ASX RELEASE

17 March, 2008

COMPANY UPDATE PRESENTATION

Elixir Petroleum Limited is pleased to attach a copy of a company update presentation that will be delivered by management of the Company to existing shareholders and new investors as part of a roadshow being conducted in Perth, Melbourne, Sydney and London over the course of the coming weeks.

Yours sincerely,

ELIXIR PETROLEUM LIMITED

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elixir petroleum limited

2008

Company Update Presentation
March 2008

www.elixirpetroleum.com

Corporate Profile

- Elixir Petroleum is an international E & P company with a pan-Atlantic focus
- Elixir holds a diversified portfolio of offshore oil and gas interests across the exploration, appraisal, development and production spectrum
- Current areas of interest include:
  - Oil and gas development and production from the shallow shelf Gulf of Mexico
  - Exploration and appraisal activities in the UK North Sea
  - Early stage exploration activities offshore Sierra Leone, West Africa
- Head office in Perth, and regional offices in London and Houston
- Experienced and proven management team

Corporate Profile *(cont'd)*

Board & Executive Management	Issued Share Capital		
Jon Stewart *Chairman*	Exchanges:		ASX (Ticker:EXR) AIM (Ticker:ELP)
Andrew Ross *Managing Director*	Ordinary shares:		161.1m
Iain Knott *Exploration Director*	Options	@ 90c: @ 60c:	0.5m *(expiry 5/08)* 0.6m *(expiry 5/10)*
John Robertson *Non-Executive Director*	Convertible Notes:		A$3m, 10% coupon, conversion @35c
Trevor Benson *Non-Executive Director*	Current Market Cap:		~A$32m
Alex Neuling *Company Secretary* *Group Financial Controller*	Share Trading Range:		16c – 39c *(prior 12 months)*
Ian Lusted *Group Operations Manager*	Share Register Mix:		~ 83% (Aust) / 17% (Europe)
James Stockley *Commercial Manager – Europe*	Largest shareholder:		Aurora Oil & Gas Ltd (14.9%)
Malcolm Bult *Commercial Manager – GOM*	Cash on Hand @ 03/08:		A$4.7m

Recent Achievements

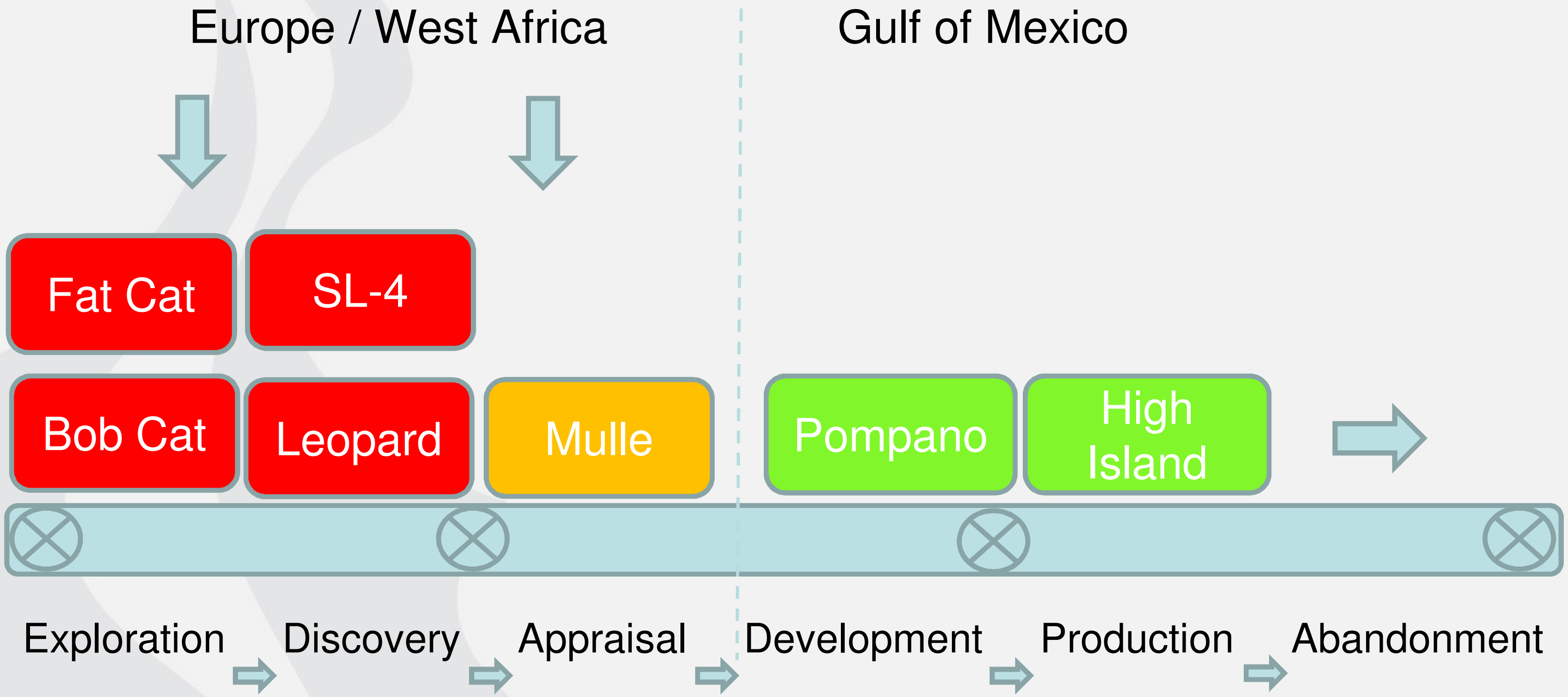
- ✓ Completion of merger with Gawler Resources
- ✓ New Chairman and MD - management team also strengthened
- ✓ High Island Project - successfully drilled, developed and on production
- ✓ Pompano Project – first well on production March 08, second well approaching TD
- ✓ Leopard Prospect - partially farmed-out - drilling anticipated in H2 2008
- ✓ Mulle accumulation - identified as oil appraisal opportunity in UKCS
- ✓ Completion of technical work for further UKCS farm-outs and participation in 25th Licensing Round
- ✓ Acquisition of interest in Block SL-4, offshore Sierra Leone

Business Plan

- Development and Production –
  - Gulf of Mexico focus
  - Shallow water (<200m), lower risk, 3D coverage, close to infrastructure, short cycle time to production and cashflow, non-operated interests
  - Currently a prospect taker, seeking near term drill opportunities
  - Established and active A&D market for GOM shallow shelf opportunities
- Exploration –
  - UK North Sea and West Africa focus
  - High impact exploration opportunities, internally generated prospects, farm-out to drill, mix of operated and non-operated
  - Active farm-out program for current UK licences
  - Participation in recently announced 25th Licensing Round for UKCS
- New Opportunities –
  - Industry and corporate opportunities to accelerate growth
  - Will maintain entrepreneurial and opportunistic approach

Business Plan (cont'd)

Asset Life Cycle

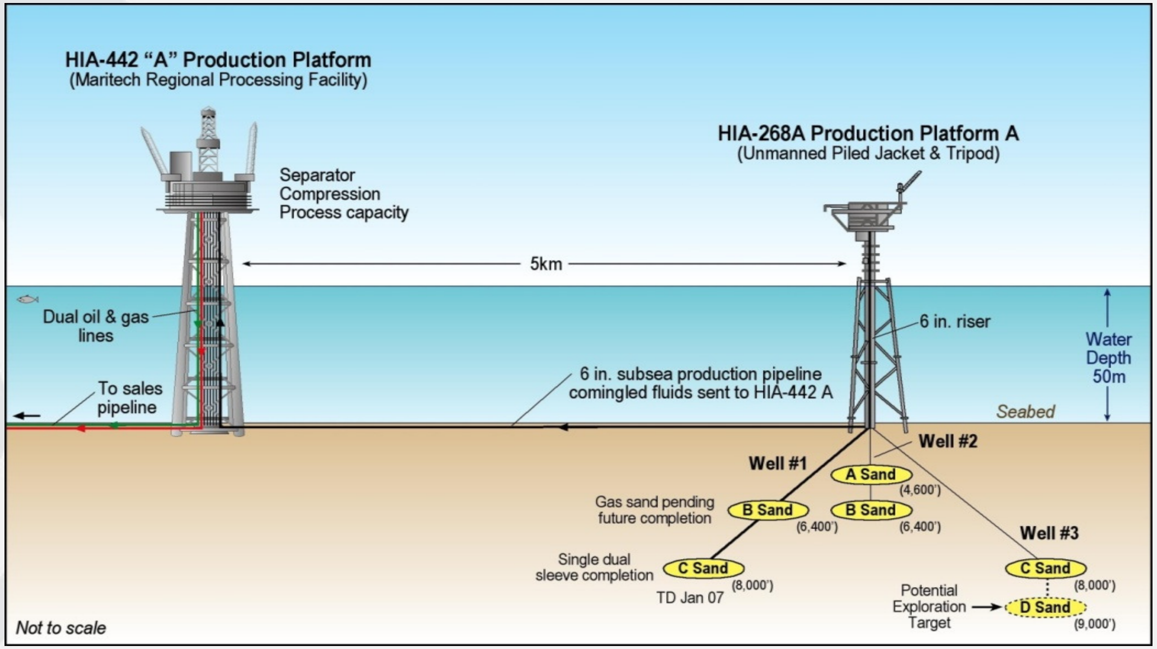


- A balanced portfolio across asset life cycle – more highly regarded by market
- The market rewards activity and the achieving of targets and timetables
- A meaningful exploration discovery will have a company changing impact

Development and Production

High Island Development (EXR: 30%WI)

- Gas and condensate development located 65kms offshore Texas Gulf Coast in 51m water depth
- Field development consists of two deviated wells, an unmanned well head platform and 5km pipeline to regional processing facility
- Each well intersected two gas bearing zones on prognosis - selective completions were installed
- Development completed on time and on budget and wells on production in September 2007



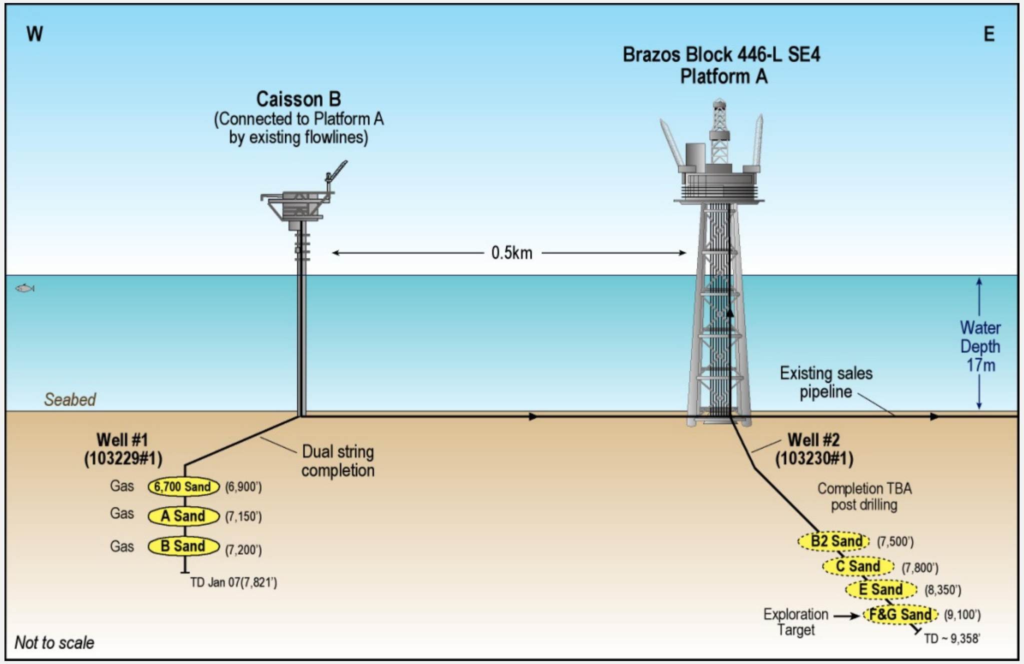
High Island Development (cont'd)

- Current reservoirs will produce for another 12 -18 months, then swap to shallower PDNP horizons
- Further sidetrack opportunities to be drilled once existing producing reservoirs are depleted
- Current net sales revenue to Elixir of approx US$600,000 - $700,000/month

HI Production Results to 29/2/08	Total Production		Avg Daily Production	
	Gas (MMscf)	Condensate (Bbls)	Gas (MMscf/d)	Condensate (Bbls/d)
Project (100%)	2,200	45,000	13.17	270
Elixir (30%)	660	13,500	3.95	81

Pompano Development (EXR: 25% WI)

- Gas re-development project located 7km offshore Texas Gulf Coast in 18m water depth
- Pompano field originally developed on 2D seismic and produced 120 Bcf of gas (1966 – 2003)
- Re-interpretation of 3D seismic has identified undrained, up-dip reserves, untested fault block compartments and deeper exploration potential
- Existing platform, flowlines and sales gas pipeline to shore being used – significant capex and time savings
- Initial programme consists of two deviated wells, installation of an unmanned wellhead platform and refurbishment of existing flowlines and production platform



Pompano Development (cont'd)

- Well #1 spudded mid-January 2008 and intersected three pay zones as prognosed
- Well #1 was flow tested, completed and placed on production in mid-March
- Initial expected flow rates from Well #1 of approx 6 - 7MMscf of gas/day
- Well #2 currently drilling – anticipated TD late March
- Platform refurbishment activities essentially complete
- Independent reserves report will be prepared for Wells #1 and #2
- Phase 2 wells planned for Q2 and Q3

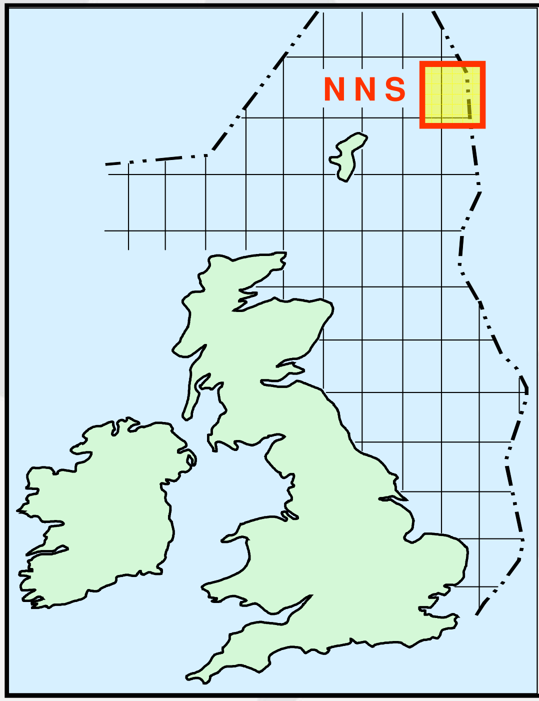
Exploration

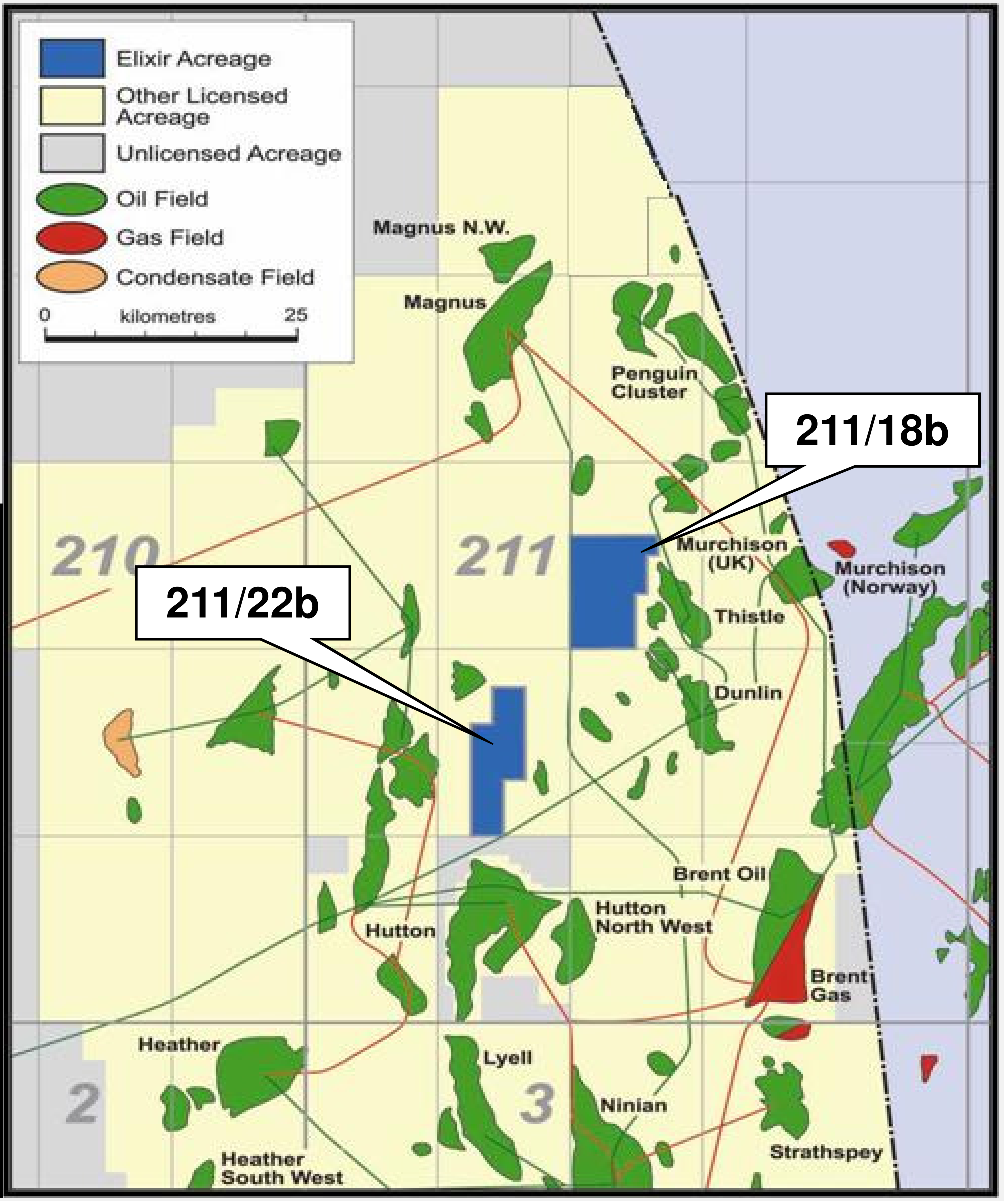
Northern UK North Sea

Elixir Petroleum Interests

Northern North Sea

211/22b	40%
211/18b (operator)	56%





Northern North Sea - A Core Focus Area

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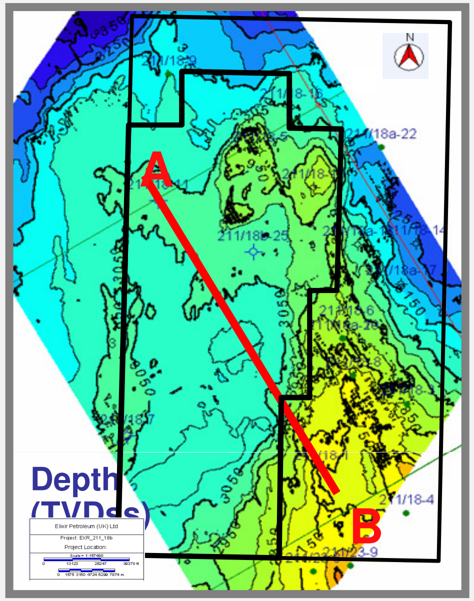
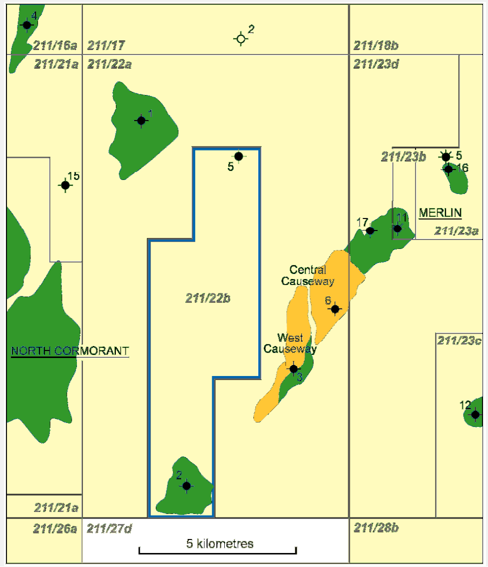
- Block 211/18b (Leopard Prospect) –
  - Primary play stratigraphic synrift Upper Jurassic sands
  - Tied-in to Norwegian Borg analogue with 2006 long offset seismic lines
  - Resource potential of 350+ MMbbls
  - Prospect partially farmed-out (RWE 30%) – Traditional licence to 2011
  - Well expected to be drilled in H2 2008



- Block 211/22b (Mulle Discovery) –
  - Attention now on Brent prospectivity in block after Jaguar well intersected residual oil in Middle Jurassic and continuing success at Causeway
  - Operator has completed detailed technical work and prepared resource estimates for possible hydrocarbons in the Brent formation
  - Commencing discussions with possible processing and export partners and considering appraisal options

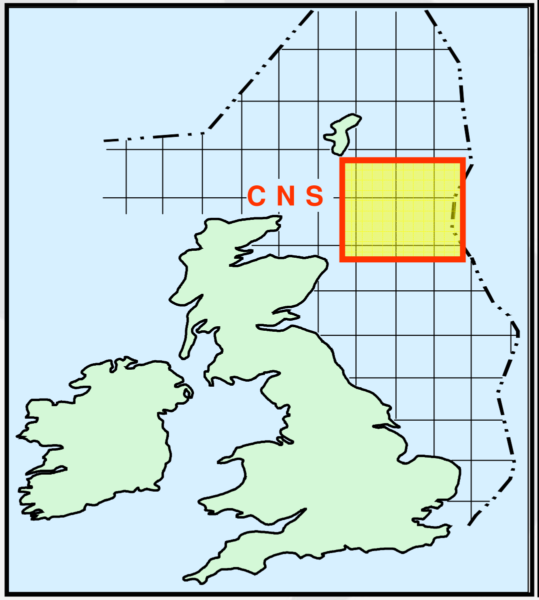


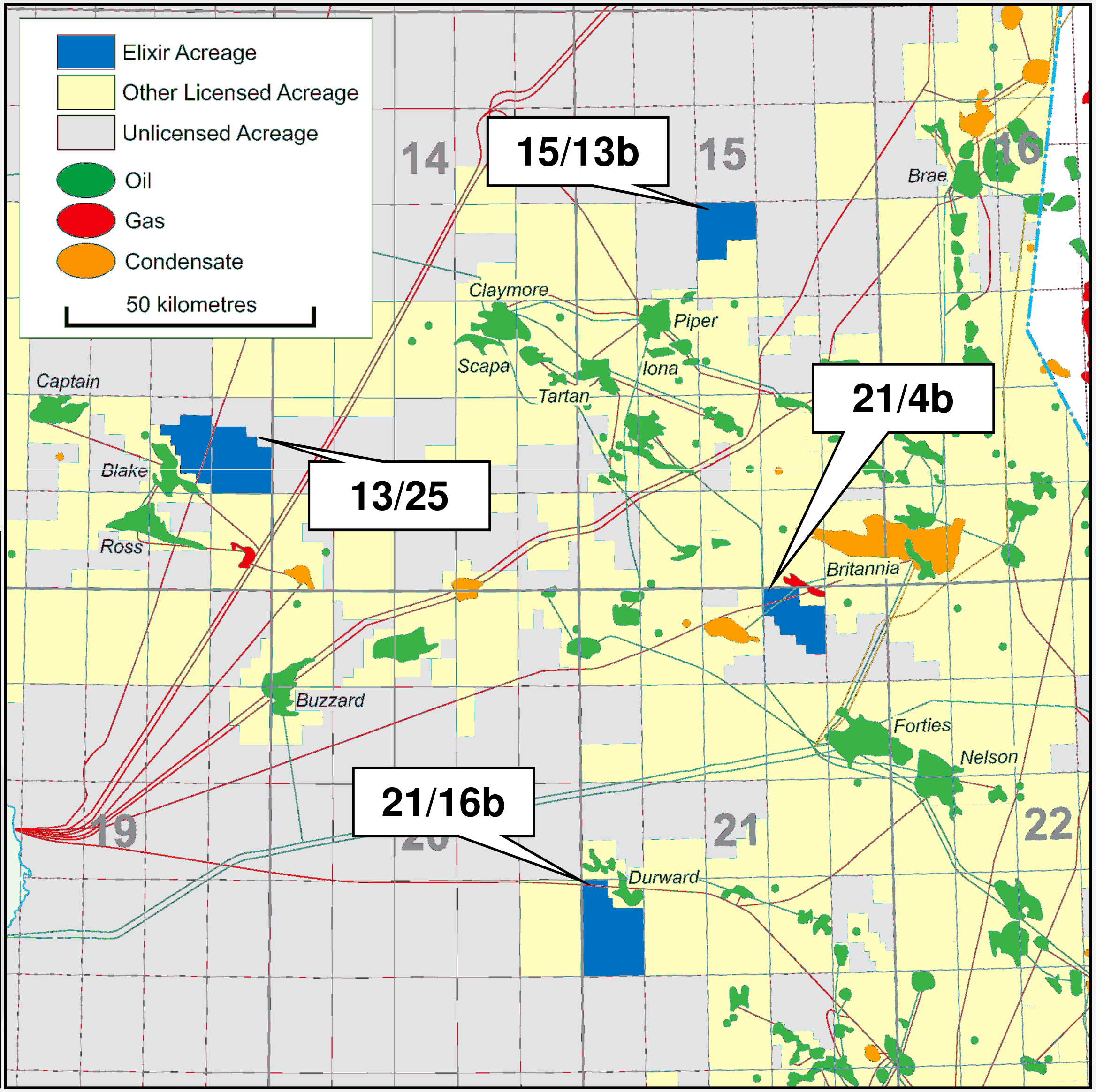
Central UK North Sea

Elixir Petroleum Interests

Central North Sea

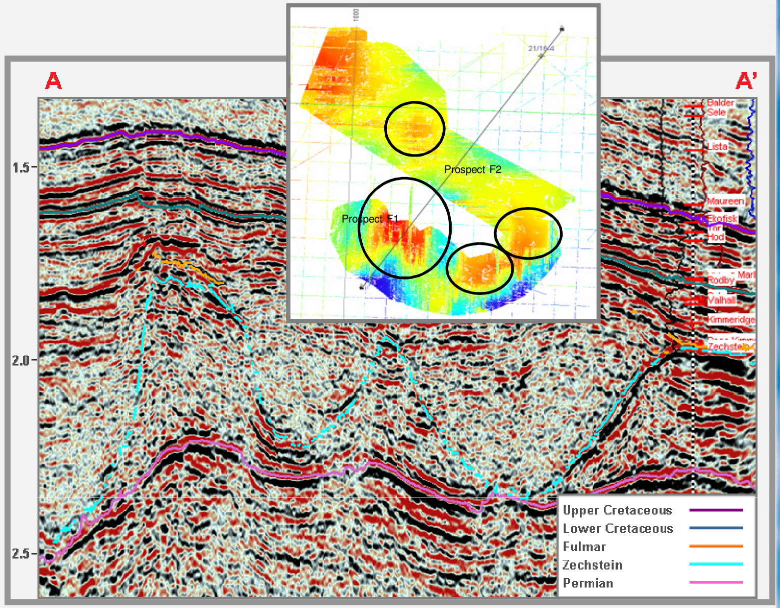
13/25	12.5%
15/13b	13.1%
21/4b	7%
21/16b (operator)	40%





Central North Sea – Active Farmouts

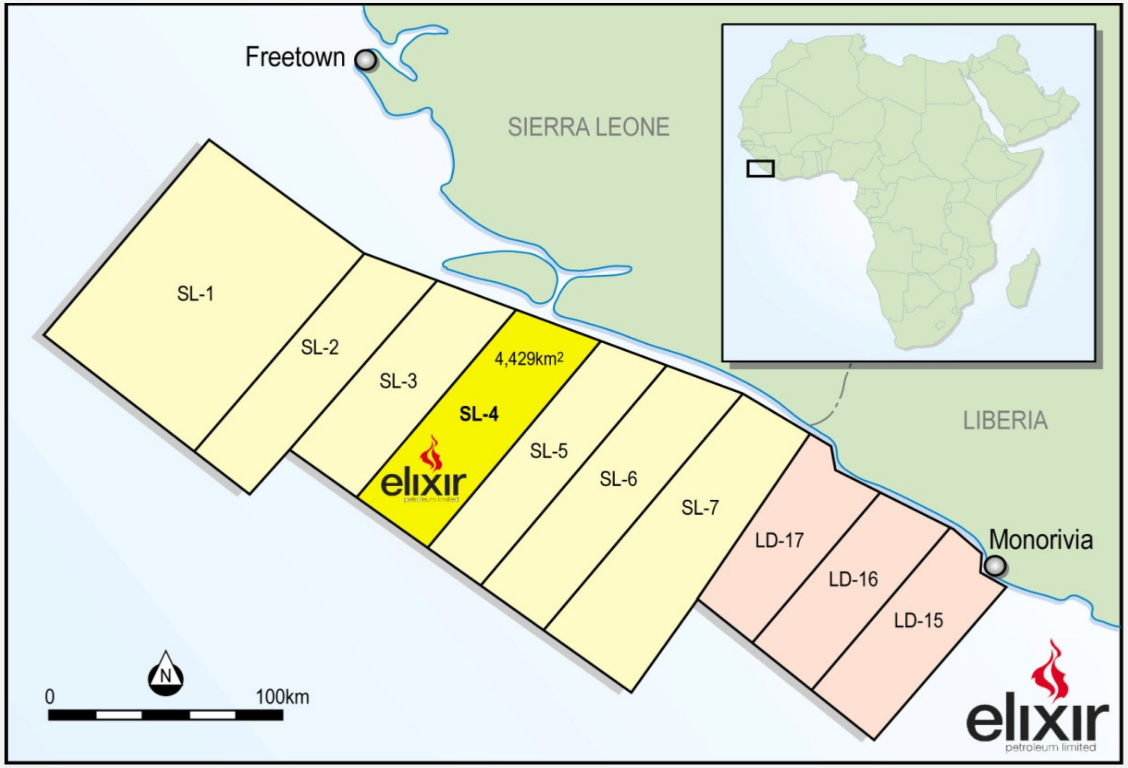
- Block 21/16b (Bob Cat Prospect)
  - 24th Licencing Round promote licence in north west Central Graben area
  - 5 mapped prospects and 1 lead with mean total reserves of 70+Mmbbls
  - Close to existing fields and infrastructure
  - Key risks are migration and reservoir quality
  - Work program has utilised advanced seismic techniques to de-risk prospects
  - Farmout activities to commence this month



- Block 13/25 (Fat Cat Prospect)
  - Recently merged adjacent blocks with Petro Canada
  - High quality 2D acquired in 2007, currently being interpreted
  - Results available end of Q2 2008, consider farm out options at that stage

Sierra Leone (EXR: 35%*, Operator)

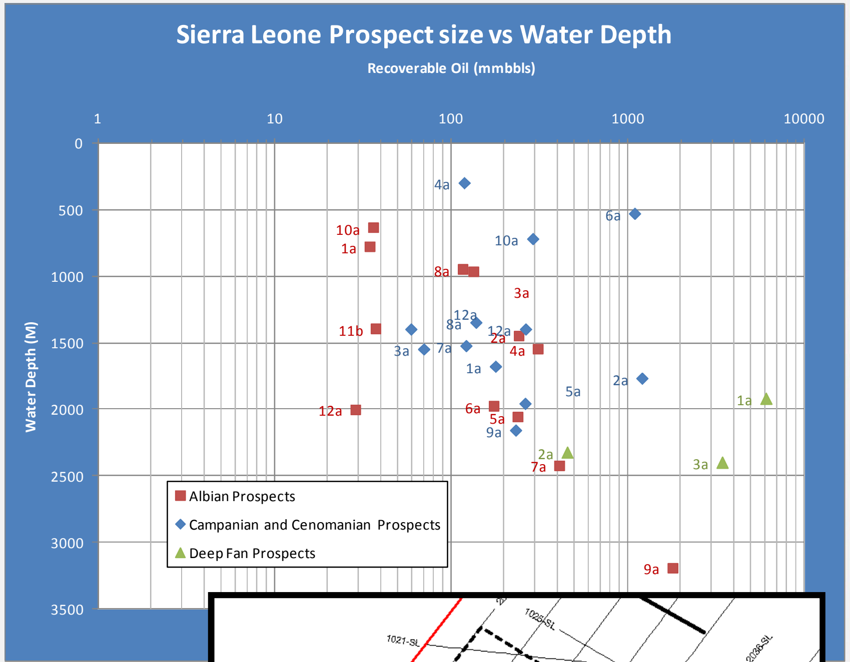
- Elixir has acquired a 35%* interest in and operatorship of the highly prospective Block SL-4 offshore Sierra Leone
- SL-4 covers 4,429 sq kms with water depths ranging from 100m to over 3,000m
- Interest acquired on unpromoted, ground floor terms – mix of cash and shares
- No bonus payable on entry to Government or assignor
- Excellent fiscal terms in petroleum agreement – production royalty basis
- Government has approved assignment and operatorship in favour of Elixir
- Minimum work commitment comprises acquisition of 3D seismic data set

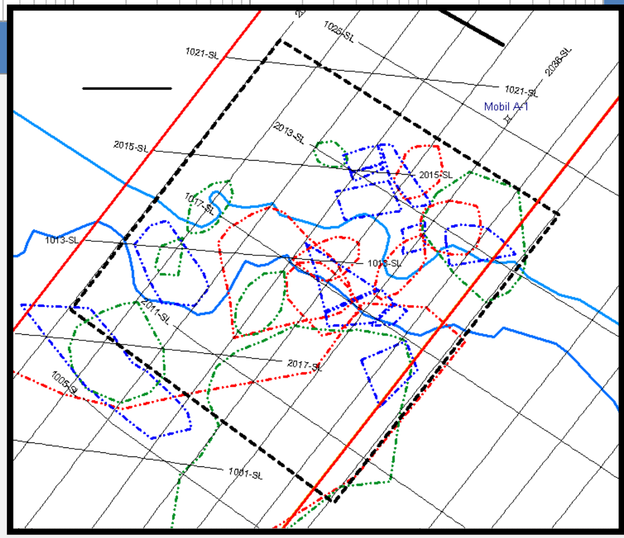


* Interest will rise to 35% if Option is exercised

Sierra Leone (cont'd)

- A wide spaced 2D data set was acquired over the Block in 2003
- A number of mapped leads and play types have been identified from 2D
- Includes shallow shelf, slope and deep water basin floor -
- 1,000 sq km 3D seismic survey to commence no later than Q3 2008
- Payment of 15% WI share of 3D programme in cash, balance of 20% WI payable in shares – both deferred until 6 months following commencement of shoot
- Objective of 3D programme is to map drill ready, world class targets and then farm out





Year Ahead – Existing Portfolio

US Gulf of Mexico

- Continuing production from High Island, growing production from Pompano
- Phase 2 drilling at Pompano of up to 4 new wells
- Acquisition of interest in a further development project

UK Continental Shelf – North Sea

- 2H 08 drilling of large Leopard Prospect – 350+ MMBbl target
- Appraisal drilling on Mulle accumulation
- Participation in UKCS 25th Licensing Round

Sierra Leone

- 3D seismic program kicking off within 6 months
- Farm out drill ready prospects from early 2009

New Opportunities

- Entrepreneurial approach being adopted
- Geographic expansion of ops into complementary jurisdictions being pursued

Summary

- Growth in capitalisation will depend on –
  - Equity market conditions
  - Commodity pricing
  - Pace of prospect generation, and
  - Drilling success,

  But mainly success through the drill bit

- Our growth will be determined by various factors within our control –
  - Internal generation of drill ready exploration prospects
  - Sourcing of attractive third party generated development opportunities
  - Having sufficient available financial capacity to participate in new opportunities as they emerge
  - By successfully planning and conduct of drilling/development operations

Conclusion

- Elixir has -
  - Sound business model, which it is aggressively pursuing
  - Existing reserves, production and cash flow
  - Scheduled drilling activity
  - A proven team of upstream professionals, which is steadily growing
  - Rapid cycle time from development to sales in Gulf of Mexico
  - Large exploration upside in the UKCS and Sierra Leone
  - Diversified risk through pursuit of combination of near term, production opportunities together with high impact exploration plays
- Elixir's efforts will remain focused and will not be hampered through a lack of ambition

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