

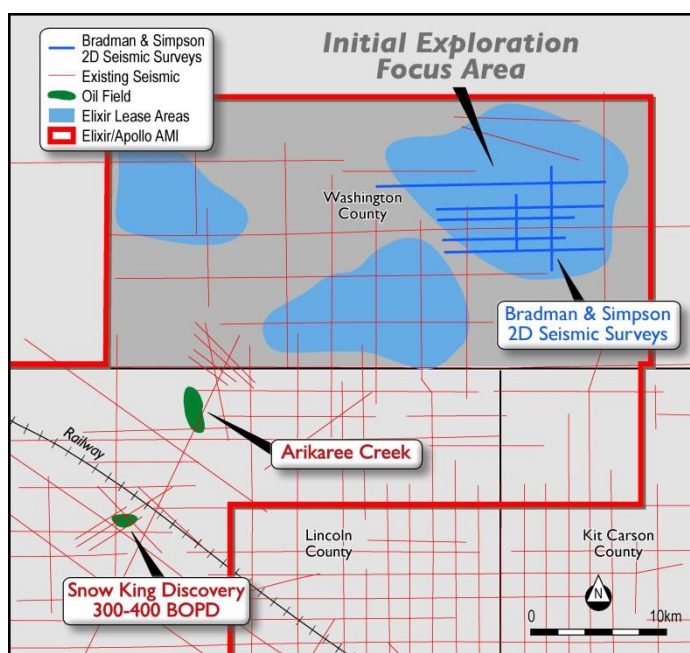
13 April 2015

SEISMIC CONFIRMS DRILLABLE CONVENTIONAL OIL PROSPECTS ON PETRA PROJECT

- Minimum of two oil prospects within initial area of focus confirmed by the processing and interpretation of recently acquired Bradman 2D seismic
- Elixir/Apollo joint venture proceeding with additional 26kms of infill 2D seismic acquisition (Simpson 2D) to better define crest of conventional structures and optimal drilling locations
- Drilling costs reduced significantly (30%) to less than US\$700,000 dry-hole and around US\$1.1M completed for production
- Prospective resource calculations to be finalised upon acquisition and interpretation of infill seismic
- Drilling of first conventional oil well on track for Q3 2015
- Activity in the region continues to increase, with Nighthawk planning to drill an additional 11 wells in Q3 and Q4 of CY2015

Elixir Petroleum Limited (ASX:EXR) is pleased to announce that it has confirmed the presence of at least two drillable prospects the **Petra Project** in Washington County, Colorado, following completion and interpretation of its proprietary Bradman 2D seismic survey.

The Bradman 2D seismic has confirmed the presence of at least two drillable prospects including a significant sized prospect with stacked pay potential. The Bradman and upcoming Simpson 2D seismic surveys are concentrated over approximately 30% of Elixir's Petra Project leases and is the initial area of exploration focus as depicted on the map below.



The primary objectives are within the carboniferous aged Pennsylvanian and Mississippian formations productive at Arikaree Creek, Snow King and the Great Plains oilfields with a secondary objective within the shallower cretaceous aged Codell formation which is productive across the greater Denver Julesburg (DJ) Basin.

Following the encouraging results of the Bradman 2D seismic survey, Elixir and its partner have committed to acquire a further 26kms of infill 2D seismic on a ½ mile spacing (currently 1 mile) that will further refine the data-set and allow exploration wells to be optimally located as near to the crest of the structures as

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possible. This second round of seismic, named the Simpson 2D, is due to commence shortly and acquisition and interpretation is expected to be completed by the end of May 2015, following which a prospective resource calculation will be finalised for the initial drilling target.

Elixir and its partner have now also commenced preparations for drilling with initial bids being received on major items. Significant reduction in rig costs and services have materially reduced the previously budgeted well costs with an overall reduction of around 30% expected. Permitting of drilling locations will commence as soon as possible upon completion of the Simpson 2D seismic survey.

Activity in the region remains high with AIM listed Nighthawk Energy plc ("**Nighthawk**") announcing it is planning to drill an additional 11 wells in Q3 and Q4 of CY2015 targeting the Mississippian Spergen formation, in addition to completing up to 25 "behind pipe" projects in the first half of 2015. Nighthawk estimates that wells being planned have internal rates of return (IRR's) of around 25% at WTI oil prices in the US\$40-US\$50 per barrel range and therefore remain attractive drilling targets at current oil prices.

Conventional oil discoveries have lower operating costs and require significantly less upfront capital to develop relative to unconventional oil projects. Successful wells generally flow naturally and produce without the need for expensive fracking techniques and generally have less dramatic decline curves than unconventional wells, providing fast payback and early positive cash flow to fund further development wells. The productivity and strong economics of this oil play continues to be demonstrated by Nighthawk with the Arikaree Creek oil field and its more recent Snow King discovery.

Elixir has a 50% Working Interest in approximately 30,000 net acres and is pursuing the same conventional oil plays as Nighthawk, Cascade and Weipking Fullerton who are producing from discoveries made in the region in similar play types in recent years.

Managing Director, Mr Dougal Ferguson commented:

"Within just seven months of our acquisition of the Petra Project, it is pleasing and encouraging that the Bradman 2D seismic survey has identified precisely what we were hoping for when we acquired the project. Elixir is now well positioned to drill its first conventional well in the third quarter of 2015 upon completion of the Simpson 2D and permitting of drilling locations.

Elixir is fortunate to possess significant technical expertise at the Board level to allow it to critique the technical work being undertaken by our US based partners and we are very excited to see high quality prospects which are of "company maker" size being generated on our leases. The stringent technical process we have undertaken in conjunction with our partners to get to this point provides the Company and its shareholders with the best possible chance of success."

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