

12 July 2016

**NOTICE GIVEN UNDER SECTION 708A(5) OF THE CORPORATIONS ACT**

This notice is given by Elixir Petroleum Limited (**Elixir** or the **Company**) under section 708A(5)(e) of the Corporations Act (the **Act**) in relation to an issue of 292,548,068 fully paid ordinary shares in the Company (the **Placement**), without disclosure to investors under Part 6D.2 of the Corporations Act. A completed Appendix 3B in respect of the issue of 292,548,068 new shares has been lodged today.

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

1. the Placement shares were issued without disclosure to investors under Part 6D.2 of the Act;
2. the Company is providing this notice under paragraph (5)(e) of section 708A of the Act;
3. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
4. as at the date of this notice, the Company has complied with section 674 of the Act; and
5. as at the date of this notice, there is no information:
  - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - (ii) the rights and liabilities attaching to the shares.

**Information required under Listing Rule 7.1A.4(b) and 3.10.5A**

As a result of the Company utilizing its Listing Rule 7.1A capacity, the Company advises the following information required under ASX Listing Rule 3.10.5A.

- a) The effect of dilution to pre-Placement shareholders is as follows:

	<b>Shares Issued</b>	<b>Dilution</b>
Shares issued under Listing Rule 7.1	237,525,542	12.0%
Shares issued under Listing Rule 7.1A	55,022,526	2.8%
Total dilution as a result of the Placement	292,548,068	14.8%

- b) The shares were issued by the Company as a Placement under Listing Rule 7.1A to professional and sophisticated investors as a short term interim funding step. Following a shareholder meeting on the proposed consolidation of shares, which is proposed on the

basis that every twenty five (25) shares held be consolidated into one (1) new share, shareholders will also be afforded the opportunity to participate in a non-renounceable rights issue at the same effective price per share as the Placement.

- c) The Board is also cognisant of the benefits in introducing fresh investors in the Company at this stage of its growth plans. A broader investor base allows the Company to be better equipped to raise additional funds in the future if required. It is noted that the Placement completed under Listing Rule 7.1A was at a 20% discount to the Company's 15 day VWAP. The Placement was not underwritten.
- d) The Company will pay a 6% fee (excluding GST) to be settled in cash to brokers of the Placement who introduced the new investors. Subject to the proposed rights issue being fully subscribed, the Company has also agreed to issue 4,000,000 options (on a post-consolidation basis), each exercisable at \$0.04 on or before 30 September 2019, to parties who have assisted in placing the Placement shares, and will assist in placing any shortfall shares under the proposed rights issue. Further details of these options, including full terms and conditions, will be included in a Notice of Meeting to be despatched to shareholders shortly.

For further enquiries, please contact:

**Dougal Ferguson**  
*Managing Director*  
+61 (8) 9226 2111

For further information on Elixir Petroleum, please visit the Company's website at [www.elixirpetroleum.com](http://www.elixirpetroleum.com)