

Exploring for gas in the Heart of Asia

Coal bed methane exploration proximate to China



February 2019 Investor Presentation

Investment Highlights

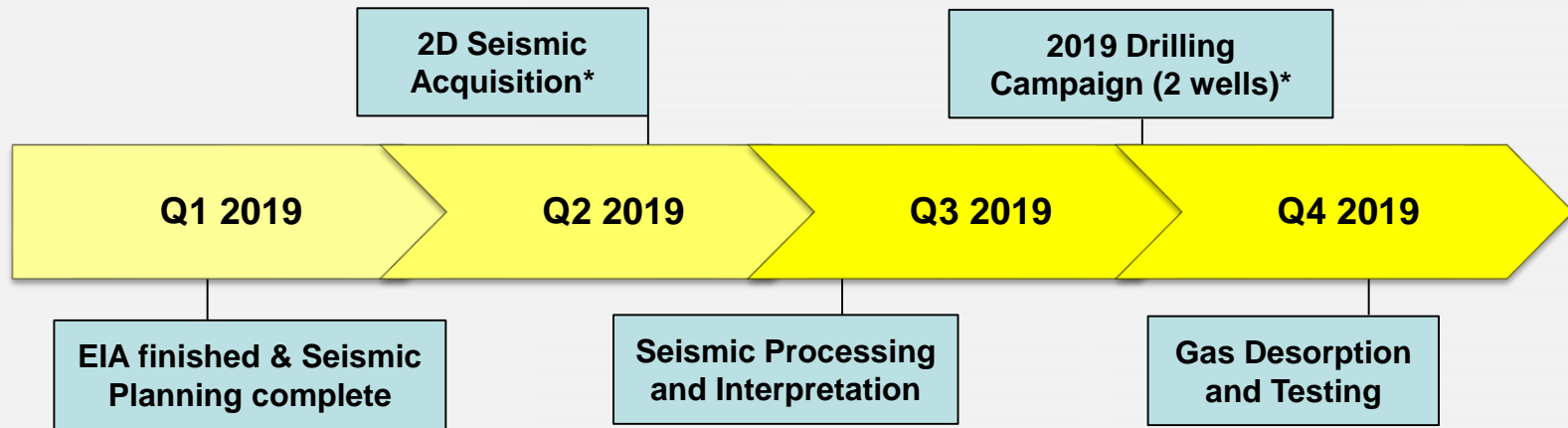
- Mongolian gas focus – 100% working interest in **7,000,000** net acres Nomgon IX CBM PSC (~30,000 km²) in major coal bearing sedimentary basin
- **Giant* CBM prospective resource** for Nomgon IX PSC completed, with best estimate of **40.1 TCF** (unrisked recoverable) and **7.6 TCF** (risked recoverable) independently certified by ERCE (refer slide 6)
- Nomgon IX CBM PSC is ideally located **proximate** to the **rapidly growing and high priced** Chinese gas market
- In Mongolia, 2D seismic is scheduled for Q2 2019, with **exploration drilling** targeted for the second half of 2019
- Elixir's Alaskan acreage to be acquired by Entek Energy (ASX:ETE) for scrip – to then be distributed pro-rata – each Elixir shareholder will receive **~1 Entek share for 2 Elixir shares** in March

Focusing on giant gas prospective resource proximate to China

*Giant oil and gas fields are defined by those having 500 million barrels of oil or greater than 3TCF of natural gas

2019 Exploration Program

- Environmental and other **regulatory approvals** ongoing
- **2D seismic acquisition** on track and contract award planned for the end of March



*Subject to suitable equipment availability and government approvals

- Next steps:
 - 2D seismic acquisition will **image the Permian depocentres** and confirm well locations for 2019 drilling program
 - Two **CBM exploration wells in Q4 2019** to further de-risk the giant resource potential

Low cost and low risk program to confirm CBM potential

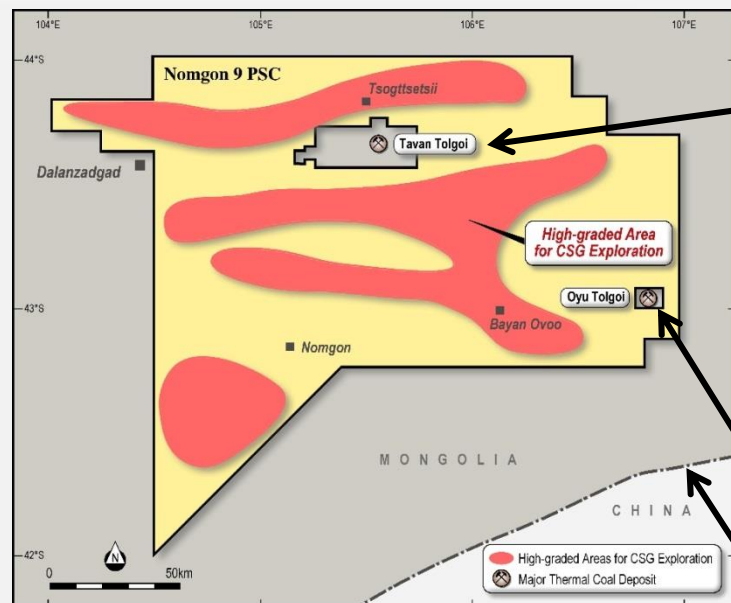
Mongolian – Nomgon IX CBM PSC

- **CBM PSC** signed in September 2018 by acquired company Golden Horde Ltd (GOH) – >40 year term
- GOH acquired by Elixir in December 2018
- PSC covers **7,000,000** acres proximate to the Chinese border
- Mongolian CBM PSC has **fiscal and other terms** designed for unconventional petroleum



Asset acquired through a scrip deal in 2018

Nomgon IX CBM PSC – Key Facts

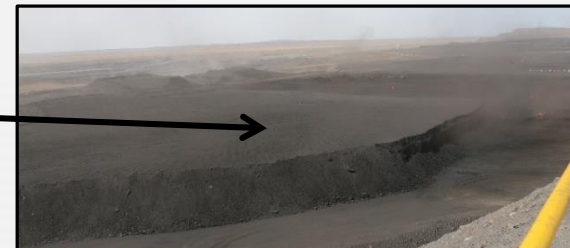


World class **producing thermal coal deposit** within project area (South Gobi basin)

Large **7 million acre project area** – 100% ownership

Nearby **infrastructure** with Rio Tinto's OT mine

China/Mongolia border



- Data from Tavan Tolgoi indicate gas contents of up to **15m³/tonne (480 cf/ton)¹**, at depths of **467 metres** below surface (high by world standards)
- Late Permian aged coals (Tavantolgoi Group) from **surface to >1000m depth** with individual **seam thickness** up to **55 metres** (Ovoot Tolgoi Mine)²
- As well as providing gas to the **Mongolian market**, Nomgon IX CBM PSC is ideally placed for **sales gas exports** into the main **Chinese market**

Mapped sedimentary depocentres are the high-graded focus areas

¹ Source: Erdenes Methane LLC

² Source: Nordic Geological Solutions

Independent Prospective Resource Report

- First **independent prospective resource** report completed by ERC Equipoise Pte Ltd (ERCE)*
- Giant resource identified with Geological Risk likely to be **significantly reduced** following 2019 exploration programme (2D seismic and core hole drilling)
- ERCE report **independently validates world class potential** of the Nomgon IX CBM PSC and the “size of the prize”

Nomgon IX CBM PSC: Mongolia (EXR:100%)		Low	Best	High
Probabilistic Calculations	Unit	(1U)	(2U)	(3U)
Unrisked Recoverable Prospective Resources	TCF	13.6	40.1	117.2
Chance of Geological Discovery		0.19		
Riskied Recoverable Prospective Resources*	TCF	2.6	7.6	22.2

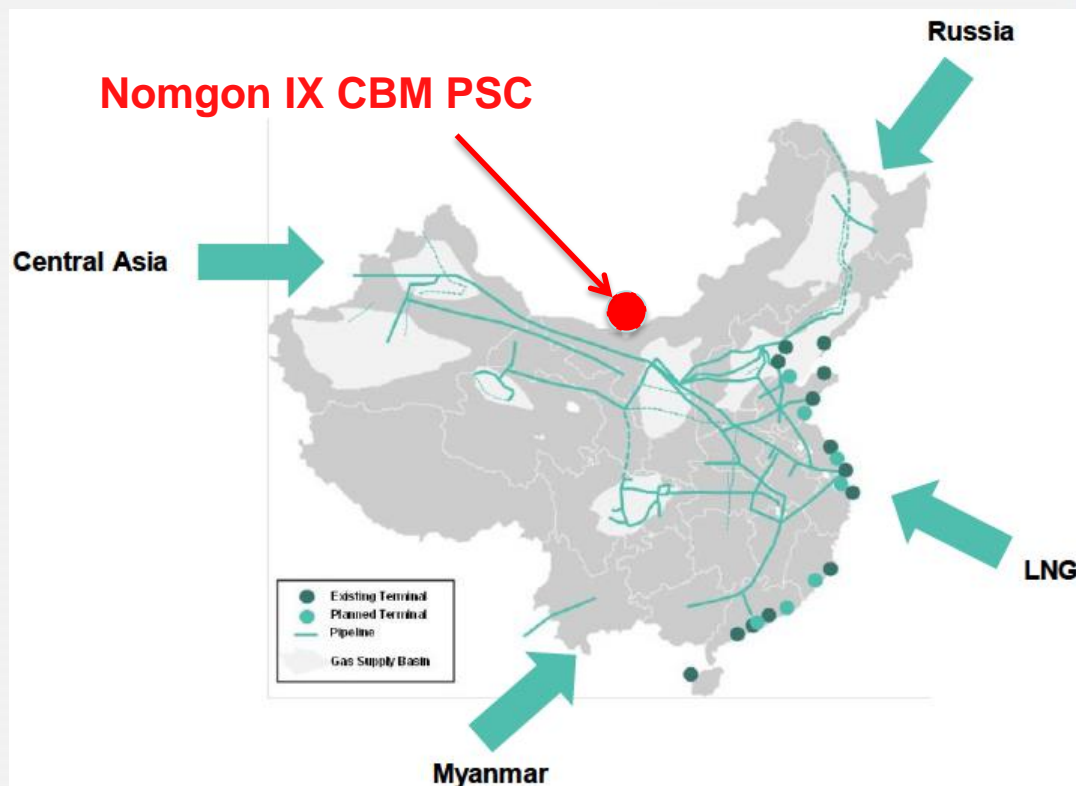
**Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons.*

Globally material prospective gas resources

**Refer to ASX announcement dated 19 November 2018. The Company is not aware of any new information that materially affects the information in that announcement.*

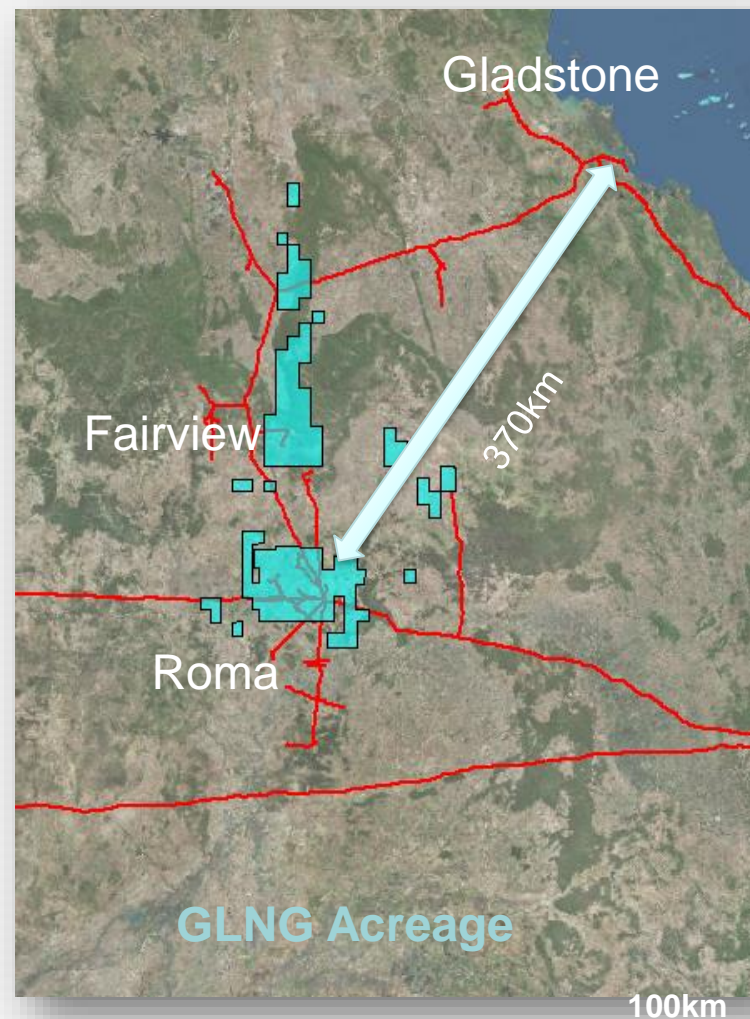
Next Door to China's rapidly growing gas market

- The Nomgon IX CBM PSC is located immediately **proximate to the Chinese border**
- China imports gas from every direction and seeks to continually **diversify its sources of supply**
- Mongolian CBM expected to be highly **cost competitive** compared to alternative sources of gas for China
- The Chinese Government plans to increase gas demand by **300%** in 15 years
- Mongolia has a growing economy with a desire to **reduce pollution**



Mongolian CBM expected to be highly cost competitive compared to China's import alternatives

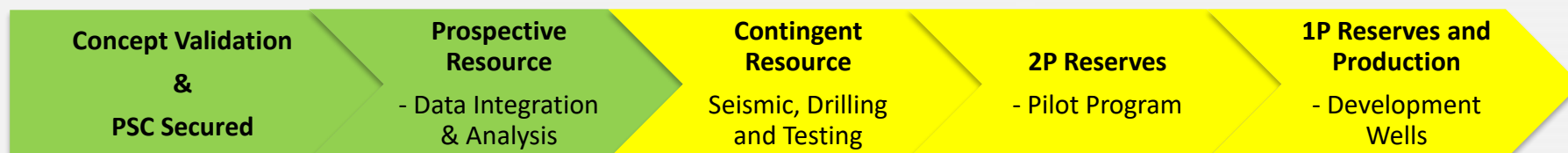
Nomgon IX Comparison with GLNG



Export scale acreage package

CBM – Capital Efficient Exploration

- CBM exploration has **lower risks than traditional oil and gas exploration** that seek conventional targets through factors such as:
 - Using existing data from coal mining activities
 - No structure and seal risk on the reservoir
 - Shallower seismic and drilling
- This lower risk profile – and significantly lower costs of seismic and especially drilling - means it is a **highly capital efficient form of exploration**

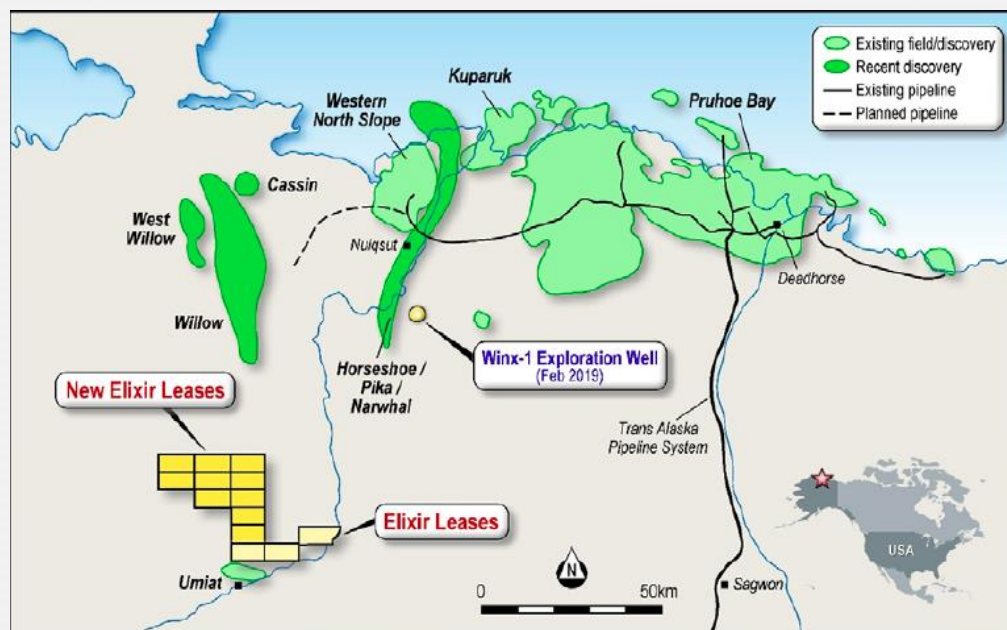


- CBM investment in Australia has often resulted in **higher returns on capital invested** than for conventional oil and gas principally due to the relatively **low upfront capital** required to prove up significant resources and reserves

Maximising shareholder leverage to exploration spend

Pro-rata distribution – Entek Shares

- In late 2018 Elixir acquired ~150,000 acre leasehold position on **Alaska's North Slope** (100% ownership position)
- Acreage considered **on trend** to recent large oil discoveries
- Option deal struck with ASX listed Entek Energy (ASX:ETE) to **sell the lease package** for ETE scrip
- ETE has now **exercised** its option
- Elixir will distribute the ETE scrip received to all shareholders - on a **pro-rata basis**
- Elixir shareholders to receive **~1 ETE share for two Elixir shares** held
- **Record date** to be immediately post shareholder approvals



Elixir shareholders retain exposure through ETE share distribution

Elixir Petroleum Limited (ASX:EXR)



Pro Forma Capital Structure

Current (post listed options)

	Current (million)
Ordinary Shares (ASX:EXR)	384.8
Unlisted Options (ex 4.0 – 4.5 cents)	8.0
Listed Options (ex 7.5c by 31.12.20)*	96.2
Performance Shares (Milestones)	22.5
Market Capitalisation (at 3.5c)	\$13.4
Cash at Bank	~\$1.6
Enterprise Value	\$11.8

* Assumes the shortfall of the Listed Options will be placed in the near term.

Performance Share Milestone	Shares
Drill 2 CBM wells	7.5
FID approval on Pilot Plant	10.0
Approve disposal of Alaskan assets	5.0
Total	22.5

Board & Management

Ray Barnes	Non Executive Chairman
Dougal Ferguson *	Managing Director
Neil Young	Chief Executive Officer
Scott Patrizi	Non-Executive Director

* At completion of the Entek transaction Mr Ferguson will cease his current position at Elixir.

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