

ASX ANNOUNCEMENT



16 September 2011

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COMPANY PRESENTATION MATERIAL

Please find attached to this document a copy of the presentation slides to be used by Elixir Petroleum Limited at investor presentations being conducted today in Perth, Australia.

Yours faithfully,
ELIXIR PETROLEUM LIMITED

Julie Foster
Company Secretary

Encl. 1

ASX CODE: EXR

www.elixirpetroleum.com

Elixir Petroleum Limited

Level 20, 77 St George's Terrace
PERTH WA 6000, AUSTRALIA
T: +61 8 9440 2650 F: +61 8 9440 2699 E: info@elixirpetroleum.com

Moselle Permit

Independent In-Place Volumetric Assessment

16 September 2011



Andrew Ross
Managing Director

(ASX:EXR)



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Overview

- Internationally focused oil and gas company with interests in conventional and unconventional exploration and production assets
- Current geographic areas of activity are:
 - ▶ **Development** and **Production** from shallow shelf Gulf of Mexico
 - ▶ **Exploration** and **Appraisal** activities in UK North Sea and onshore France
- Completed technical programmes and volumetric assessment of conventional and unconventional hydrocarbons in 1.34 million acre Moselle Permit, Paris Basin
- Independent in-place hydrocarbon volumetric estimate from NSAI achieved:
 - **Unconventional:** **164.7 Billion bbls OOIP** and **649.7 Tcf OGIP***
 - **Conventional:** **2.1 Billion bbls OOIP** or **2.2 Tcf OGIP#**
- A number of large, drill ready conventional targets have been defined
- Kicking off design, procure and permitting of up to 3 well drilling campaign for 2H, 2012

* most likely, unrisksed, gross in-place estimate
mean, unrisksed, gross in-place estimate

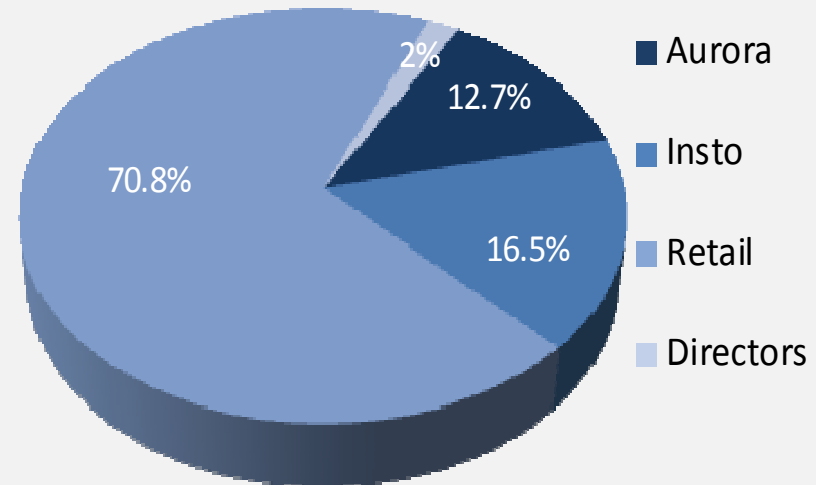


Drill Core from the Lorettes #1 Well, Paris Basin

Corporate Profile



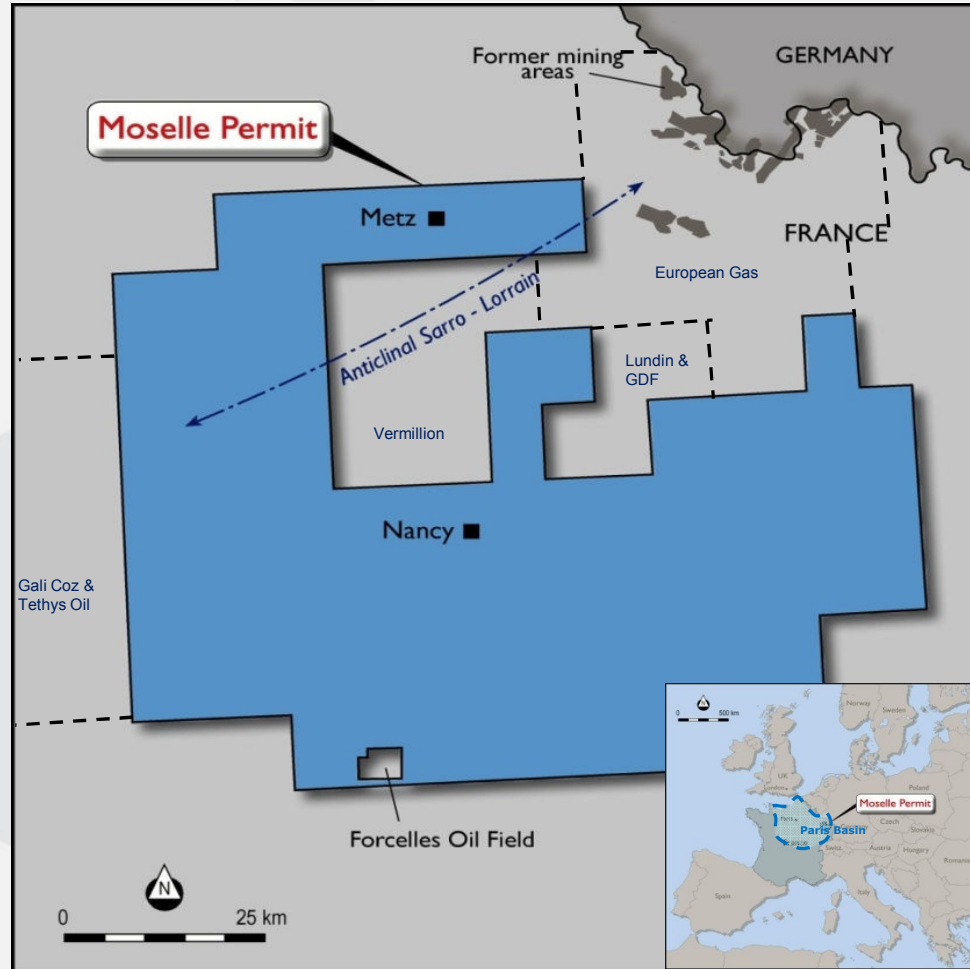
Capital Structure	<i>at 9 Sep 2011</i>
Exchange	ASX:EXR
Ordinary Shares	188.9m
Unlisted Options <i>(held by staff)</i>	6.0m
No of Shareholders	1,450
Top 20 Shareholders	52.9%



Trading Performance	<i>at 9 Sep 2011</i>
Trading Range <i>(prior 12 months)</i>	\$0.03 – \$0.25
Current Share Price	\$0.038
Market Capitalisation	\$7.2m
Trading Volume <i>(p/day prior 3 months)</i>	~300,000
Cash on Hand	\$1.0m



Moselle Permit Overview



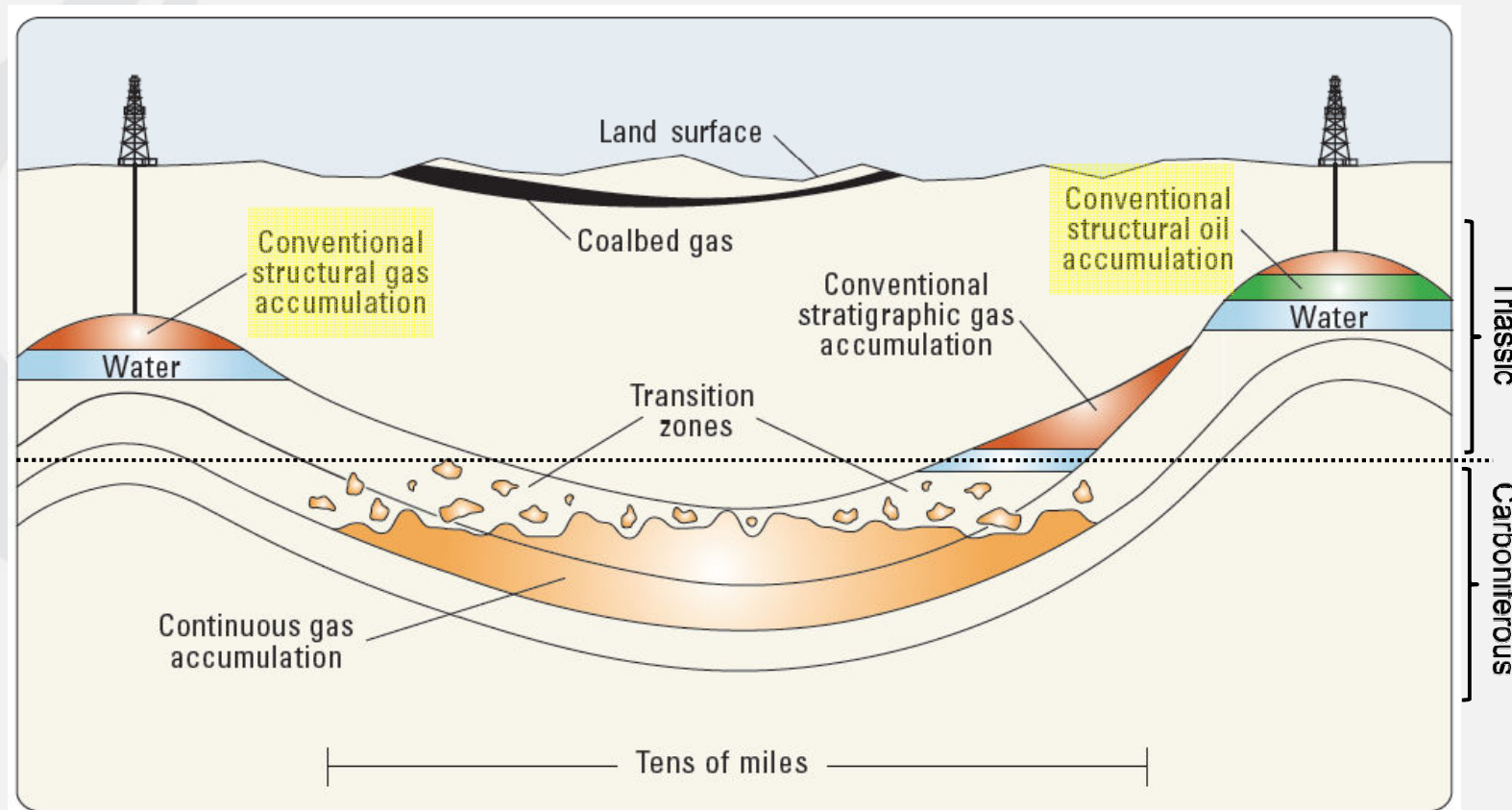
Location	Onshore, NE France
Area	5,360 km ² 1,340,000 acres
Ownership	100%
Term	5 years
Expiry	Feb 2014
Extensions	Yes, 2 x 5 years
2D Seismic	~2,500km
Wells on Block	24
Oil and/or gas shows	46%
Prospectivity	Conventional oil/gas tight gas, gas shale,
Total Commitment	€3,000,000
Spend to Date	~€1,500,000

Largest acreage position of any company in Paris Basin, being one of the largest and most prospective hydrocarbon basins in Europe

CONVENTIONAL RESOURCES

Moselle – Conventional Geological Characterisation

- Conventional hydrocarbon exploration and production in Paris Basin for >60 years
 - Over 275MMBbls of oil and 120Bcf of gas produced from Basin
 - Small oil field produced in Moselle Permit area in 1980's
 - Large Triassic gas field on production 40km west of Moselle
- Carboniferous is oil and gas source rock for conventional Triassic aged accumulations



Moselle - Conventional NSAI Estimate



- Total of 19 conventional prospects and leads mapped
 - Located within 4 main reservoir units in Triassic and Upper Carboniferous Section
 - Mainly 4 way dip closed structural traps
- Three multi-horizon prospect groups identified – each can be investigated with one well
- NSAI mean unrisked gross undiscovered in-place estimate - **2.12 Bbbls** or **2.18 Tcf**
 - Two independent volumetric outcomes prepared (ie. 100% oil, or 100% gas)
 - NSAI give equal likelihood to either oil charge or gas charge

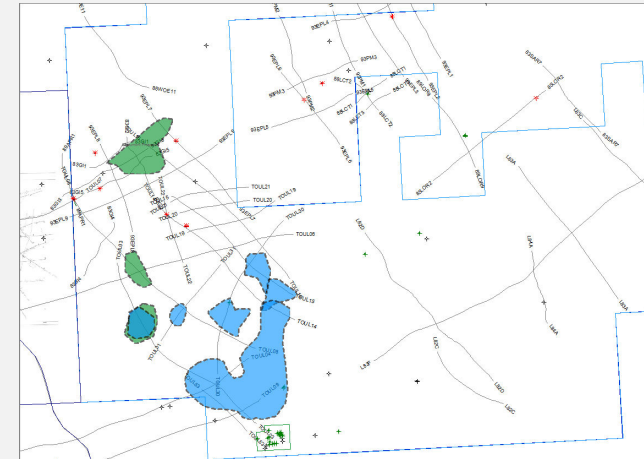
NSAI NETHERLAND, SEWELL & ASSOCIATES, INC.		OOIP (MMBbls)				
Reservoir	No of Targets	Depth Top Structure (TVDss/m)	Low Estimate (P90)	Best Estimate (P50)	Mean	High Estimate (P10)
Triassic	4	460 - 800	36.0	109.2	160.7	334.5
Top Carboniferous	7	600 - 1,300	146.3	560.9	1,081.6	2,349.6
C5	4	1,250 - 2,200	33.2	239.4	657.3	1,496.9
C4	4	1,700 - 2800	18.5	97.6	217.1	485.8
Total ⁽¹⁾	19		234.0	1,007.10	2,116.7	4,666.8

or, alternatively...

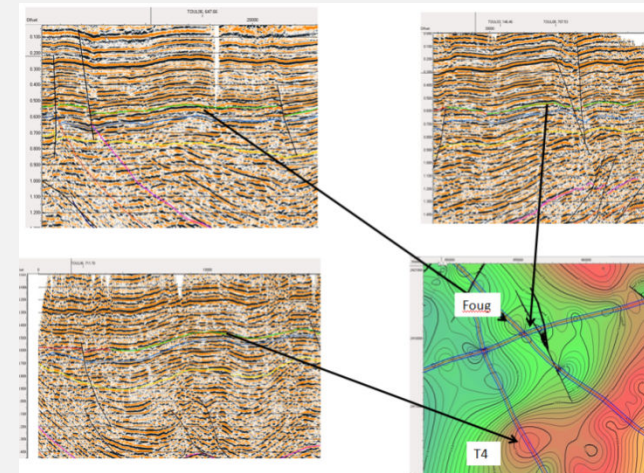
NSAI NETHERLAND, SEWELL & ASSOCIATES, INC.		OGIP (Bcf)				
Reservoir	No of Targets	Depth Top Structure (TVDss/m)	Low Estimate (P90)	Best Estimate (P50)	Mean	High Estimate (P10)
Triassic	4	460 - 800	20.5	61.0	88.5	182.4
Top Carboniferous	7	600 - 1,300	127.9	440.3	775.5	1,670.0
C5	4	1,250 - 2,200	46.0	335.2	951.6	2,179.3
C4	4	1,700 - 2800	30.1	160.3	366.9	804.2
Total ⁽¹⁾	19		224.7	996.60	2,182.5	4,836.1

Moselle – Conventional Forward Programme

- Prospects are considered ‘drill ready’
 - Three wells could investigate +70% of the Mean in-place oil/gas volume
 - Drilling costs modest for onshore, relatively shallow targets
- 2D seismic covers only ~35% of the Permit
 - Prospectivity in balance of Permit still to be determined
 - New seismic could elevate existing leads to prospect status
- Exploration programme for 2012
 - Commence planning, procurement and permitting activities for up to 3 well campaign
 - Drilling estimated in 2H, 2012*
 - Target high graded prospects - including multi-horizon Nancy South Group (*Mean in-place 1.2BBbls or 1.2Tcf*)
 - Investigating possible aerial grav/mag survey and acquisition of additional 2D seismic
- Identify partners to assist with exploration programme
 - Commencing discussions with industry participants



Triassic and Top Carboniferous Prospects Map



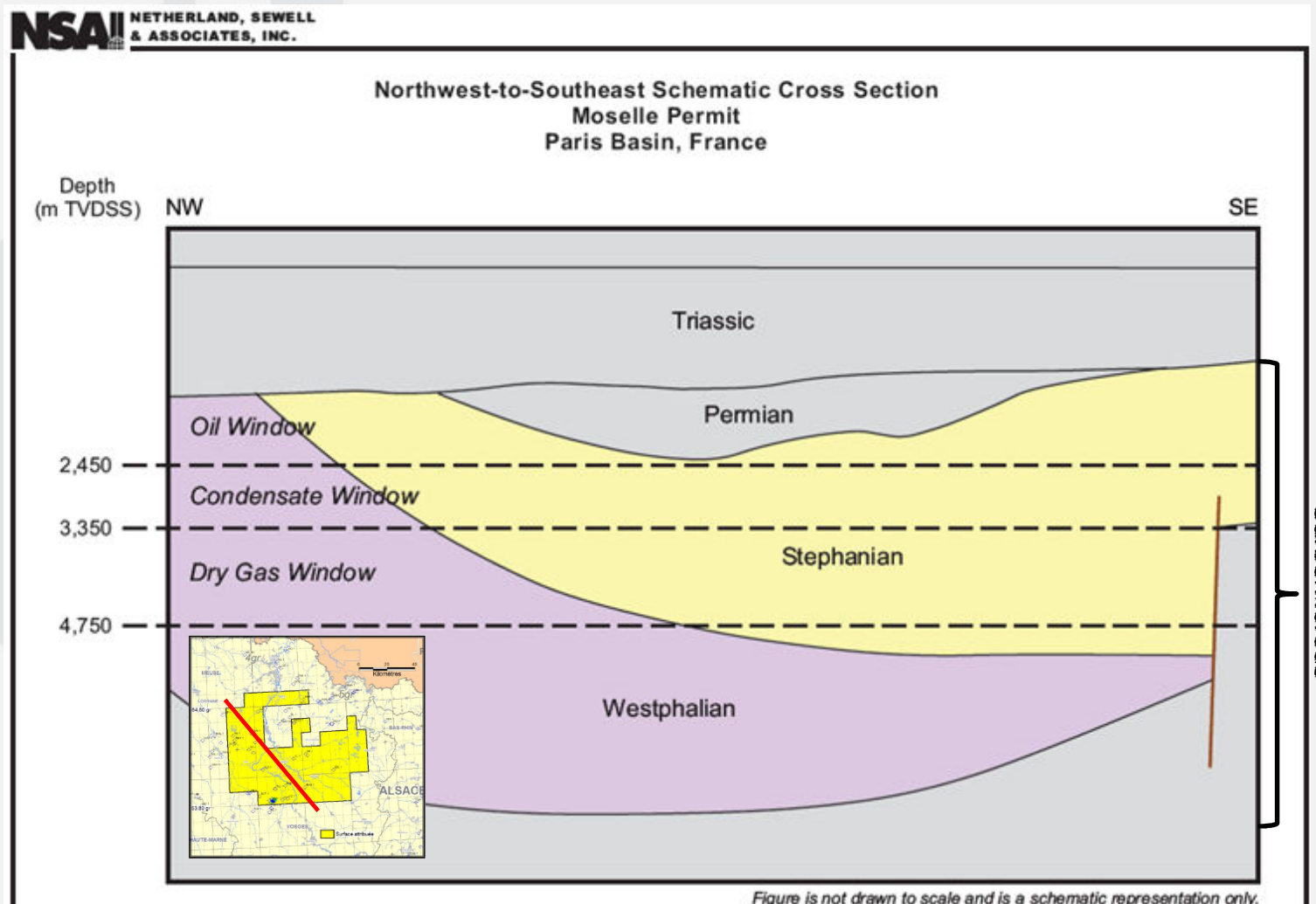
Foug Prospect - seismic cross-sections and top structure map

* Subject to rig and equipment availability and receipt of final permitting approvals

UNCONVENTIONAL RESOURCES

Moselle – Unconventional Geological Cross Section

- The thermal maturity windows allow oil, condensate and dry gas to be present
- Hydrocarbon generation continues at the present time



Moselle – Unconventional NSAI Estimate



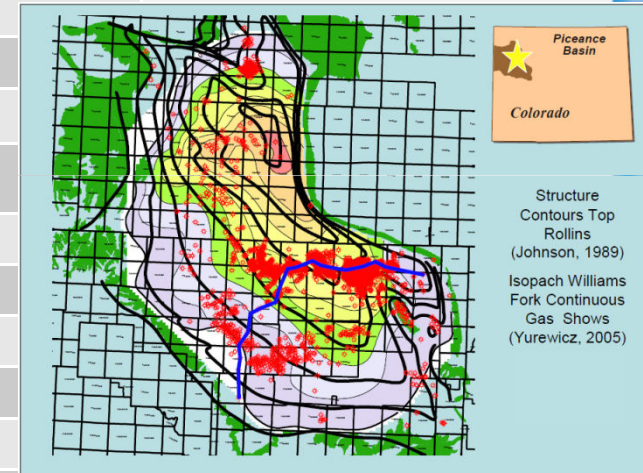
- Significant total in-place undiscovered hydrocarbon estimate provided by NSAI
 - **164.7 BBbls** of oil and **649.7 Tcf** of gas (P50, unrisked)
- Small quantities of gas have already been produced to surface from the Carboniferous Section from two unstimulated wells in the area
- Prior mini-fracs undertaken by ConocoPhillips of three zones in Saulcy well

NSAI NETHERLAND, SEWELL & ASSOCIATES, INC.	Undiscovered Gross (100 Percent) OOIP (MMBBL)			Undiscovered Gross (100 Percent) OGIP (BCF)		
	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate
Window/Lithology						
Oil						
Carboniferous Shale	13,551	42,223	118,836	10,554	39,345	124,733
Carboniferous Sand	53,965	121,846	272,415	40,940	115,335	292,048
Condensate						
Carboniferous Shale	61	297	1,402	30,858	94,894	266,491
Carboniferous Sand	90	374	1,530	53,656	120,084	263,538
Dry Gas						
Carboniferous Shale	-	-	-	37,872	116,012	327,665
Carboniferous Sand	-	-	-	74,496	164,037	359,289
Total⁽¹⁾	67,667	164,739	394,182	248,376	649,707	1,633,764

Totals may not add because of rounding.

Moselle – Unconventional Analogous to Piceance Basin

Reservoir Properties	Moselle Permit Paris Basin, France	Piceance Basin Colorado, USA
Age	Paleozoic (Carboniferous)	Mesozoic (Cretaceous)
Deposition	Fluvial and lacustrine	Fluvial and lacustrine
Source	Interbedded gas-prone shales, mudstones, siltstones, and coals	Interbedded gas-prone shales, mudstones, siltstones, and coals
Play	Basin-centred gas trap	Basin-centred gas trap
Permit/Basin Area	5,360km²	~6,000km²
Depth (TVDss)	600m - 4,750m	1,360m – 2,575m
Average Thickness (Gross)	~3,500m	~1,050m
TOC Range	2% - 15% (mean: 9%)	~2%
Pressure	Normally Pressured (?)	Over Pressured
Permeability	1.4μD - 1.3mD	0.1μD - 0.1mD
Porosity	0.8% – 11.4%	2% - 12%
Frac Gradient	0.65 psi/ft	0.6 psi/ft – 0.7 psi/ft
Kerogen Type	Mixed (Type 2 / Type3)	Mixed (Type 2 / Type 3)
OGIP (P50)	649.7 Tcf	+300 Tcf
OGIP (Bcf/km ²)	29 – 54	23 - 46
OGIP Density (Bcf/km ² /m)	0.06	0.03 – 0.05
EUR Gas (P50)	[To be determined]	~15%

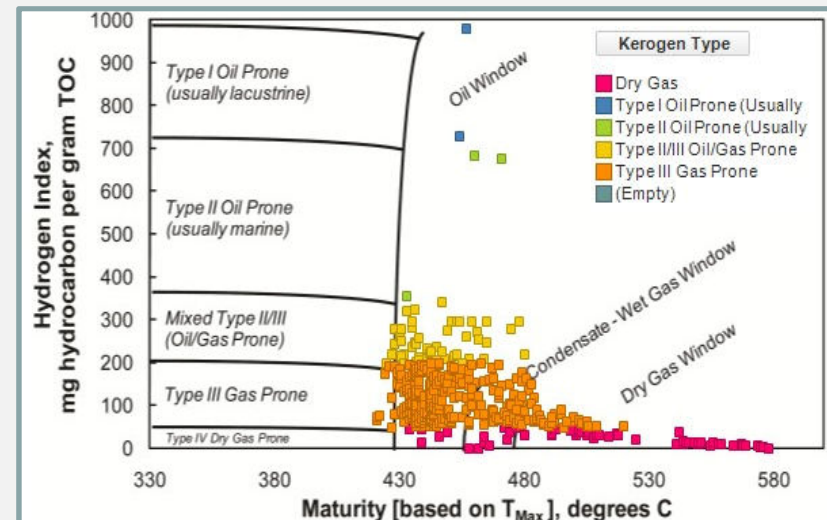
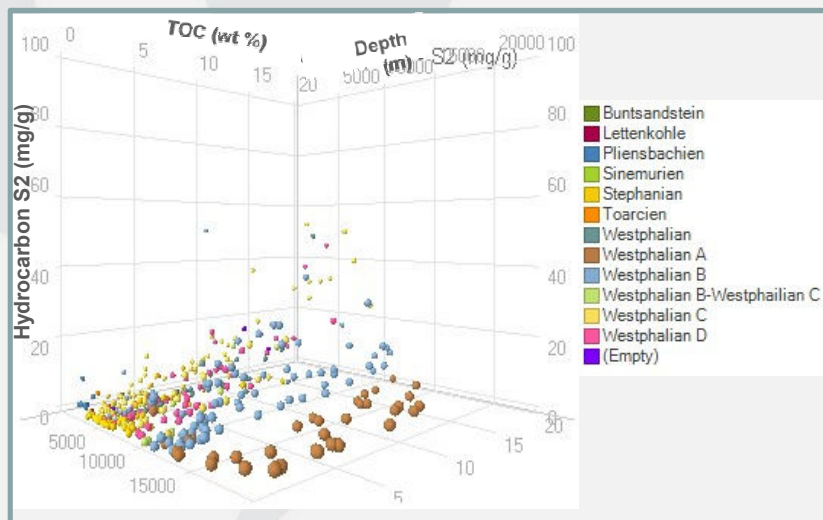
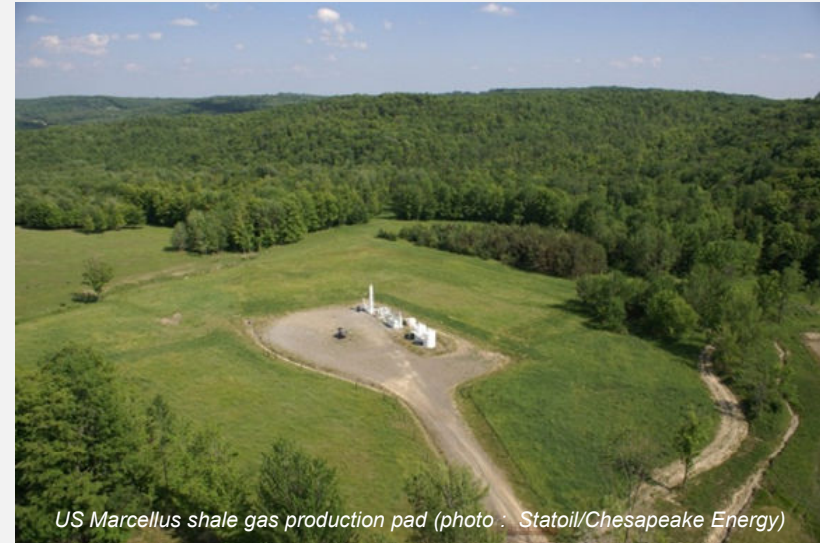


“We underestimate what [shale gas] could do to the world in the next 10 to 20 years. It’s a big deal and necessary — globally.” (Source: Peter Voser, CEO, Royal Dutch Shell PLC)

Moselle – Unconventional Forward Programme



- Likelihood of substantial liquids rich gas adds to the economics of the play
- Additional data required to prove up unconventional play -
 - Fluid types, net to gross, pressure, fracture orientation, rock mechanics etc
- Cannot currently fracture stimulate Carboniferous –
 - Can still drill, log, core, test, assay samples
- Investigate Carboniferous through pilot hole drilling of conventional targets



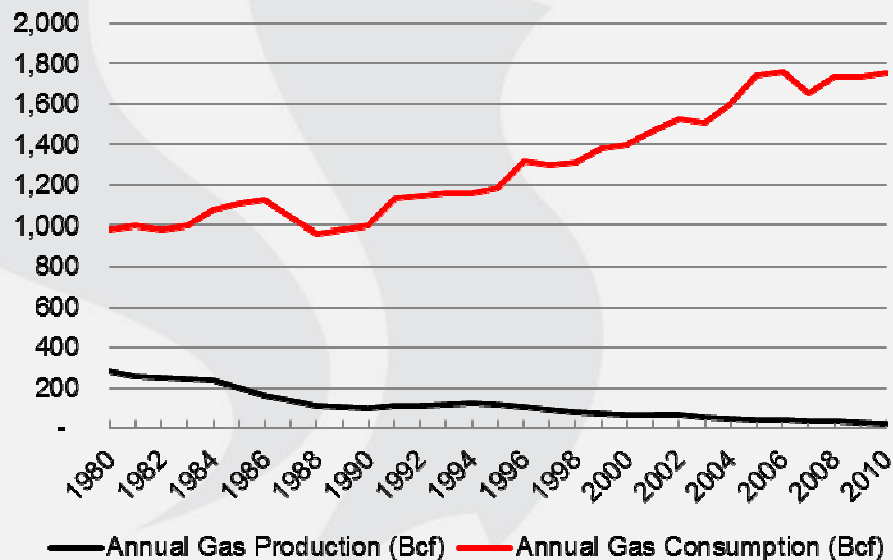
COMMERCIAL AND VALUATION

France Market

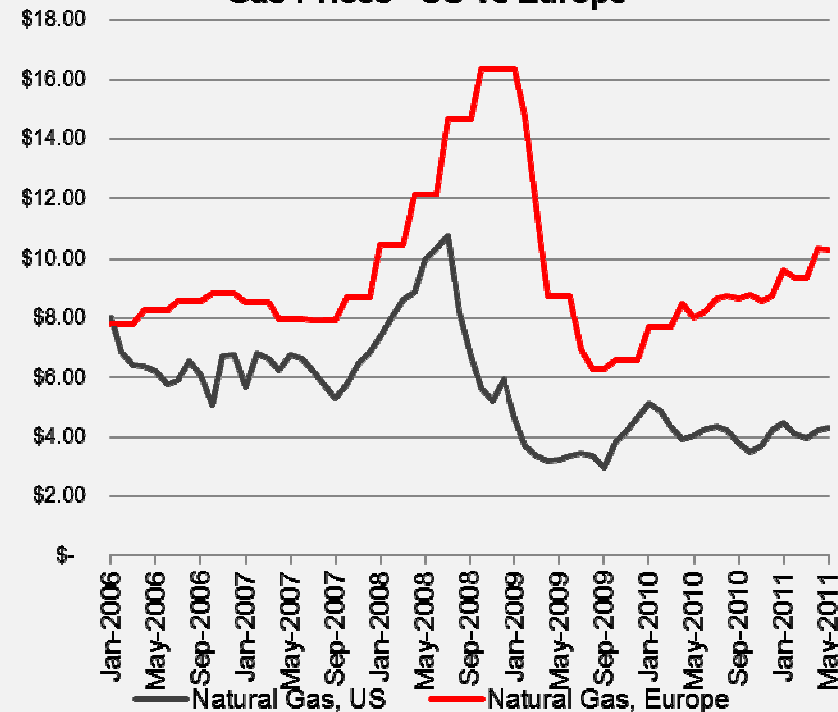


- Strong market fundamentals
- Established Oil and Gas industry -
 - Underexplored and neglected in recent years
 - Multiple plays
 - Innovation and technology stimulating activity
- Robust historic gas prices –
 - Gas prices linked to crude oil – term contracts
 - Significantly ahead of US prices, and growing

France - Natural Gas Production vs Consumption



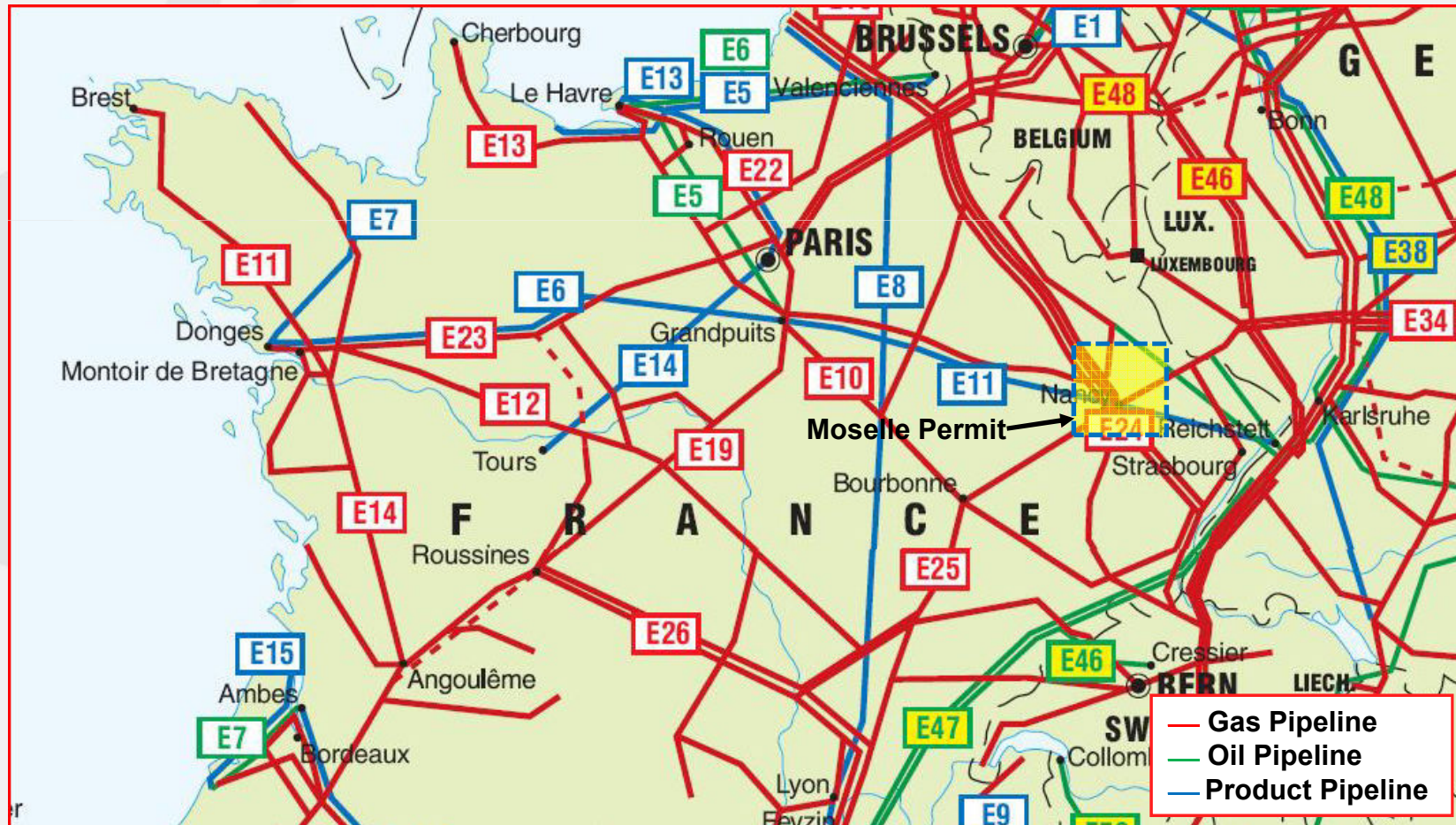
Gas Prices - US vs Europe



- Significant domestic oil and gas demand:
 - Net importer: ~1.7Tcf/year and 622 mmbbls/year and rising
 - 98.6% of all gas and 95.8% of all liquid hydrocarbons are imported
- Security and cost of supply a concern¹⁶

France Infrastructure

- Gas pipeline infrastructure and gas markets well developed
- Existing transport and refining capacity for new discoveries
- Onshore cost base means even small discoveries likely to be commercially viable



France

Regulatory Position



- July 2011 French Parliament passed law which now prohibits “hydraulic fracture stimulation of wells following drilling”
- Legislation was strongly debated and only narrowly adopted
- National Commission established to consider advances in fracing practices and technology and to make recommendations to the Government and Parliament
- Unclear as to timeframe as to if, or when, this position will change
- Possible developments to promote change include –
 - Technology -
 - › ‘Clean Stim’ frac fluids, non-toxic
 - › ‘GasFracs’ using NGL’s, not water
 - › ‘Osorb’ silica filtration, breakthrough tech
 - › Pulse drilling technologies
 - › 100% recycling & reuse of produced frac water
 - Practice -
 - › Fracing Best Practice Guidelines
 - › EU Shale Guidelines – 2Q, 2012
 - › DOE Fracing Study – 2012
 - › Quebec Fracing Study – 2012
 - › Shale gas success in Eastern Europe
- France highly dependent on imported hydrocarbons – costly, security of supply?

France	% of Total Consumption	Est Cost	% of Total Imports	% of GDP
Oil Imports (2008)	95.8%	\$57 billion	13%↑	3%↑
Gas imports (2009)	98.6%	\$18 billion		
TOTAL		\$75 billion		

Europe Unconventional Players



- The Majors and Independents are back in Europe pursuing unconventional resources

ExxonMobil



Name	Target	Country
ExxonMobil	Tight and shale gas	Germany, Poland
OMV	Shale Gas	Austria
ConocoPhillips	Shale Gas	Poland, France
Royal Dutch Shell	Tight Gas, Shale Oil and Gas	Ukraine, Sweden
Total	Shale Oil and Gas	France, Poland
BG Group	Tight and Shale Gas	France, UK
Chevron	Shale Gas	Bulgaria
Marathon Oil	Shale Gas	Poland, Ukraine, UK
Hess Corp	Shale Oil	France
Talisman Energy	Tight and Shale Gas	Poland
RWE Dea	Tight and Shale Gas	Poland
Eni SpA	Shale Gas	Poland
Mitsui	Shale Gas	Poland
Encana	Shale Gas	Poland



TOTAL



“Continental Europe has recently seen a true boom in exploration efforts for unconventional resources. New prospective acreage is being pursued vigorously” (Source: IHS Geneva)

Valuation

Comparable Transactions



- A&D activity ongoing despite period of regulatory uncertainty in France
 - Jul 2011 - ConocoPhillips into Realm Energy Paris Basin applications – \$[undisclosed]
 - Aug 2011 - Realm Energy takeover by San Leon - \$140m
 - Jul 2011 - Sterling Resources, new applications Paris Basin – 150,000 acres
- Hess intends to commence 6 well campaign 2012 targeting oil shale in Paris Basin
- Recent basin scale transactions in Australia provide guidance as to possible valuation metrics for Moselle

Shale Gas and Shale Oil - Australia						
Location	Parties	Date	Deal Value	Acres	\$/net acre	Remarks
Canning Basin	Mitsubishi and Buru	June, 2010	\$152m	18m	\$8	Mitsubishi acquires 50% WI
Galilee Basin	CNOOC and Exoma	Dec, 2010	\$77m	6.7m	\$11	CSG project, CNOOC acquires 50%, plus equity in Exoma
Beetaloo Basin	Falcon Oil and Hess	Feb, 2011	~\$100m	4.2m	\$24	Hess acquires 62.5%. Total undiscovered prospective resources similar to Moselle
Canning Basin	New Standard and Chevron	July, 2011	\$110m	11m	\$10	Chevron to acquire 75%. No prospective resource estimate
Cooper Basin	Drillsearch and BG	July, 2011	\$130m	500,000	\$260	BG acquires 60% WI plus 9.9% warrant in DS
Paris Basin	Elixir Petroleum	April, 2010	\$1m	1.3m	\$0.75	Elixir acquires 100% of Moselle Permit

“The power of the shale gas revolution has surprised everyone”

(Source: Christof Ruhl, Chief Economist, BP Plc)

SUMMARY

Moselle

Investment Highlights



Acreage Position

- ✓ Land holding is key - world scale acreage position
- ✓ Largest net acreage position of any company in Paris Basin
- ✓ 100% ownership and operatorship - likely to be attractive to a major
- ✓ Paris Basin has significant resource prospectivity among European basins

Resource

- ✓ Independent assessment of in-place volumes attained
- ✓ Significant conventional and unconventional hydrocarbons in place
- ✓ Likelihood of substantial liquids associated with gas in unconventional play

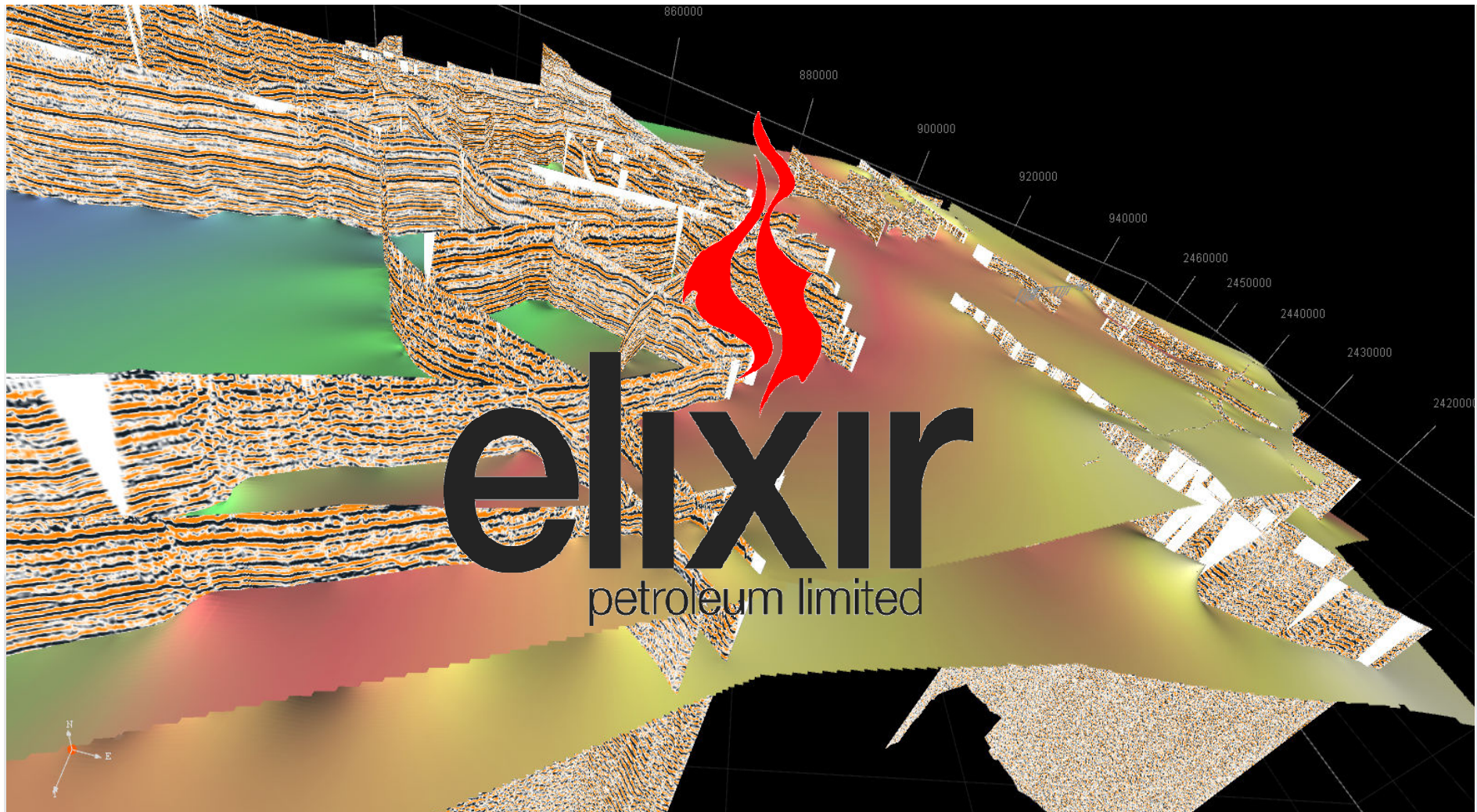
Market

- ✓ Europe requires a cheap, abundant, domestically produced energy source
- ✓ Attractive fiscal terms and high gas prices historically
- ✓ Rocks won't change while we await softening in French policy position

Forward Programme

- ✓ Clear direction focused on proving up potential through drilling
- ✓ Drill ready prospect – large multi-horizon targets, relatively shallow drilling
- ✓ Large equity position provides flexibility when it comes to funding

Significant currently unrecognised value in Moselle portfolio of conventional prospects to be demonstrated through drilling activity expected in 2012



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Information contained in this presentation with respect to the High Island and Pompano Projects, was compiled by Elixir or from material provided by the project operators and reviewed by Elixir's Operations Manager, Ian Lusted, BSc (Hons), SPE, who has had more than 15 years experience in the practice of petroleum engineering. Mr Lusted consents to the inclusion in this report of the information in the form and context in which it appears.

Information contained in this presentation with respect to UK North Sea Projects and the Moselle Permit was compiled by Elixir and reviewed by Elixir's Exploration Director, Iain Knott, BSc, MSc, FGS, AAPG, who has had more than 25 years experience in the practice of geology, including more than 5 years experience in petroleum geology. Mr Knott consents to the inclusion in this report of the information in the form and context in which it appears.

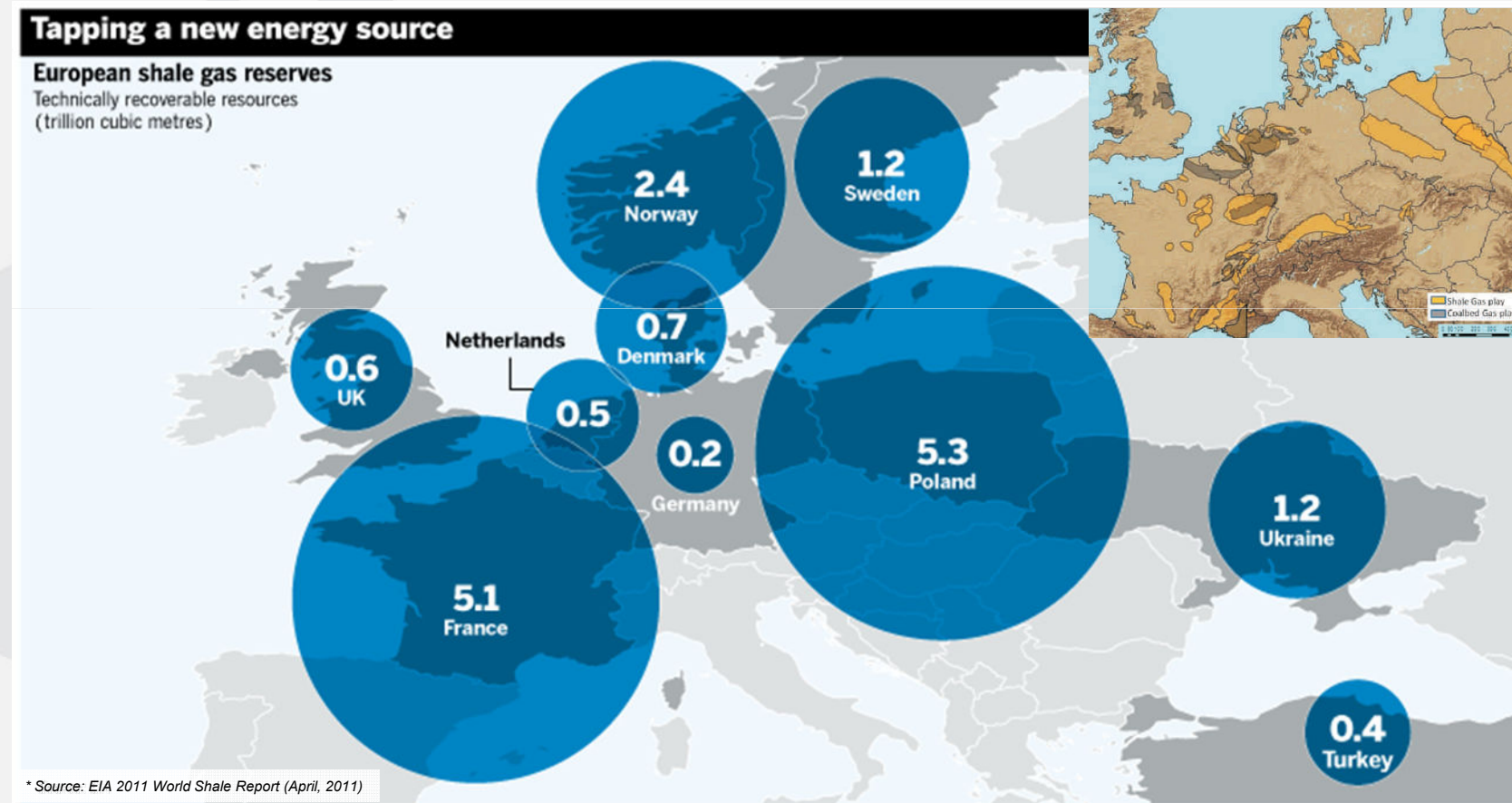
ADDITIONAL SLIDES

Operational Profile



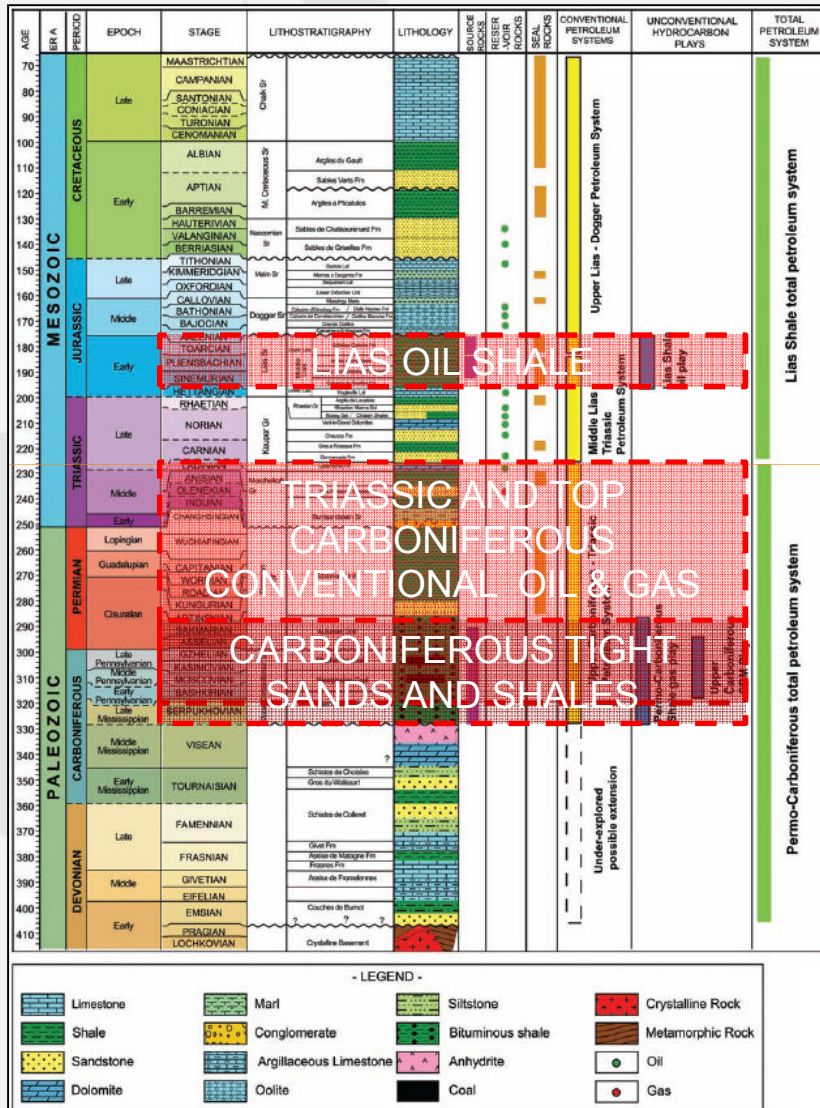
Unconventional Resources Europe

- EIA estimates France hosts 720Tcf OGIP and 180Tcf of technically recoverable shale gas



“The biggest development of the first decade of the 21st century is not solar, not wind, but unconventional gas.” (Source: Daniel Yergin, Chairman, IHS CERA)

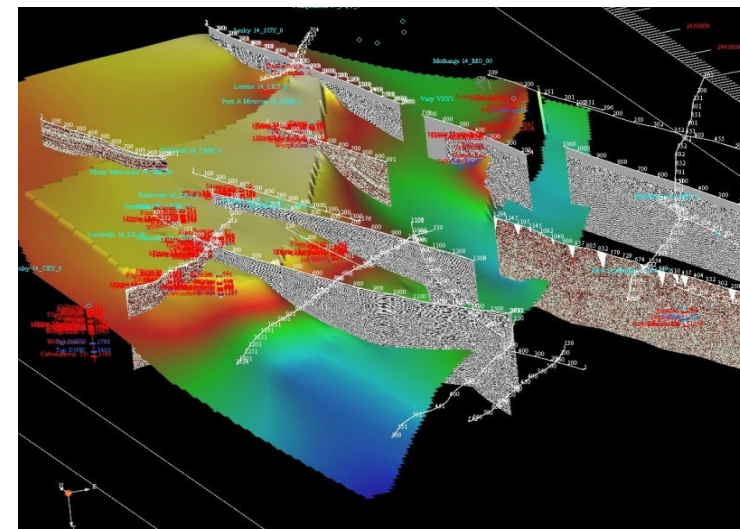
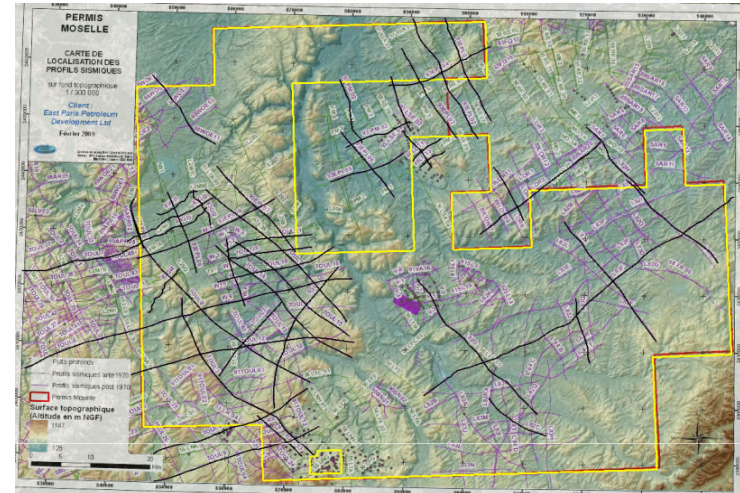
Paris Basin Geological Characterisation



Moselle Permit Technical Workscopes



Activity	Status
Acquisition and Digitisation of 450 km of well log data	✓
Detailed Petrophysics Analysis of 20 wells	✓
Core and Cuttings Sampling from existing wells (600+ samples)	✓
Detailed Core and Cuttings Analysis for six key wells (eg. XRD, TOC, VR, Rock Eval, Hg Capillary Pressures etc.)	✓
Acquired and Integrated IFP Geochemical Data (750+ samples)	✓
Burial History and Hydrocarbon Expulsion Modelling	✓
Sedimentology and Chemostratigraphy Studies	✓
Purchased 2,500km of 2D and 25km ² of 3D seismic data	✓
Seismic reprocessing and interpretation of 998km of 2D seismic	✓
28,000km ² of gravity and magnetics data acquired and interpreted	✓
Conventional prospect mapping - volumetrics and risking	✓
Independent Unconventional In-Place Hydrocarbon Assessment	Complete
Independent Conventional In-Place Hydrocarbon Assessment	Complete



France

Fiscal Regime



- Oil and gas owned by the State - exploration occurs under a concession regime
- Production royalties and local mining taxes payable – no surface rentals or fees
- Attractive fiscal terms – some of the best in the world, superior to US onshore and have not altered since 1980
- Historically low sovereign risk with stable government (Moody's/Fitch/S&P – AAA/stable)
- Mining Code under review - being modernised to deal with recent increase in activity

Fiscal Terms Onshore	Commodity	Production Rates	Royalty Rate		Tax Rate	
			Oil	Gas		
US	Oil and Gas	All Production	~25%	~25%	30%	
France	Oil	0 – 1,000 bbls/d	-		34.4%*	
		1,000 – 2,000 bbls/d	6%			
		2,000 – 6,000 bbls/d	9%			
		>6,000 bbls/d	12%			
	Gas	<30mmscf/d		Nil		
		>30mmscf/d		5%		

* Royalties and Local Mining taxes deductible in calculating corporate tax. Royalties calculated on a per field basis