



Elixir Energy

ASX ANNOUNCEMENT

ASX : EXR

28 February 2022

2022 DRILLING PROGRAM COMMENCES

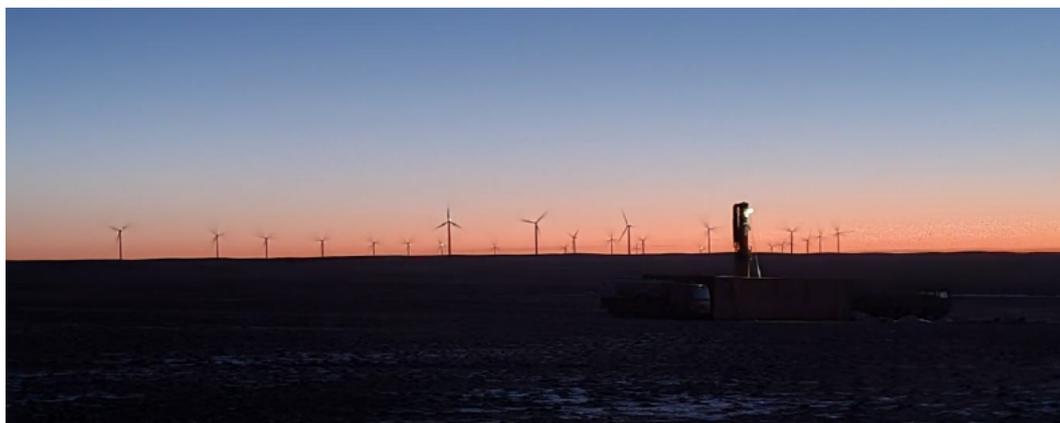
HIGHLIGHTS

- 2022 drilling Program commences with Tim-1S well
- 24 well program planned utilising three drilling companies
- Mongolia's first extended pilot production program on track for mid-year

Elixir Energy Limited ("Elixir" or the "Company") is pleased to provide an update on the coal bed methane (CBM) exploration/appraisal program underway across its 100% owned Nomgon IX Coal CBM Production Sharing Contract (PSC).

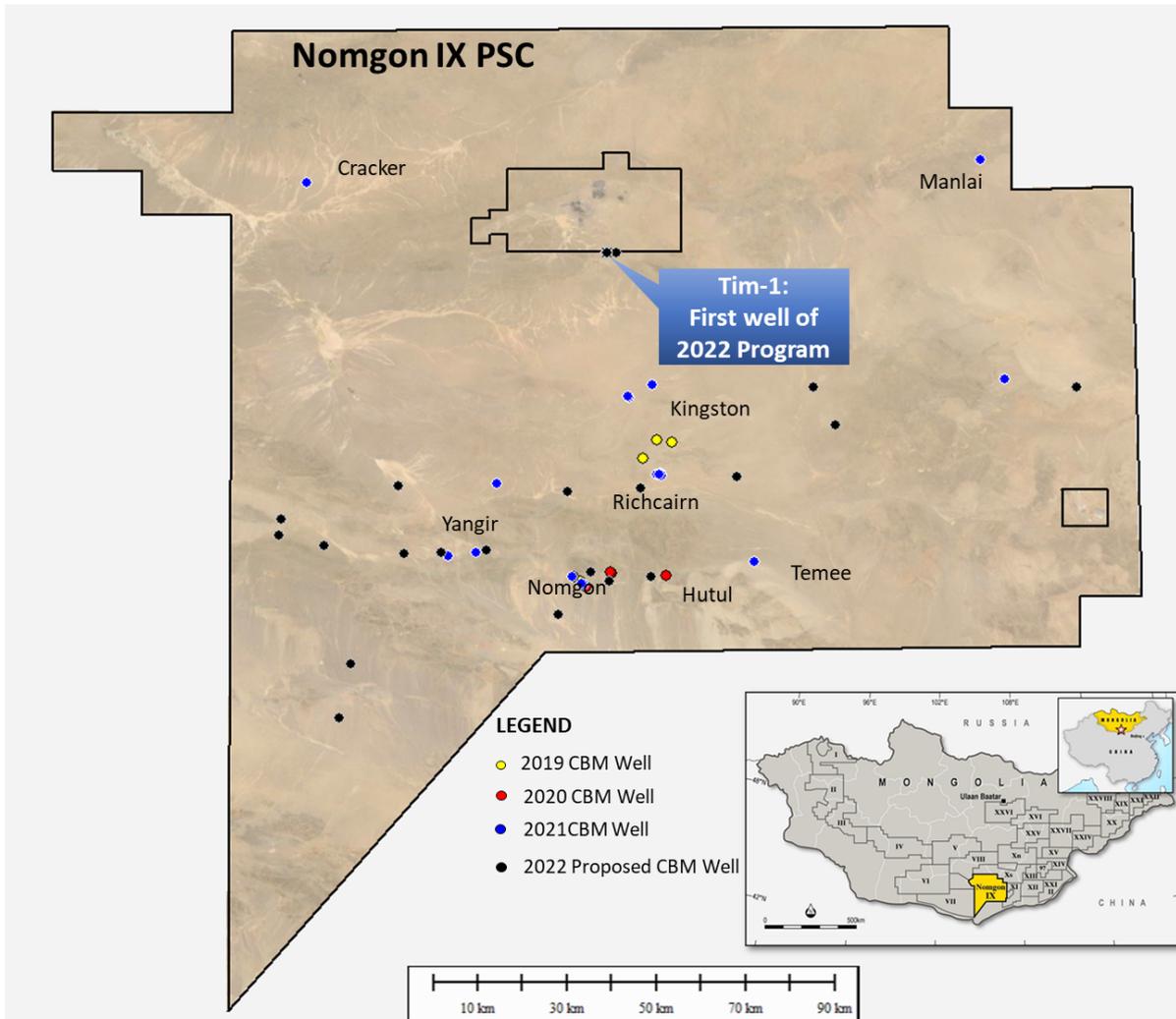
Elixir has commenced its 2022 drilling campaign with the spudding of the Tim-1S exploration well over the weekend. This well is situated south of the Tavan Tolgoi Coal Mining area, in a location where a potential coal bearing depocentre has been mapped by the Company. The well is targeting Jurassic and Permian coals and has a planned total depth (TD) of around 700 metres.

Tim-1S will be the first well in what is planned to be a 24 well program for the year, for which Elixir will engage three drilling companies. The usual mandatory annual regulatory processes have been processed in the middle of the winter period and are close to completion.



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A key focus for 2022 is a 2 well extended pilot production program scheduled to commence drilling in the middle of the year – with an up to 6 month fluid pumping program thereafter. Preparations for this are on track and various long lead items are making their way to Mongolia. A successful pilot will affirm commercial gas flows and facilitate the Company's planned gas fired generation project in the Nomgon area.



Elixir's Managing Director, Mr Neil Young, said: "This year, we are conducting the largest program we have ever undertaken in Mongolia and we look forward to continued success on both the exploration and pilot fronts. Notwithstanding international events in Eastern Europe, we pleased to see that its business as usual in Mongolia."

By authority of the Board:
Neil Young - Managing Director
Elixir Energy Ltd (ABN 51 108 230 995)
Level 3, 60 Hindmarsh Square
Adelaide SA 5000, Australia

For further information on Elixir Energy, please call us on +61 (8) 7079 5610, visit the Company's website at www.elixirenergy.com.au