

24 January 2019

ELIXIR NEW OPTION OFFER – SHORTFALL NOTIFICATION

Elixir Petroleum Limited (ASX:EXR) advises that its non-renounceable pro rata offer of New Options (Offer) to raise up to \$961,908 (before costs) pursuant to the Offer Document dated 14 December 2018, closed at 5.00PM WST on 21 January 2019.

The Company received applications under the Offer from eligible shareholders in respect of 17,210,055 New Options. Total funds received (before costs) from accepted applications was \$171,975. The remaining New Options under the Shortfall Offer, being 76,252,482 shares not taken up by eligible shareholders, will revert to Directors of Elixir to allocate to other professional and sophisticated investors which, if subscribed for and allocated in full, will raise a further \$762,524 (before costs).

Xcel Capital and Originate Capital are acting as joint lead managers on the Offer and the Shortfall Offer and will be working with the Company to place all or some of the shortfall over the coming weeks.

Funds raised under the Offer and the Shortfall Offer will supplement the Company's existing cash reserves which will be used to undertake the initial exploration programme in the Nomgon IX CBM PSC, with a 2D seismic survey scheduled to commence in Q2 2019. The 2D seismic acquisition and interpretation will be followed by a minimum two well CBM drilling programme scheduled for commencement in Q3 2019.

This 2019 program is designed to provide a foundation for a subsequent pilot drilling and flow testing programme in 2020. This second phase of work will further de-risk the very large prospective resources which have been independently assessed within the PSC area (see Elixir's ASX announcement of 19 November 2018).

The allotment of the New Options under the Offer is expected to occur on 29 January 2019 as per the indicative timetable in the Offer Document.

For further enquiries, please contact:

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