
ELIXIR PETROLEUM LIMITED

ACN 108 230 995

NOTICE OF GENERAL MEETING

A General Meeting of the Company will be held at 338 Hay Street, Subiaco, Western Australia on Tuesday 16 August 2016 at 10.00 a.m. (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9226 2111 or for procedural matters, Security Transfer Registrars on (08) 9315 2333.

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Elixir Petroleum Limited (**Company**) will be held at 338 Hay Street, Subiaco, Western Australia on Tuesday 16 August 2016 at 10 a.m. (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form forms part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 14 August 2016 at 5 p.m. (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 10.

AGENDA

1. Resolution 1 – Ratification of 2015 Placement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 103,327,836 Shares (on a pre-Consolidation basis) (**2015 Placement Shares**) each at an issue price of \$0.001 (**2015 Placement**) on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the 2015 Placement and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Ratification of Tranche 1 Placement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 292,548,068 Shares (on a pre-Consolidation basis) (**Tranche 1 Placement Shares**) each at an issue price of \$0.0008 (**Tranche 1 Placement**) on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the Tranche 1 Placement and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Approval of Tranche 2 Placement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve and authorise the Directors to issue up to 257,451,932 Shares (on a pre-Consolidation basis) (**Tranche 2 Placement Shares**) each at an issue price of \$0.0008 (**Tranche 2 Placement**) on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participates in the Tranche 2 Placement and a person who might obtain a benefit (except a benefit solely in their capacity as holder of ordinary securities) if the Resolution is passed and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Approval of Share Consolidation

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That for the purposes of section 254H of the Corporations Act, and for all other purposes, Shareholders approve and authorise the Directors to consolidate the issued capital of the Company on the basis that every twenty five Shares be consolidated into one Share (**Consolidation**)."*

5. Resolution 5 – Authority to grant Facilitator Options to Facilitators

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, subject to Resolution 4 being passed, for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders authorize and approve the Directors to grant (on a post-Consolidation

basis) up to 4,000,000 Facilitator Options each exercisable at \$0.04 on or before 30 September 2019 to the Facilitators (and/or their nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by the Facilitators and their nominees and a person who might obtain a benefit (except a benefit solely in their capacity as holder of ordinary securities) if the Resolution is passed and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Authority to grant Director Options to Mr Ray Barnes

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, subject to Resolution 4 being passed, for the purpose of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant (on a post-Consolidation basis) up to 1,000,000 Director Options each exercisable at \$0.04 on or before 30 September 2019 to Mr Ray Barnes (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Barnes and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. Resolution 7 – Authority to grant Director Options to Mr Dougal Ferguson

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, subject to Resolution 4 being passed, for the purpose of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant (on a post-Consolidation basis) up to 1,000,000 Director Options each exercisable at \$0.04 on or before 30 September 2019 to Mr Dougal Ferguson (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Ferguson and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 8 – Authority to grant Director Options to Mr Sam Willis

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, subject to Resolution 3 being passed, for the purpose of Listing Rule 10.11, and for all other purposes, approval is given for the Directors to grant (on a post-Consolidation basis) up to 1,000,000 Director Options each exercisable at \$0.04 on or before 30 September 2019 to Mr Sam Willis (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this resolution by Mr Willis and his nominees and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 15 July 2016

BY ORDER OF THE BOARD

Mr Dougal Ferguson
Managing Director

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 338 Hay Street, Subiaco, Western Australia on Tuesday 16 August 2016 at 10 a.m. (WST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 6 to 8 if:

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolutions 6 to 8.

However, the prohibition does not apply if:

- (a) the proxy is the Chairman; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 6 to 8 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

3. Resolution 1 – Ratification of 2015 Placement

3.1 General

On 11 November 2015, the Company issued 103,327,836 Shares (on a pre-Consolidation basis) at an issue price of \$0.001 to sophisticated and professional investors to raise \$103,327 (before costs).

The funds raised from the issue of the 2015 Placement Shares have been, or will be, used by the Company for general working capital for existing assets, business and administration costs (including the costs of the 2015 Placement) and to assess further new opportunities.

The 2015 Placement Shares were issued within the Company's additional 10% annual limit approved by Shareholders under Listing Rule 7.1A at the Company's 2014 Annual General Meeting, without the need for Shareholder approval. The Company's additional 10% limit was renewed at the Company's 2015 Annual General Meeting.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (including the additional 10% capacity under Listing Rule 7.1A), providing that the previous issue did not breach Listing Rule 7.1, the issue of those securities will be deemed to have been with shareholder approval for the purpose of Listing Rule 7.1.

Resolution 1 seeks Shareholder approval for the ratification of the issue of the 2015 Placement Shares pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 1 will be to restore the Company's ability to issue securities within the additional 10% placement capacity under Listing Rule 7.1A during the balance of the 12 months from the date of the Company's 2015 Annual General Meeting without the requirement to obtain prior Shareholder approval.

Resolution 1 is an ordinary resolution.

3.2 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5 information regarding the issue of the 2015 Placement Shares is provided as follows:

- (a) 103,327,836 Shares were issued pursuant to the 2015 Placement.
- (b) The 2015 Placement Shares were issued at \$0.001 each.
- (c) The 2015 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The 2015 Placement Shares were issued to sophisticated and professional investors, none of whom are related parties of the Company.
- (e) The funds raised from the issue of the Tranche 1 Placement Shares have been, or will be, used for general working capital for existing assets, business and administration costs (including the costs of the 2015 Placement) and to assess further new opportunities.
- (f) A voting exclusion statement is included in the Notice.

4. Background to Resolutions 2 to 8

On 12 July 2016 the Company announced that it had received commitments to further fund the Company's activities through the placement of Shares each at an issue price of \$0.0008 to raise up to \$440,000 (before costs). This placement is being undertaken by the Company in two tranches, being the Tranche 1 Placement and the Tranche 2 Placement, as follows:

- (a) the Company has issued the Tranche 1 Placement Shares under the Company's 15% annual limit permitted under Listing Rule 7.1 and additional 10% annual limit approved by Shareholders under Listing Rule 7.1A at the Company's 2015 Annual General Meeting to raise \$234,038 (before costs); and
- (b) the Company intends to issue the Tranche 2 Placement Shares pursuant to Listing Rule 7.1 with Shareholder approval to raise up to \$205,962 (before costs).

A summary of Listing Rules 7.1, 7.1A and 7.4 is provided in section 3.

See Sections 5 and 6 for further information about the Tranche 1 Placement and Tranche 2 Placement (respectively).

In order to allow Shareholders to participate in the proposed Rights Issue (see below) at effectively the same price as the new investors, the Company is seeking Shareholder approval to undertake a Consolidation of the number of Shares on issue on the basis that every twenty five (25) Shares held be consolidated into one (1) Share.

Upon receiving Shareholder approval to issue the Tranche 2 Placement Shares and consolidate the Shares and the Consolidation being effected, the Company intends to immediately undertake a non-renounceable 1:1 rights issue at a price of \$0.02 per Share (**Rights Issue**) which is effectively the same price on a post Consolidation basis as the Tranche 1 Placement and Tranche 2 Placement. See Section 7 for further information about the Consolidation.

The Tranche 1 Placement, Tranche 2 Placement and the Rights Issue (together the **Capital Raising**) will provide the Company with approximately \$2.2 million of additional capital and will allow the Company to continue to progress its existing assets as well as provide additional working capital to pursue new venture opportunities.

The Company has agreed that, following successful subscriptions being received for the full amount of the Capital Raising to issue the Facilitators with Facilitator Options exercisable at a post Consolidation price of \$0.04 per share (see Section 8). In addition, the Directors are seeking Shareholder approval to issue Director Options on the same terms and conditions as the Facilitator Options (see Section 9 for further information).

The Directors believe the issue of the Facilitator Options and the Director Options in part consideration for the services being provided is in the best interests of Shareholders.

5. Resolution 2 – Ratification of Tranche 1 Placement

5.1 General

As announced on 12 July 2016, the Company intends to undertake a placement of Shares each at an issue price of \$0.0008 to raise up to \$440,000 to be completed in two tranches (the Tranche 1 Placement and the Tranche 2 Placement).

On 12 July 2016 the Company issued 292,548,068 Shares (on a pre-Consolidation basis) at an issue price of \$0.0008 each to sophisticated and professional investors to raise \$234,038 (before costs) pursuant to the Tranche 1 Placement.

The funds raised from the issue of the Tranche 1 Placement Shares have been, or will be, used for the purposes set out in Section 4.

The Tranche 1 Placement Shares were issued within the Company's 15% annual limit permitted under Listing Rule 7.1 and the additional 10% annual limit approved by Shareholders under Listing Rule 7.1A at the Company's 2015 Annual General Meeting, without the need for Shareholder approval.

A summary of Listing Rules 7.1, 7.1A and 7.4 is provided in section 3.

Resolution 2 seeks Shareholder approval for the ratification of the issue of the Tranche 1 Placement Shares pursuant to Listing Rule 7.4. Of these Tranche 1 Placement Shares, 55,022,526 Shares were issued pursuant to the additional 10% capacity under Listing Rule 7.1A and 237,525,542 Shares were issued pursuant to the 15% capacity under Listing Rule 7.1. The effect of Shareholders passing Resolution 2 will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months and within the additional 10% placement capacity under Listing Rule 7.1A during the balance of the 12 months from the date of the Company's 2015 Annual General Meeting, without the requirement to obtain prior Shareholder approval.

Resolution 2 is an ordinary resolution.

5.2 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5 information regarding the issue of the Tranche 1 Placement Shares is provided as follows:

- (a) 292,548,068 Shares were issued pursuant to the Tranche 1 Placement.
- (b) The Tranche 1 Placement Shares were issued at \$0.0008 each.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued to sophisticated and professional investors, none of whom are related parties of the Company.
- (e) The funds raised from the issue of the Tranche 1 Placement Shares have been, or will be, used for the purposes set out in Section 4.
- (f) A voting exclusion statement is included in the Notice.

6. Resolution 3 – Approval of Tranche 2 Placement

6.1 General

As announced on 12 July 2016, the Company intends to issue a further to 257,451,932 Shares (on a pre-Consolidation basis) each at an issue price of \$0.0008 to sophisticated and professional investors to raise up to \$205,962 (before costs) pursuant to the Tranche 2 Placement.

The funds raised from the issue of the Tranche 2 Placement Shares will be used for the purposes set out in Section 4.

A summary of Listing Rule 7.1 is provided in Section 4.

Given the Tranche 2 Placement Shares to be issued under Resolution 3 will exceed the 15% threshold set out in Listing Rule 7.1 and the additional 10% threshold approved by Shareholders at the Company's 2015 Annual General Meeting, and none of the exceptions contained in Listing Rule 7.2 apply, Shareholder approval is required under Listing Rule 7.1.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares.

Resolution 3 is an ordinary resolution.

6.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3 information regarding the issue of the Tranche 2 Placement Shares is provided as follows:

- (a) The maximum number of securities the Company will issue is 257,451,932 Shares pursuant to the Tranche 2 Placement.
- (b) The Tranche 2 Placement Shares will be issued at \$0.0008 each.

- (c) The Tranche 2 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue
- (d) The Tranche 2 Placement Shares will be issued to sophisticated and professional investors, none of who will be related parties of the Company.
- (e) The Company will issue the Tranche 2 Placement Shares no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that all of the Tranche 2 Placement Shares will be issued on the same date.
- (f) The funds raised from the issue of the Tranche 2 Placement Shares will be used for the purposes set out in Section 4.
- (g) A voting exclusion statement is included in the Notice.

7. Resolution 4 – Approval of Share Consolidation

Resolution 4 seeks Shareholder approval for the Company to undertake a consolidation of the number of Shares on issue on the basis that every twenty five (25) Shares held be consolidated into one (1) Share. The Consolidation will not affect the Facilitator Options or the Director Options, which will be issued after the Consolidation has taken place.

The result of the Consolidation is that each Share holding will be reduced by twenty five times its current level. Each Shareholder's proportional interest in the Company's share capital will remain unchanged as a result of the Consolidation. Any fractional entitlements of Shareholders as a consequence of the Consolidation will be rounded up.

The change in capital structure of the Company following the Consolidation, which is subject to adjustments for rounding, is as follows:

Class of Security	Number on Issue (Pre- Consolidation)	Approximate number on Issue (Post-Consolidation)
Shares (including Tranche 2 Placement Shares)	2,236,831,452	89,473,258
Listed Options ⁽¹⁾	321,000,000 ⁽²⁾	12,840,000 ⁽³⁾
Unlisted Options ⁽¹⁾	94,000,000 ⁽⁴⁾	3,760,000 ⁽⁵⁾
Performance Rights ⁽⁶⁾	15,000,000	-
Notes:		
(1) This does not include the Facilitator Options or the Director Options referred to in this Notice, which will be issued post-Consolidation.		
(2) Listed Options each having an exercise price of \$0.015 and expiring on 30 September 2016.		
(3) Listed Options each having an exercise price of \$0.375 and expiring on 30 September 2016.		
(4) Comprised of: (a) 4,000,000 Options each having an exercise price of \$0.015 and expiring on 15 October 2016, (b) 15,000,000 Options each having an exercise price \$0.01 and expiring on 30 April 2017, and (c) 75,000,000 Options each having an exercise price of \$0.0018 and expiring on 2 December 2018.		
(5) Comprised of: (a) 160,000 Options each having an exercise price of \$0.375 and expiring on 15 October 2016, (b) 600,000 Options each having an exercise price \$0.25 and expiring on 30 April		

	2017, and (c) 3,000,000 Options each having an exercise price of \$0.045 and expiring on 2 December 2018.
(6)	As at the date of this Notice, 15,000,000 Performance Rights are on issue, expiring on 31 July 2016. The Performance Rights will vest on the attainment of certain Share price related hurdles. No Performance Rights will vest if the Share price does not exceed \$0.01, with 50% vesting if the Share price is equal to or greater than \$0.01 and 100% vesting if the Share price is equal to or greater than \$0.014, with pro rata vesting for a Share price between \$0.01 and \$0.014.

The Consolidation will take effect from the second Business Day after Shareholder approval is received pursuant to the Notice of Meeting (**Effective Date**).

As from the Business Day after the Effective Date, the Company may not register transfers on a pre-Consolidation basis. In the case of certificated holdings, this is the last day for the Company to accept transfers accompanied by certificates issued before the Consolidation.

The Company will send a notice to all Security holders not earlier than the second Business Day after the Effective Date and not later than the sixth Business Day after the Effective Date advising of the number of Securities held by each Shareholder both before and after the Consolidation.

Uncertificated security holding statements or certificates (as applicable) for the Shares will be sent to Shareholders not earlier than the second Business Day after (but not including) the Effective Date and not later than the sixth Business Day after (but not including) the Effective Date.

The Company will, from the second Business Day after the Effective Date, reject transfers accompanied by a certificate or holding statement that was issued before the Consolidation.

Where a Shareholder has sold his or her Shares in the Company prior to the Consolidation of ordinary Shares and the Company receives a valid transfer executed by the Shareholder together with a certificate (if applicable) for those Shares, the Company will send an uncertificated security holding statement or certificate (as applicable) for the new Shares to the transferee named in the transfer.

Resolution 4 is an ordinary resolution.

Based upon the above, an indicative timetable assuming Shareholder approval is obtained will be as follows:

Date	Event
16 August 2016	Following shareholder approval Company announces shareholder approval of Consolidation.
17 August 2016	Last day for trading pre-Consolidation securities.
18 August 2016	Effective Date Trading in post-Consolidation securities commences on a deferred settlement basis.
19 August 2016	Last day to register transfers on a pre- Consolidation basis.
22 August 2016	First day to register transfers on a post- Consolidation basis.
26 August 2016	Latest date for Company to send notice to each Shareholder of pre

Date	Event
	and post-Consolidation holdings.

8. Resolution 5 – Authority to grant Facilitator Options to Facilitators

8.1 General

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 4,000,000 Options on a post Consolidation basis (**Facilitator Options**) to parties who have assisted in placing the Tranche 1 Placement Shares, and will assist in the placing of the Tranche 2 Placement Shares and any shortfall Shares under the proposed Rights Issue (**Facilitators**) (and/or their nominees). The Company has agreed (subject to Shareholder approval) to issue Facilitators (and/or their nominees) the Facilitator Options in part consideration for facilitating the Tranche 1 Placement, Tranche 2 Placement and the proposed Rights Issue (together the **Capital Raising**) as announced on 12 July 2016. The Company only intends to issue the full amount of Facilitator Options to the facilitators if the Capital Raising is fully subscribed for.

Resolution 5 is an ordinary resolution and is subject to Resolution 4 being passed.

8.2 Specific information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the grant of the Facilitator Options is provided as follows:

- (a) The maximum number of Facilitator Options the Company will grant to Facilitators (and/or their nominees) is 4,000,000.
- (b) The Company will grant the Facilitator Options no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (c) The Facilitator Options will be granted as part of the fee payable to Facilitators for assisting in placing the Tranche 1 Placement Shares, Tranche 2 Placement Shares and any shortfall Shares and accordingly no funds will be raised from the grant of the Facilitator Options.
- (d) The Facilitator Options will be issued to Facilitators and/or their nominees, who are not related parties of the Company.
- (e) The Facilitator Options will each be exercisable at \$0.04 on or before 30 September 2019 and will otherwise have the terms and conditions set out in Schedule 1.
- (f) The grant of the Facilitator Options may occur progressively subject to Section 8.2(b).
- (g) A voting exclusion statement is included in the Notice.

9. Resolutions 6 to 8 – Authority to grant Director Options to Directors

9.1 General

Resolutions 6 to 8 seek Shareholder approval pursuant to Listing Rule 10.11 for the grant of a total of 3,000,000 Director Options (on a post Consolidation basis) to the Directors (and/or their nominees) as follows:

- (a) Mr Ray Barnes - 1,000,000 Director Options;
- (b) Mr Dougal Ferguson - 1,000,000 Director Options; and
- (c) Mr Samuel Willis - 1,000,000 Director Options.

The Company is a small listed company with limited funds, most of which are allocated to specific development activities. As a result, the Board has chosen to issue Director Options to the Directors as a key component of the incentive portion of their remuneration in order to retain the services of the Directors and to provide incentive linked to the performance of the Company. The Board has agreed to significantly reduce its remuneration upon receiving shareholder approval to issue the Director Options.

The Board considers that the experience of the Directors will greatly assist the development of the Company. As such, the Board believes that the number of Director Options to be granted to the Directors is commensurate with their value to the Company and as a result is in line with reasonable remuneration for the Directors.

Given the speculative nature of the Company's activities and the small management team responsible for its running, it is considered the performance of the Directors and the performance and value of the Company are closely related. As such, the Director Options granted will generally only be of benefit if the Directors perform to the level where the value of the Company increases sufficiently to warrant the Directors exercising the Director Options.

Each of Resolutions 6 to 8 is an ordinary resolution and is subject to Resolution 4 being passed.

9.2 Specific information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the grant of the Director Options is provided as follows:

- (a) The Director Options will be issued to the Directors, Mr Ray Barnes, Mr Dougal Ferguson and Mr Sam Willis (and/or their nominees).
- (b) The maximum number of Director Options the Company will issue to each of the Directors (and/or their nominees) under Resolutions 6 to 8 is as follows:
 - (i) Mr Ray Barnes (and/or his nominees) - 1,000,000 Director Options;
 - (ii) Mr Dougal Ferguson (and/or his nominees) - 1,000,000 Director Options; and
 - (iii) Mr Samuel Willis (and/or his nominees) - 1,000,000 Director Options.

- (c) The Company will grant the Director Options no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) The Director Options will be granted for nil consideration. Accordingly no funds will be raised from the grant of the Director Options.
- (e) Each Director Option is exercisable at \$0.04 (or such greater price as determined by the Company at its discretion) on or before 30 September 2019.
- (f) The Director Options will be granted in one class and will vest immediately.
- (g) Further terms and conditions of the Director Options are in Schedule 2.
- (h) As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.
- (i) A voting exclusion statement is included in the Notice.

10. Definitions

\$ means Australian Dollars.

2015 Placement has the meaning in Resolution 1.

2015 Placement Shares has the meaning in Resolution 1.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Chairman means the chairman of this Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company or **Elixir** means Elixir Petroleum Limited ACN 108 230 995.

Constitution means the current constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Director Option means an Option exercisable at \$0.04 (or such greater price as determined by the Company at its discretion) on or before 30 September 2019 and otherwise with the terms and conditions in Schedule 1.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Facilitator has the meaning in Section 8.1.

Facilitator Option means an Option exercisable at \$0.04 (or such greater price as determined by the Company at its discretion) on or before 30 September 2019 and otherwise with the terms and conditions in Schedule 2.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to this Notice.

Related Party means a proposed Director of the Company not yet identified.

Resolution means a resolution contained in this Notice.

Rights Issue has the meaning in Section 4

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Tranche 1 Placement has the meaning in Resolution 2.

Tranche 1 Placement Shares has the meaning in Resolution 2.

Tranche 2 Placement has the meaning in Resolution 3.

Tranche 2 Placement Shares has the meaning in Resolution 3.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 - Terms and Conditions of Facilitator Options

The Facilitator Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Facilitator Option gives the Optionholder the right to subscribe for one Share upon exercise of the Option.
- (b) The Facilitator Options will expire at 5.00pm (WST) on 30 September 2019 (**Expiry Date**). Any Facilitator Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The exercise price of each Facilitator Option is \$0.04 (**Exercise Price**).
- (d) The Facilitator Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Facilitator Options by lodging with the Company, on or prior to the Expiry Date:
 - (i) a written notice of exercise of Facilitator Options specifying the number of Facilitator Options being exercised (**Exercise Notice**); and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Facilitator Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable".
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Facilitator Options specified in the Exercise Notice.
- (h) The Facilitator Options will be transferable.
- (i) All Shares issued upon the exercise of Facilitator Options will upon issue rank equally in all respects with the then issued Shares.
- (j) The Facilitator Options will be unlisted Facilitator Options upon grant. However the Company reserves the right to apply for quotation of the Options at such time as the Company in its absolute discretion determines. Should the Company make an application for official quotation of the Facilitator Options and the ASX accepts the application for quotation of the Facilitator Options then the Facilitator Options will be listed Facilitator Options from the time that the ASX accepts such application.
- (k) The Company will apply for official quotation on ASX of all Shares issued upon exercise of Facilitator Options within 10 Business Days after the date of issue of those Shares.
- (l) If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
- (m) There are no participation rights or entitlements inherent in the Facilitator Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Facilitator Options.
- (n) A Facilitator Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Facilitator Option can be exercised.

Schedule 2 - Terms and Conditions of Director Options

The Director Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Director Option gives the Optionholder the right to subscribe for one Share upon exercise of the Director Option.
- (b) The Options will expire at 5.00pm (WST) on 30 September 2019 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date
- (c) The Exercise Price of each Director Option is \$0.04 (**Exercise Price**).
- (d) The Director Options may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Director Options by lodging with the Company on or prior to the Expiry Date:
 - (i) a written notice of exercise of Director Options specifying the number of Director Options being exercised (**Exercise Notice**); and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable".
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by payment of the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) The Director Options are not transferable except with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.
- (i) All Shares issued upon the exercise of Director Options will upon issue rank equally in all respects with the then issued Shares.
- (j) The Company will not apply for quotation of the Director Options on ASX. However, the Company will apply for official quotation on ASX of all Shares issued upon exercise of Director Options within 10 Business Days after the date of issue of those Shares.
- (k) If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
- (l) There are no participation rights or entitlements inherent in the Director Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options.
- (m) A Director Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Director Option can be exercised.

ELIXIR PETROLEUM LIMITED

PROXY FORM

ACN 108 230 995

Elixir Petroleum Limited
c/- Security Transfer Registrars

By post:
PO Box 535
Applecross, WA, 6953
Australia

By delivery:
770 Canning Highway
Applecross, WA, 6153

By email:
registrar@securitytransfer.com.au

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We ¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____
votes in the Company, hereby appoint:

The Chairman of the Meeting (mark box) ☐ **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at 338 Hay Street, Subiaco on Tuesday, 16 August 2016 at 10am (WST) and at any adjournment or postponement of the Meeting and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law as the proxy sees fit).

Important for Resolutions 6 to 8

If the Chairman of the Meeting is appointed as your proxy, or may be appointed as your proxy by default, and you have not directed him how to vote on Resolutions 6 to 8 below, please mark the box below. If you do not mark this box and you have not directed your proxy how to vote on Resolutions 6 to 8 in Step 2 below, the Chairman will not cast your votes on Resolutions 6 to 8 and your votes will not be counted in computing the required majority if a poll is called on these Resolutions.

If you appoint the Chairman of the Meeting as your proxy, you can direct the Chairman how to vote on Resolutions 6 to 8 by either marking the relevant boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking the box below in this Step 1 (in which case the Chairman will vote in favour of Resolutions 6 to 8).

The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 6 to 8.

- ☐ I/We (except where I/we have indicated a different voting intention below):
- (a) direct the Chairman of the Meeting to vote in accordance with the voting intentions of the Chairman on Resolutions 6 to 8 to vote in favour of these Resolutions; and
 - (b) authorise, in respect of Resolutions 6 to 8, the Chairman of the Meeting to vote as described even though Resolutions 6 to 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company and even if the Chairman of the Meeting has an interest in the outcome of Resolutions 6 to 8; and
 - (c) acknowledge that votes cast by the Chairman of the Meeting for Resolutions 6 to 8 other than as proxy holder will be disregarded because of that interest.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Step 2 - Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Ratification of 2015 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Tranche 1 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Tranche 2 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Share Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Authority to grant Facilitator Options to Facilitators	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Authority to grant Director Options to Mr Ray Barnes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Authority to grant Director Options to Mr Dougal Ferguson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Authority to grant Director Options to Mr Sam Willis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

The Chairman of the Meeting intends to vote all available proxies in favour of each Resolution.

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

<input type="text"/>	<input type="text"/>	<input type="text"/>
Contact Name	Contact Daytime Telephone	Date

¹ Insert name and address of Shareholder

² Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at the Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders should sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the Meeting (WST).

Postal address: PO Box 535, Applecross, WA, 6953

email: registrar@securitytransfer.com.au