

1 August 2024

DAYDREAM-2 UPDATE**HIGHLIGHTS**


- On site operations at Daydream-2 have recommenced
- High pressure noted at wellhead

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to provide an update on the Daydream-2 program in its 100%-owned Grandis Project in Queensland’s Taroom Trough.

The on-site operations for the Daydream-2 stimulation and testing program have now recommenced with Elixir’s contracting staff returning to the well-site to prepare for the arrival of the coil tubing unit (CTU). This unit was recently imported from New Zealand to undertake work for the Company and its neighbouring Operator.



The CTU operated by Condor Energy (on a previous well location)



As part of these preparations, pressure at the Daydream-2 wellhead was recently measured at 3,410 psi - despite having a full column of saline water in the hole. Although the pressure is safely contained behind two separate barriers and presents no issues with respect to the planned work program, the high pressure was unexpected. The likely cause of this anomalously high wellhead pressure could be:

1. The temporary plug that separates the high pressure Lorelle sandstone from the remainder of the wellbore has been leaking; and/or,
2. Perforations that were placed above the Lorelle sandstone (in what were assessed to be low quality siltstones during the recent removal of a blockage in the well) - may now be contributing high pressure gas..

The upcoming program will now attempt to clarify this issue as Elixir moves to flow test the Lorelle sandstone and stimulate other zones higher in the hole.

Elixir's Managing Director, Mr Neil Young, said: *"The unexpected high pressure at the Daydream-2 wellhead is yet another example of the great potential of the Taroom Trough to contribute gas from an enormously thick gross section containing multiple sedimentary forms. The next month or so will be an exciting time for Elixir as we continue to learn more and more from what has been an incredibly valuable appraisal well to date."*

By authority of the Board:

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