



Elixir Energy

ASX ANNOUNCEMENT

ASX : EXR

3 October 2023

R&D CLAIM AND FUNDING ARRANGEMENT

HIGHLIGHTS

- R&D rebate of \$0.4M for FY23 due to be received soon
- Term Sheet agreed with Radium Capital for FY24 R&D debt facility
- Non-dilutive financing through a plain vanilla debt structure

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to provide an update on its R&D claim and an associated funding arrangement with respect to its 100% owned Grandis Gas Project in Queensland.

As announced to the ASX on 17 May 2023, Elixir received an Advanced Finding from the Australian Government’s Department of Industry, Science and Resources that activities associated with the Daydream-2 project will qualify as eligible R&D Activities for the purpose of the R&D Tax Incentive.

Elixir has recently lodged the relevant group company’s tax return for the financial year ended 30 June 2023, claiming the R&D Tax incentive for expenditure incurred on the project in that year. The rebate claimed is \$0.4M (48.5% of the qualifying expenditure) and is due to be received shortly.

The bulk of the qualifying R&D activities for Daydream-2 will be incurred in the current financial year ending 30 June 2024. To efficiently manage the cash-flows associated with the rebate for that year, Elixir has recently agreed a Term Sheet with Radium Capital that provides a framework for a debt facility secured against this claim.

Radium Capital is a leading R&D finance provider, offering strategic capital by early access to R&D refunds, secured against the associated tax rebate, reducing the need for dilutive equity.



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The debt structure is a plain vanilla one:

- Debt facility of up to 80% of the rebate due.
- Interest rate of 16%.
- Secured against R&D rebate due.
- No other fees, conversion rights, options, tags, warrant coverage, etc.

Elixir's Managing Director, Mr Neil Young, said: *"The R&D rebate for Daydream-2 of around half of the total costs of the well is a very attractive form of non-dilutive funding for Elixir. We are pleased to work with Radium Capital to provide us with a very simple and effective debt facility to optimally manage our cash-flows in 2024."*

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