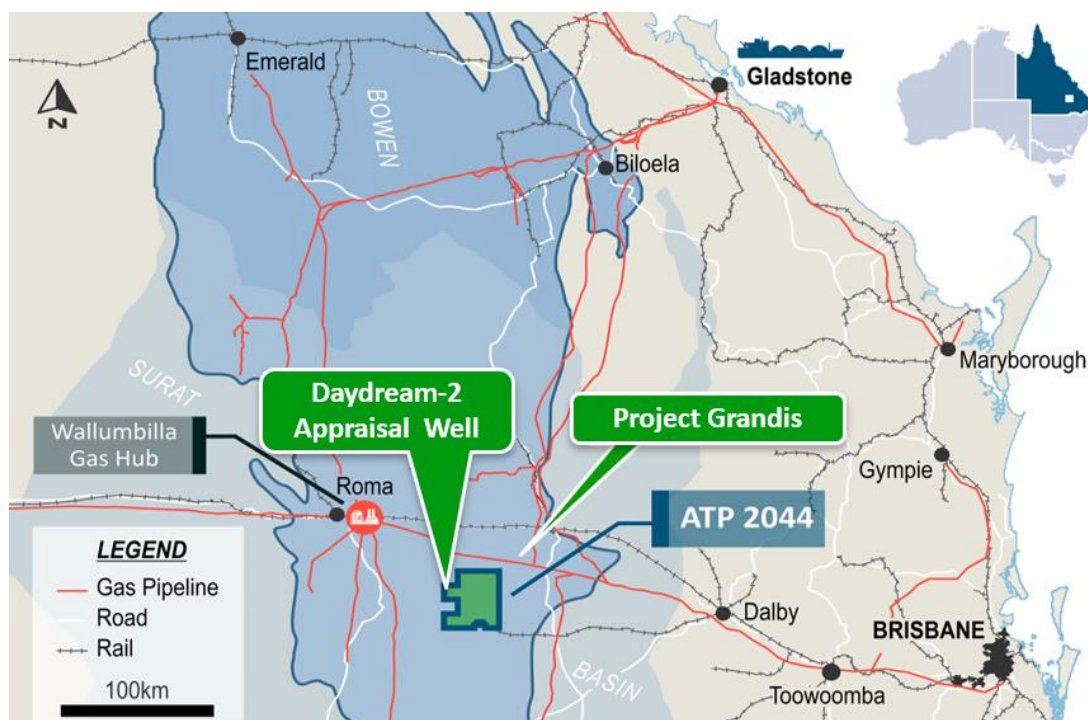
### Project Locations



## Projects

### **Australian project: Grandis Gas Project / ATP 2044**

In August 2022 the Group announced the purchase of a 100% interest in a large and very well-located permit in Queensland: ATP 2044 (the Grandis Gas Project “Grandis”). Located close to Australia’s premier gas hub at Wallumbilla, gas from this asset could find markets both domestically and internationally via the connected LNG export plants at Gladstone.



Around a decade ago, the deep Permian gas bearing part of the Bowen Basin called the Taroom Trough was extensively drilled by BG Group (now Shell). A new round of drilling in the Taroom Trough by Elixir and its neighbours is now underway.

The Company secured a rig contract from major global services company SLB (previously Schlumberger) and in December 2023 drilled the Daydream-2 appraisal well. This well will be stimulated and flow tested shortly.



*Daydream-2: rig*

A funding mechanism for a large part of the total funding for the well was also secured in the prior financial year – from the Federal Government. This was achieved through the obtaining of an Advanced Finding that Daydream-2 would qualify for Research & Development (R&D) tax credits. During the period \$415,109 of tax credits was received and a further \$4,912,610 of tax credits is receivable for qualifying costs incurred in the current period. These will pay for 48.5% of the costs of this well.

During the period:

- The Daydream-2 appraisal well was successfully drilled to a total depth of 4,300 metres (14,108 feet), on time and under budget.
- All pre-drill objectives of the well were met or exceeded.
- Additionally, the well unexpectedly encountered a free flowing zone and gas was circulated to surface and flared.
- Halliburton was secured as lead contractor for the next stimulation phase of the well.
- Data was obtained for Origin Energy under the Information Sharing Agreement with it. Origin paid the Group \$1,671,820 (net of GST) in the quarter under this Agreement.
- A Term Sheet was entered into with Radium Capital for non-recourse debt secured on the R&D tax credit due. A payment of \$415,109 was received from the Federal Government for expenditure made in the year ended 30 June 2023.
- A Cultural Heritage & Management Agreement was executed with the Mandandanji people. This provides a framework for long term engagement across the licence.
- All work was undertaken safely and without environmental or other incidents.



*Flare at Daydream-2*

### ***Mongolian project: Nomgon***

The Group has a 100% interest in the Nomgon IX Coal Bed Methane (“CBM”) profit Sharing Contract (“PSC”), located proximate to the Chinese border in Mongolia’s South Gobi region.



The PSC was entered into with the Mongolian Government in September 2018 and has a minimum ten-year exploration period and a thirty-year (extendable) production period. The work program undertaken in the PSC in the period is summarised as follows:

- Expanding the Nomgon Pilot Project through the successful drilling of a new pilot well: Nomgon-10.
- Ongoing production testing at the Nomgon Pilot Project.
- The exploration and appraisal drilling program for calendar 2023 was largely undertaken in the better weather conditions in the quarter, with successful CBM discoveries being made in the Big Slope and Yangir sub-basins.

All work was undertaken safely, without environmental incident and working closely with local communities.

### ***Mongolian Hydrogen Project - Gobi H2***

During the period, the Group progressed various initiatives to support the development of a green hydrogen production project – called Gobi H2 – in the South of Mongolia.

### ***Other projects***

There have been no changes to other projects held by the Group during the period.

## **CHANGES IN CAPITAL STRUCTURE**

During the period, 200,812,985 Elixir Energy Ltd shares were issued via two Placements and 19,400,000 shares were issued following the exercise of Performance Rights. Since the period end, the Company issued 31,392,182 Listed Options with an exercise price of \$0.12 and an expiry date of 17 October 2026 pursuant to the December 2023 Placement. No other transaction took place that would impact the capital structure of the Group.

The first Placement included a Share Purchase Plan issue of \$1,724,550 under the Prospectus dated 7 September 2023, the Group confirms that the use of funds aligns with the Prospectus, being Daydream 2 appraisal well costs.

## **PERFORMANCE RIGHTS AND OPTION**

During the period, 2,000,000 Performance Rights were issued to the Managing Director, Mr Neil Young, and 3,000,00 Incentive options were issue to each of the Non-executive Directors’, Mr Richard Cottee, Stephen Kelemen and Anna Sloboda.

## **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

Other than those events noted above, there were no other significant changes in the state of affairs of the Group during the period that requires separate disclosure.

## **EVENTS SINCE THE END OF THE FINANCIAL PERIOD**

On 18 January 2024, the Company issued a Daydream-2 update highlighting:

- Very positive log results for recently discovered deep permeable zone.
- Extent of this new play could be significant.
- Stimulation and testing phase due to commence imminently.

On 6 February 2024, the Company issued a Daydream-2 update highlighting:

- Preliminary petrographical results on samples from deep permeable zone completed;
- Clay rims identified that have preserved porosity in highly pressured deep zone; and
- Analogies with high productivity deep Permian section of the Perth Basin.

On 7 February 2024, the Company issued 31,392,182 Listed Options with an exercise price of \$0.12 and an expiry date of 17 October 2026:

- 6,000,000 Listed Option to Brokers as part of the December 2023 Placement, these share issue costs amount to \$180,0000, being the listed option share price on the date the Placement was completed, 19 December 2023; and
- 25,392,182 free attaching Listed Options as part of the December 2023 Placement, issued on the basis of one for three shares issued in the Placement.

On 21 February 2024, the Company issued a Daydream-2 update highlighting:

- Desorption analysis conducted on coal cuttings from Daydream-2 now completed;
- Very high gas contents measured – prior expectations greatly exceeded;
- Resultant significant increase in the prospective resources in ATP 2044 to 3.6 Tcf (2U);
- Imminent program aims to start converting these prospective to contingent resources; and
- Expected low CO2 confirmed

There are no other material events occurring after the end of the reporting period to disclose.

## **AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's independence declaration is included on page 8 of the financial report.

Signed in accordance with a resolution of the Directors made pursuant to s.298 (2) of the *Corporations Act 2001*.



Neil Young  
Managing Director  
Adelaide, South Australia  
22 February 2024



DECLARATION OF INDEPENDENCE  
BY ANDREW TICKLE  
TO THE DIRECTORS OF ELIXIR ENERGY LIMITED

As lead auditor for the review of Elixir Energy Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Elixir Energy Limited and the entities it controlled during the period.



Andrew Tickle  
Director

BDO Audit Pty Ltd

Adelaide, 22 February 2024

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ELIXIR ENERGY LTD

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Elixir Energy Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

#### Material uncertainty relating to going concern

We draw attention to Note 1(b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

#### Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.


#### Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



BDO Audit Pty Ltd



Andrew Tickle

Director

Adelaide, 22 February 2024

**Directors' Declaration**

The Directors declare that:

- (a) The consolidated financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
  - i. Giving a true and fair view of the financial position as at 31 December 2023 and the performance for the half-year ended on that date of the consolidated entity;
  - ii. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that Elixir Energy Limited will be able to pay its debts as and when they become due and payable.
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in Note 8 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 9.

This declaration is signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

  
Neil Young  
Managing Director  
Adelaide, South Australia  
22 February 2024



## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2023

	Note	Consolidated	
		31 Dec	31 Dec
		2023	2022
		\$	\$
<b>Revenue from continuing operations</b>			
Other income	2	1,671,820	-
Cost of sales	2	(671,820)	-
Gross profit		1,000,000	-
Interest Income		132,732	151,850
<b>Expenses</b>			
Foreign exchange gain/(loss)		(25,545)	12,570
Depreciation		(15,076)	(10,513)
Directors' fees		(435,787)	(402,223)
Share based payments expense	3	(51,385)	(331,656)
New ventures and business development	3	-	(15,751)
Administration expenses	3	(1,002,070)	(567,567)
Total expenses		(1,529,863)	(1,315,140)
<b>Loss before income tax</b>		(397,131)	(1,163,290)
Income tax expense		-	-
Loss attributable to owners of the Company		(397,131)	(1,163,290)
<b>Other comprehensive income:</b>			
Items that may be reclassified to profit or loss:			
Foreign currency translation differences		(430,681)	(1,338,021)
Other comprehensive income/(loss) for the half-year, net of tax		(430,681)	(1,338,021)
Total comprehensive loss attributable to the owners of Elixir Energy Limited		(827,812)	(2,501,311)
<b>Loss per share for the half-year</b>			
Basic and diluted (loss) per share (cents)		(0.04)	(0.13)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## Consolidated Statement of Financial Position

As at 31 December 2023

	Note	Consolidated	
		31 Dec 2023 \$	30 Jun 2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		11,224,945	9,555,235
Other receivables and current assets	4	6,313,519	958,277
Inventory		262,961	337,396
Total current assets		17,801,425	10,850,908
<b>Non-current assets</b>			
Exploration and evaluation expenditure	5	41,303,763	31,538,926
Property, plant and equipment	6	838,512	754,023
Rights of use asset		252,520	189,110
Total non-current assets		42,394,795	32,482,059
<b>Total Assets</b>		60,196,220	43,332,967
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	3,628,903	341,631
Employee benefits		134,198	108,486
Lease Liability		91,848	10,092
Total current liabilities		3,854,949	460,209
<b>Non-current liabilities</b>			
Lease Liability		30,252	36,865
Total non-current liabilities		30,252	36,865
<b>Total Liabilities</b>		3,885,201	497,074
<b>Net Assets</b>		56,311,019	42,835,893
<b>Equity</b>			
Issued capital	8	138,769,237	123,116,684
Reserves		(1,019,091)	911,633
Accumulated Losses		(81,439,127)	(81,192,424)
<b>Total Equity</b>		56,311,019	42,835,893

The above consolidated financial position should be read in conjunction with the accompanying notes.

## Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2023

	Share Capital		Reserves		Total
	Ordinary Share Capital	Accumulated Losses	Share Based Payment Reserve	Foreign Currency Translation Reserve	
	\$	\$	\$	\$	\$
Balance at 1 Jul 2023	<b>123,116,684</b>	<b>(81,192,424)</b>	<b>1,992,629</b>	<b>(1,080,996)</b>	<b>42,835,893</b>
Comprehensive income (Loss) for the half-year	-	(397,131)	-	-	(397,131)
Exchange differences on translation of foreign operations	-	-	-	(430,681)	(430,681)
Total comprehensive income/(loss) for the period	-	(397,131)	-	(430,681)	(827,812)
Transactions with owners, in their capacity as owners, and other transfers					
Share based expenses	-	-	51,385	-	51,385
Share based transfers	-	150,428	(150,428)	-	-
Share based issue costs	(180,000)	-	180,000	-	-
Shares issued	16,780,550	-	(1,581,000)	-	15,199,550
Share issue costs	(947,997)	-	-	-	(947,997)
Total transactions with owners and other transfers	15,652,553	150,428	(1,500,043)	-	14,302,938
<b>Balance at 31 Dec 2023</b>	<b>138,769,237</b>	<b>(81,439,127)</b>	<b>492,586</b>	<b>(1,511,677)</b>	<b>56,311,019</b>
Balance at 1 Jul 2022	<b>119,682,326</b>	<b>(78,290,041)</b>	<b>1,138,992</b>	<b>(438,002)</b>	<b>42,093,275</b>
Comprehensive income (Loss) for the half-year	-	(1,163,290)	-	-	(1,163,290)
Exchange differences on translation of foreign operations	-	-	-	(1,338,021)	(1,338,021)
Total comprehensive income/(loss) for the period	-	(1,163,290)	-	(1,338,021)	(2,501,311)
Transactions with owners, in their capacity as owners, and other transfers					
Share based expenses	-	-	331,656	-	331,656
Shares issued	3,000,000	-	-	-	3,000,000
Share issue costs	(11,010)	-	-	-	(11,010)
Total transactions with owners and other transfers	2,988,990	-	331,656	-	3,320,646
<b>Balance at 31 Dec 2022</b>	<b>122,671,316</b>	<b>(79,453,331)</b>	<b>1,470,648</b>	<b>(1,776,023)</b>	<b>42,912,610</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

## Consolidated Statement of Cash Flows

For the half-year ended 31 December 2023

Note	Consolidated	
	31 Dec 2023 \$	31 Dec 2022 \$
<b>Cash flows from operating activities</b>		
Receipts from other income	1,839,002	-
Payments to suppliers and employees	(2,946,102)	(1,101,161)
Net cash (used in) operating activities	(1,107,100)	(1,101,161)
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	(11,879,206)	(7,381,428)
Receipts from research & development incentive	415,109	-
Interest received	132,732	151,850
Payments for property, plant and equipment and capital projects in progress	(110,622)	(421,271)
Net cash (used in) investing activities	(11,441,987)	(7,650,849)
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares	15,199,550	-
Payments for share issue costs	(943,497)	(11,010)
Net cash (used in) financing activities	14,256,053	(11,010)
Net increase/(decrease) in cash held	1,706,966	(8,763,020)
Cash and cash equivalents at beginning of financial period	9,555,235	22,679,219
Effect of exchange rates on cash holdings in foreign currencies	(37,256)	(148,993)
Cash and cash equivalents at end of financial period	11,224,945	13,767,206

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



## Notes to the Consolidated Financial Statements

### 1. Basis of Preparation

#### a) Statement of compliance

These financial statements are general purpose financial statements for the half-year reporting period ended 31 December 2023, which have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Elixir Energy Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding half-year reporting.

#### **New or amended accounting standards and interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **Significant accounting estimates and judgments for share based payments values**

The Group estimates the probability of the award of performance rights issued to key management personnel and other consultants and advisors by reference to the likelihood that the performance measures will be met by the holders of those performance rights as at the date at which they are granted. The probability is considered binary (100% or 0%) for each class of performance rights and only where there is a high risk of failure to achieve the performance measures will 0% be used (e.g. stretch targets).

#### **Impact of standards issued but not yet applied by the entity**

There were no new standards issued since 1 July 2023 that have been applied by the Group. The 30 June 2022 annual report disclosed that the Group anticipated no material impacts (amounts recognized and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2023.

#### b) Going Concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business. For the period ended 31 December 2023 the entity recorded a loss of \$397,131 and had net cash outflows from operating activities of \$1,107,100, while cash and cash equivalents amounted to \$11,224,945.

The Group's ability to finance planned exploration and ongoing capital projects is reliant on third party funding sources and/or joint venture funding. The uncertainty of obtaining said financing indicates the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.

While no assurances can be given about the future ability to source finance for the Group's activities, the Directors believe, given the quality of the Group's assets, that the Group can, if required, fund future activities through a combination of existing cash, third party finding sources or joint venture options to pursue its business strategy and meet its obligation as and when they fall due, and has therefore prepared the financial report on a going concern basis.

Management believes there are sufficient funds to meet the entity's working capital requirements as at the date of this report.

This interim financial report was approved by the Board of Directors on 22 February 2024.

	<b>Consolidated Group</b>	
	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>2. Income</b>		
<b>Revenue</b>		
Other income under an information sharing agreement	<b>1,000,000</b>	-
Reimbursed expenses	<b>671,820</b>	-
Total revenue	<b>1,671,820</b>	-
<b>Cost of sales</b>		
Expenses reimbursed	<b>671,820</b>	-
Total cost of sales	<b>671,820</b>	-

On 6 November 2023, the Group announced the execution of an ongoing Information Sharing Agreement with Origin Energy ("Origin") with respect to the Daydream-2 well in its 100% owned Grandis Gas Project in Queensland

	<b>Consolidated Group</b>	
	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>3. Expenses</b>		
Loss before income tax includes the following specific items:		
<b>Share Based Payments Expense</b>		
Options	<b>51,781</b>	54,575
Performance Rights	<b>(396)</b>	277,081
Total Share Based Payments Expense	<b>51,385</b>	331,656
<b>New ventures and business development</b>		
New ventures	-	15,751
Total new ventures and business development	-	15,751
<b>Administration and office costs</b>		
Corporate compliance	<b>370,230</b>	242,244
Corporate management costs	<b>30,000</b>	30,000
Rent of office space	<b>11,224</b>	14,568
Travel costs	<b>53,487</b>	46,669
Investor relations	<b>97,081</b>	8,672
General administration	<b>440,048</b>	225,414
Total administration and office costs	<b>1,002,070</b>	567,567

	<b>Consolidated Group</b>	
	<b>31 Dec 2023 \$</b>	<b>30 June 2023 \$</b>
<b>4. Other Receivables</b>		
<b>Current</b>		
Goods and Services Tax	752,046	79,415
Rent deposit	5,000	65,262
Advances	24,358	29,038
Research & development incentive	4,912,610	413,762
Prepaid expenses	619,505	370,800
	<b>6,313,519</b>	<b>958,277</b>
<b>Non-Current</b>	<b>-</b>	<b>-</b>
	<b>Consolidated Group</b>	
	<b>31 Dec 2023 \$</b>	<b>30 Jun 2023 \$</b>
<b>5. Exploration &amp; evaluation expenditure</b>		
<b>Mongolian Project</b>		
Opening balance	27,473,469	18,887,358
Amount Capitalised during the period	4,884,311	9,213,539
Foreign Exchange Movements	(444,067)	(627,428)
Closing balance	<b>31,913,713</b>	<b>27,473,469</b>
<b>Australian Project</b>		
Opening balance	4,065,457	-
Acquisition during the year	-	3,500,000
Expenditure capitalised during the period	10,238,550	979,219
Research & Development incentive	(4,913,957)	(413,762)
Closing balance	<b>9,390,050</b>	<b>4,065,457</b>
<b>Total</b>		
Opening balance	31,538,926	18,887,358
Acquisition during the year	-	3,500,000
Expenditure capitalised during the period	15,122,861	10,192,758
Research & Development incentive	(4,913,957)	(413,762)
Foreign Exchange Movements	(444,067)	(627,428)
Closing balance	<b>41,303,763</b>	<b>31,538,926</b>

*Significant accounting estimates and judgments for impairment amounts*

The future recoverability of exploration and evaluation assets is dependent on a number of factors, including whether the Group decides to exploit the related asset itself or, if not, whether it can successfully recover the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of production, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

## 6. Property, plant and equipment

	Consolidated Group		
	Capital projects in progress:		
	Hydrogen project	Solar Plant	Total
	\$	\$	\$
<b>Balance at 1 July 2022</b>	111,438	-	111,438
Additions	600,948	67,010	667,958
Depreciation charge for the period	(24,870)	-	(24,870)
Forex	(311)	(192)	(503)
<b>Balance at 30 June 2023</b>	<b>687,205</b>	<b>66,818</b>	<b>754,023</b>
Additions	110,072	3,442	113,514
Depreciation charge for the period	(15,076)	-	(15,076)
Forex	(14,658)	709	(13,949)
<b>Balance at 31 December 2023</b>	<b>767,543</b>	<b>70,969</b>	<b>838,512</b>

### *Property, plant and equipment*

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

### *Capital projects in progress:*

Property, plant and equipment that is under construction classified as a capital project in progress and is measured on the cost basis. Once construction is completed and the asset becomes substantially ready for its intended use or sale, these costs are reclassified to the appropriate category and are depreciated over their expected useful lives.

	Consolidated Group	
	Note	
	31 Dec	30 Jun
	2023	2023
	\$	\$
<b>7. Trade and Other Payables</b>		
<b>Current</b>		
Trade payables and accrued expenses	2,612,482	148,574
Accrued expenses	1,013,528	165,635
Other payables	2,893	27,422
<b>Trade and other payables</b>	<b>3,628,903</b>	<b>341,631</b>

Trade payables are unsecured and generally payable within 30 days. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.



	<b>Consolidated Group</b>	
	<b>31 Dec</b>	<b>30 Jun</b>
	<b>2023</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>

## 8. Issued Capital

1,132,650,295 fully paid ordinary shares (June 2023: 912,437,310 fully paid ordinary shares)	<b>138,769,237</b>	<b>123,116,684</b>
---	--------------------	--------------------

	<b>Number of shares</b>		<b>Consolidated Group</b>	
	<b>31 Dec</b>	<b>30 Jun</b>	<b>31 Dec</b>	<b>30 June</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
			<b>\$</b>	<b>\$</b>
Balance at 1 July	<b>912,437,310</b>	891,733,376	<b>123,116,684</b>	119,682,326
Issue of shares <sup>(a)</sup>	<b>200,812,985</b>	-	<b>15,199,550</b>	-
Exercise of Performance Rights (Note 9)	<b>19,400,000</b>	-	<b>1,581,000</b>	-
Share based payments	-	-	-	445,368
Issue of shares to acquire EnergyCapture Pty Ltd at 15c per share	-	20,703,934	-	3,000,000
Share issue costs	-	-	<b>(1,127,997)</b>	(11,010)
Closing Balance	<b>1,132,650,295</b>	912,437,310	<b>138,769,237</b>	123,116,684

(a) During the period the following shares were issued:

- on 5 September 2023 97,928,584 shares were issued under a Placement announced in August 2023 at \$0.07 per share;
- on 17 October 2023 26,707,931 shares were issued under a Placement and Share Purchase Plan announced in August 2023 at \$0.07 per share; and
- on 19 December 2023 76,176,470 shares were issued under a Placement announced in December 2023 at \$0.085 per share.

	<b>Consolidated Group</b>	
	<b>31 Dec</b>	<b>30 Jun</b>
	<b>2023</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>

## 9. Options and Performance Rights

As at period end the following Options and Rights over unissued ordinary shares are on issue.

### Listed Options:

Opening Listed Options	-	-
Free attaching options issued on 17 October 2023 on the basis for one for two basis under the August 2023 Placement <sup>(1)</sup>	<b>62,318,296</b>	-
Closing Listed Options	<b>62,318,296</b>	-

### Unlisted Options:

Opening Unlisted Options	<b>6,330,000</b>	6,330,000
Incentive Options granted <sup>(1)</sup>	<b>9,000,000</b>	-
Options cancelled as expired	<b>(4,750,000)</b>	-
Closing Unlisted Options	<b>10,580,000</b>	6,330,000
<b>Total Options</b>	<b>72,898,296</b>	6,330,000

	<b>Consolidated Group</b>	
	<b>31 Dec 2023 No.</b>	<b>30 Jun 2023 No.</b>
<b>Weighted average exercise Price</b>	<b>\$0.13</b>	<b>\$0.16</b>
<b>Performance Rights:</b>		
Opening Rights	<b>28,200,000</b>	26,200,000
Rights granted <sup>(2)</sup>	<b>2,000,000</b>	2,000,000
Rights vested and converted	<b>(19,400,000)</b>	-
Closing Rights	<b>10,800,000</b>	28,200,000

(1) Approved by Shareholders on 16 October 2023.

(2) 2,000,000 performance rights approved by Shareholders on 16 October 2023 and 18 November 2022 respectively.

### Share Options

At 31 December 2022 there are 72,898,296 (30 June 2023: 6,330,000) Options over unissued ordinary shares are on issue. During the half-year no Options were exercised and 4,750,000 lapsed on their expire date, being 29 September 2023.

<b>Issue date</b>	<b>Number</b>	<b>Exercise price</b>	<b>Expiry</b>	<b>Exercised</b>
<b>Listed (ASX: EXROB)</b>				
17 October 2023	62,318,296	\$0.12	17 October 2026	Vested
<b>Unlisted</b>				
5 June 2020	580,000	\$0.10	4 June 2024	Vested
28 October 2021	1,000,000	\$0.50	27 October 2025	Vested
17 October 2023	9,000,000	\$0.15	17 October 2026	Vested
<b>Total</b>	<b>72,898,296</b>			

All unlisted options vest after a one-year service period has been completed and have no voting or dividend rights attached.

On 17 October 2023, 3,000,000 incentive options were issued to each non-executive directors, Richard Cottee, Stephen Kelemen and Anna Sloboda. The grant date was determined to be 17 October 2023 and the total fair value was assessed as \$84,000 each (\$0.028 per option) utilizing the Black-Scholes model with the following key inputs:

- Share Price at grant date: \$0.065
- Exercise price: \$0.15
- Expiry: 17 October 2026
- Risk Free rate: 3.95%
- Volatility: 95%

During the period, \$51,781 (prior period \$54,575) was recognised as a share-based payment expense in relation to the Options.

On 7 February 2024, the Company issued Listed Options with an exercise price of \$0.12 and an expiry date of 17 October 2026.

- 6,000,000 Listed Option to Brokers as part of the December 2023 Placement, these security issue costs amount to \$180,000, being the listed option share price on the date the Placement was completed, 19 December 2023.
- 25,392,182 free attaching Listed Options as part of the December 2023 Placement, issued on the basis of one for three.

## Performance Rights

At 31 December 2023 10,800,000 (June 2023: 28,200,000) Performance Rights are on issue. During the period 16,000,000 Class C Performance Rights and 3,400,000 Class Pilot Performance Rights were exercised.

Issue date	Number (d)	Exercise price	Expiry	Vesting
<b>Class Pilot</b>				
28 October 2021	3,400,000	\$nil	1 July 2024	(a)
28 October 2021	3,400,000	\$nil	1 July 2025	(a)
	<b>6,800,000</b>			
<b>Long-Term Incentive (LTI) Revenue</b>				
18 November 2022	1,000,000	\$nil	30 June 2026	(b)
	<b>1,000,000</b>			
<b>Long-Term Incentive (LTI) TSR</b>				
18 November 2022	1,000,000	\$nil	30 June 2026	(c)
17 October 2023	2,000,000	\$nil	30 June 2027	(c)
	<b>3,000,000</b>			
<b>Total</b>	<b>10,800,000</b>			

Performance Rights Milestones and terms:

- (a) Class Pilot Performance Rights milestones:
  - 3,400,000 performance rights to vest upon the commencement of a 2nd stage pilot production program by 30 June 2024.
  - 3,400,000 performance rights to vest upon the commencement of a 3rd stage pilot production program by 30 June 2025.
- (b) Long-Term Incentive (LTI) Revenue – Performance Rights will vest if, by 30 June 2026, a new business opportunity has been consummated and, in Board's opinion, will generate revenues by 30 June 2028.
- (c) Long-Term Incentive (LTI) TSR – Performance Rights will vest upon an increase in Relative Total Shareholder Returns (Relative TSR).
- (d) No voting or dividend rights.

During the period, \$(396) (prior period \$277,081) was recognised as a share-based payment expense in relation to the following Performance Rights:

- \$22,789 (prior period \$5,216) in relation to the LTI TRS 2022 Performance Rights.
- \$7,520 (prior period \$nil) in relation to the LTI TRS 2023 Performance Rights.
- \$(30,705) (prior period \$5,216) in relation to the LTI Revenue 2022 Performance Rights as the probability of achieving the revenue milestone is considered unlikely at 31 December 2023, at 30 June 2023 \$30,705 had been expensed.
- Nil (prior period \$266,649) in relation to the Class Pilot Performance Rights. In the prior periods, the first tranche of these rights (3,400,000 rights) were recognised as a share based payment expense, given the performance of non-market conditions attached to the rights were assessed as likely. The second and third tranche of the rights (3,400,000 rights each tranche, respectively) have seen no associated share based payment expense be recorded historically or in the current half year period, on the basis the performance of non-market conditions attached to these are assessed as unlikely to be achieved.

## 10. Controlled Entities

Subsidiaries of Elixir Energy Limited:	Country of Incorporation	Percentage Owned	
		31 Dec 2023	30 Jun 2023
EnergyCapture Pty Ltd <sup>(1)</sup>	Australia	100%	100%
Elixir Petroleum (Australia) Pty Ltd	Australia	100%	100%
Golden Horde Pty Ltd <sup>(2)</sup>	Australia	100%	100%
Number 1 Energy Pty Ltd <sup>(3) (4)</sup>	Australia	100%	100%
N1E (UK) Ltd <sup>(4)</sup>	United Kingdom	100%	100%
GOH LLC <sup>(2)</sup>	Mongolia	100%	100%
GOH Clean Energy LLC <sup>(4) (5)</sup>	Mongolia	100%	100%
Solar Ilch LLC <sup>(5)</sup>	Mongolia	100%	100%
Gobi Terra LLC <sup>(5)</sup>	Mongolia	100%	100%

(1) EnergyCapture Pty Ltd ("ECP") is a wholly owned subsidiary that was acquired in August 2022 for \$3,500,000 paid by \$500,000 cash, share issue of 20,703,934 Elixir Energy Ltd fully paid ordinary shares worth \$3,000,000 and over-riding 3% royalty. On the day of the acquisition, ECP had no material assets, no full-time employees, and no funding capability. Accordingly, the Group has determined that ECP did not constitute a business at the date of the acquisition and hence the transaction has been accounted for as an asset acquisition.

(2) Golden Horde Pty Ltd is the intermediate parent of GOH LLC.

(3) Number 1 Energy Pty Ltd ("N1E") was incorporated on 10<sup>th</sup> of March 2023 and is the intermediate parent of N1E (UK) Ltd.

(4) N1E (UK) Ltd was incorporated on 27<sup>th</sup> of March 2023 and is the intermediate parent of GOH Clean Energy LLC.

(5) GOH Clean Energy LLC is the intermediate parent of Solar Ilch LLC and Gobi Terra LLC. Gobi Terra LLC is currently dormant.

Elixir Energy Limited and Elixir Petroleum (Australia) Pty Ltd are parties to a deed of cross guarantee under which each company guarantees the debtors of the other, and comprise an Extended Closed Group as defined by ASIC Corporations (Wholly-owned Companies) Instrument 2016/785. By entering into the deed, Elixir Petroleum (Australia) Pty Ltd has been relieved from the requirement to prepare a financial report and Directors' report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

## 11. Operating Segments

### General Information

#### *Identification of reportable segments*

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Management has determined, based on the reports reviewed by the Board of Directors that are used to make strategic decisions, that the Group had five reportable segments during 2022 (2021: three) being oil and gas exploration in Australia, Mongolia, the United States of America (USA), clean energy in Mongolia and solar project in Mongolia. The Group's management and administration office is located in Australia.



### Segment Performance

	Oil & Gas Exploration			Clean Energy	Solar Project	Other Corporate	Total
	Mongolia	UK	Australia	Mongolia	Mongolia	Activities	
	\$	\$	\$	\$	\$	\$	\$
<b>Half-year ended</b>							
<b>31 Dec 2023</b>							
Revenue from external sources	-	-	1,674,742	-	-	129,810	<b>1,804,552</b>
Reportable segment profit/(loss)	-	-	811,447	(17,544)	(6)	(1,191,028)	<b>(397,131)</b>
<b>As at 31 Dec 2023</b>							
Additions to non-current assets	4,440,244	-	5,324,593	80,338	67,561	-	<b>9,912,736</b>
Reportable segment assets	33,141,647	-	15,514,623	1,033,894	252,622	10,253,434	<b>60,196,220</b>
Reportable segment liabilities	(87,228)	-	(3,341,560)	-	(35,406)	(421,007)	<b>(3,885,201)</b>

	Oil & Gas Exploration			Clean Energy	Solar Project	Other Corporate	Total
	Mongolia	USA	Australia	Mongolia	Mongolia	Activities	
	\$	\$	\$	\$	\$	\$	\$
<b>Half-year ended</b>							
<b>31 Dec 2022</b>							
Revenue from external sources	-	-	-	-	-	151,850	151,850
Reportable segment (loss)/profit	-	(4,856)	-	4,929	-	(1,163,363)	(1,163,290)
<b>As at 30 Jun 2023</b>							
Additions to non-current assets	8,325,613	(843,403)	4,065,458	575,766	196,768	-	12,320,202
Reportable segment assets	29,222,113	-	4,596,154	901,553	265,392	8,347,755	43,332,967
Reportable segment liabilities	(90,748)	-	(115,760)	-	(41,681)	(248,885)	(497,074)

No reconciliation is required of segment information as the information as presented is used by the Board to make strategic decisions.

## 12. Related Party Transactions

### *Key Management Personnel (KMP) Compensation:*

The totals of remuneration paid to KMP of the company and the Group during the half-year are as follows:

	<b>Consolidated Group</b>	
	<b>31 Dec 2022</b>	<b>31 Dec 2022</b>
	<b>\$</b>	<b>\$</b>
Directors' fees	<b>435,787</b>	402,223
Directors' fees capitalised	<b>36,375</b>	-
Other KMP	<b>86,874</b>	24,912
	<b>559,036</b>	428,135
Short-term employee benefits	539,562	408,921
Post-employment benefits	19,474	19,214
	<b>559,036</b>	428,135
Share-based payments	51,385	331,656
Total KMP compensation	<b>610,421</b>	759,791

Key Management Personnel of the Group during the half-year were as follows:

- Richard Cottee (Non-executive Chairman)
- Neil Young (Managing Director)
- Stephen Kelemen (Non-executive Director)
- Anna Sloboda (Non-executive Director)
- Victoria Allinson (Company Secretary)

### **Other Related Parties and Transactions**

(i) Subsidiaries – refer to Note 10 for details of Elixir Energy Limited's controlled entities.

Elixir Energy Limited provides working capital to its controlled entities through intercompany loans, denominated in both Australian and foreign currency. Transactions between Elixir Energy Limited and other controlled entities in the Group during the half-year ended 31 December 2023 consisted of:

- Working capital advanced by Elixir Energy Limited,
- Provision of services by Elixir Energy Limited, and
- Expenses paid by Elixir Energy Limited on behalf of its controlled entities.

The above transactions were made interest free with no fixed terms for the repayment of amounts advanced by Elixir Energy Limited.

(ii) Other related parties

Ms Victoria Allinson provides Company Secretary and Chief Financial Officer services to the Group via her company, Allinson Accounting Solutions Pty Ltd. Total fees during the period for Victoria Allinson's services amounted to \$86,874 (2022: \$24,912). The Allinson Accounting Solutions Pty Ltd team also provides administration and accounting services, which totalled \$30,040 (2022: \$79,102) during the period. Total fees billed to the Group during the period were therefore \$116,914 (2022: \$104,014), of which \$14,707 (2022: \$11,670) (excluding GST) was payable at the end of the reporting period.

There were no other transactions with related parties during the half-year, and no other balances due from or to any related party at period end.

### **Recognition of Share Based Payments: Options and Performance Rights**

The fair value of options and performance rights is determined at the grant date and then recognised in profit or loss over the vesting period (with the exception of listed options issued to settle certain advisor fees related to capital raising, which is accounted for as a reduction in share capital). The vesting period

for listed options is immediate, for unlisted options is typically four years, and for performance rights it is the period to expiry.

The fair value of unlisted options is determined using an option pricing model such as the Black-Scholes model, with the key inputs being the current share price of the Company, option exercise price, term to expiry, and assumed future share price volatility. If any of the vesting conditions are 'market-based' (such as the achievement of a particular share price), these conditions are factored into the grant date fair value assessment. The fair value of performance rights is determined based on the Company's share price at the grant date.

With respect to Performance Rights, the probability of achieving the relevant performance condition is re-assessed at each reporting date and this probability factor is applied to the grant date fair value in determining the amount to be recognised for the current reporting period. If and when the relevant performance condition is met and the rights convert to a corresponding number of shares, any remaining portion of the grant date fair value that has not previously been recognised is recognised.

*Significant accounting estimates and judgments for share based payments*

The determination of the fair value of at grant date of equity-settled Options and Performance Rights requires the use of estimates and judgement. In particular, the values and amounts recognised as share based payments expense are particularly sensitive to the share price volatility assumption in valuing Options and the probability assessment of achieving performance conditions with respect to Performance Rights.

### **13. Contingencies**

The group has no contingent assets or liabilities as at reporting date.

### **14. Events Occurring After Reporting date**

On 18 January 2024, the Company issued a Daydream-2 Update highlighting:

- Very positive log results for recently discovered deep permeable zone;
- Extent of this new play could be significant; and
- Stimulation and testing phase due to commence imminently.

On 7 February 2024, the Company issued 31,392,182 Listed Options with an exercise price of \$0.12 and an expiry date of 17 October 2026:

- 6,000,000 Listed Option to Brokers as part of the December 2023 Placement, these share issue costs have a cost of \$180,0000, being the listed option share price on the date the Placement was completed, 19 December 2023; and
- 25,392,182 free attaching Listed Options as part of the December 2023 Placement, issued on the basis of one for three.

On 6 February 2024, the Company issued a Daydream-2 update highlighting:

- Preliminary petrographical results on samples from deep permeable zone completed;
- Clay rims identified that have preserved porosity in highly pressured deep zone; and
- Analogies with high productivity deep Permian section of the Perth Basin.

On 21 February 2024, the Company issued a Daydream-2 update highlighting:

- Desorption analysis conducted on coal cuttings from Daydream-2 now completed;
- Very high gas contents measured – prior expectations greatly exceeded;
- Resultant significant increase in the prospective resources in ATP 2044 to 3.6 Tcf (2U);
- Imminent program aims to start converting these prospective to contingent resources; and
- Expected low CO<sub>2</sub> confirmed.

There are no other material events occurring after the end of the reporting period to disclose.