

8 September 2015

EXTENSION OF PETRA PROJECT FARM-IN AGREEMENT

- **Petra Project farm-in agreement extended for six months to 31 December 2016**
- **Flexibility to defer exploration expenditure commitments until late 2016**
- **Nighthawk Energy's nearby 4 well exploration drilling campaign imminent and on trend with Elixir's Rodwell Prospect (within Petra Project)**

Elixir Petroleum Limited (ASX:EXR) is pleased to announce that it has agreed with its Petra Project partner (Apollo) to extend the term of the farm-in agreement by six months to 31 December 2016, thereby providing additional flexibility to Elixir during the current environment of uncertain and fluctuating oil prices.

In addition, Elixir and Apollo have agreed to defer any commitment for further exploration expenditure on the Petra Project until after 31 March 2016. The amendment to the agreement provides substantial flexibility over the next 12-15 months with no exploration expenditure commitment during the next seven months for Elixir.

However should circumstances change, such as nearby Nighthawk drilling success or sustained improvement in oil prices, the drilling campaign could commence immediately. Elixir has the benefit of already having two wells permitted (with a third pending) on the Rodwell Prospect and operating in an area where drilling rigs can be mobilised at very low cost and very short notice.

Elixir continues to closely monitor both regional drilling activity and the oil price environment, and the Joint Venture now has the flexibility to either commit to drilling in the short term or defer drilling until 2016.

During this period of potentially low activity, the Directors (including the Managing Director) have agreed, subject to shareholder approval, to take 50% of their director's fees in equity as a means of preserving cash, whilst at the same time, showing their further commitment to the Company.

Managing Director, Mr Dougal Ferguson commented:

"This amendment to the agreement with Apollo reinforces the excellent working relationship we have with our partner and the sensible commercial approach the Joint Venture is taking, providing us with the additional flexibility to appropriately manage the timing of the Petra Project expenditures. The Directors have agreed to take 50% of their fees over the next six months in equity to further reduce the cash expenses of the Company during this period, demonstrating our long term commitment and belief in the Petra Project."

For further enquiries, please contact:

Dougal Ferguson
Managing Director
+61 (8) 9226 2111

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

ASX CODE: EXR

www.elixirpetroleum.com

Elixir Petroleum Limited

ABN 51 108 230 995
Level 2, 41-47 Colin Street
WEST PERTH WA 6005, AUSTRALIA
T: +61 8 9226 E: info@elixirpetroleum.com