



21 March 2018

MONGOLIA CBM ACQUISITION UPDATE

Elixir Petroleum Limited (“Elixir” or the “Company”) (**ASX:EXR**) advises that the Company will hold a Shareholder Meeting on 19 April 2018 at 1202 Hay Street, West Perth, as per the attached Notice of Meeting despatched to shareholders today.

At the Company’s 2017 Annual General Meeting held on 30 November 2017 (“2017 AGM”), the Company sought and received Shareholder approval for a number of resolutions with respect to the proposed acquisition of Golden Horde Limited (“GOH”), including the issue of the 79 million consideration shares to GOH shareholders and the issue of 17.5 million Performance Rights to Mr Neil Young.

The issue of the shares to GOH shareholders and the issue of Performance Rights to Mr Young remain subject to GOH being awarded the Nomgon IX coal bed methane (“CBM”) Production Sharing Contract (“PSC”) in Mongolia. As of today, GOH has not yet been awarded the PSC and therefore the Company has been unable to complete the acquisition of GOH and issue the shares to GOH shareholders or the Performance Rights to Mr Young within three months of the date of the 2017 AGM.

With the approval process to establish the PSC now nearing the final stages required under Mongolian Petroleum Law, the Company is seeking re-approval of these two resolutions at this meeting. Elixir and GOH management were recently in Ulaanbaatar, where they were advised at a Government meeting that a formal resolution to award the PSC is expected to be put to Cabinet for its approval in late March or early April of 2018.

Elixir Managing Director, Mr Dougal Ferguson commented:

“With the expectation of the resolution to award the PSC being put to the Mongolian Cabinet in the next few weeks, it is timely for the Company to seek re-approval of these two resolutions to allow the Company to complete the acquisition of GOH as quickly as possible to allow the on-ground exploration activities to commence, the planning of which is already well advanced.”

For further enquiries, please contact:

Dougal Ferguson
Managing Director
+61 (8) 9226 2111

For further information on Elixir Petroleum, please visit the Company’s website at www.elixirpetroleum.com

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at 1202 Hay Street, West Perth WA 6005 on Thursday 19 April 2018 at 10.00am (WST)

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9226 2111.

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Elixir Petroleum Limited (**Company**) will be held at 1202 Hay Street, West Perth WA 6005 on Thursday 19 April 2018 at 10.00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday 17 April 2018 at 5.00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 6.

AGENDA

1. Resolution 1 – Approval to issue Consideration Shares

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 79,000,000 Shares (**Consideration Shares**) to the GOH Shareholders (or their nominees) in consideration for the Acquisition on the terms and conditions set out in the Explanatory Memorandum”.*

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the GOH Shareholders and their nominees and a person who will obtain a material benefit, as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.”

2. Resolution 2 – Approval of grant of Performance Rights to Mr Neil Young

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*"That, subject to Resolution 1 being passed, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant up to 17,500,000 Performance Rights (comprising 10,000,000 Class B Performance Rights and 7,500,000 Class C Performance Rights) (**Young Performance Rights**) to Mr Neil Young (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Neil Young and his nominees, and a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 20 March 2018

BY ORDER OF THE BOARD

Dougal Ferguson
Managing Director

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 1202 Hay Street, West Perth on Thursday 19 April 2018 at 10.00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Overview of GOH Acquisition

3.1 GOH Acquisition

As announced on 17 October 2017, the Company has entered into a binding term sheet (**Term Sheet**) for an exclusive option to acquire 100% of the issued capital of Golden Horde Limited (**GOH Option**). Refer to Section 3.2 for further details in relation to GOH and the production sharing contract (**PSC**) that it is seeking to be awarded by the Mongolian Government.

At the Company's 2017 Annual General Meeting held on 30 November 2017 (**2017 AGM**), the Company sought and received Shareholder approval for a number of resolutions with respect to the proposed Acquisition, including the issue of the Consideration Shares and Young Performance Rights. The issue of the Consideration Shares and Young Performance is subject to GOH being awarded the PSC (one of the conditions precedent of the Acquisition). As at the date of this Notice, GOH has not yet been awarded the PSC and so the Company has been unable to complete the Acquisition and issue the Consideration Shares and Young Performance Rights within three months of the date of the 2017 AGM. Accordingly the Company is seeking re-approval of the issue of the Consideration Shares and the Young Performance Rights at this Meeting.

As previously disclosed, the principal terms of the Term Sheet are as follows:

- (a) The Company has paid GOH a \$25,000 fee for the GOH Option (**Option Fee**).
- (b) The GOH Option may be exercised at any time until 30 September 2018, provided that if the Company does not exercise the GOH Option within 2 months of GOH advising the Company that it has been formally awarded the PSC then GOH may terminate the GOH Option.
- (c) The Company will complete detailed due diligence of GOH during the option period (now substantially completed).
- (d) The consideration for the Acquisition is 79,000,000 Shares which, subject to Shareholder approval, will be issued pro rata to the GOH Shareholders on a one for one basis.
- (e) The majority shareholders, representing greater than 65% of the shares in GOH, (**Substantial Shareholders**) are parties to the Terms Sheet and have committed to the sale of their GOH shares to the Company, subject to the conditions precedents below being met.
- (f) Pursuant to the GOH Shareholder Agreement, GOH shareholders had the right to procure a superior offer for GOH in the 20 business days after the offer was made by the Company. No superior was forthcoming in the 20 business days since the offer was made. The GOH Shareholder Agreement contains drag along rights that allow the Substantial Shareholders to require the minority shareholders of GOH to accept the Company's offer for their GOH shares.
- (g) GOH and the Substantial Shareholders will procure all GOH shareholders enter into a share sale agreement for the Acquisition as soon as reasonably practicable.
- (h) Completion of the Acquisition is subject to, and conditional upon, a number of conditions, including the following conditions which remain outstanding at the date of this Notice:
 - (i) GOH being awarded the PSC.
 - (ii) The Company exercising the GOH Option.
 - (iii) The Company remaining listed and trading on ASX.
 - (iv) Immediately prior to completion, the Company having at least \$2.5 million in cash and not more than 250 million shares on issue.
 - (v) Each of the GOH Shareholders signing the share sale agreement for the Acquisition.
- (i) A break fee of US\$50,000, is payable to GOH if the Company elects to terminate the Term Sheet within the exclusive option period unless the termination is made as a result of;

- (i) a material adverse change event, including but not limited to material changes to the terms of the PSC, the Company determining after further due diligence there to be defect in title for the PSC or significant political upheaval or social unrest in Mongolia; or
 - (ii) failure by GOH or Mr Neil Young to effect the drag along rights under the GOH shareholders agreements and each of the GOH Shareholders signing the share sale agreement for the Acquisition. In which event, GOH will refund the Option Fee (plus interest) to the Company.
- (j) Mr Neil Young will be appointed an Executive Director and Chief Executive Officer of the Company with effect from completion of the Acquisition. Mr Young will receive a salary of \$250,000 per annum including statutory superannuation and his employment may be terminated by either party giving three months' notice.
- (k) Approximately 75% of the GOH shareholders have signed voluntary escrow agreements such that when the Consideration Shares are issued, they will be subject to a 12 or 24 month voluntary escrow period. If the GOH shareholder is a promoter or related party, they will be subject to a 24 month voluntary escrow. If the GOH shareholder has received shares for services, they will be subject to a 12 month voluntary escrow. Other GOH shareholders who have paid cash for their GOH shares, will not be subject to any escrow.

Mr Neil Young, who is the Managing Director of GOH will be subject to a 24 month voluntary escrow and will be the beneficial owner of 19,873,036 Consideration Shares if the Acquisition completes.

3.2 GOH Overview

GOH was established in 2011 with the sole purpose of acquiring coal bed methane (**CBM**) rights (also known as Coal Seam Gas or CSG) in Mongolia in an area directly adjacent to the existing gas markets of Northern China. GOH has raised approximately \$1.25 million since its inception and undertook a detailed prospecting study of the PSC area prior to commencing negotiations with the Mineral Resources and Petroleum Authority of Mongolia (**MRPAM**) on the commercial terms for a PSC. The MRPAM is a division of the Ministry of Mining and Heavy Industries, which in turn requires approval from the Cabinet of Mongolia (**Cabinet**) before any formal award of a PSC can be made.

GOH and Elixir have been receiving regular guidance on the expected timing of the award of the PSC from both MRPAM and GOH's in country advisors and understand that the approval process is nearing the final stage under Mongolian Petroleum Law, which is formal Cabinet approval to establish the PSC. Elixir and GOH management were recently in Ulaanbaatar, where they were advised at a Government meeting that a formal resolution to award the PSC is expected to be put to Cabinet for its approval in late March or early April of 2018. However there is no guarantee of when or if the PSC will be awarded in the expected timeframe.

The PSC, (named Project Khiimori) is located in what is considered to be one of the most prospective basins in Mongolia (and possibly globally) for CBM (see map below). The PSC surrounds one of the world's largest producing thermal coal deposits, Tavan Tolgoi, which has an estimated resource of over 6 billion tonnes¹ and produced over 14 million tonnes of coal in 2016². Data from wells within the Tavan Tolgoi mine indicate gas contents of up to 15m³/tonne (480 cf/ton) at depths of 467 metres below surface³ which is considered high by

¹ Coal Bed Methane Potential of the Nomgon 9 Area, South Gobi Basin, Mongolia - Nordic Geological Solutions (2016)

² Correspondence with the Ministry of Mining and Heavy Industries (Mongolia).

³ Erdenes Methane LLC.

world CBM standards and is a good indication that surrounding areas are likely to contain similar gas content levels.



The Nomgon IX CBM PSC (Project Khiimori) will be the first unconventional PSC issued pursuant to the country's updated Petroleum Law, which was passed by Cabinet in 2014. Project Khiimori, which covers an area of over 7 million acres, lies adjacent to the Chinese border and is ideally placed for future gas sales into the extensive Northern China gas transmission and distribution network. In addition to Chinese gas demand, Mongolia currently has no gas production and there is a strong political desire to replace high emission coal power and heat generation with low emission clean-burning gas fired generation. With the potential to find and develop multiple Tcfs of gas from CBM, both the Mongolian and Chinese markets could be supplied with Mongolian CBM.

Elixir has now completed its technical due diligence and has commenced detailed planning activities and studies to complement the work being done by GOH with respect to the planned work programme, including defining the prospective resource that can be assigned to the PSC area. Upon award of the PSC, Elixir intends to exercise the option and commence on ground activities as soon as feasibly possible. The current exploration plan includes the acquisition of around 200km of 2D seismic over potentially prospective areas which will provide "ground breaking" new data and assist in potentially defining additional focus areas for future drilling.

In addition to the 2D seismic acquisition, the 2018 exploration plan includes the drilling of up to two wells, where key data will be obtained to confirm gas contents and understand permeability, one of the last remaining key technical elements of the play that needs confirmation. Drilling costs for the wells are expected to be around US\$500,000 each.

4. Resolution 1 – Approval to issue Consideration Shares

4.1 General

Resolution 1 seeks Shareholder approval for the issue of up to 79,000,000 Shares to the GOH Shareholders (or their nominees) as consideration for the GOH Acquisition.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity

securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The effect of Shareholders passing Resolution 1 will be to allow the Company to issue the Consideration Shares to the GOH Shareholders (or their nominees) during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The Company notes that if Shareholders pass Resolution 1, the approval for the issue of the Consideration Shares will only be valid for three months after the Meeting (or a longer period, if allowed by ASX). If the PSC is not granted with sufficient time for the Acquisition to be completed in this timeframe, then the Company will need to seek another approval for the issue of the Consideration Shares pursuant to Listing Rule 7.1.

Resolution 1 is an ordinary resolution.

4.2 Specific Information required by Listing Rule 7.1

For the purposes of Listing Rule 7.3, information regarding the proposed issue of the Consideration Shares is provided as follows:

- (a) The maximum number of Shares to be issued is 79,000,000.
- (b) The Consideration Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Consideration Shares will be issued on the same date. If the PSC is not granted with sufficient time for the Acquisition to be completed in this timeframe, then the Company will need to seek another approval for the issue of the Consideration Shares pursuant to Listing Rule 7.1.
- (c) The Consideration Shares will be issued for nil cash consideration as consideration for the Acquisition. Accordingly, no funds will be raised from the issue of the Consideration Shares.
- (d) The Consideration Shares will be issued to the GOH Shareholders (or their nominees) none of whom are related parties of the Company, other than Mr Neil Young who is a related party of the Company by virtue of being a proposed Director of the Company (to be appointed with effect from completion of the Acquisition).
- (e) The Consideration Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (f) A voting exclusion statement is included in the Notice.

5. Resolution 2 – Approval of grant of Performance Rights to Mr Neil Young

5.1 General

It is proposed that, Mr Neil Young be appointed as an Executive Director and Chief Executive Officer of the Company with effect from completion of the Acquisition. Mr Young is one of the GOH Shareholders. Refer to Section 3.1 for further details.

As outlined above, the Company intends, subject to Shareholder approval, to issue 17,500,000 Performance Rights (comprising 10,000,000 Class B Performance Rights and 7,500,000 Class C

Performance Rights) to Mr Young following his appointment to the Board of the Company on completion of the Acquisition.

A summary of Listing Rule 7.1 is set out in Section 4.1

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Young Performance Rights to Mr Young.

The effect of Shareholders passing Resolution 2 will be to allow the Company to issue the Young Performance Rights to Mr Young (or his nominees) during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The Company notes that if Shareholders pass Resolution 2, the approval for the issue of the Young Performance Rights to Mr Neil Young will only be valid for three months after the Meeting (or a longer period, if allowed by ASX). If the PSC is not granted with sufficient time for the Acquisition to be completed and Mr Young appointed to the Board of the Company in this timeframe, then the Company will need to seek another approval for the issue of the Young Performance Rights pursuant to Listing Rule 7.1.

Resolution 2 is an ordinary resolution and is subject to Resolution 1 being passed.

5.2 Specific Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the proposed issue of the Young Performance Rights is provided as follows:

- (a) The maximum number of Performance Rights to be issued to Mr Neil Young is 17,500,000 Performance Rights comprising:
 - (i) 10,000,000 Class B Performance Rights which are convertible into 10,000,000 Shares on satisfaction of Milestone B; and
 - (ii) 7,500,000 Class C Performance Rights which are convertible into 7,500,000 Shares on satisfaction of Milestone C.
- (b) The Young Performance Rights will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of the Young Performance Rights will occur on completion of the Acquisition. If the PSC is not granted with sufficient time for the Acquisition to be completed and Mr Young appointed to the Board of the Company in this timeframe, then the Company will need to seek another approval for the issue of the Young Performance Rights pursuant to Listing Rule 7.1.
- (c) The Young Performance Rights will be issued for nil cash consideration. Accordingly no funds will be raised from the issue of the Young Performance Rights.
- (d) The terms and conditions of the Performance Rights are set out in Schedule 1.
- (e) A voting exclusion statement is included in the Notice.

6. Definitions

Acquisition means the acquisition by the Company of 100% of the issued capital of GOH.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Company or **Elixir** means Elixir Petroleum Limited ACN 108 230 995.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

GOH means Golden Horde Limited ACN 146 802 002.

GOH Option has the meaning in Section 3.1

GOH Shareholders means the shareholders of GOH.

Group means the Company and its subsidiaries.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Option Fee has the meaning in Section 3.1

Performance Rights means a performance right on the terms and conditions in Schedule 1.

Proxy Form means the proxy form attached to the Notice.

PSC has the meaning in Section 3.1

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Security means a Share or Option.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Term Sheet has the meaning in Section 3.1

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 – Terms and Conditions of Performance Rights

For the purpose of these terms and conditions:

Acquisition means the acquisition by the Company of 100% of the issued capital of GOH.

ASX means ASX Limited ACN 008 624 691 or, as the context permits, the securities exchange operated by that entity.

Change of Control Event means

- (a) the occurrence of:
 - (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
 - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party; and
 - (ii) the Court, by order, approves the proposed scheme of arrangement.

Company means Elixir Petroleum Limited ACN 108 230 995.

Corporations Act means the Corporations Act 2001 (Cth).

GOH means Golden Horde Limited ACN 146 802 002.

Holder means a holder of a Performance Right.

Listing Rules means the Listing Rules of the ASX.

Performance Rights means a Class B Performance Right, and/or a Class C Performance Right (as applicable).

PSC means the production sharing contract that GOH is seeking to be awarded by the Mongolian Government.

Share means a fully paid ordinary share in the Company.

1. Conversion and Expiry of Performance Rights

The Performance Rights will be granted in two milestone based classes with the milestones and expiry dates as follows:

Class of Performance Right	Milestone	Expiry Date
Class B Performance Rights	Certification of a Petroleum Resource Management System certified prospective resource of coal bed methane of greater than 1 trillion cubic feet within the PSC (Milestone B).	The date that is three years from the date of issue of the Class B Performance Rights.
Class C Performance Rights	A final investment decision, approved by the Board of the Company and the Mongolian Government, for a pilot production test within the PSC (Milestone C).	The date that is five years from the date of issue of the Class C Performance Rights.

- (a) **(Conversion)** On achievement of the relevant Milestone each Performance Right will convert on a one for one basis into a Share.
- (b) **(Expiry)** If a Milestone is not achieved by the relevant Expiry Date, then the Performance Right will lapse.
- (c) **(Conversion procedure)** The Company will issue a Holder with a new holding statement for the Share or Shares as soon as practicable following the conversion of each Performance Right.

2. Takeover provisions

- (a) If the conversion of Performance Rights (or part thereof) under these terms and conditions would result in any person being in contravention of section 606(1) of the Corporations Act then the conversion of each Performance Right that would cause the contravention will be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1) of the Corporations Act. Following a deferment under this paragraph, the Company will at all times be required to convert that number of Performance Rights that would not result in a contravention of section 606(1) of the Corporations Act.
- (b) The Holders will give notification to the Company in writing if they consider that the conversion of Performance Rights (or part thereof) under these terms and conditions may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will assume that the conversion of Performance Rights (or part thereof) under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (c) The Company may (but is not obliged to) by written notice request the Holders to give notification to the Company in writing within seven days if they consider that the conversion of Performance Rights (or part thereof) under these terms and conditions may result in the contravention of section 606(1) of the Corporations Act. If the Holders do not give notification to the Company within seven days that they consider the conversion of Performance Rights (or part thereof) under these terms and conditions may result in the contravention of section 606(1) of the Corporations Act then the Company will assume that the conversion of Performance Rights (or part thereof) under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.

3. Other Rights attaching to Performance Rights

- (a) **(No Voting rights)** A Performance Right does not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (b) **(No dividend rights)** A Performance Right does not entitle a Holder to any dividends.
- (c) **(No rights to surplus profits or assets)** A Performance Right does not entitle a Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (d) **(No right to a return of capital)** A Performance Share does not entitle a Holder to a return of capital, whether upon winding up of the Company, upon a reduction of capital or otherwise.
- (e) **(Not transferable)** A Performance Right is not transferable.
- (f) **(Reorganisation of capital)** If there is a reorganisation (including, without limitation, consolidation or sub-division, but excluding a return of capital) of the issued capital of the Company, the rights of a Holder will be varied (as appropriate) in accordance

with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

- (g) **(Quotation of shares on conversion)** An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules.
- (h) **(Participation in entitlements and bonus issues)** A Performance Right does not entitle a Holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (i) **(Change of control)** If there is a Change of Control Event in relation to the Company prior to the conversion of the Performance Rights, all Performance Rights that have not been converted will automatically lapse, unless the Board determines otherwise.
- (j) **(Ceasing to be an employee or consultant)** Where a Holder (or the party that nominated the Holder to receive the Performance Rights) ceases to be employed or engaged by the Company prior to the conversion of the Performance Rights, all Performance Rights that have not been converted will automatically lapse, unless the Board determines otherwise.
- (k) **(No other rights)** A Performance Right does not give a Holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

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ELIXIR PETROLEUM LIMITED

ACN 108 230 995

PROXY FORM

The Company Secretary
Elixir Petroleum Limited

By post:

PO Box 1445,
Subiaco WA 6904

By Email:

info@elixirpetroleum.com

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____
votes in the Company, hereby appoint:

The Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally on my/our behalf at the Meeting of the Company to be held at 1202 Hay Street, West Perth WA 6008 on Thursday 19 April 2018 at 10.00am (WST) and at any adjournment or postponement of the Meeting and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law as the proxy sees fit.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an .

Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Approval to issue Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of grant of Performance Rights to Mr Neil Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹ Insert name and address of Shareholder

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders should sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission or electronic mail at the address below no later than 48 hours prior to the time of commencement of the Meeting (WST).

Postal address: PO Box 1445, Subiaco WA 6904

Facsimile: (08) 9315 2233 if faxed from within Australia or +61 8 9315 2233 if faxed from outside Australia.

Email: info@elixirpetroleum.com