



2 September 2016

Dear Shareholder

## Notice to Shareholders of Non-Renounceable Pro Rata Offer

We write to you as the registered holder of Elixir Petroleum Limited ("**Elixir**" or the "**Company**") shares (**ASX:EXR**) as at today's date.

### ***Offer***

As advised in the ASX announcement dated 12 July 2016 and as detailed by the Company in the offer document lodged by the Company with the ASX on 31 August 2016 ("**Offer Document**"), Elixir is undertaking a non-renounceable pro-rata offer ("**Offer**") to Eligible Shareholders (defined below) of ordinary fully paid shares in the Company ("**Shares**") at an issue price of \$0.02 per Share and on the basis of one (1) Share for every one (1) Share held at 5.00pm (WST) on 6 September 2016 ("**Record Date**").

No shareholder approval is required for the Offer.

The Offer Document has been lodged with the ASX and is available on the Company's ASX platform at the ASX website ([www.asx.com.au](http://www.asx.com.au)) and on the Company's website ([www.elixirpetroleum.com](http://www.elixirpetroleum.com)).

### ***Eligible Shareholders***

Eligible Shareholders are those persons who:

- (a) are registered as a holder of Shares as at 5.00pm (WST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand (together the "Eligible Countries").

The Offer is not being extended to any Shareholder whose registered address is outside the Eligible Countries ("**Ineligible Shareholder**"). Shareholders not satisfying the above criteria will not be eligible to participate in the Offer.

### ***Effect of the Offer and Use of Funds***

The Company currently has the following shares and options on issue:

- (a) 89,473,436 Shares;
- (b) 12,840,001 listed options; and
- (c) 6,760,000 unlisted options.

On the basis that no options are exercised prior to the Record Date, up to 89,473,436 Shares will be issued pursuant to the Offer.

The Offer will raise up to approximately \$1,789,468 (before payment of the costs associated with the Offer).

Funds raised from the Offer will be used for project evaluation and exploration activities, general working capital and to pay the costs of the Offer.

## ***Timetable***

The proposed timetable of the Offer is as follows:

Lodgment of Offer Document, Appendix 3B and s708AA notice	31 August 2016
Notice to Optionholders and Shareholders	2 September 2016
Existing Shares quoted on an "ex" basis	5 September 2016
Record Date	6 September 2016
Opening Date – Rights Issue Offer Document and Entitlement and Acceptance Form sent to Eligible Shareholders	7 September 2016
Last day to extend the Closing Date	15 September 2016
Closing Date*	20 September 2016
Shares quoted on a deferred settlement basis	21 September 2016
Company to notify ASX of under subscriptions (if any)	23 September 2016
Anticipated date for the issue of the Shares. Deferred settlement trading ends	27 September 2016
Normal trading (on a T+2 basis) commences	28 September 2016

\* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the Shares.

## ***Other***

A copy of the Offer Document and an Entitlement and Acceptance Form will be sent to Eligible Shareholders on 7 September 2016.

You are encouraged to read the Offer Document in full before making a decision in respect of the Offer. If you wish to participate in the Offer, you should follow the directions in the Entitlement and Acceptance Form and section 2 of the Offer Document.

This letter is to inform you of the Offer. You are not required to do anything in respect to this letter.

The directors of Elixir recommend that if you are in doubt as to the value of the Offer then you should contact your financial advisor.

For further information on the Offer:

- (a) visit the Company's website at [www.elixirpetroleum.com](http://www.elixirpetroleum.com);
- (b) see the Offer Document (available at [www.asx.com.au](http://www.asx.com.au) or [www.elixirpetroleum.com](http://www.elixirpetroleum.com)); or
- (c) contact the Company Secretary on +61 8 9226 2111 between 8.30am and 5.00pm (WST) Monday to Friday.

Yours Sincerely

Ray Barnes  
**Chairman**