



**Elixir Energy**

**ASX ANNOUNCEMENT**

**ASX : EXR**

5 May 2022

## **OPERATIONS UPDATE**

### **HIGHLIGHTS**

- Tim-2 well drilled
- Yangir-4 appraisal well recently spudded
- Bulag Suuj-1S exploration well due to spud later this week

Elixir Energy Limited (“Elixir” or the “Company”) is pleased to provide an update on the coal bed methane (CBM) exploration/appraisal program underway across its 100% owned Nomgon IX Coal CBM Production Sharing Contract (PSC).

The Company has recently finished drilling the Tim-2 appraisal well – a follow on from the successful Tim-1S exploration well drilled earlier this year. Tim-2 logged drilled to a total depth of 1,020 metres – the deepest well Elixir has drilled in Mongolia to date. It logged 3 metres of coal and 5 metres of silty coal. Localized faulting is attributed for the decrease in coal thickness from Tim-1, and Elixir will now integrate the Tim-2 results with geological mapping, age dating and potentially new seismic to better define this coal bearing sub-basin.

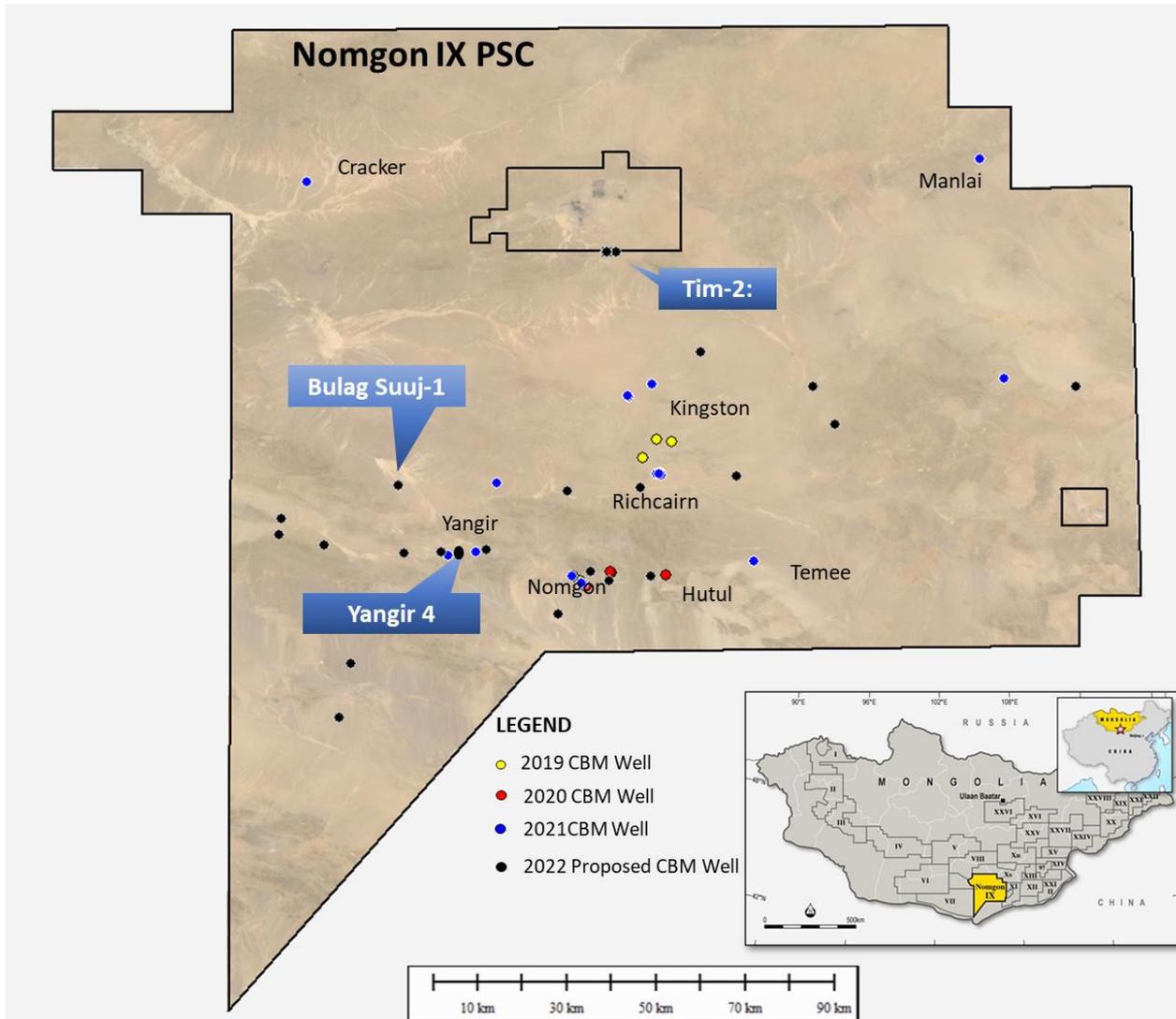
Newly hired drilling contractor Ellecohr LLC has recently spudded its first well for Elixir, Yangir-4, an appraisal well in the previously identified coal bearing Yangir sub-basin.



*Ellecohr rig at Yangir-4*

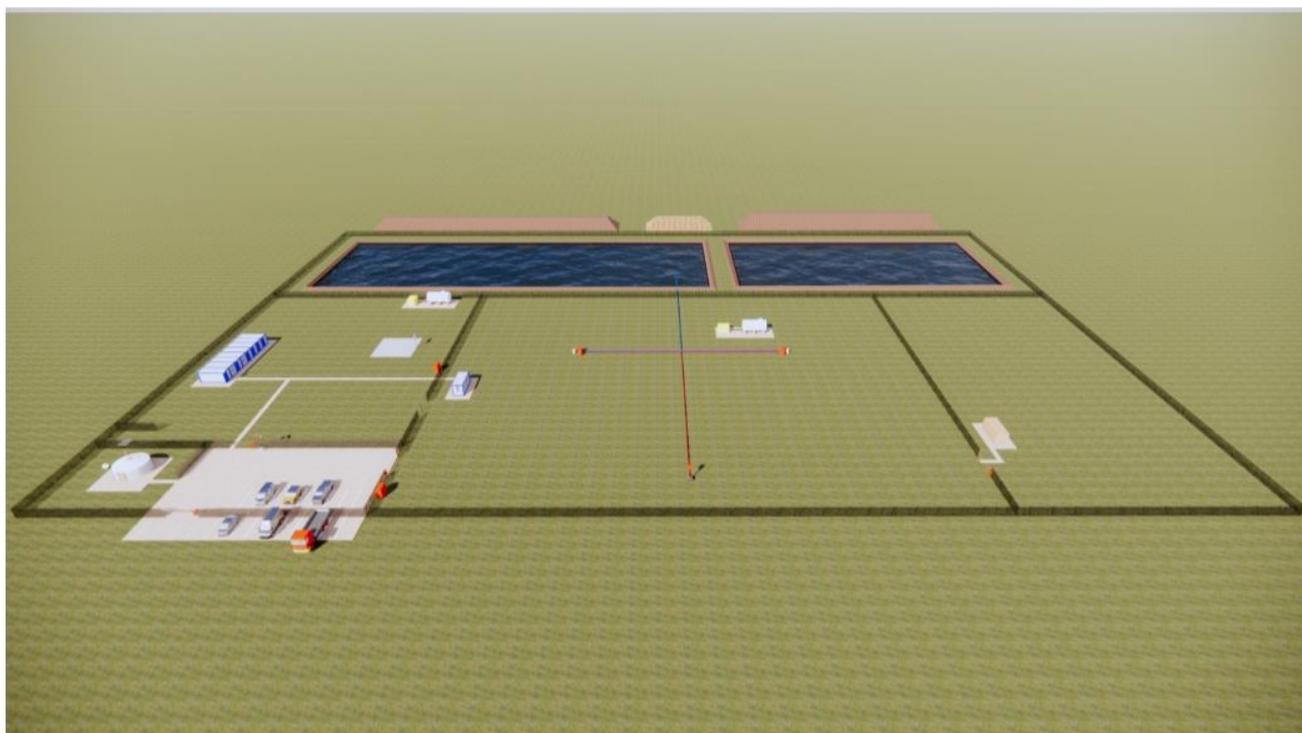
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The Top Diamond Drilling LLC rig which drilled Tim-2 has now mobilized to a new potential sub-basin in the West of the PSC (see map below) and will spud the Bulag Suuj -1 well imminently.



Nomgon IX Location Map

The extended pilot production testing planned for mid-year continues to progress, with the tendering process for the civil works being well advanced and a contractor expected to be hired shortly.



*General plan of pilot site*

The Company's 2022 2D seismic acquisition program is proceeding as planned, with 223 kilometres (out of a total of 322 kilometres) acquired to date.

Elixir's Managing Director, Mr Neil Young, said: *"The arrival of the Mongolian spring has allowed our multiple well program for 2022 to really accelerate and it is good to see 2 rigs now operating. Our pilot program – our and the country's first – which is due to spud in mid-year – is on track."*

By authority of the Board:

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