



NOTICE OF ANNUAL GENERAL MEETING

– and –

EXPLANATORY STATEMENT

– and –

PROXY FORM

DATE AND TIME OF MEETING:

Friday 30 November, 2007
at 11.00am

VENUE: Level 31 Allendale Square
77 St Georges Terrace
Perth, Western Australia 6000

These documents should be read in their entirety. If shareholders are in any doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor.

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NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the members of Elixir Petroleum Limited (“Elixir” or the “Company”) will be held at Level 31 Allendale Square, 77 St Georges Terrace, Perth, Western Australia 6000, at 11.00am, Friday 30 November 2007.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

AGENDA

To receive and consider the financial report of the Company and its controlled entities for the year ended 30 June 2007, together with the declaration of the directors, the directors’ report, the remuneration report and the auditor’s report.

To consider and, if thought fit, to pass, with or without modification, the following ordinary resolutions:-

1. Ordinary Resolution 1 (non-binding): Remuneration Report

That for the purposes of Section 250R(2) of the Corporations Act, the Company adopt the Remuneration Report.

Short Explanation: The Corporations Act provides that by a resolution that the remuneration report be adopted and must be put to vote at a listed company’s annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

2. Ordinary Resolution 2: To re-elect a Director – Mr Jonathan Stewart

To re-elect as a director Mr Jonathan Stewart who retires in accordance with Clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election.

3. Ordinary Resolution 3: To re-elect a Director – Mr Trevor Benson

To re-elect as a director Mr Trevor Benson who retires in accordance with Clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election.

4. Ordinary Resolution 4: To re-elect a Director – Mr Andrew Ross

To re-elect as a director Mr Andrew Ross who retires in accordance with Clause 11.12 of the Company’s Constitution and, being eligible, offers himself for re-election.

5. Ordinary Resolution 5: To re-elect a Director – Dr John Robertson

To re-elect as a director Dr John Robertson who retires in accordance with Clause 11.3 of the Company’s Constitution and, being eligible, offers himself for re-election.

6. Ordinary Resolution 6: Remuneration of Non-Executive Directors

That in accordance with ASX Listing Rule 10.17, the Directors be authorised to increase the aggregate remuneration of Non-Executive Directors to a maximum of \$250,000 per annum, to be divided amongst the Directors as the Directors deem fit.

- | | |
|----|---|
| 1. | Prior to making a decision with respect to Resolution 6, members should refer to Section 1 of the Explanatory Statement which accompanies this Notice of Meeting. |
| 2. | In accordance with ASX Listing Rule 10.17, the Company will disregard any votes cast on Resolution 6 by any director of the Company, if Resolution 6 is passed, and any person associated with those persons. |

NOTICE OF MEETING

PROXIES

1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote instead of the member. If two proxies are appointed, and a member does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes. A proxy need not be a member of the Company.
2. In order to vote on behalf of a company that is a Shareholder of Elixir, a valid Power of Attorney in the name of the attendee, must be either lodged with the Company prior to the Meeting, or be presented at the Meeting before registering on the attendance register for the Meeting.
3. Forms to appoint proxies, and the Power of Attorney (if any) under which they are signed, must be lodged at the registered office of the Company, at Suite 32, Level 3, 22 Railway Road, SUBIACO Western Australia, 6008 or by facsimile (+618) 9388 8042 not less than 48 hours before the time of the Meeting or resumption of an adjourned meeting at which the person named in the instrument proposes to vote.
4. An instrument appointing a proxy:
 - a) shall be in writing under the hand of the appointor or of his attorney, or if the appointor is a corporation, either under seal or under the hand of a duly authorised officer or attorney;
 - b) may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument;
 - c) shall be deemed to confer authority to demand or join in demanding a poll; and
 - d) shall be in such form as the Directors determine and which complies with Section 250A of the Corporations Act 2001 and the Listing Rules;

ATTENDANCE AND VOTING ELIGIBILITY

For the purpose of regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that Shares held at 11.00am WST on 28 November 2007 will be taken, for the purposes of this Annual General Meeting, to be held by the persons who held them at that time.

VOTING EXCLUSION

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or 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.

BY ORDER OF THE BOARD



Mr Kent Hunter
Director/Secretary

Dated: 25 October 2007

EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of Elixir Petroleum Limited (**"Elixir"** or the **"Company"**) in connection with Resolutions 1 to 6 of the General Meeting of members to be held at 31 Allendale Square, Perth, Western Australia 6000, at 11.00am, Friday 30 November 2007.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting. Please refer to Section 5 of this Explanatory Statement for a glossary of terms.

1. RESOLUTION 1 – REMUNERATION REPORT

The Remuneration Report is set out in the Director's Report of the Company's 2007 Annual Report. It is also available on the Company's website at www.elixirpetroleum.com.

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution that the Remuneration Report be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

The Remuneration Report includes all of the information required by Section 300A of the Corporations Act, including:

- (a) board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of Directors, secretaries and senior managers of the Company;
- (b) discussion of the relationship between such policy and the Company's performance; and
- (c) the prescribed details in relation to the remuneration of each Director and certain executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2. RESOLUTIONS 2, 3 AND 4: - TO RE-ELECT DIRECTORS WHO WILL BE APPOINTED AS ADDITIONS TO THE BOARD AS A RESULT OF THE MERGER

On 23 March 2007 the Company announced a proposed merger with Gawler Resources Limited ("Gawler"). Elixir and Gawler entered into a Merger Implementation Agreement ("MIA") under which the companies agreed to merge by way of a Scheme of Arrangement ("Scheme"). As the continuing entity, Elixir made an offer to Gawler share and option holders.

Under the proposed merger terms Gawler share and option holders are to receive:

- 1 Elixir share for each Gawler share held, and
- 1 unlisted Elixir option for every 5 Gawler options, exercisable at \$0.001 and expiring 3 months after the Scheme record date.

The Scheme documents for the proposed Elixir-Gawler merger were lodged with ASIC for review on 31 July 2007. The first Court approval has been obtained, a Gawler shareholders' meeting to vote on the Scheme was held on 19 October 2007 and a subsequent Court approval has approved the Scheme.

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Based upon the terms of the MIA, should the merger proceed, then the Board of the merged group will comprise three nominees of each of Elixir and Gawler, being Russell Langusch, John Robertson and Iain Knott of Elixir Petroleum Limited, and Jonathan Stewart and Trevor Benson of Gawler Limited and Andrew Ross who will be replacing Gary Steinepreis as one of the three nominees of Gawler.

Each of Jonathan Stewart, Trevor Benson and Andrew Ross will be appointed to the Board after the date of this Notice of Meeting but before the date of the Annual General Meeting in compliance with the MIA. In accordance with the Constitution, as they will be appointed as additions to the Board, they only hold office until the next general meeting of the Company and are then eligible for re-election.

Accordingly, on the basis that each of these persons are appointed as additions to the Board, they are eligible for re-election and put themselves up for re-election of the Annual General Meeting.

Jon Stewart is a Chartered Accountant. After leaving the accounting profession he held a number of executive management positions in listed and unlisted companies in Australia, Canada, the United Kingdom, Russia and Azerbaijan. Those companies had operations in Australia, Europe, North America, Asia and the Former Soviet Union. In that time he was involved in taking a number of companies public on the Stock Exchanges of Australia, the United Kingdom and Canada. He has considerable experience in the structuring and financing of transactions and the broader strategic development of companies. Mr Stewart became a director of Gawler on 1 March 2007. Mr Stewart is also the Executive Chairman of Aurora, a position he has held since February 2005. Mr Stewart has been responsible for, and overseen, the development of Gawler's and Aurora's US oil and gas portfolio.

Trevor Benson has been involved in the financial services industry for over 15 years. Currently he holds the position of director, Western Australia for Tolhurst Noall Limited, an Australian stockbroking firm. Mr Benson has held many senior positions within the stockbroking industry and has primarily concentrated on providing strategic investment advice, facilitated equity capital market transactions in initial public offerings and secondary issues and participated in investment banking opportunities within the oil and gas industry both in Australia and internationally. Prior to his involvement in stockbroking, Mr Benson worked in the treasury operations of major Australian corporations. Mr Benson holds a Bachelor of Science degree from the University of Western Australia.

Andrew Ross holds degrees in Law and Commerce from Murdoch University and qualifications in investment management and corporate finance from the Securities Institute in London. He is a qualified barrister and solicitor and commenced his career providing tax and corporate structuring advice to energy and resource clients. He is also a member of the Society of Petroleum Engineers.

Until recently Mr Ross was the Managing Director of the Cape Energy Group ("**Cape**"). Under his leadership, Cape's focus was on the acquisition and development of discovered reserve opportunities in the Asia Pacific region. Cape is 100% interest holder and operator of the Golden Beach gas field in approximately 20 metres of water located offshore of the Gippsland coast in Victoria, Australia and joint operator of the Galoc oil field development located in approximately 320 metres of water offshore Palawan Island in the Philippines.

Prior to his role with Cape, Andrew was a Director - Corporate Finance of a private merchant banking group based in London. He also worked as in-house counsel at AIM listed oil and gas company, Sibir Energy Plc.

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3. RESOLUTION 5 – ROTATION OF DIRECTOR

Resolution 5 seeks approval for the election of Dr John Robertson BSc (Hons) PhD, who retires in accordance with Clause 11.3 of the Company's Constitution and, being eligible, offers himself for re-election as a Director of the Company, with effect from the end of the meeting.

Dr Robertson was appointed as Non-Executive Chairman coincident with the Company's AIM admission in May 2005. He has a wealth of experience in the finance and oil and gas industries. Dr Robertson joined the corporate banking department of Schroders in 1970 and then worked in corporate finance at Cannon Street Investments. Subsequently, he accrued over 13 years experience in senior management positions with Ultramar, a leading UK independent oil company until the early 1990's. Following this role he acted as a consultant before becoming a Director of Corporate Finance at Durlacher Ltd. From 1995 to June 2005 Dr Robertson was a Director of Nabarro Wells, the London-based independent corporate finance advisory firm, where he provided capital raising and corporate advice to private and quoted companies, particularly in the oil and gas and mining sectors.

4. RESOLUTION 6: REMUNERATION OF NON EXECUTIVE DIRECTORS

Background

ASX Listing Rule 10.17 and Article 11.15 of the Constitution require that Shareholder approval is obtained for the increase in the maximum amount of remuneration payable to all non-executive directors.

The Company previously set a maximum level of remuneration of \$150,000 that could be paid to non-executive directors. It is proposed that the maximum level to be paid to non-executive directors as a whole be increased to \$250,000 to enable the company to pay appropriate levels of remuneration to existing and new non-executive directors.

The Board of Directors will determine the manner in which directors fees will be paid to non-executive Directors up to the maximum of \$250,000.

ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read this Explanatory Statement carefully before deciding how to vote on each Resolution.

Attached to the Notice of Meeting is a proxy form for use by Shareholders. Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a shareholder from attending and voting at the Meeting in person.

Enquiries

All enquiries in relation to the contents of the Notice of Meeting or Explanatory Statement should be directed to the Company's Managing Director, Mr Russell Langusch (telephone: +44 207 484 5623) or Company Secretary, Mr Kent Hunter (telephone: +61 8 9382 3200).

EXPLANATORY STATEMENT

5. GLOSSARY OF TERMS

In this Explanatory Statement:

“ACN”	Australian Company Number.
“ABN”	Australian Business Number.
“ASIC”	Australian Securities and Investments Commission.
“ASX”	ASX Limited (ACN 008 624 691)
“ASX Listing Rules” or “Listing Rules”	The Official Listing Rules of ASX as amended from time to time.
“Corporations Act”	The Corporations Act 2001 (Commonwealth).
“Director”	A director of Elixir.
“Elixir” or “Company”	Elixir Petroleum Limited (ABN 51 108 230 995).
“Explanatory Statement”	The explanatory Statement forming part of this Notice of Meeting.
“Meeting”	The Meeting of the Company to be held on 30 November 2007.
“Notice of Meeting”	The notice convening the Meeting, which accompanies this Explanatory Statement.
“Remuneration Report”	The remuneration report described in Section 1 of the Explanatory Statement
“Resolutions”	Resolutions in the Notice of Meeting.
“Share”	A fully paid ordinary share in the capital of the Company.
“Shareholder”	The registered holder of a Share in the Company.

PROXY FORM

**APPOINTMENT OF PROXY
ELIXIR PETROLEUM LIMITED
ABN 51 108 230 995**

I/We

being a shareholder of Elixir Petroleum Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at Level 31, Allendale Square, 77 St Georges Terrace, Perth, Western Australia at 11.00 am WST on Friday, 30 November 2007 and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Election of Mr Jonathan Stewart	☐	☐	☐
Resolution 3	Election of Mr Trevor Benson	☐	☐	☐
Resolution 4	Election of Mr Andrew Ross	☐	☐	☐
Resolution 5	Re-election of Dr John Robertson	☐	☐	☐
Resolution 6	Approval of Non-Executive Directors Remuneration	☐	☐	☐

If the Chairman is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by him for those resolutions other than as proxy holder will be disregarded because of that interest.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE. IF YOU DO NOT MARK IN THIS BOX AND YOU HAVE NOT DIRECTED YOUR PROXY HOW TO VOTE, THE CHAIR WILL NOT CAST YOUR VOTES ON THE RESOLUTION AND YOUR VOTES WILL NOT BE COUNTED IN CALCULATING THE REQUIRED MAJORITY IF A POLL IS CALLED ON THE RESOLUTION.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

Signed this day of 2007

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

ELIXIR PETROLEUM LIMITED
ABN 51 108 230 995

Instructions for Completing 'Appointment of Proxy' Form

1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a shareholder of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - Directors of the company;
 - a Director and a company secretary of the company; or
 - for a proprietary company that has a sole Director who is also the sole company secretary – that Director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign the proxy form enclosed and either:
 - (a) send the proxy form by post to Elixir Petroleum Limited, Suite 32, 22 Railway Road, Subiaco, Western Australia 6008; or
 - (b) send the proxy form by facsimile to the Company on facsimile number (08) 9388 8042,

so that it is received not later than 11.00pm WST on Wednesday, 28 November 2007.

Proxy forms received later than this time will be invalid.
