



Elixir Energy

ASX ANNOUNCEMENT

ASX : EXR

17 July 2023

NOMGON CBM OPERATIONS UPDATE

HIGHLIGHTS

- Big Slope-7 appraisal well intersects gassy coal and is currently undergoing injectivity testing
- Bluebill-1S exploration well intersects coal
- Pilot production project continues with planning for another well on foot

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to provide an operations update on the work currently underway in its 100% owned Nomgon IX Coal Bed Methane (CBM) Production Sharing Contract (PSC) in the South Gobi Basin, Mongolia.

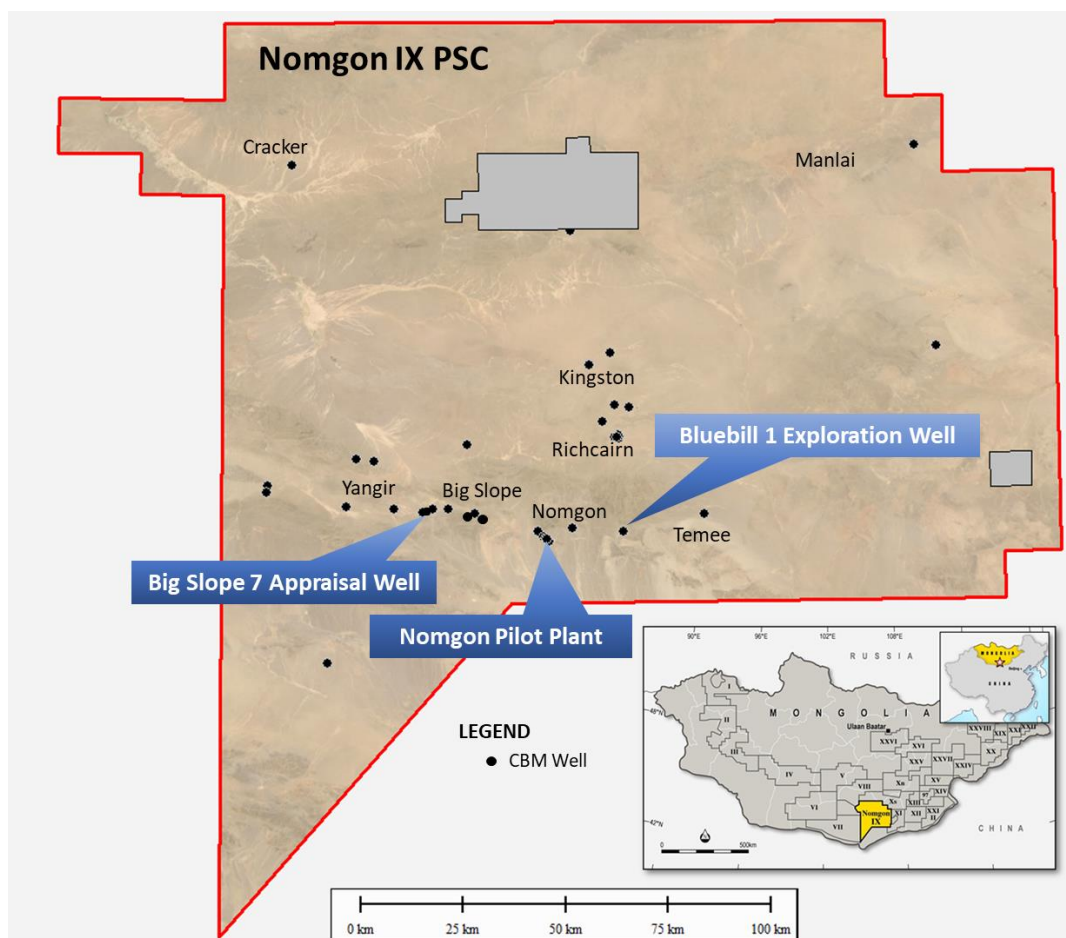
The Big Slope-7 appraisal well spudded just over a week ago and has already intersected gaseous coal. The well is now undergoing Injectivity Fall Off Testing (IFOT) to measure permeability in this upper coal section. Big Slope 7 is situated west of the Big Slope-4 well drilled in 2022 and has a planned total depth (TD) of 800 metres. Big Slope-4 intersected > 50 metres of coal. The well is being drilled by Mongolian drilling contractor Erdene Drilling LLC (ED) and is the first of a number of wells ED is contracted to Elixir for drill in the region.

Exploration drilling progresses at Bluebill-1. The well has intersected gaseous coal, with drilling ongoing.

Operations at the Nomgon extended pilot test continue, with water production ongoing at sustained rates. Planning for a new well in the pilot is advancing, with contract negotiations with drilling contractors and various regulatory processes well underway.

Last month Elixir engaged the services of the THREE60 Energy Group to assist with the production management of the Pilot and to boost the Company’s drilling support. See more on THREE60 below.

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Location map of Elixir Activity in Mongolia

Elixir's Managing Director, Mr Neil Young, said: *"It is a pleasure this year to be working with Erdene Drilling again – they were pioneer drilling contractors with us from 2019 to 2021 – but took a break from CBM work for a year after that. We look forward to the results of the appraisal drilling program over the coming months. Drilling results from both wells underway are encouraging – if successful could open up significant new areas to the East and West of Nomgon."*

By authority of the Board:

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THREE60 Energy Group is a leading global energy services provider, delivering comprehensive solutions across the entire energy lifecycle. Leveraging a unique blend of expertise in subsurface, drilling & completions, facilities engineering, construction & commissioning, and operations, THREE60 Energy empowers its clients to optimize their assets and improve sustainability. The company's commitment to innovation, collaboration, and excellence has positioned THREE60 Energy as a trusted partner in the energy sector worldwide.