



# Good Oil Conference Presentation

6 September 2022

ASX:EXR



1.

# The Company

# Company Overview



## Nomgon GBM Project - Mongolia

- 100% owned CSG project
- Excellent location next to China
- Highly experienced CSG team
- Extended pilot production test imminent



## Hydrogen Project - Mongolia

- Partnering with SB Energy
- Proximity to market the key for H2 success
- High quality wind and solar
- Pilot paves a path to gigawatt scale project



## Gas Project - Queensland

- 100% owned gas project
- Can access domestic and international markets
- Play dominated by Majors
- Appraisal well planned for 2023

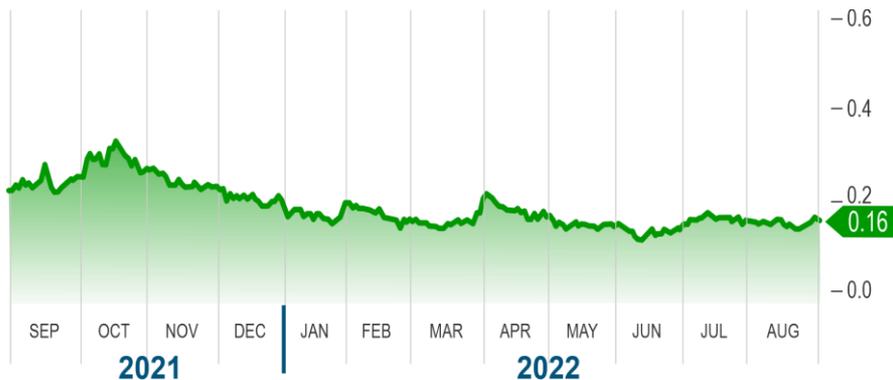
# Capital Structure / Board

## Capital Structure

### Current (pre-raise)

No of Shares	912M
Performance Shares & Options	32M
Market Capitalisation (at 15c)	\$137M
Cash (at 30 <sup>th</sup> June - unaudited)	\$23M
Enterprise Value	\$114M

## Share Price



## Highly experienced team



### Richard Cottee

Non-Executive Chairman

Former Managing Director of CSG focused Queensland Gas Corporation (QGC), taking it from market cap of \$20M to \$5.7B

Other former CEO positions include CS Energy, NRG Europe & Central Petroleum



### Neil Young

Managing Director

Former Business Development Manager at Santos, where he helped build Santos' CSG business  
Has worked in Mongolia since 2011



### Stephen Kelemen

Non-Executive Director

Extensive technical and commercial career at Santos, including managing its CSG business  
Current Non Executive Director at CSG focused Galilee Energy (GLL)



### Anna Sloboda

Non-Executive Director

Previous employers include Lehman Bros, Clough, Curtin University & Trans-Tasman Resources  
Ex-USSR background and experience of working in China



2.

## Nomgon CBM PSC

# CBM Asset Overview

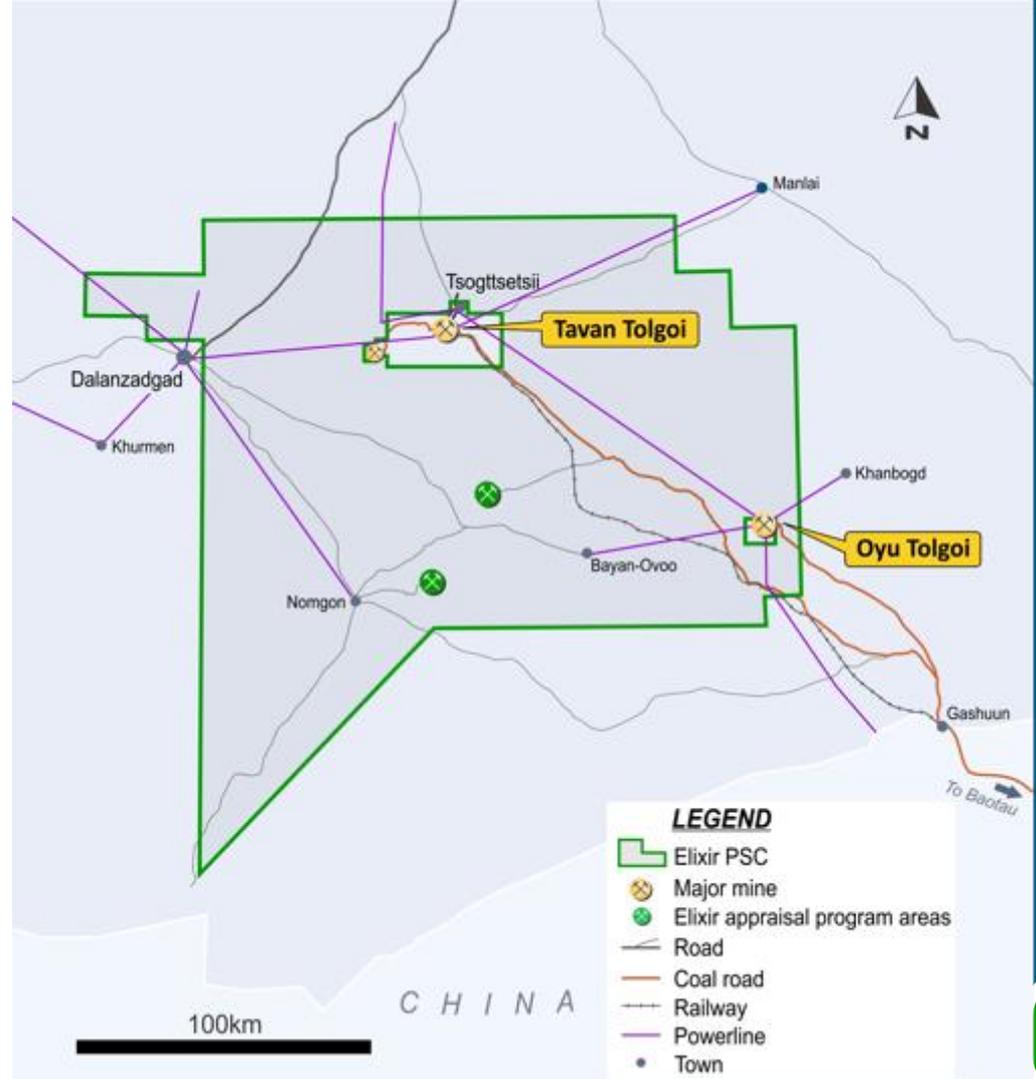
Elixir's foundation asset is its 100% owned Nomgon IX Coal Bed Methane (CBM\*) Production Sharing Contract (PSC) project in the South Gobi region of Mongolia

Highly experienced CSG team – first mover in taking Australia's leading skills to Mongolia

Located on Mongolian/Chinese border with excellent infrastructure, mines and planned pipelines

This location provides many market options – domestic and export

Exploration commenced in 2019 and first CBM discovery made in 2020



\* Coal Seam Gas – CSG – is usually referred to as CBM outside Australia

# 2022 Exploration/Appraisal Program

## Wells

- 2 Pilot Production Wells and extended production test
- ~22 Exploration & Appraisal Wells
- 1 short term pilot production test

## Seismic

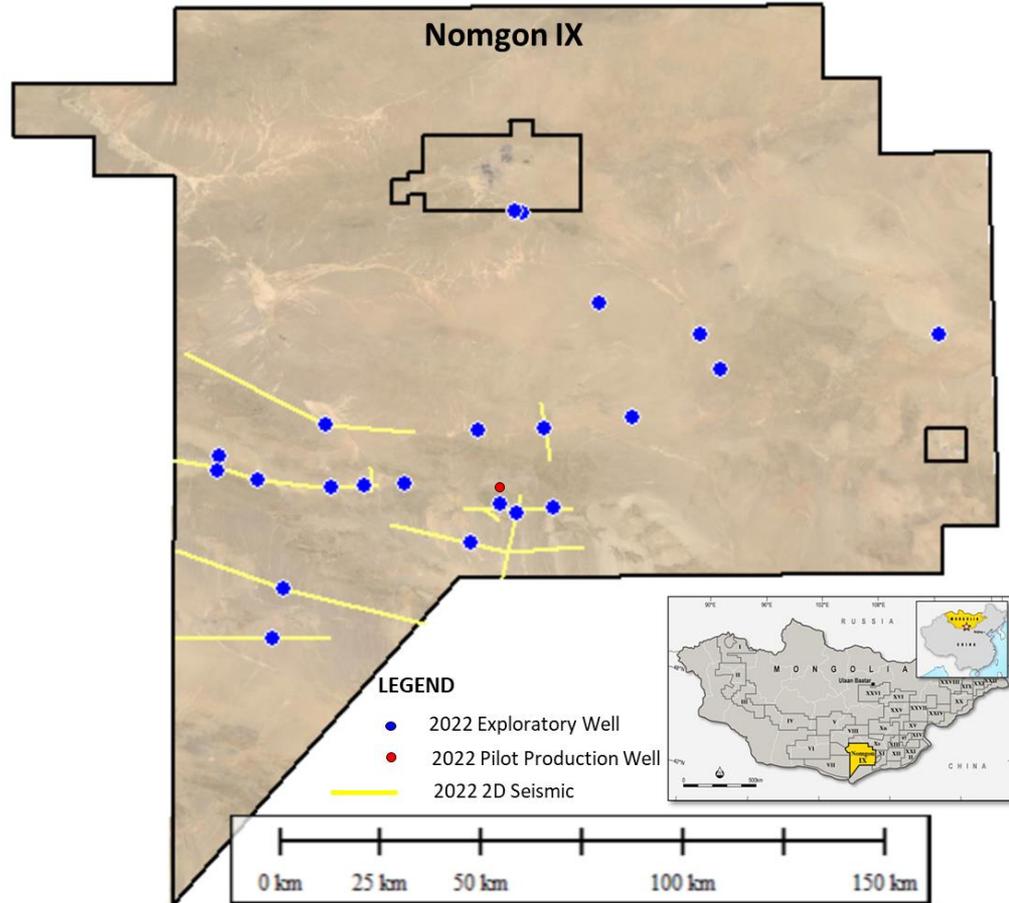
- 322 km 2D
- Seismic re-interpretation

## Commercial

- Progressing gas fired generation project with Government
- Other market options under review

## Field Work

- 3 field expeditions



# Extended Pilot Production Test

## Aim

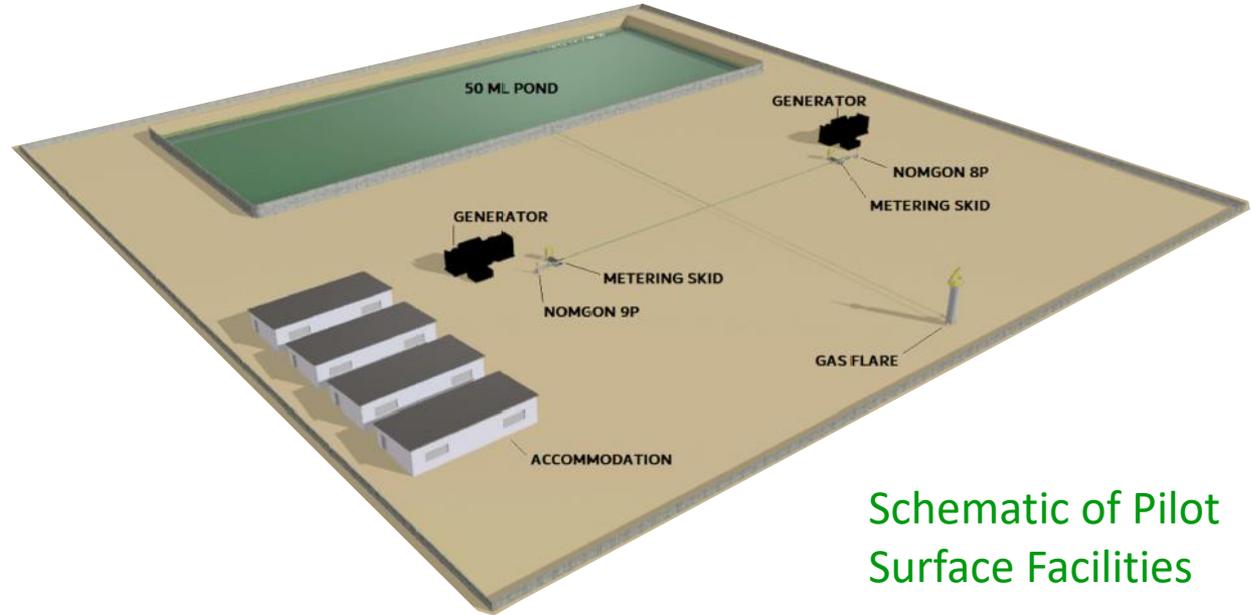
- Dewater coals and flow gas from the Nomgon CBM discovery
- Provide proof of concept for commercial development

## Wells

- 2 production wells 100m apart
- Depth to coal ~450m
- Pressure monitoring wells 110 and 400m along strike

## Production

- Water and gas production over a maximum 6 month period



Schematic of Pilot Surface Facilities

3.

Gobi H2

# Gobi H2 Project

- Mongolia combines:
  - Exceptional renewable resources
  - A H2 market that can be reached by pipeline not boat
- These advantages make **Gobi H2** a potential globally Tier One green hydrogen export project
- Elixir is engaging with the multiple stakeholders required for a successful project
- Concept validated by recent MOU with SB Energy
- The primary goal for 2022 is to materially advance a 10 MW pilot project



MOU with Govt



Pilot feasibility study underway



Targeting Chinese steel mills



Project finance plans progressing

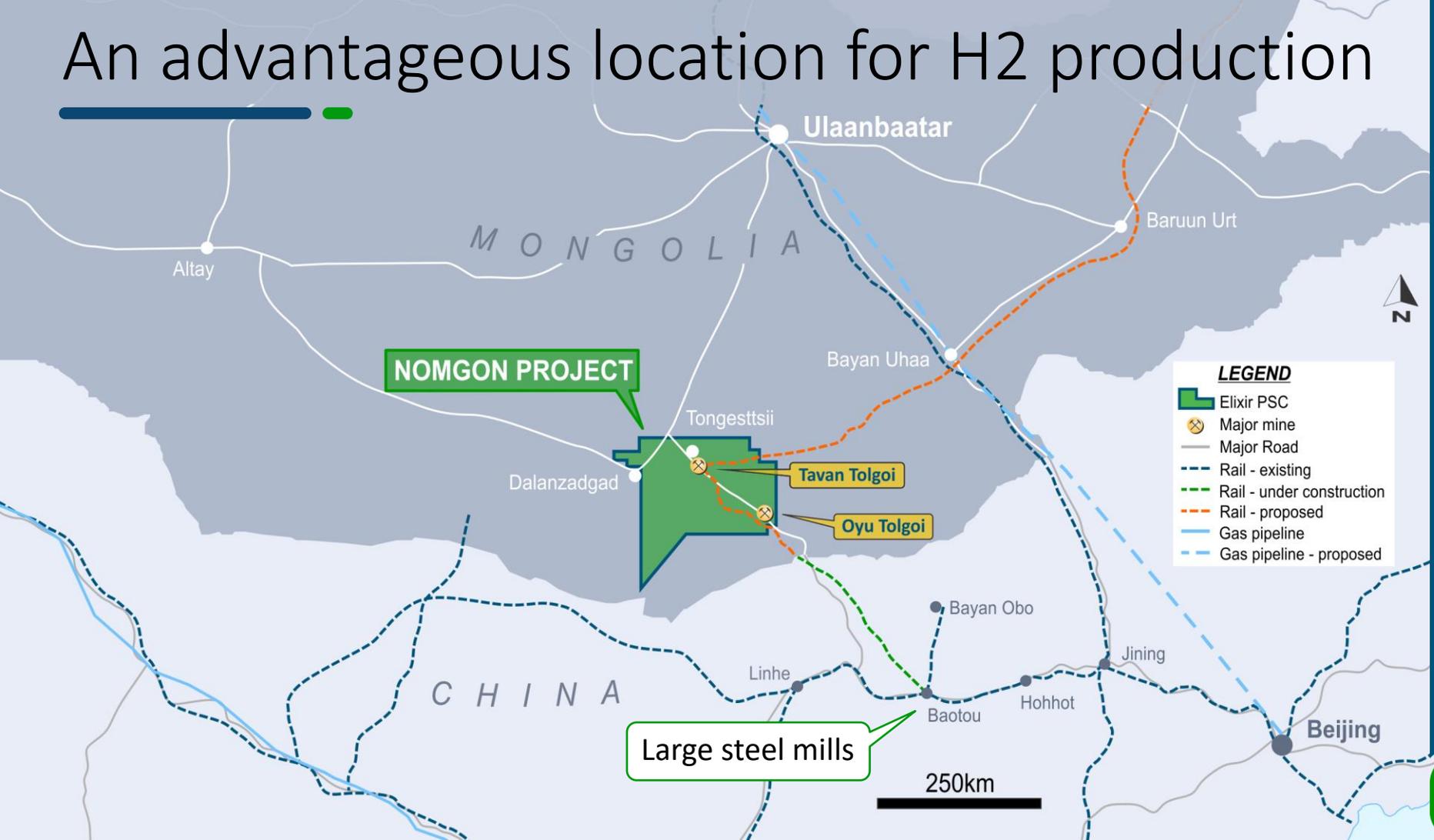


Short and long term water procurement



Banking renewable resources

# An advantageous location for H2 production

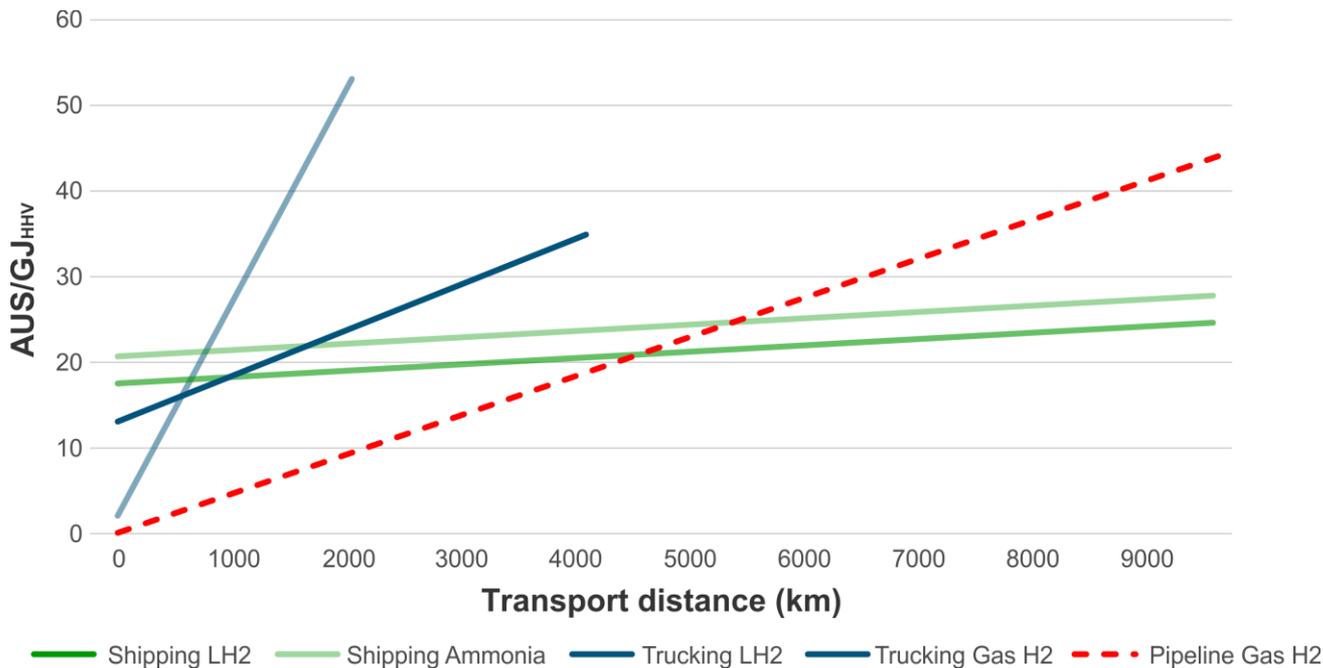


# Hydrogen Delivery Costs

- Around 2/3 of the cost of producing green H2 are the cost of renewables
- Shipping H2 by boat costs multiples (~\$20/GJ) of shipping the same energy as CH4 (~\$5/GJ)
- The delivered cost of H2 is therefore all about the quality of renewable energy **and the cost of delivery**
- Access to markets by pipeline is massively advantaged over seaborne supplies – **Mongolia can supply H2 to Chinese markets by pipeline**

## Cost of gas-to-gas hydrogen transportation, including conversion and reconversion - 2030s

For hydrogen production of ~15PJ/year



Source: Rystad Energy research and analysis commissioned by Elixir Energy -

# MOU with SB Energy

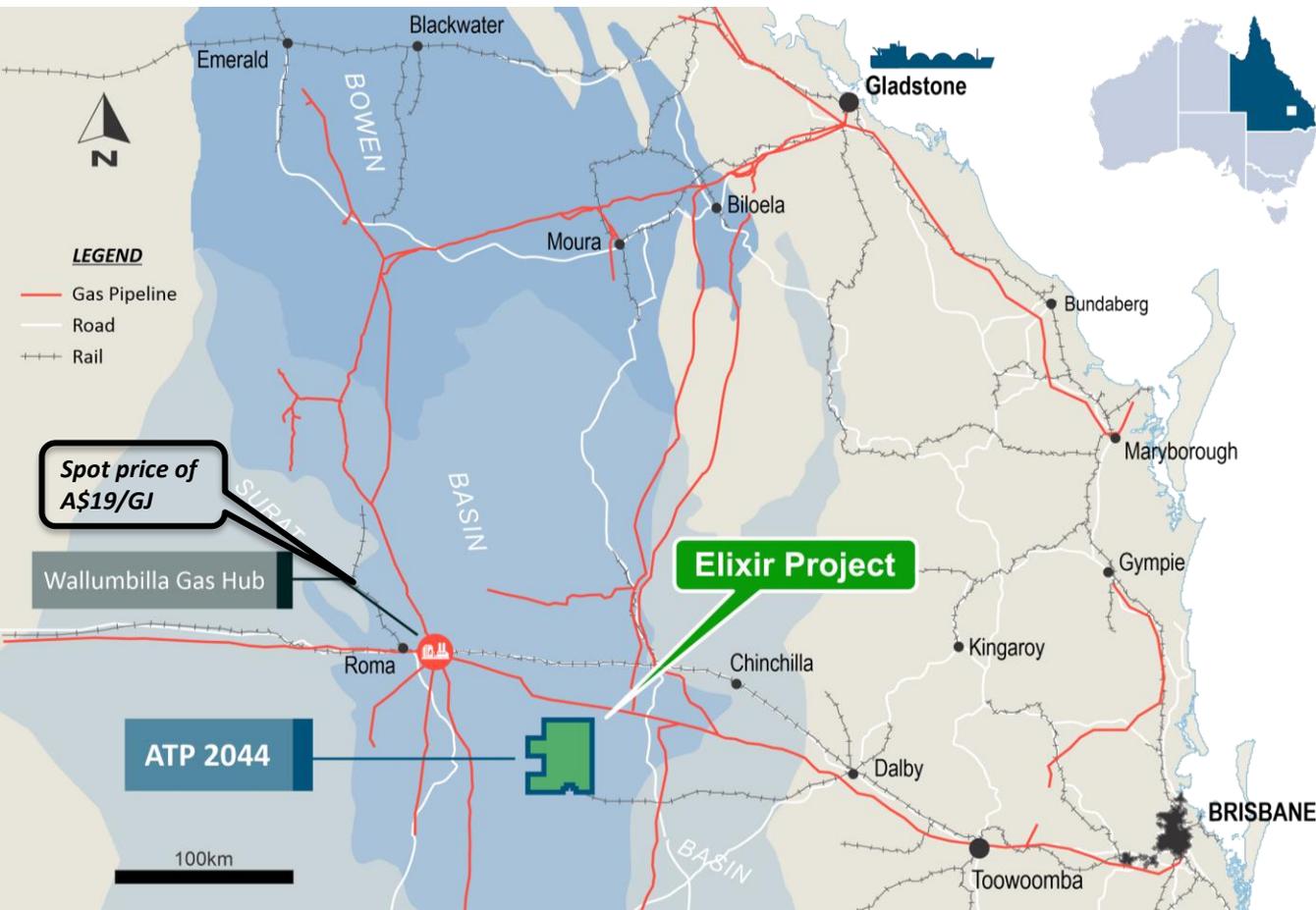
- Elixir is a small (but nimble) ASX listed company that has been developing the *Gobi H2* project – the first of its kind in Mongolia
- Elixir recently signed a MOU with SB Energy (SBE) – a wholly owned subsidiary of Japan's SoftBank Group – under which both parties will pursue the potential development of the *Gobi H2* project
- SBE currently operates the world-class 50 MW Tsetsii wind-farm in the Gobi and this is its first green H2 venture
- SBE brings substantial attributes to the *Gobi H2* project, including strong international relationships, balance sheet and strong finance raising capabilities, high quality regional wind data, etc



4.

Taroom Trough - ATP 2044

# Regional Location

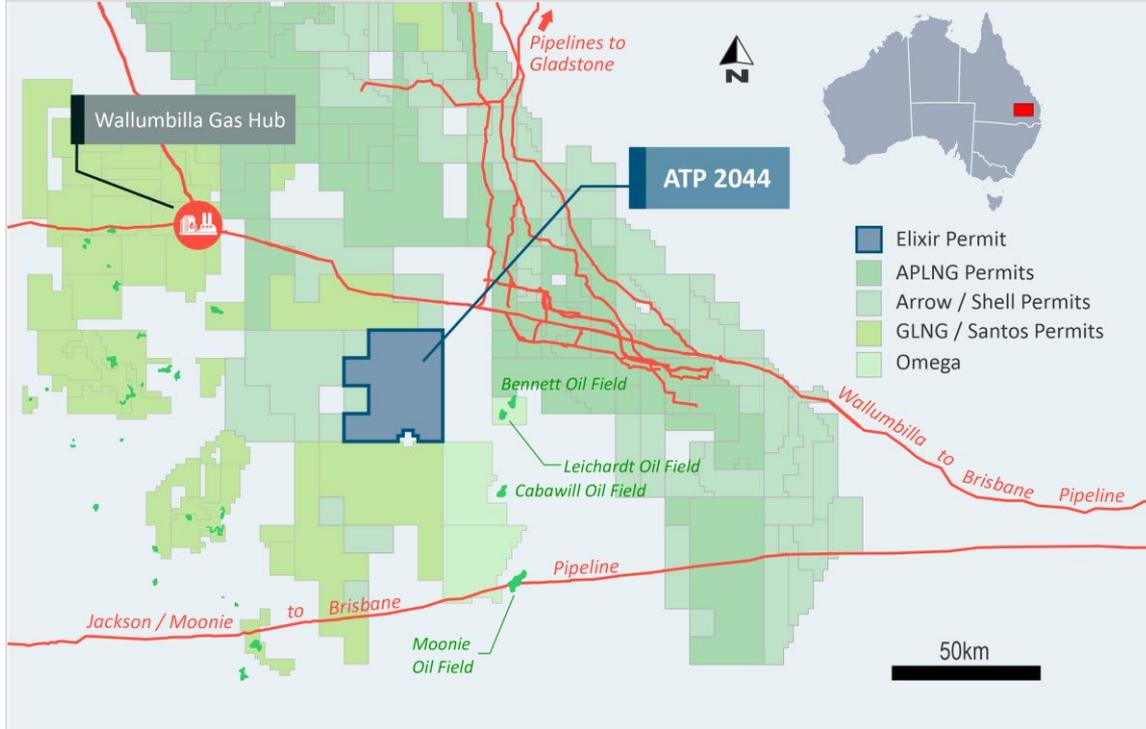


Area of 1,000 km<sup>2</sup> located approximately 35km away from critical gas transmission infrastructure

Connected to international markets

Primary objectives are Permian aged sandstones and coals, with a globally relevant prospective gas resource

# Adjacent to existing and proposed pipelines



# ESG Friendly (for investors and industry players)



Fatah Birol, Executive Director of the IEA speaking at July's Sydney Energy Forum

*The Taroom Trough gas is low in CO<sub>2</sub> and scope 1 & 2 emissions would therefore be low*

*"It is true that we have to replace Russian oil and gas..."*

*..This can be done with the existing oil and gas resources in the world...*

*..using a lot of shale oil and gas...*

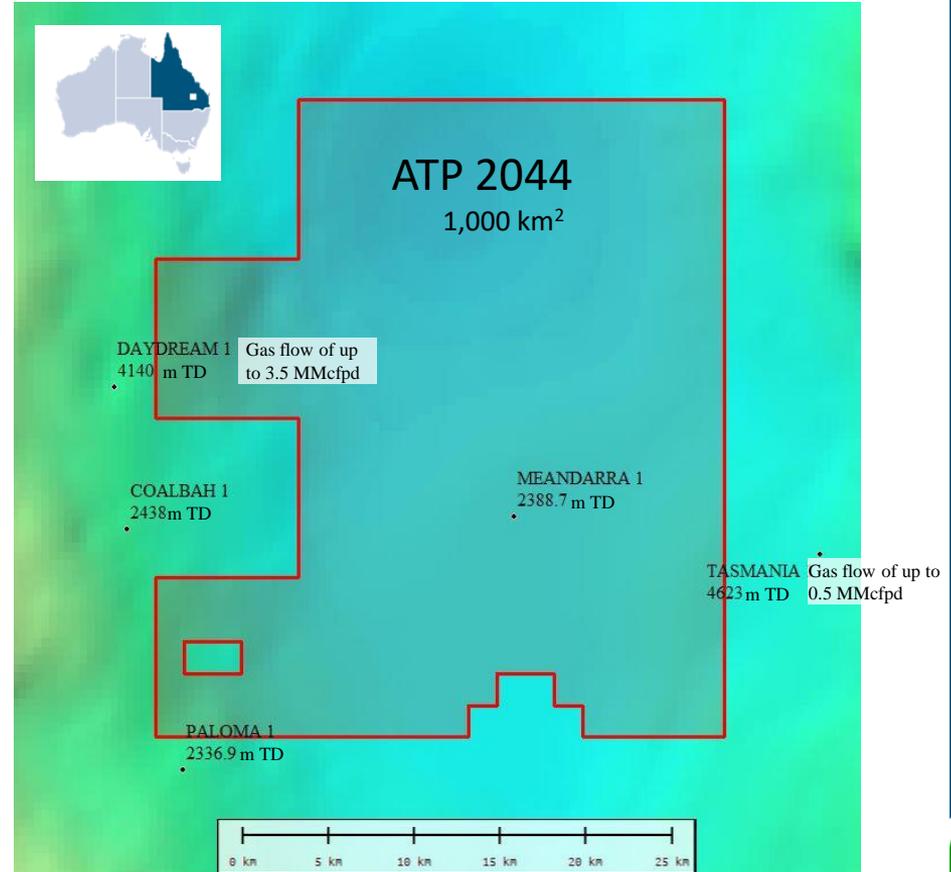
*..Because they are easier to come in, easier to get out of the market..."*

- Gas from this project can reach world markets quickly via Gladstone
- The Taroom Trough contains discovered gas resources following BG Group's (now Shell) work
- The Taroom Trough contains an onshore unconventional play
- Production can be ramped up and down readily by pacing the drilling of wells

The Surat Basin in the region overlying the Permian Taroom is an emerging hub for CCS activities – e.g. current Glencore project and new areas under gazettal – some of these overlap with ATP 2044

# Existing Gas Flows

- Previous drilling by BG Group (now Shell) at Daydream-1 proved BCG play concept, ~3 km west of permit
- Well flowed an instantaneous rate of 3.5 MMcfpd from an interval covering 1/10th of the gross prospective reservoir section
- Elixir's in-house reservoir modelling suggests flow rates can be significantly improved by:
  1. Accessing fractured coals as well as sandstones
  2. Using state of art stimulation techniques
  3. Focus on full Permian section (Kianga and Back Creek Formations)



# Material Prospective Resources

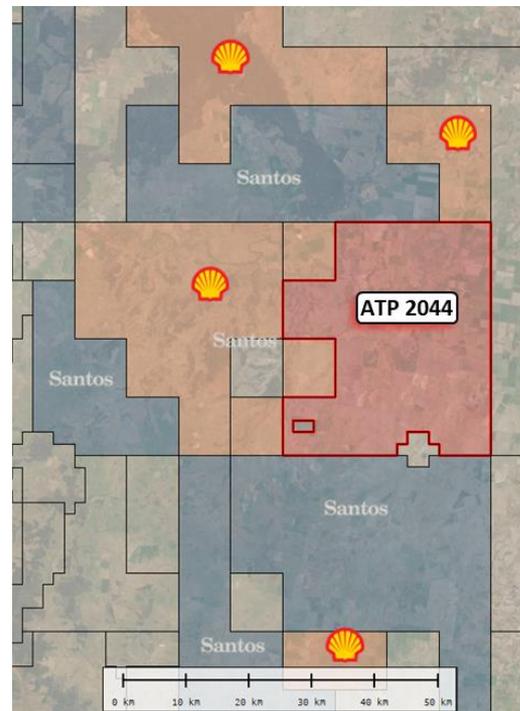
<b>TOTAL UNRISKED PROSPECTIVE RESOURCES<sup>1</sup></b>					
<b>ATP 2044 GROSS (100%)</b>					
<i>Log Normal Distribution</i>	Low 1U <sup>2</sup>	Best 2U <sup>3</sup>	Mean <sup>4</sup>	High 3U <sup>5</sup>	
<b>TOTAL RECOVERABLE GAS</b>	<b>940</b>	<b>2488</b>	<b>3,265</b>	<b>6811</b>	<b>Bcf</b>
<b>TOTAL ASSOCIATED CONDENSATE</b>	<b>9</b>	<b>50</b>	<b>75</b>	<b>272</b>	<b>MMbbl</b>

## Notes to Table:

1. *Prospective Resources are those estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further explorations appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.*
2. *At least a 90% probability that the quantities actually recovered will equal or exceed the estimate.*
3. *At least a 50% probability that the quantities actually recovered will equal or exceed the estimate.*
4. *The arithmetic average of the probability distribution.*
5. *At least a 10% probability that the quantities actually recovered will equal or exceed the estimate.*
6. *Prospective Resources have been assessed on the basis that they are unconventional in nature.*
7. *Bcf means billion standard cubic feet of gas.*
8. *MMbbl means million barrels of oil or condensate.*
9. *The resource calculations are probabilistic but each reservoir was added arithmetically*
10. *See appendix for further information.*

# In Summary

- ✓ Large scale gas asset with access to local and international gas markets
- ✓ Considerable in-house expertise of play and region
- ✓ Perfect timing to mature another gas play given the current global energy market dynamics
- ✓ International and Australian majors actively working the play
- ✓ 100% owned and controlled



*An address dominated by much larger IOCs*

***“If the play works then we believe there is multi-TCF potential”***

Kevin Gallagher (Santos CEO) Australian Financial Review  
15 November 2018

5.

Conclusion

# Corporate Highlights



First mover CSG company in Mongolia – now a growing industry attracting wider interest



Expanding program again in 2022 – growing and de-risking resources through a ~24 well program



Very strong balance sheet and 100% asset ownership provides maximum strategic optionality



Exceptional in country relationships, a strong local team, supported by Australian leading technical expertise



Ukraine war highlights need for energy security and key role for gas in the medium term – in Mongolia and globally



Elixir considers its **Gobi H2** Project is emerging as a potential world class green hydrogen export project

# Important Notice & Disclaimer

This document has been prepared by Elixir Energy Limited (ABN 51 108 230 995) (“Elixir”) in connection with providing an overview of its business to interested analysts/investors.

This presentation is being provided for the sole purpose of providing preliminary background financial and other information to enable recipients to review the business activities of Elixir. This presentation is thus by its nature limited in scope and is not intended to provide all available information regarding Elixir. This presentation is not intended as an offer, invitation, solicitation, or recommendation with respect to the purchase or sale of any securities. This presentation should not be relied upon as a representation of any matter that a potential investor should consider in evaluating Elixir.

Elixir and its affiliates, subsidiaries, directors, agents, officers, advisers or employees do not make any representation or warranty, express or implied, as to or endorsement of, the accuracy or completeness of any information, statements, representations or forecasts contained in this presentation, and they do not accept any liability or responsibility for any statement made in, or omitted from, this presentation. No responsibility or liability is accepted and any and all responsibility and liability is expressly disclaimed by Elixir and its affiliates, subsidiaries, directors, agents, officers, advisers and employees for any errors, misstatements, misrepresentations in or omissions from this presentation. Elixir accepts no obligation to correct or update anything in this presentation.

Any statements, estimates, forecasts or projections with respect to the future performance of Elixir and/or its subsidiaries contained in this presentation are based on subjective assumptions made by Elixir's management and about circumstances and events that have not yet taken place. Such statements, estimates, forecasts and projections involve significant elements of subjective judgement and analysis which, whilst reasonably formulated, cannot be guaranteed to occur. Accordingly, no representations are made by Elixir or its affiliates, subsidiaries, directors, officers, agents, advisers or employees as to the accuracy of such information; such statements, estimates, forecasts and projections should not be relied upon as indicative of future value or as a guarantee of value or future results; and there can be no assurance that the projected results will be achieved.

Prospective investors should make their own independent evaluation of an investment in Elixir.

Nothing in this presentation should be construed as financial product advice, whether personal or general, for the purposes of section 766B of the Corporations Act 2001 (Cth). This presentation consists purely of factual information and does not involve or imply a recommendation or a statement of opinion in respect of whether to buy, sell or hold a financial product. This presentation does not take into account the objectives, financial situation or needs of any person, and independent personal advice should be obtained.

This presentation and its contents may not be reproduced without the express written permission of Elixir. All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.

# Appendix

---

## **Methodology:**

The estimate of Prospective Resource was compiled by Elixir's Chief Geoscientist, Mr Greg Channon, who has completed a detailed and formal report on the prospective resources in ATP 2044. The work was undertaken in accordance with the Society of Petroleum Engineers internationally recognised Petroleum Resources Management System 2018 (PRMS). Mr Channon's methodology was to compile and review all available data and make interpretations of (amongst other things) the wireline logs, seismic data and historical well records relevant to the permit area. An estimate of the gross and net rock volume was determined, and from that, a probabilistic distribution of the prospective resource was compiled. A site visit to the area was conducted.

## **Competent Person:**

Elixir's Competent Person is Mr Greg Channon. Mr Channon is a qualified geoscientist with over 35 years of oil and gas industry experience and is a member of the American Association of Petroleum Geologists and the South East Asian Exploration Society and is a graduate of the Australian Institute of Company Directors. He is qualified as a competent person in accordance with ASX listing rule 5.41. Mr Channon consents to the inclusion of the information in this report in the form and context in which it appears.

## **Reporting Standards:**

Reserves and resources are reported in accordance with the definitions of reserves, contingent resources and prospective resources and guidelines set out in the Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the American Association of Petroleum Geologists (AAPG), World Petroleum Council (WPC), Society of Petroleum Evaluation Engineers (SPEE), Society of Exploration Geophysicists (SEG), Society of Petrophysicists and Well Log Analysts (SPWLA) and European Association of Geoscientists and Engineers (EAGE), revised June 2018.

## INVESTORS & MEDIA

### **Neil Young**

Managing Director

[info@elixirenergy.com.au](mailto:info@elixirenergy.com.au)

Phone +61 8 7079 5610

[www.elixirenergy.com.au](http://www.elixirenergy.com.au)



[www.elixirenergy.com.au](http://www.elixirenergy.com.au)