

15 January 2015

LEASING TARGET OF 30,000 NET ACRES ACHIEVED

- **50% Working Interest in approximately 30,000 net acres now secured over emerging conventional oil play in Colorado**
- **Long term leases secured with no ongoing financial commitments**
- **Acquisition of around 30kms of new 2D seismic data on identified trends to commence in February 2015**

Elixir Petroleum Limited (ASX:EXR) is pleased to announce it has achieved its leasing target in the **Petra Project** in Washington County, Colorado, taking its net 50% Working Interest position to approximately 15,000 net acres which are substantially contiguous with each other. Having reached this leasing milestone, Elixir's immediate future expenditure will be dedicated towards the exploration program to define its first drill locations on the leases.

During Q3 2014, Elixir purchased 250 kms of existing 2D seismic data over the core area surrounding Elixir's lease position, which was reprocessed and interpreted by the Company. The newly reprocessed and interpreted data led to the identification of a number of significant leads and prospective trends that will be followed up with the acquisition of new 2D data in February 2015. Further pre-existing 2D seismic data has recently been identified and acquired and will add to the Company's expanding geophysical database of the area.

Elixir remains on track for its initial two (2) well drilling program scheduled to commence in Q3 2015. These wells will be drilled on or adjacent to the prospective trends being exploited by AIM listed Nighthawk Energy and Denham Capital backed Cascade Petroleum. This emerging conventional oil play continues to attract industry attention despite the softening in world oil prices due to its low capital cost, zero commitments and the high net revenue interests lease terms.

Managing Director, Mr Dougal Ferguson commented:

"Having achieved our target of 30,000 net acres, we can now focus on acquiring the 2D data and maturing the already identified leads. Elixir has long term, three to five year leases with very low holding costs, which represents a significant tangible asset in this emerging conventional oil play."

"With our initial lease position now secured and the 2D seismic acquisition imminent, we continue to meet our previously stated targets on time and within budget, whilst also actively managing costs as we progress towards first drilling in the July quarter this year."

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For further information on Elixir Petroleum, please visit the Company's website at www.elixirpetroleum.com

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