

23 August 2024

TAROOM TROUGH DEEP COALS FLOWED FOR FIRST TIME

HIGHLIGHTS

- Gas flowed to surface from top-most stimulated coal zone in Daydream-2
- This is the first flow from the deep coals in the Taroom Trough
- Elixir to work with its reserves certifiers for an initial contingent resource booking

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

The Daydream-2 well has now flowed gas to surface from the upper most stimulated zone in the well – a package of coal seams between 3,786 metres and 3,678 metres deep. The flow was unassisted and through a full well-bore of water.



Flare from coals in stimulation zone 6

This is the first flow of gas from the deep coals in the Taroom Trough and achieving this was one of the key objectives of Daydream-2. This is the deepest coal to have flowed gas to surface in Australia.

Achieving a flow from the coals is the key outcome that Elixir sought from this stage of the program, which has now moved onto its next phase.

In its ASX announcement dated 21 February 2024, Elixir set out its internal estimate of the prospective resources contained in the Permian coals in ATP 2044. The 2U (mid case) prospective resource was 3,603 billion cubic feet.

Flowing gas to surface is a key trigger to commence converting prospective resources into contingent resources. Elixir will now work with its independent resource certifiers to obtain an initial contingent resource certification from the deep coals.

The process of conversion of all of the prospective resources will require more data from new wells which achieve a similar coal flow outcome in the broader Taroom Trough.

The next phase of the Daydream-2 program involves milling out all the plugs that separate the six separate stimulated zones in the Permian section of the well. A flow test will then be conducted from all the zones together.

The timing of any announcements to the market on this flow test will depend on factors such as the period of the flow-back of stimulation fluid, multi-fluid slugging behaviours, etc, and will likely take some weeks.



Recent stimulation operations at Daydream-2



Elixir's Managing Director, Mr Neil Young, said: *"This is a fantastic outcome for Elixir and the overall Taroom Trough. It has long been recognized that the deep coals here contain many trillions of cubic feet of gas in place¹ – and now we have demonstrated that some part of that can be flowed to surface. We consider this is just the start of an incredible journey of bringing on the very large new sources of gas that Australia vitally needs."*

By authority of the Board:

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¹ <https://www.publish.csiro.au/AJ/AJ22033>