Elixir Energy

ASX ANNOUNCEMENT

ASX : **EXR**

27 May 2024

CONTINGENT RESOURCES INCREASED BY 328%

HIGHLIGHTS

- Daydream-2 drilling results have led to a significant upgrade in contingent resources
- Independent expert certifies 2C increase of 328% to 1,297 billion cubic feet
- Final results post stimulation and flow testing in the coming months will feed into another independent certification

Elixir Energy Limited ("Elixir" or the "Company") is pleased to announce a material increase in the contingent resources booking for its 100% owned ATP 2044 in Queensland (Project Grandis).

The updated estimate of contingent resources in ATP 2044 is as set out in the table below. The subclass of Contingent Resources (as defined under the PRMS – illustrated in Appendix 1) is *"Development Unclarified".*

These estimates have been independently certified by international firm ERC Equipoise ("ERCE").

ERCE Contingent Resource Certification

	1C		2C		3C	
	Gas BCF	Condensate MMbbls	Gas BCF	Condensate MMbbls	Gas BCF	Condensate MMbbls
November 2022	93	0.7	395	3.6	1,493	17.3
May 2024	**405**	**3.0**	**1,297**	**10.8**	**4,290**	**36.1**
% Increase	435%	429%	328%	300%	287%	209%

Notes:

These are unrisked contingent resources that have not been risked for the chance of development and there is no certainty that it will be economically viable to produce any portion of the contingent resources.

These contingent resources are classified as "Development Unclarified".

Detailed notes on the background to the preparation of the contingent resources report are set out in Appendix 1.

These contingent resources estimates are for the sandstones only in the gas bearing Permian section, and do not include the prospective coal resources, which will be the subject of stimulation and production testing in the coming months.

This upgrade in contingent resources is largely due to:

1. The lowering of the Lowest Known Gas (LKG) from Daydream-1 to Daydream-2 as a result of the successful Lorelle sandstone testing; and
2. The overall improved sandstone reservoir development and resulting increasing net to gross from Daydream-1 to Daydream-2.

Elixir's technical team and ERCE analyzed drilling, logging and test data to make these estimates. Specific analysis including seismic interpretation, core analysis, wireline petrophysics, chromatographic gas analysis, DFITs, production test analysis and gas sampling have all been incorporated in the resources estimates. The key contingency for Project Grandis is the flowrate. Whilst the Company has achieved a flowrate of 1.3 million cubic feet per day from the lower-most Lorelle Sandstone, the upper zones have not yet been tested.

The Daydream-2 appraisal program is expected to resume in the next month or so. Further updates on more specific time-frames are expected to follow shortly, as current negotiations with various sub-contractors are finalized.

Elixir's Managing Director, Mr Neil Young, said: *"We are naturally delighted with the ongoing material build-up of the very significant contingent resources in our exceptionally well located Project Grandis project. As our appraisal program resumes in the next month or so, the success case should deliver yet more substantial increases."*

By authority of the Board:

Neil Young - *Managing Director*
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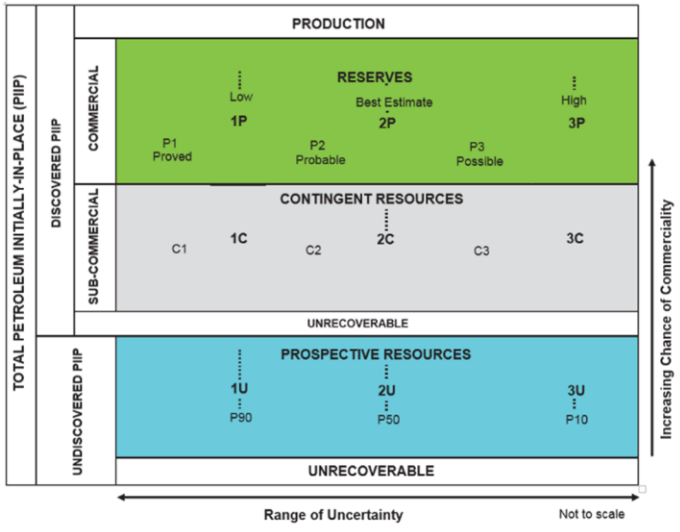
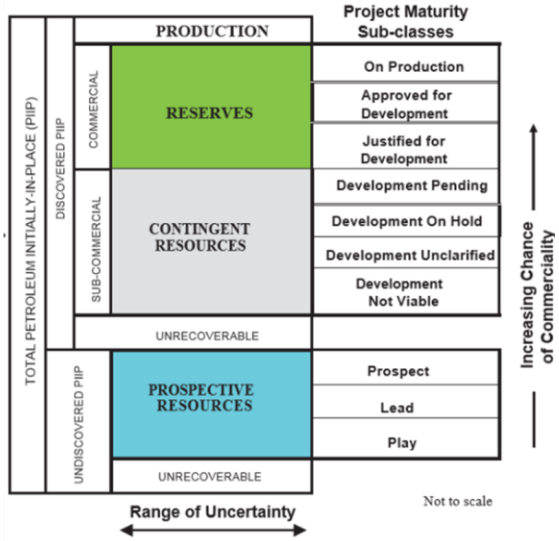
APPENDIX 1

1. *The evaluation date of the ERCE Contingent Resources is 24 May 2024.*
2. *Elixir's working interest share of ATP 2044 is 100%.*
3. *The Contingent Resources are considered to be in the "development unclarified" category as defined by the 2018 PRMS SPE-PRMS standards.*



Resources Classification Framework



Sub-classes based on project maturity

4. *Per Listing Rule 5.33.5, the land area and the number of wells for which the estimates of contingent resources are provided are 1,000 km^2 and ~300 respectively (for the 2C case).*
5. *BCF means Billions of Standard Cubic Feet.*
6. *MMbbls means Millions of Stock Tank Barrels.*
7. *The totals are based on probabilistic aggregation of reservoir estimates.*
8. *Contingent resource assessments in this release were estimated using probabilistic methods in accordance with 2018 PRMS SPE-PRMS standards.*
9. *The data used to compile the independent contingent resources report includes detailed geological interpretation of seismic, well, core and test data within the region. ERCE has used standard petroleum evaluation techniques in the preparation of this report. These techniques combine geophysical and geological knowledge with assessments of porosity and permeability distributions, fluid characteristics and reservoir pressure. There is uncertainty in the measurement and interpretation of basic data. ERCE has estimated the degree of this uncertainty and determined the range of petroleum initially in place and recoverable hydrocarbons. The accuracy of estimates of volumes of gas is a function of the quality and quantity of available data and of interpretation and judgment. While the estimates of contingent resources presented herein are considered reasonable, these estimates should be accepted with the understanding that reservoir performance subsequent to the date of the estimate may justify revision, either upward or downward. There is no certainty that it will be economically viable to produce any portion of the contingent resources.*

10. *This document contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they and or their timing may be affected by many variables which could cause actual results or trends to differ materially. The technical information provided has been reviewed by Mr Gregory Channon, Chief Geoscientist of Elixir Energy Limited. Mr Channon is a qualified geologist with over 35 years technical, commercial and management experience in exploration for, appraisal and development of, oil and gas. He is qualified as a competent person in accordance with ASX listing rule 5.41. Mr Channon is a member of the American Association of Petroleum Geologists and consents to the inclusion of the information in the form and context in which it appears.*