

11 October 2019

DRILLING COMMENCING

Elixir Energy Limited (“Elixir” or the “Company”) today announces the commencement of its 2019 drilling campaign with the spud of the BO-CH-1 chip-hole this weekend.

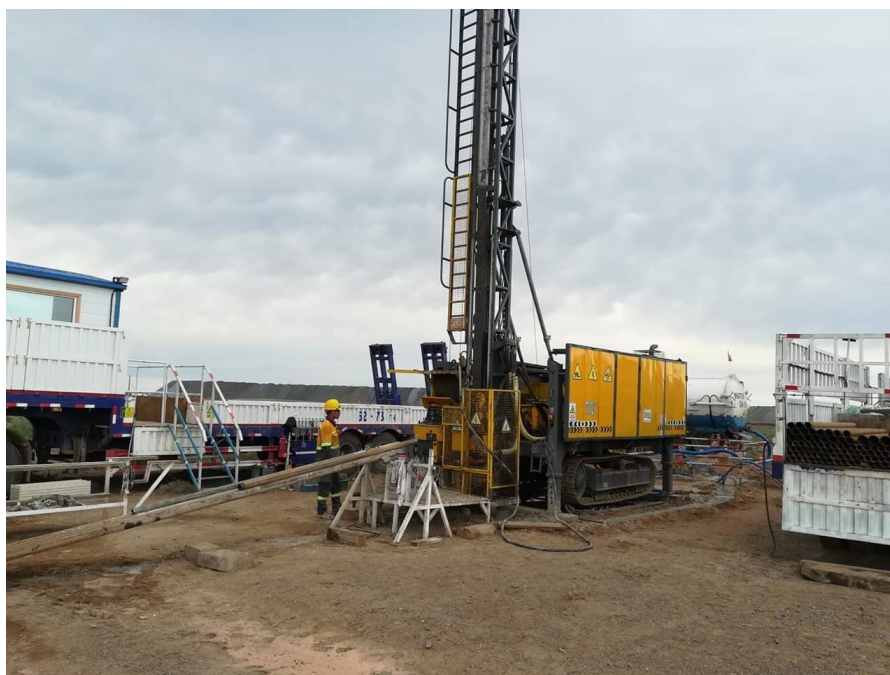
The 2019 program has been expanded to include two to four stratigraphic chip-holes in addition to the drilling of two firm and fully evaluated core-holes. Two rigs will be used and the option to drill a third core-hole remains.

Elixir’s Managing Director, Mr Neil Young, said *“The commencement of our foreshadowed 2019 drilling campaign is a key step for Elixir’s exploration program over our very large 100% owned Nomgon IX CBM PSC. The addition of a chip-hole drilling component to the program is a highly cost-effective way of gathering more geological information side by side with the core-holes.”*



Camp set up at well site

The chip-holes will not only be used to gain valuable data about the general geology and confirm coal continuity, but also support and substantiate the recently acquired 2D seismic program and de-risk locations for next year’s drilling program.



Erdenedrilling's Atlas rig at Oyu Tolgoi last year

International standard desorption and permeability testing tools have arrived from the USA and Australia respectively and initial training over the use thereof with the local contractors has been undertaken.



Training seminar on desorption equipment in Ulaanbaatar

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Elixir Energy Ltd is a gas exploration company focused on the 100% owned Nomgon IX coal-bed methane (CBM) production sharing contract (PSC) located in the South of Mongolia, proximate to the Chinese border. The 30,000 km² PSC was executed in September 2018 and has a 10+ year exploration period.