



2021 Work Program

*Expanding upon
2020's success*

15 February 2021

ASX:EXR

Highlights

1.

In 2021 Elixir will prosecute an active CBM field focused technical program that is more than double the size of the one that was successful in 2020.

2.

Although the current COVID environment presents challenges (and likely surprises to come), Elixir is well placed to replicate its success of 2020 in managing this issue.

3.

The program includes 13 wells, 200 km seismic and 1 pilot production test.

4.

Elixir's healthy cash balance (\$9.37M at 31.12.20) more than fully funds the work program.
Operations are very low cost – exploring for CBM is very capital efficient.

5.

Defining year for the Nomgon IX PSC:

- Most substantial work program ever executed by Elixir
- All major identified exploration CBM depocentres to be drilled
- Testing program designed to prove up a commercial resource in the Nomgon sub-basin

6.

Work continues to build on the very high HSE standards set by Elixir in Mongolia.
Community engagement programs expanding in 2021.
ESG measurement system established.



2021 Program

Wells

- 3 core-holes
- 10 strat-holes
- 1 pilot production test
- Well test interpretation

Seismic

- 200 km 2D
- Seismic interpretation

Commercial

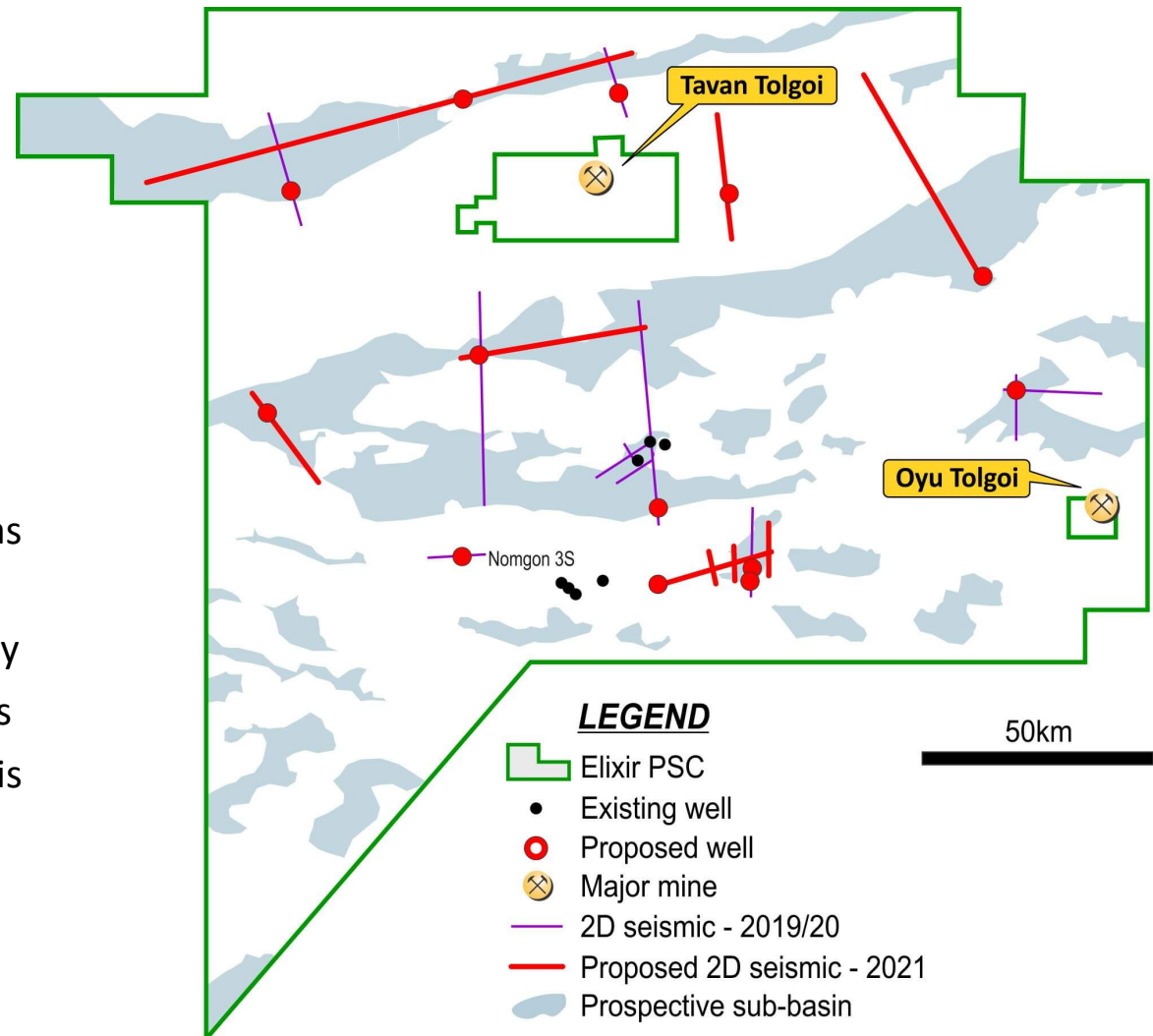
- Expanding market options
- Engaging counter-parties

Field Work

- 2 Expeditions
- Trenching

G&G Studies

- Age dating
- Isotope analysis
- Chromatographic gas analysis
- Sedimentology study
- Stress strain analysis
- Petrographic analysis
- Proximate analysis
- Well test & seismic interpretations
- Adsorption analysis



HSE & Social Licence

- Elixir managed to pursue a successful exploration & appraisal program in 2020 despite the emergence of COVID
- This was recently recognised by the Mining Minister's "*Best Investor of 2020*" award
- Elixir expects COVID challenges to endure throughout 2021, but is confident its integrated Mongolian/Australian team is well placed to handle these as they emerge
- The 2020 work program had no safety or environmental issues and this will remain a key focus in 2021
- Building social licence is vital for the resources business and Elixir will expand its programs in this area. The Company is currently investigating local carbon offset options for its Scope 1 & 2 emissions



Minister G Yondon (right) presenting the award to our Country Manager, Mr B Achitsan



Recent donation of COVID PPE to local administration

Year end integration & lessons learnt

1.

The integration, laboratory and desktop analysis of all the well & seismic data acquired in 2019 and 2020 is an ongoing exercise.

2.

Elixir has proven that the coals in this sub-basin have:

- Thickness (vertical) up to 90 m net
- DAF gas contents of up to 10 m³/t
- Permeability of up to ~100 mD
- Gas saturations of ~100% from adsorption testing
- Gas that contain >80% methane

3.

The Company's independently verified Prospective Resource (2U) increased from 7.6 Tcf to 14.6 Tcf on a risked basis (*see ASX announcement of 9/12/20*).

4.

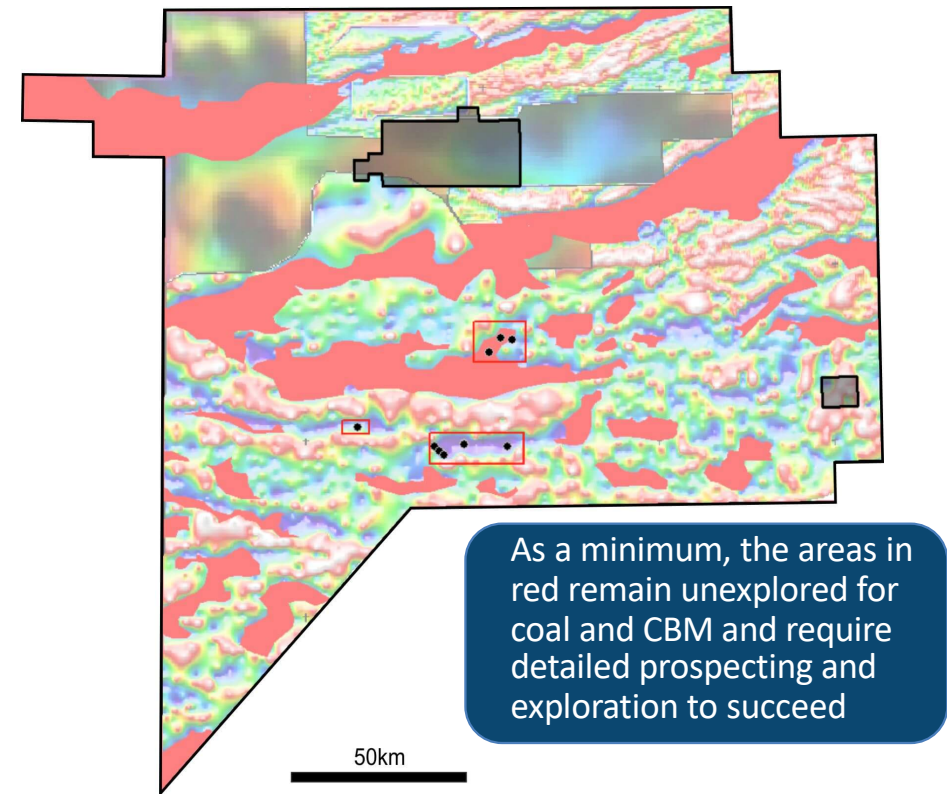
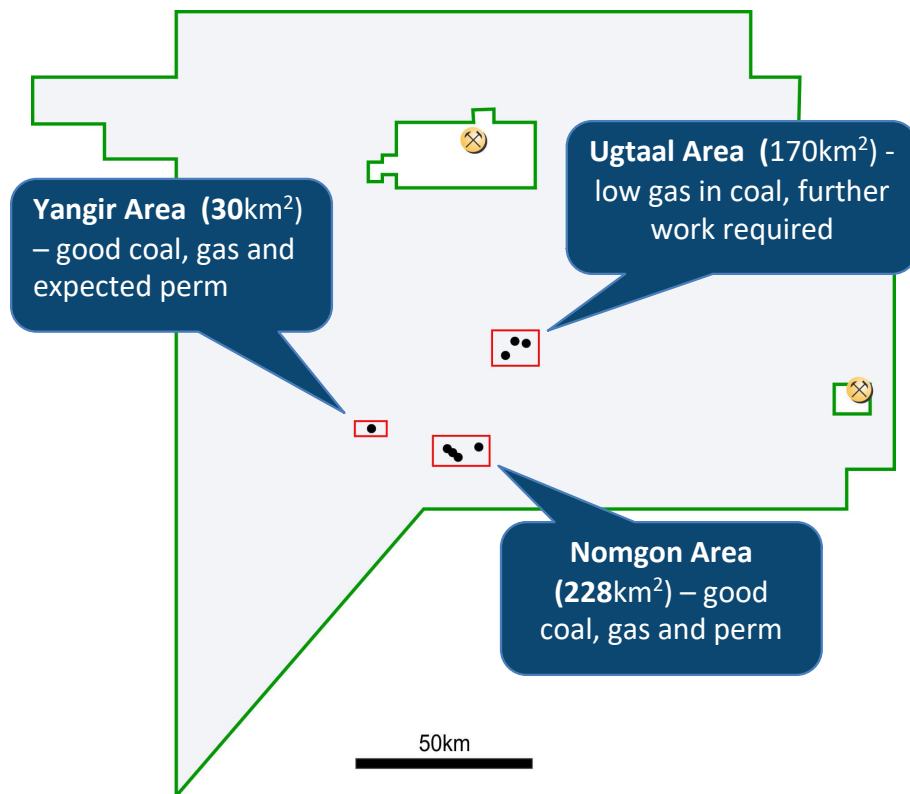
Elixir's maiden contingent resource estimate will be focussed on the Nomgon sub-basin only – to support a local development project.

5.

Technical analysis has identified seismic character that should be associated with coal. This character has upgraded the prospectivity and the concept will be tested in 2021.



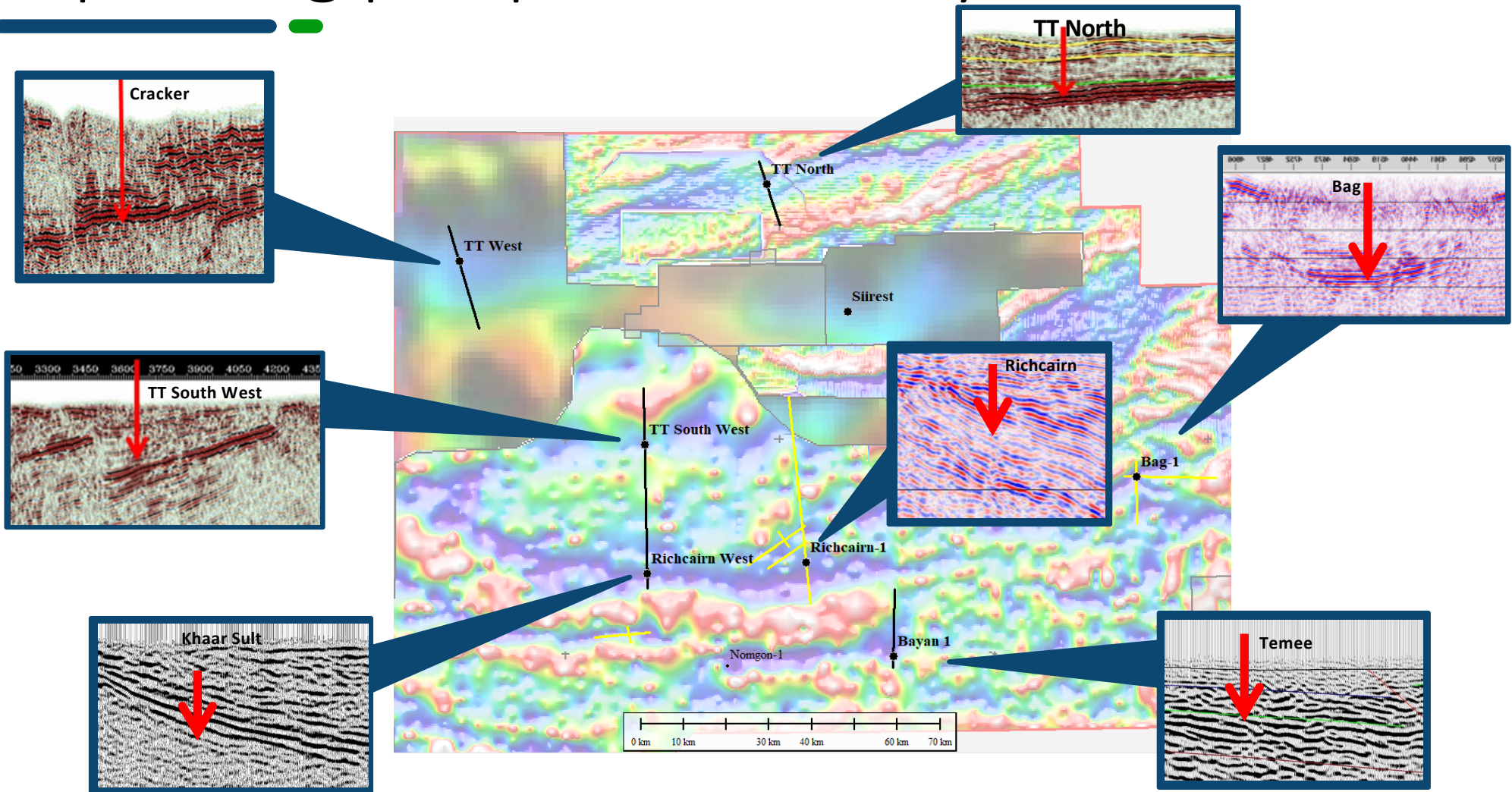
Prospecting progress on Nomgon IX



- To date, only 1.4% of the 30,000 km² licence area has been explored with the drill bit
- After 2021, this figure will be increased significantly



Expanding prospect inventory



Production testing

- In 2021 Elixir will undertake a pilot production test of the Nomgon sub-basin coal seams
- This will be the first test of its kind in Mongolia
- The testing program is primarily designed to:
 - Determine commerciality
 - Flow fluid from the coal seam(s)
 - Measure water and gas rates
 - Determine local water quality
- The test will begin in the second half of 2021 (subject to approvals) and may last several months
- The plan will be based on learnings from the Australian CBM industry - adapted for the unique geological and surface conditions of the Gobi Desert
- Elixir has been building a Petrel/Eclipse Model to simulate the potential flow



Elixir's technical initiatives in 2020 and 2021

2020



















1. Core-holes & Strat-holes
2. IFOT testing
3. Adsorption analysis
4. Structural modelling
5. Petrography
6. Proximate analysis
7. Seismic character analysis
8. Palin-spastic reconstructions and balanced cross-sections
9. Expert reviews and panels
10. CBM parameter comparisons

2021

1. Move, Petrel and Eclipse 3D simulation models
2. Pilot production testing
3. Velocity/check-shot surveys
4. Trenching to assist field work
5. Certificate courses for local staff, e.g. log interpretation, resource calculations
6. Upgraded drilling practices including the introduction of an experienced mud engineer for the first time
7. Palynology and isotope analysis



Timetable

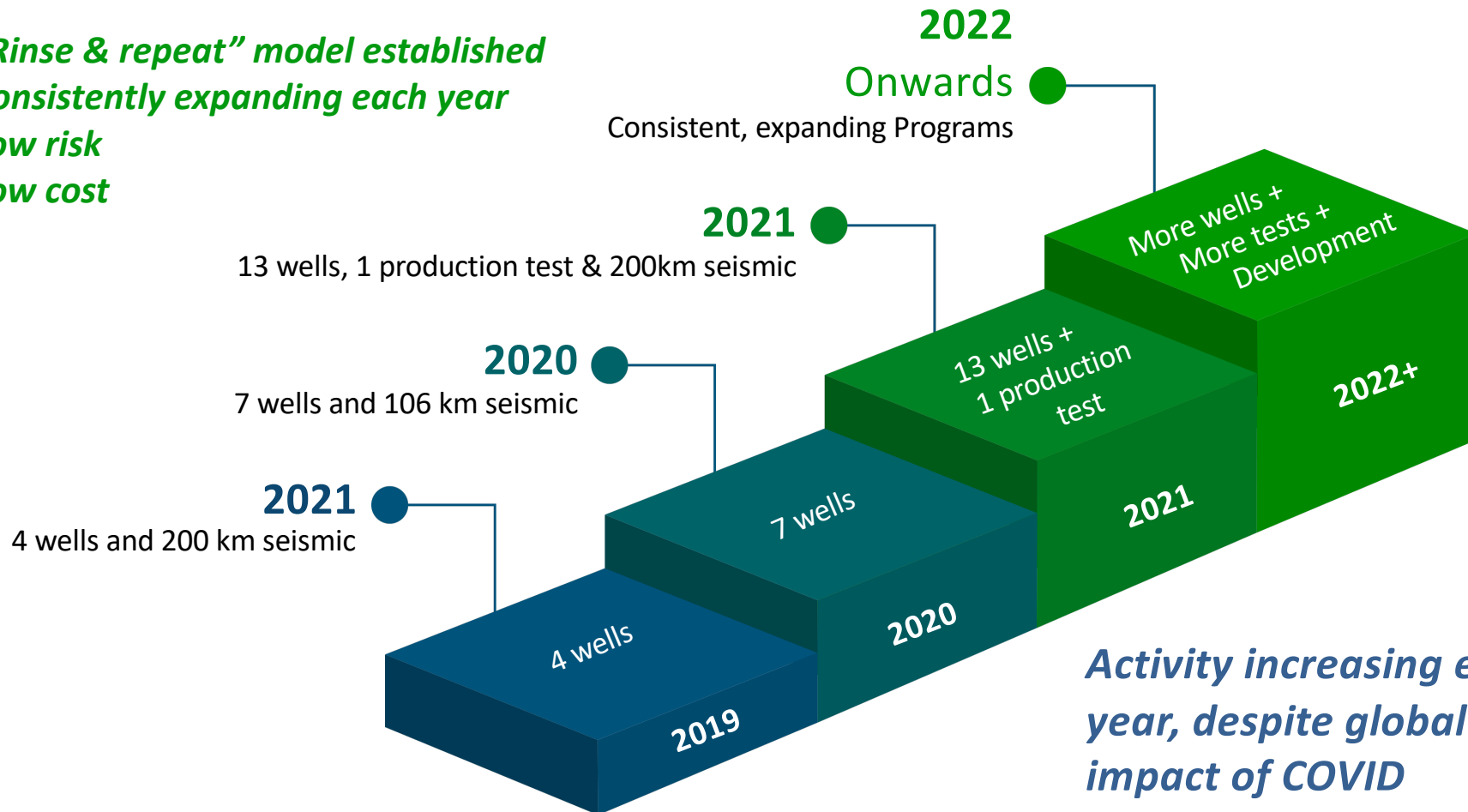
Activity	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Regulatory & Community	 <ul style="list-style-type: none"> • National Approvals • Local Govt Permitting 	 <ul style="list-style-type: none"> • Local Govt Permitting • Community Liaison & Investment 	 <ul style="list-style-type: none"> • Community Liaison & Investment 	 <ul style="list-style-type: none"> • Community Liaison & Investment
G&G Studies and Analysis	 	 	 	 
Seismic Acquisition		 200km		
Drilling		 ~4 wells	 ~4 wells	 ~5 wells
Production Testing			 <ul style="list-style-type: none"> • Drilling • Testing • Monitoring • Measuring 	 <ul style="list-style-type: none"> • Drilling • Testing • Monitoring • Measuring

Timelines are estimates only and could be subject to change due to issues such as COVID related restrictions



Work program steadily increasing

- ✓ *"Rinse & repeat" model established*
- ✓ *Consistently expanding each year*
- ✓ *Low risk*
- ✓ *Low cost*



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