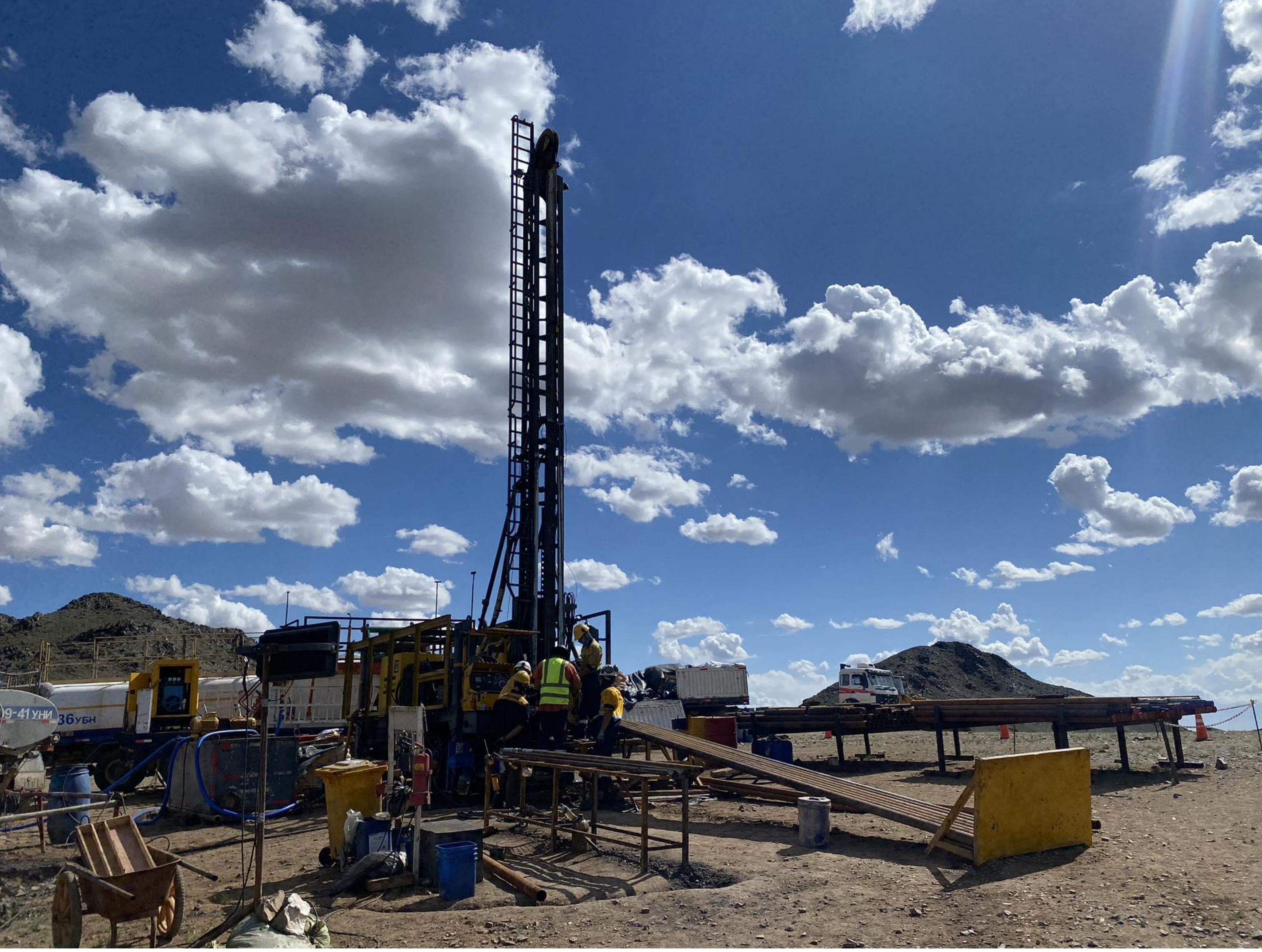

Elixir Energy

Annual Report

For the year ended 30 June 2023

ABN 51 108 230 995 | ASX: EXR | www.elixirenergy.com.au

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Corporate Directory

Directors

Mr Richard Cottee	Non-Executive Chairman
Mr Neil Young	Managing Director
Mr Stephen Kelemen	Non-Executive Director
Ms Anna Sloboda	Non-Executive Director

Company Secretary
Ms Victoria Allinson

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3B, Level 3
60 Hindmarsh Square
Adelaide 5000
South Australia

Bankers
National Australia Bank Limited
Level 9
22 King William Street
Adelaide 5000
South Australia

Share Registry
Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney 2000
New South Wales

Auditors – Australia
BDO Audit Pty Ltd
Level 7, 420 King William Street
Adelaide 5000
South Australia

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5th Khoroo Sambuu's Street
Chingiltei district
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Stock Exchange Listing
Australian Securities Exchange code: EXR

Email address
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Chairman's Letter

Dear Fellow Shareholder,

Another year another milestone – with your Company embarking on its first coal seam gas pilot project in Mongolia. The normal teething problems which often beset such a milestone project were exacerbated by the tyranny of distance, the remoteness of the location and the tail-end of the economic disruptions as the World and then China emerged from Covid induced hibernation. Notwithstanding these headwinds the ultimate success of this pilot will be seen this fiscal year.

This year was significant in that the whole world learnt just how valuable a role natural gas will play in the de-carbonisation process as well as how strategically important natural gas is to nations' very security. In addition, the Australian Government learnt an invaluable lesson: that the laws of supply and demand are immutable or beyond the remit of any man. Price (or less efficiently rationing) remains the market clearing mechanism.

Whereas in Australia, natural gas used for electricity generation was a relatively insignificant part of total domestic Eastern Seaboard gas demand, the intermittency of solar and wind has caused gas to be increasingly used to ensure the reliability and stability of electricity supply - so much so that with the current dynamics of the National Electricity Market gas is often is the price setter. Last year the price for gas reached the high nineties in $/GJ terms - a far cry from the government attempted price cap of $12/GJ. King Canute would not have been surprised.

The clarification from the Government that Elixir - in the event of success at Grandis - would be exempt from its policy machinations was indeed welcome and emboldens us to play our bit in balancing supply with demand.

The tragedy of Ukraine also materially affected the international LNG price which in turn saw price rises in practically all OECD countries as well as China. This flux was manifest in Mongolia, with growing Chinese interest in securing energy supplies from an immediately adjacent location.

Given the favourable market dynamics for gas producers, with growing international consumption of gas coupled with the spectre of a worsening domestic gas shortage (occasioned primarily by the rapid decline in Bass Strait production) the timing of the acquisition of 100% interest in the highly prospective Queensland Acreage (ATP 2044 aka the Grandis Project) was exquisite. The fact that it essentially has all weather access and is close to pipeline infrastructure materially enhances its economics.

Notwithstanding our still strong cash balance, we have demonstrated an ability to access other sources of finance with the successful R&D result for Daydream-2 – and we are still actively pursuing others as well.

With the Nomgon pilot and the Queensland drilling, next year could be transformational for your Company.

Yours sincerely,

Mr Richard Cottee
Non-Executive Chairman

Managing Director's Report

Overview

The last year saw two major developments for Elixir: the acquisition of the Grandis Gas Project in Queensland and the commencement of Mongolia's first CBM pilot production project. In the success case, both assets could serve local and international gas markets that face growing gaps between supply and demand.

Various events during the year illustrated the growing recognition that natural gas has a very long term future – that assists rather than hinders the energy transition. The growing pains of renewables – in areas such as cost increases, community acceptance and reliability – mean that gas is the natural transition fuel for the very long term.

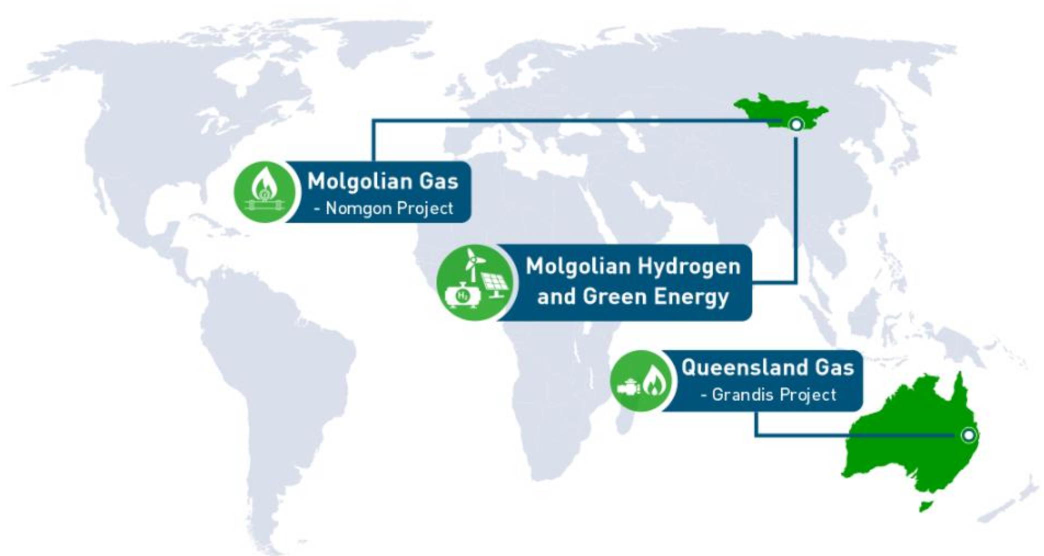
On top of this, the value of security of supply has been very strongly reinforced by the geo-political implications of the Ukraine war. Governments around the world reacted in various ways to the political implications of rapidly rising oil and gas prices and Australia was no different. Late last year that was manifested through an ill-advised intervention into East Coast Australian gas markets with a view to capping prices.

Since then, the Government has had to walk back its policy due to its chilling impact on suppliers and we are now almost back where we started. In the longer term, Australia is still a very attractive supplier of gas to major markets such as Japan and we expect growing interest in the potential of Grandis for such customers.

In Mongolia, the longer term gas market for large export volumes has always been China. The latter has reinforced the diversity of its gas supplies during the year, from both pipeline and LNG sources. Success in proving up Mongolian gas resources should add to this optionality and accordingly be an attractive new source of supply. Elixir has seen up close that the emergence of China from its COVID induced isolation in the course of the last year has led to growing interest in the potential of Mongolia to supply the country with energy and minerals resources.

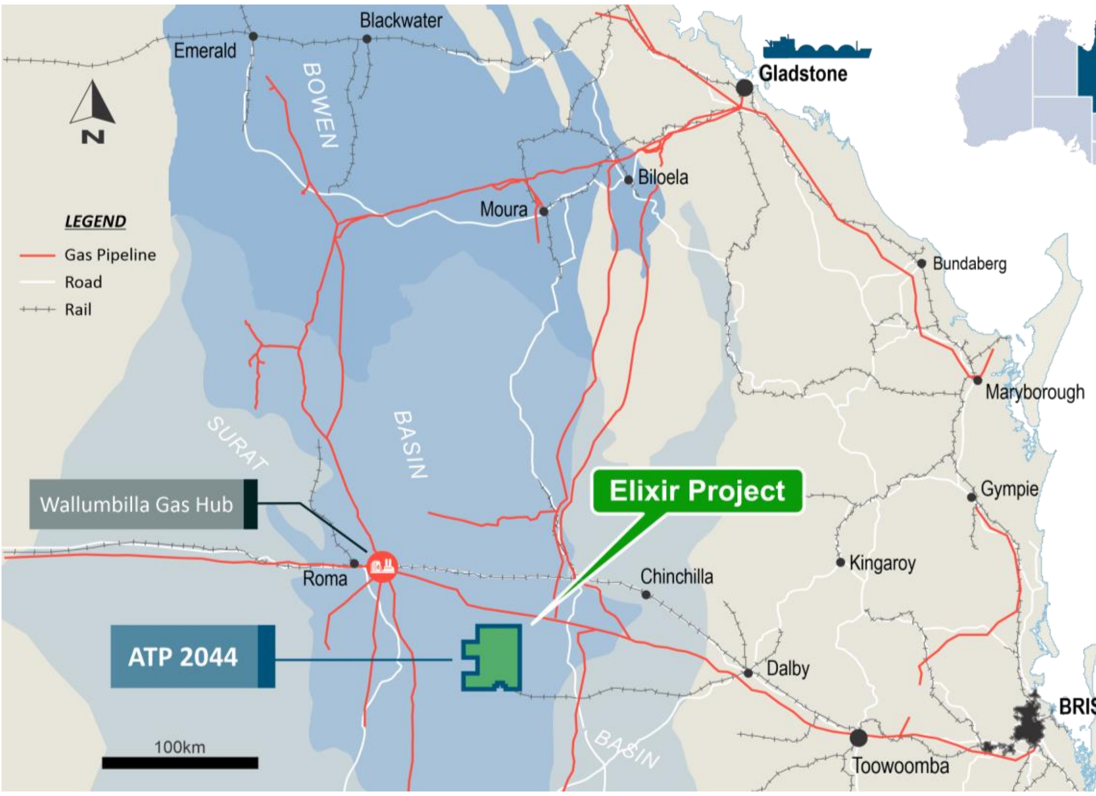
Our Gobi H2 green hydrogen project has attracted interest well beyond China – reflecting its strong competitive advantages compared to other hydrogen export projects that require very expensive marine transport. Although the development of full blown hydrogen markets is longer dated than for natural gas, it is impressive to note the extent of the activity on this front in China at present – up to an including the emergence of a hydrogen pipeline network just to Mongolia's South.

Project Locations



Grandis Gas Project / ATP 2044

During the year the Group announced the purchase of a 100% interest in a large and very well-located permit in Queensland: ATP 2044 (the Grandis Gas Project). Located close to Australia's premier gas hub at Wallumbilla, gas from this asset could find markets both domestically and internationally via the connected LNG export plants at Gladstone.



Around a decade ago, the deep Permian gas bearing part of the Bowen Basin called the Taroom Trough was extensively drilled by BG Group (now Shell). Data from this drilling campaign has been extensively analysed by Elixir and during the financial year the Company announced a material maiden booking of both prospective and contingent resources (see following section).

The Company secured a rig contract from major global services company SLB (previously Schlumberger) and plans to drill the Daydream-2 appraisal well in late October 2023.

SLB rig SLR 185

A large part of the total funding for the well was also secured in recent months – from the Federal Government. This was achieved through the obtaining of an Advanced Finding that Daydream-2 would qualify for Research & Development (R&D) tax credits. These will pay for 43.5% of the costs of this well.

Nomgon IX CBM PSC

Elixir has a 100% interest in the Nomgon IX CBM PSC, located proximate to the Chinese border in Mongolia's South Gobi region.

During the year Elixir undertook exploration and appraisal work on the PSC, with the primary focus being on an inaugural extended pilot production project.

This involved the drilling of 2 pilot wells and installing surface facilities. Production commenced around the end of 2022 and early results were promising, with key production milestones passed in the months following the initial flows.

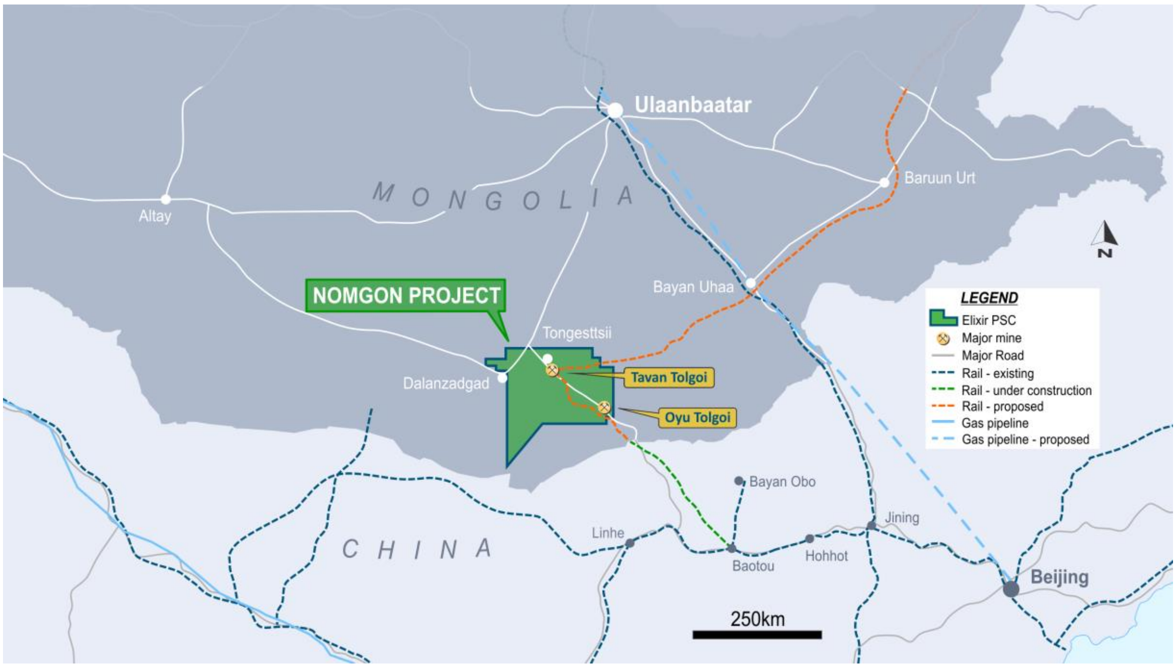
The gas output from the pilot started strongly then tailed off – which is not uncommon in CBM pilots – particularly in a frontier area. This led to an expansion of the pilot project – with a longer testing period and the addition of another well in the coming months.

In parallel exploration and appraisal activities have been pursued, focused on drilling largely in the South Western part of the PSC, which has proved to date to be the most prospective

All work was undertaken safely, without environmental incident and working closely with local communities.

Mongolian Hydrogen Project - Gobi H2

During the year, the Group progressed various initiatives to support the development of its green hydrogen production project – called Gobi H2 – in the South of Mongolia.



Elixir has been pursuing Gobi H2 with Japanese company SB Energy, previously wholly owned by SoftBank Group Corp. During the year, the previous MOU between the parties was superseded by a Term Sheet that provides for a pathway to a potential binding 50/50 joint venture.

A few month ago the ownership of SB Energy changed, with SoftBank selling a 85% interest therein to Toyota Tsusho Corporation (TTC).

TTC is a global diversified trading house that is a member of Japan's Toyota Group. It is also the 100% owner of Eurus Energy, a global renewable energy company with operations in many countries, including Australia.

During the year Elixir procured a Pre-Feasibility Study (PFS) from global consulting firm AECOM which confirmed the technical viability of the project.

Elixir and its partner have access to bankable quality renewable energy data in the Gobi region and have estimated the combined capacity factor of the solar and wind resources available to the project. The comparative resources are set out in the next section.

The comparative analysis set out in the Operational Summary below indicates the world class nature of these resources.

Mongolian Solar Ilch Project

Elixir's pre-development 50 MW solar project (named Solar Ilch) is also located in the South Gobi region. This asset has the options of either being developed as part of Gobi H2 or as a standalone renewable energy supplier to the Mongolian grid or large local mining operations.

Looking Ahead

The imminent drilling of the Daydream-2 well in ATP 2044 is arguably the most impactful in Elixir's history. Success could deliver a very material increase in contingent resources and put the asset on a path to booking reserves. Given the prime market location of the project, that outcome could then generate close interest from large gas industry players, both producers and customers.

Ongoing work at the pilot production project in Mongolia also aims to put that asset on the path to commerciality. As the first CBM pilot in the country, reacting to the specifics of the local rocks reflects the history of similar such play openers in Australia and around the world.

Finally, the locational and renewable resource competitive advantages of the Gobi H2 project could also mean that achieving commerciality is feasible before many other global hydrogen export projects, although as an entirely new industry this will probably take longer than for the Company's more traditional projects.

Neil Young
Managing Director

Elixir's Competent Person is Mr Greg Channon BSc(Hons),GAICD. Mr Channon is a qualified geoscientist with over 35 years of oil and gas industry experience and is a member of the American Association of Petroleum Geologists and the South East Asian Exploration Society and is a graduate of the Australian Institute of Company Directors. He is qualified as a competent person in accordance with ASX listing rule 5.41. Mr Channon consents to the inclusion of the information in this report in the form and context in which it appears.

Operational Summary and Resource Statement

ATP 2044 (Grandis Gas Project)

Contingent and Prospective Resources

During the year Elixir announced the booking of both contingent (discovered) and prospective resources. These are summarised below.

The contingent resource booking was independently certified by ERC Equipoise Pte Ltd (ERCE) and is summarised below:

ATP 2044 - GRANDIS GAS PROJECT				
Contingent Resources (100%)				
	Units	1C	2C	3C
Gas Initially In Place (GIIP)	Bcf	2,128	7,007	22,699
Recoverable Gas	Bcf	93	395	1,493
Recoverable Condensate	MMbbl	0.7	3.6	17.3

Note - Tight Sandstone Reservoirs Only

Note: *These are un-risked contingent resources that have not been risked for the chance of development, and that there is no certainty that it will be economically viable to produce any portion of the contingent* resources.

Detailed notes on the background to the preparation of the Contingent Resources report are set out in ASX Announcement released on 3 July 2022.

In addition to the Contingent Resources calculated by ERCE in the Tight Sandstone Play, the Fractured, Thermally Mature Coals Play provides an additional primary target. Elixir has attributed Prospective Resources to this play as shown below:

ATP 2044 - GRANDIS GAS PROJECT				
Prospective Resources (100%)				
Log Normal Distribution	Units	1U	2U	3U
Recoverable Gas	Bcf	401	1,287	4,135
Recoverable Condensate	MMbbl	4	25.7	165.4

Note - Fractured, Thermally Mature Coals Only

Detailed notes on the background to the preparation of the Prospective Resources report are set out in ASX Announcement released on 3 July 2022.

Nomgon IX CBM Project, Mongolia

In the reporting year ended 30 June 2023, Elixir spudded 12 Coal Bed Methane (CBM) wells in the Nomgon IX PSC (Figure 1). In total, over 10km of sediment was drilled and approximately 250m of coal intersected. The wells were a combination of pilot, appraisal, and exploration wells. This brought the total number of well drilled in the PSC since it was executed in 2018, to 41.

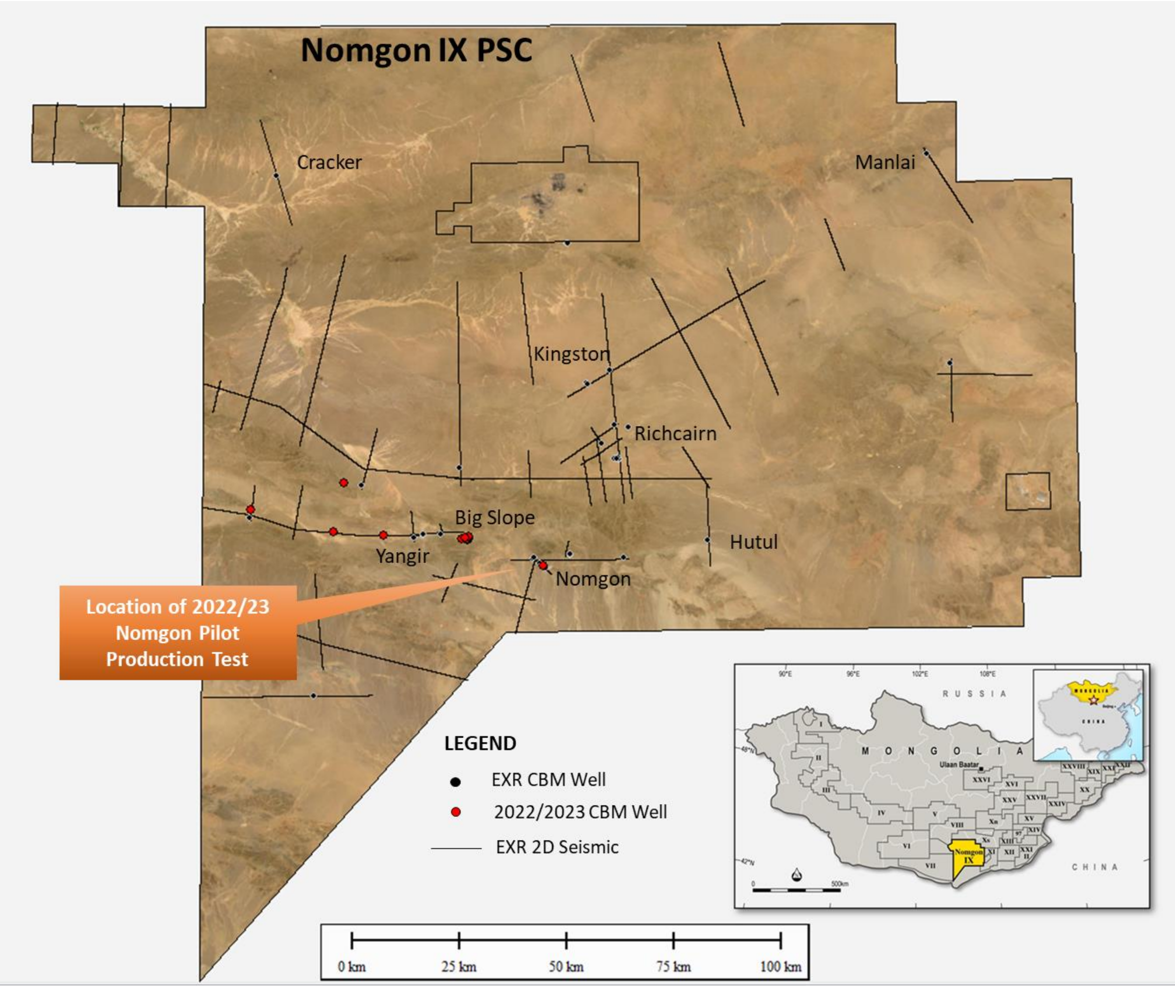


Figure 1: Drilling Activity in Nomgon IX

Nomgon Pilot Production Program

During the 2022/23 reporting period, Elixir initiated and brought online Mongolia's first CBM Pilot Production Program in Nomgon IX. The first well pilot well was spudded on 12 September 2022. The program consists of 2 producing wells. The pilot plant was started on 16 November 2022, with the first gas flare on 17 November 2022. The plant has produced gas at varying rates up to 200,000 cubic feet per day (Figure 2).

Figure 2: Nomgon Pilot Gas Flare

Appraisal and Exploration Coal Bed Methane Drilling

The Company's Coal Bed Methane (CBM) appraisal and development wells were drilled with a combination of chip-hole and coring drilling techniques. Appraisal wells are cored and desorbed for gas content, whilst exploration wells and generally just logged using wireline.

During the fiscal year, two Mongolian owned drilling sub-contractors were used and for the first time this was supplemented with international firm Major Drilling, who has drilled the wells for the Nomgon Pilot Project (Figure 3).

Figure 3: Major Drilling at Nomgon IX

Nomgon IX Contingent Resource

In the fiscal year ended 30 June 2023, a key focus of Elixir's program was the long term pilot production project – whose aim is to flow gas at commercial rates, hence facilitating a maiden reserves booking.

The intended reserve booking builds upon the site specific contingent resources booked during the previous fiscal year ended 30 June 2022, when Elixir announced its first Contingent Resource booking. The Independent Contingent Resource estimate was undertaken by ERCE Equipoise (ERCE). The Contingent Resources have been booked only for the initial selected gas supply area for a potential power project – the Western part of the Nomgon sub-basin in which the Company drilled a number of wells in 2020.

Nomgon IX Contingent Resources (100% WI)			
Bcf	**1C**	**2C**	**3C**
Gas initially in place (GIIP)	13	60	242
Recoverable Gas	**5**	**24**	**104**

Note: *These are un-risked contingent resources that have not been risked for the chance of development, and that there is no certainty that it will be economically viable to produce any portion of the contingent* resources.

Detailed notes on the background to the preparation of the Contingent Resources report are set out in ASX Announcement released on 7 April 2021.

Gobi H2 Resources

During the year Elixir used its bankable quality renewable energy data gathered in the South Gobi region to compare the capacity factor in that area with other proposed green hydrogen export projects (Figure 4). This is captured in the table below, which was released to the ASX on 11 May 2023.

	Gobi Mongolia	**Ordos** China	**Pilbara** Western Australia	**H2 Magallanes** Chile
Elevation (m) Average temperature (°C)	1,121 8.5	1,462 7.4	9 26.4	37 5.3
Solar resource (W/m2) Wind resource (W/m2)	203 347	174 154	228 180	164 1067
Solar utilization (%) Wind " Combined "	25 64 46	23 31 28	24 27 26	21 76 46
Solar peak capacity (MW_{DC}) Wind peak capacity (MW_{AC})	75 87	108 246	142 375	91 76
Electrolyzer peak cap. (MW) ***Electrolyzer util. (%)***	73 ***85***	98 ***64***	132 ***48***	75 ***83***

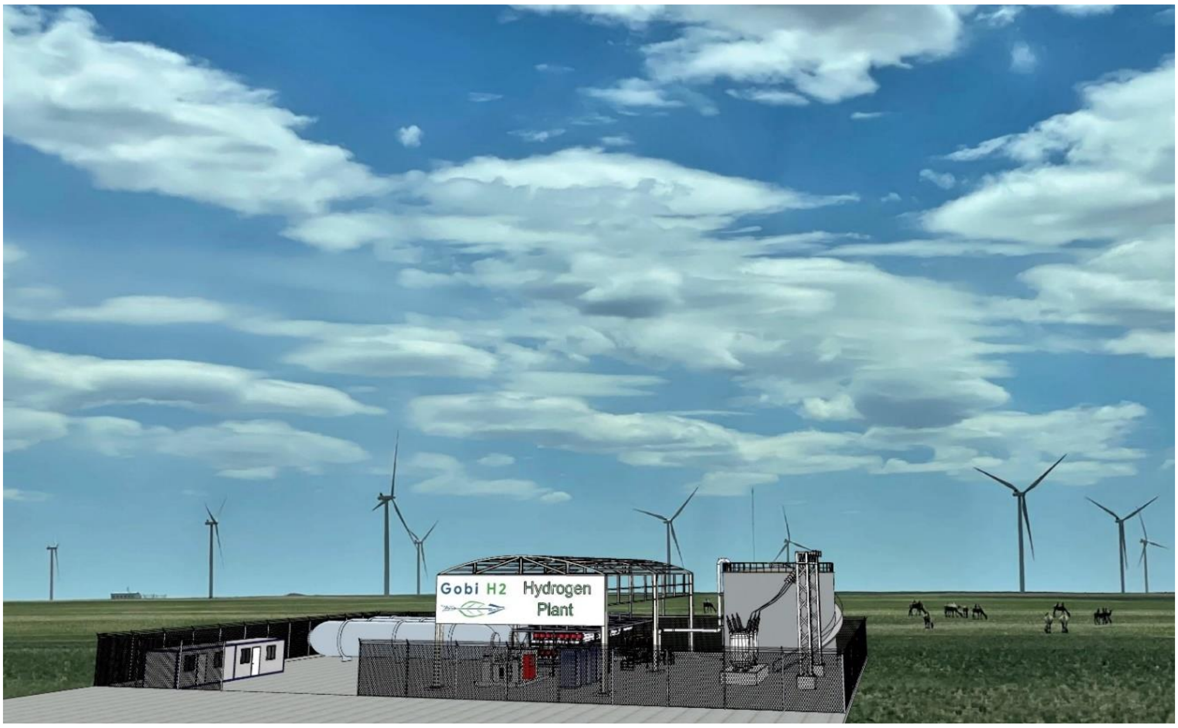


Figure 4: Illustration of hydrogen Plant

Environmental, Social and Governance

Elixir Energy Limited (Elixir) is an ASX listed natural gas and hydrogen exploration and development company in Mongolia and more recently Australia

From the start of 2021 Elixir started measuring its progress on meeting best practice on the Environmental Social Governance (ESG) front, which key stakeholders such as investors and Governments are increasingly demanding.

Last year Elixir issued a separate ESG Report contemporaneously with its 2022 Annual Report and will do the same for 2023.

The ESG Report is available at www.elixirenergy.com.au

Directors' Report

DIRECTORS

The names of the Directors of Elixir Energy Limited (Elixir) in office during the financial year and at the date of this report are:

Director	Position	Date appointed	Last elected or re-elected at AGM
Richard Cottee	Non-Executive Chairman	29 April 2019	18 November 2022
Neil Young	Managing Director	14 December 2018	-
Stephen Kelemen	Non-Executive Director	6 May 2019	28 October 2021
Anna Sloboda	Non-Executive Director	1 October 2020	28 October 2021

Other than as stated above, each Director held office from 1 July 2022 until the date of this report.

INFORMATION ON DIRECTORS

Richard Cottee – Independent Non-Executive Chairman
Qualifications: BA/LLB (Hons)

Board Committees: Chair of the Remuneration Committee and a member of the Audit Committee.

Mr Cottee was the Managing Director of coal seam gas (CSG) focused Queensland Gas Company (QGC) during its growth from a $20 million market capitalisation junior explorer through to its acquisition by BG Group for $5.7 billion. QGC's CSG assets are now operated by Shell and produce gas that is sold to China and other LNG markets.

Originally a lawyer, Mr Cottee has spent the vast majority of his career in senior executive roles in the energy industry, including acting as CEO at CS Energy, NRG Europe, Central Petroleum and Nexus Energy.

A 36-year veteran of the industry, Mr Cottee is a strong business development professional and a graduate from The University of Queensland.

Other current Directorships of Australian listed public companies:

- State Gas Limited (ASX code: GAS) - Executive Chairman

Interests in securities in Group at the date of this report:

- 20,252,240 fully paid ordinary shares

Neil Young – Managing Director
Qualifications: MA (Hons)

Mr Young has more than twenty years' experience in senior management positions in the upstream and downstream sectors of the energy sector, focusing on business development, new ventures, gas marketing and general commercial functions.

He has worked for a range of companies in the UK and Australia including EY, Tarong Energy and Santos. Mr Young founded Golden Horde Ltd (now a wholly owned subsidiary of Elixir) in 2011 with a view to exploring for gas on the Chinese border in Mongolia. He has also developed various new ventures in multiple countries including Kazakhstan, Japan and the USA.

Other current Directorships of Australian listed public companies:

- Nil

Interests in securities in Group at the date of this report:

- 41,560,809 fully paid ordinary shares
- 4,000,000 Class P Performance Rights expiring 1 July 2024-2025
- 1,000,000 LTI Revenue Performance Rights expiring 30 June 2026
- 1,000,000 LTI TSR Performance Rights expiring 30 June 2026

Stephen Kelemen – Independent Non-Executive Director
Qualifications: B.Eng

Board Committees: Chair of the Risk Committee, member of the Audit Committee and a member of the Remuneration Committee

Mr Kelemen has a diverse petroleum industry experience across reservoir, development, operations and exploration activities in conventional petroleum, CSG and other unconventional resources, developed through his ~40 years in the industry. Mr Kelemen led Santos' CSG team from its inception in 2004 and drove the growth in this area that allowed Santos to become one of Australia's leading CSG companies. An engineering graduate from Adelaide University, Stephen served Santos for 38 years in multiple technical and leadership roles.

Mr Kelemen is currently an Adjunct Professor at University of Queensland's Centre for Natural Gas, Deputy Chair – Petroleum for Queensland Exploration Council and a non-executive Director of unlisted Advent Energy Ltd.

Other current Directorships of Australian listed public companies:

- Galilee Energy Ltd (ASX: GLL)

Interests in securities in Group at the date of this report:

- 2,137,223 fully paid ordinary shares
- 4,750,000 Incentive Options exercisable at $0.10 and expiring 29 September 2023

Anna Sloboda – Independent Non-Executive Director
Qualifications: MA Economics, MBA

Board Committees: Chair of the Audit Committee and a member of the Risk Committee.

Anna is a joint Belarusian/Australian citizen and has over 20 years of experience in corporate finance, and in developing junior resource companies operating around the world. Anna is currently an Executive Director of Red Citadel Resources Pty Ltd, a private owned mineral resources exploration company with a range of projects in Africa and South America. She also serves as an Advisory Committee Member, Maritime Archaeology, at the Western Australian Maritime Museum.

Previously she was a co-founder of Trans-Tasman Resources Ltd, and in that capacity had substantial experience in dealing with Chinese off-takers and partners. Other prior employers include Lehman Brothers, Clough Ltd and Curtin University.

Other current Directorships of Australian listed public companies:
- Nil

Interests in securities in Group at the date of this report:
- 36,000 fully paid ordinary shares
- 1,000,000 Incentive Options exercisable at $0.50 and expiring 27 October 2025

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Victoria Marie Allinson (appointed 1 August 2019)
Qualifications: FCCA, FGIA

Ms Allinson is a Fellow of The Association of Certified Chartered Accountants, a Fellow of the Governance Institute of Australia and an NSX Nominated Advisor. She has over 30 years' accounting and auditing experience, including senior accounting positions in a number of listed companies and was an audit manager for Deloitte Touche Tohmatsu. In addition, Ms Allinson has gained professional experience while living and working in both Australia and the United Kingdom.

Her previous experience has included being Company Secretary and CFO for a number of listed companies, including ASX listed: Kiland Ltd Safety Medical Products Ltd, Marmota Limited, Centrex Metals Ltd, Adelaide Energy Ltd, Enterprise Energy NL, and Island Sky Australia Ltd as well as a number of unlisted companies. In her role as Company Secretary, Vicky has assisted a number of companies to list on the ASX and NSX.

Interests in securities in Group at the date of this report:
- 262,000 fully paid ordinary shares
- 400,000 Class P Performance Rights expiring 1 July 2024-2025

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Elixir's Directors held during the year ended 30 June 2023, and the number of meetings attended by each Director.

Director	Directors' Meeting		Audit Committee		Remuneration Committee		Risk Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
R. Cottee(1)	10	10	2	2	1	1	1	1
N. Young (2)	10	10	2	2	1	1	1	1
S. Kelemen(3)	10	9	2	2	1	1	1	1
A. Sloboda	10	10	2	2	-	-	1	1

(1) Mr Cottee attended the Risk Committee meetings during the year by invitation.

(2) Mr Young attended both Audit Committee & Risk Committee meetings during the year by invitation.

(3) Mr Kelemen was absent from one board meeting due to a conflict of interest.

PRINCIPAL ACTIVITIES

Elixir Energy Limited ("Company") and its subsidiaries ("Group") is an exploration company focused on coal bed methane ("CBM") exploration and development in Mongolia; tight gas appraisal in Queensland and green hydrogen production in Mongolia. Further details are contained in the Managing Director's Report provided earlier in the 2023 Annual Report and in the Review of Operations below.

REVIEW OF OPERATIONS

Operating Results

For the financial year ended 30 June 2023, the Group recorded a net loss from continuing operations after tax of $3 million (2022: loss of $2 million). The current year's loss is increased by $1 million comparing to the prior year primarily results for $0.9 million increase in share based remuneration; the underlying corporate cost structure remained unchanged with all costs related to the projects are capitalised. The current year loss includes approximately $1.3 million (2022: $0.5 million) (net) of non-cash items for share-based remuneration; new ventures $0.03 million (2022: 0.34 million); offset by $0.02 million (2022: $0.4 million) foreign currency translation gain. The 'cash loss' for the year of approximately $1.6 million (2022: $1.9 million) reflects the Group's operating, administrative and new ventures).

At 30 June 2023, the Group held cash of just under $9.6 million (2022: $22.7 million), representing funds raised in the last quarter of the 2021 financial year from a Share placement and Share Purchase Plan of $26.6 million ($25.9 million after costs). During the year, the Group spent approximately $9.4 million (2022: $8 million) on the CBM project in Mongolia, and $1.4 million (2022: $nil) on tight gas appraisal in Queensland, described in more detail below.

Operations Review

During the financial year, the Group acquired the Grandis Gas project in Queensland, while the primary operational focus was on Mongolia, on natural gas exploration and appraisal in its 100% owned Nomgon IX CBM Production Sharing Contract (PSC) and Gobi H2 green hydrogen projects.

Each year the Company undertakes a regulatory process involving procuring various approvals from the petroleum, environmental and local authorities. In this financial year this facilitated the acquisition of a drilling campaign in the year which comprised pilot wells, low cost strat-holes and fully tested core-holes.

During the year, Elixir made significant progress with its Gobi H2 green hydrogen project, located in the same part of the South Gobi region as its CBM operations. During the year the prior MOI with Japan's SB Energy Corp was converted into a Term Sheet. Towards the end of the year a 85% interest in SB Energy was acquired by Toyota Tsusho Corp.

During the year, Elixir dissolved both of its USA wholly owned subsidiaries, removing the only remaining legacy asset from Elixir's operations prior to current Management coming on board.

Risk Management

The Group manages both operational and corporate risk in accordance with its risk management policy to ensure that the risks associated with Group's activities are identified, measured and mitigated to the lowest practicable level. Risk assessments across the Companies' business are conducted on a regular basis by the management team and are reported through to the Risk Committee. The Board and delegated Risk Committee are responsible for overseeing the risk management framework. Policies and procedures are continually developed, reviewed, and enhanced as appropriate to manage the current and changing operational and corporate risks of the business.

Risk	Description	Mitigation Strategy
People	Key executives may leave. Shortage of quality, experienced personnel and loss of key staff may adversely impact on operations.	Critical staff succession planning. Competitive remuneration including incentives offered. Key staff development and retention prioritised.
Cybersecurity	Data breach or cyber-attack.	Protections – practical and legal - in place to protect data and mitigate security breaches. Regular review and benchmarking of processes.
Funding	Given the nature of an early stage resources exploration/appraisal company, there is generally a requirement at some point to raise additional funds to support future operations. An inability to obtain funding at particular points in time would delay future capital programmes and likely adversely impact the Company's strategy.	Close and active management of the Company's capital requirements. Non equity funding options under constant review and development. Deep relationships and experience amongst the Directors with capital markets in Australia. Strong investment in retail marketing strategy to maintain interest and liquidity from current and prospective shareholders.
Supply chain risks for operations	The nature of oil and gas activities in both the country's the Company operates in is such that items for drilling activities and pilot production facilities are required from overseas markets. Accordingly delays, unforeseen costs and other issues may arise.	The Company works very closely with suppliers and pro-actively to order items, where possible, in advance. COVID imposed difficulties that has strengthened resilience in Mongolia in particular. The Company maintains constant dialogue with suppliers and keeps abreast of alternative suppliers should changes in vendor be required.
Geopolitical factors and anti-industry sentiment	Governments in Mongolia and Australia can and do intervene in various aspects of the Company's business – for instance in gas markets in Australia recently. Loss of licences due to non-compliance with permit obligations or government obstruction to progressing exploration and development activities. Change in regulation or legislation rendering compliance difficulty.	Pro-active engagement across all levels of governments in both countries. The Company works with industry peers and lobby groups to add to its messaging. Final Code of Conduct regulating East Coast gas prices exempts Elixir from most applications of the pricing cap. Compliance with all regulatory obligations - work programmes, environmental approvals and permit approvals.

Risk	Description	Mitigation Strategy
		The Company works closely with lawyers and other professionals to monitor and mitigate these risks.
Land access	Various types of access and other related agreements are not able to be reached with landowners thereby delaying projects.	Good relationships have been fostered with local levels of Government in Mongolia over many years. In Queensland starting to build local liason competencies. Early engagement with landowners and stakeholders before activities commence. Investments made in various forms of voluntary community support.
Geological and engineering risk in exploration and appraisal activities	Exploration and appraisal operations have inherent geological and engineering risks. These risks are industry wide, but are reduced in more mature areas with greater histories and understandings.	The Company has petroleum licences in Mongolia and now Australia to mitigate the risk of a single basin (or country) activity. The Company hires expert professionals in multiple oil-field disciplines to manage its office and field activities.
Operations	Operating in the oil and gas industry is associated with a number of risks, including but not limited to explosions, blow outs, equipment and facility failure, people safety, environmental hazards and accidents.	The Company manages operational risk via multiple processes such as engaging high class professionals, governance through a highly experienced Board, processes such as regularly reviewed risk registers, peer reviews, etc.

Changes in Capital Structure

In August 2023, the Company acquired a 100% interest in petroleum exploration permit ATP 2044 via EnergyCapture Pty Ltd; consideration comprised of $500,000 cash, share issue of 20,703,934 of Elixir shares worth $3,000,000 and an over-riding 3% royalty.

Total ordinary shares on issue at 30 June 2023 were 912,437,310.

There were no other significant changes to the issued capital structure during the year.

SHARE OPTIONS

At the date of this report there are 6,330,000 (2022: 6,330,000) Unlisted Options over unissued ordinary shares are on issue. During the year, no Unlisted Options were granted and no listed Options were exercised or cancelled.

Options on issue at 30 June 2023:

Unlisted Incentive Options

Issue date	Number	Exercise price	Expiry	Vesting
30 September 2019	4,750,000	$0.10	29 September 2023	Vested
5 June 2020	580,000	$0.10	4 June 2024	Vested
28 October 2021	1,000,000	$0.50	27 October 2025	Vested
Total	**6,330,000**			

All unlisted options vest after a one-year service period has been completed.

PERFORMANCE RIGHTS

At the date of this report there are 8,800,000 (2022: 26,200,000) Performance Rights are on issue. During the year 2,000,000 Performance Rights were issued and no Performance Rights were converted. On 3 July 2023, 19,400,000 Performance Rights were converted into fully paid ordinary shares for no consideration.

Performance Rights on issue at 30 June 2023:

Grant date	Number	Exercise price	Expiry	Vesting
Class C				
14 December 2018	7,500,000	$nil	13 December 2023	(a)
30 September 2019	7,500,000	$nil	29 September 2024	(a)
5 June 2020	1,000,000	$nil	4 June 2025	(a)
	16,000,000			
Class P				
28 October 2021	3,400,000	$nil	1 July 2023	(b)
28 October 2021	3,400,000	$nil	1 July 2024	(b)
28 October 2021	3,400,000	$nil	1 July 2025	(b)
	10,200,000			
Long-Term Incentive (LTI) Revenue				
18 November 2022	1,000,000	$nil	30 June 2026	(c)
Long-Term Incentive (LTI) TSR				
18 November 2022	1,000,000	$nil	30 June 2026	(d)
Total	**28,200,000**			

Performance Rights Milestones and terms:

(a) Class C Performance Rights – Final investment decision approved by the Board and the Mongolian Government or a pilot production test within the PSC within 5 years of date of issue. No voting or dividend rights. The Class C Performance shares milestones have been achieved and the 16,000,000 Rights were all converted to shares on 3 July 2023.

(b) Class P Performance Rights milestones:

- 3,400,000 performance rights to vest upon the commencement of a 1st stage pilot production program by 30 June 2023. The Class P Performance shares milestones have been achieved and the 3,400,000 Rights were all converted to shares on 3 July 2023.
- 3,400,000 performance rights to vest upon the commencement of a 2nd stage pilot production program by 30 June 2024.
- 3,400,000 performance rights to vest upon the commencement of a 3rd stage pilot production program by 30 June 2025.

(c) Long-Term Incentive (LTI) Revenue – Performance Rights will vest if, by 30 June 2026, a new business opportunity has been consummated and, in Board's opinion, will generate revenues by 30 June 2028.

(d) Long-Term Incentive (LTI) TSR – Performance Rights will vest upon an increase in Relative Total Shareholder Returns (Relative TSR).

There are no voting or dividend rights attached to Performance Rights.

During the period $1,284,901 was recognised as share-based payment expense in relation to to the following Performance Rights:

- $697,000 in relation to Class C Performance Rights. The probability of achieving the milestone is now considered likely at 30 June 2023 and therefore fair value related to achieving 2023 milestone is recognised.
- $528,951 in relation to Class P Performance Rights. The probability of achieving the milestone set in 2023 is considered likely at 30 June 2023 and milestones set for 2024 and 2025 are considered unlikely at 30 June 2023 and therefore only the portion of the grant date fair value related to achieving 2023 milestone is recognised.
- $58,950 in relation to the LTI Performance Rights (approved by Shareholders on 18 November 2022).

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2023 (2022: Nil).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than those events noted above, there were no other significant changes in the state of affairs of the Group during the year that requires separate disclosure.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

There were no other events occurring subsequent to 30 June 2023 that have significantly affected, or may affect in the future, the operations or state of affairs of the Group.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Refer to Review of Operations on likely developments and future prospects of the Group.

ENVIRONMENTAL REGULATIONS

The Group's operations are subject to significant environmental regulation in relation to exploration and production activities conducted by the Group in the countries in which it operates. The Group has a policy of exceeding or at least complying with its environmental performance obligations. During the financial year, the Group was not aware of any material breach of any particular environmental law or any other particular regulation in respect to its operating activities.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the year, the Company paid a premium of $75,000 (2022: $36,000) in respect of a contract, insuring the Directors and Officers of the Company against liabilities incurred as a Director or Officer of the Company to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the insured liabilities and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an Officer or auditor of the Company or of any related body corporate against a liability incurred as such an Officer or auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of the court under section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or to intervene in any proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

The Company may deploy the Group's auditor BDO Audit Pty Ltd for non-audit services. The auditor was not engaged to provide any services other than audit services during the 30 June 2023 financial year (refer Note 19). The Directors are satisfied that the auditor has complied with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's independence declaration is included on page 31 of the financial report.

REMUNERATION REPORT (Audited)

This remuneration report outlines the Director and executive remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, Key Management Personnel ("KMP") of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the parent company.

Director	Position	Date appointed	Date resigned
Richard Cottee	Non-Executive Chairman	29 April 2019	-
Neil Young	Managing Director	14 December 2018	-
Stephen Kelemen	Non-Executive Director	6 May 2019	-
Anna Sloboda	Non-Executive Director	1 October 2020	-
Other KMP	**Position**	**Date appointed**	**Date resigned**
Victoria Allinson	Company Secretary	1 August 2019	-

(a) Remuneration governance

The remuneration committee of the board of Directors of the Company is responsible for determining and reviewing remuneration arrangements for the Directors and key management personnel. The remuneration committee assesses the appropriateness of the nature and amount of remuneration of key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of Directors and key management personnel.

(b) Remuneration philosophy

The performance of the Company, among other things, depends upon the quality of its Directors and management. To prosper, the Company must attract, motivate and retain industry skilled Directors and key management personnel. To this end, the charter adopted by the remuneration committee aims to align rewards with achievement of strategic objectives. The remuneration framework applied provides for a mixture of fixed and variable pay and a blend of short- and long-term incentives as appropriate.

Currently no remuneration consultants are used by the Group in formulating remuneration policies.

(c) Remuneration structure

In accordance with best practice corporate governance, the structure of Non-Executive Director and key management personnel remuneration is separate and distinct.

Non-Executive Directors

Non-Executive Directors Fees

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders in a general meeting. At the Company's Annual General Meeting held on 28 October 2021, the shareholders of the Company approved that the aggregate amount of Director fees payable to Non-Executive Directors of the Company be set at $1,000,000 per annum in total.

The Non-Executive Chairman fees are $115,000 per annum (prior to September 2021: $72,000) and Non-Executive Director fees are $70,000 per annum (prior to September 2021: $50,000).

The Group's policy is to remunerate Non-Executive Directors at market rates (for comparable companies) for time, commitment and responsibilities. Cash fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholders' interests, Directors are encouraged to hold shares in the Company.

Retirement benefits and allowances

No retirement benefits or allowances are paid or payable to Directors of the Company (other than statutory or mandatory superannuation contributions, where applicable).

Key Management Personnel

Base pay

KMP receive a competitive level of base pay that comprises the fixed (unrisked) component of their pay and rewards. Base pay for senior KMP is reviewed annually to ensure market competitiveness. There are no guaranteed base pay increases included in any senior KMP contracts.

Short-term incentives

Payment of short-term incentives is at the sole and absolute discretion of the remuneration committee. The remuneration committee assesses the achievement of key performance milestones to determine bonus payments. These milestones require performance in relation to key strategic, non-financial measures linked to drivers of performance in future reporting periods, refer to the current and historical performance rights milestones.

Short-term bonus payments may be adjusted up or down in line with under or over achievement relative to target performance levels at the discretion of the remuneration committee. During the year, the Managing Director was paid a short-term incentive payment of $45,000 (2022: $120,000) as compensation following successful exploration and other operational results in the prior financial year. There have been no forfeitures of bonuses by KMP during the current or prior periods and no cash bonuses remained unvested at year end.

Long term Incentive - Share-based compensation

Options over shares in the Company and Performance Rights may be granted from time to time and are required to be approved by shareholders where option over shares or Performance Rights are issued to Directors. The Group's Employee Incentive Securities Plan ("Plan") was last approved by shareholders at the 2022 Annual General Meeting. Participation in any incentive scheme is at the board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits. Options or Performance Rights granted under the Plan carry no dividend or voting rights. The Plan includes rules to prevent participants entering into transactions to remove the "at risk" aspect of the unvested Options or Performance Rights without the approval of the board.

Refer to section (e) of this report for detail of the contractual arrangements in place for the Managing Director and Company Secretary.

Group performance

The table below shows various commonly used measures of performance for the 2019 to 2023 financial years:

	Year ended 30 June				
	2019 $	2020 $	2021 $	2022 $	2023 $
Revenues and finance income	28,235	41,142	53,344	38,926	312,985
(Loss) after tax	(2,454,263)	(1,532,337)	(1,507,035)	(1,981,676)	(2,942,854)
Share price at start of year	0.06	0.04	0.036	0.245	0.135
Share price at end of year	0.04	0.036	0.245	0.135	0.079
Total Shareholder Return	(0.02)	(0.004)	0.209	(0.11)	(0.06)
Loss per share	(0.007)	(0.003)	(0.002)	(0.002)	(0.003)

(d) Remuneration of Directors and Key Management Personnel ("KMP") of the group for the current and previous financial year

The following tables show details of the remuneration received by the Group's KMP for the current and previous years:

2023	Short-term benefits			Post-employment benefits	Share-based payments			
	Cash salary and fees	Bonus	Accrued Annual Leave	Super-annuation	Options	Perfor-mance Rights	Total	Perfor-mance Related
	$	$	$	$	$	$	$	%
Non-Executive Directors								
Richard Cottee	104,072	-	-	10,928	-	345,000	460,000	75%
Stephen Kelemen	70,000	-	-	-	-	-	70,000	-
Anna Sloboda	70,000	-	-	-	54,575	-	124,575	44%
Subtotal - NED	244,072	**-**	**-**	**10,928**	**54,575**	345,000	**654,575**	**61%**
Executive Directors								
Neil Young	422,500	45,000	1,215	27,500	-	685,098	1,181,313	58%
Other KMP								
Victoria Allinson [(1)]	65,983	-	-	-	-	31,115	97,098	32%
Total All KMP	**732,555**	**45,000**	**1,215**	**38,428**	**54,575**	**1,061,213**	**1,932,986**	**58%**

2022	Short-term benefits			Post-employment benefits	Share-based payments			
	Cash salary and fees	Bonus	Accrued Annual Leave	Super-annuation	Options	Perfor-mance Rights	Total	Perfor-mance Related
	$	$	$	$	$	$	$	%
Non-Executive Directors								
Richard Cottee	98,080	-	-	9,753	-	-	107,833	-
Stephen Kelemen	65,833	-	-	-	-	-	65,833	-
Anna Sloboda	65,492	-	-	-	111,425	-	176,917	63%
Subtotal - NED	**229,405**	**-**	**-**	**9,753**	**111,425**	**-**	**350,583**	**32%**
Executive Directors								
Neil Young	424,583	120,000	43,225	25,417	-	208,852	822,077	25%
Other KMP								
Victoria Allinson [(1)]	33,177	-	-	-	-	20,885	54,062	39%
Total All KMP	**687,165**	**120,000**	**43,225**	**35,170**	**111,425**	**229,737**	**1,226,722**	**38%**

(1) Services are provided via Allinson Accounting Solutions Pty Ltd, which also provides administration and accounting services to the Group (the latter being $129,666 during the year (2022: $126,846)). Total fees exclusive of GST billed to the Group during the year were therefore $195,649 (2022: $160,023). In addition, Victoria Allinson share based payment accounts to $31,115 (2022: $20,885).

Sections (e) and (f) below provide further detail on service contracts and share-based payment remuneration.

(e) Service agreements

Remuneration and other terms of employment for the executives are formalised in service agreements. These agreements specify the components of remuneration, benefits and notice periods. The material terms of service agreements with key management personnel are noted as follows:

Name	Term of agreement and notice period	Base salary including superannuation	Termination payment
N Young (1)	No fixed term; 3 months	$450,000	6 months(2)
V Allinson(3)	No fixed term; 3 months	n/a	n/a

(1) Since 1 July 2021, Mr Young's salary is $450,000 inclusive of superannuation. In addition, in September 2022, Mr Young was paid a $45,000 (2022: $120,000) bonus as compensation following successful exploration and other operational results in the prior financial year.

(2) Notice period or termination benefit in lieu of notice (on behalf of the employer), other than for gross misconduct.

(3) Ms Allinson's services are billed through Allinson Accounting Solutions Pty Ltd (trading as My Virtual HQ), a company controlled by Ms Allinson. Fees are billed monthly based on time-incurred.

(f) Share-based compensation

Details of Options or Performance Rights over ordinary shares in the Company provided as remuneration to each Director and each of the KMP of the Group in the current year are set out below.

Issue of shares

No shares were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2023 (2022: nil).

Issue of performance rights

The terms and conditions of each grant of performance rights shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date	Expiry date	Fair value per rights share at grant date	Value of rights granted
R Cottee	7,500,000	30-Sept-23	1-Jul-23	29-Sep-24	$0.05	$345,000
S Kelemen	-	-	-	-	-	-
A Sloboda	-	-	-	-	-	-
N Young	7,5000,000	14-Dec-18	1-Jul-23	13-Dec-23	$0.04	$315,000
N Young	2,000,000	28-Oct-21	1-Jul-23	1-Jul-23	$0.09	$520,000
N Young	2,000,000	28-Oct-21	-	1-Jul-24	$-	$-
N Young	2,000,000	28-Oct-21	-	1-Jul-25	$-	$-
N Young	1,000,000	18-Nov-22	-	30-Jun-26	$0.18	$180,000

Name	Number of rights granted	Grant date	Vesting date	Expiry date	Fair value per rights share at grant date	Value of rights granted
N Young	1,000,000	18-Nov-22	-	30-Jun-26	$0.17	$166,075
V Allinson	200,000	28-Oct-21	1-Jul-23	1-Jul-23	$0.09	52,000
V Allinson	200,000	28-Oct-21	-	1-Jul-24	$-	$-
V Allinson	200,000	28-Oct-21	-	1-Jul-25	$-	$-
Total						1,578,075

Shareholders approved the issue of Mr Young's 6,000,000 performance rights for the purpose of Listing Rule 10.11 and for all other purposes on 28 October 2021, and 2,000,000 Long Term Incentive (LTI) Performance Rights approved on 18 November 2022.

The 1,000,000 LTI Revenue Performance Rights were issued on 18 November 2022, with performance conditions as outlined in Note 15. The total fair value was determined to be $180,000 in relation to LTI Revenue Performance Rights.
The 1,000,000 LTI TSR Performance Rights were issued on 18 November 2022 with performance conditions as outlines in Note 15. The Directors have employed an independent consultant to value the LTI TSR Performance Rights using a Monte Carlo model. The performance rights are all American call performance rights calculated with the following inputs:

- Valuation date of 18 November 2022;
- A share price of $0.16, being the closing share price as at 18 November 2022;
- A risk-free rate of 3.21%, based on the yield of Australian 3-year government bonds as at 18 November 2022;
- A volatility of 100% based on analysis of the historical volatility of ASX: EXR over the last 3.62 years. rounded to one decimal place and reflecting the period for which performance is measured; and
- A Strike price of $nil

During the period $1,061,213 was recognised as share-based payment expense in relation to the following Performance Rights

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows.

Name	Number of options granted	Grant date	Vesting date	Expiry date	Exercise price	Fair value per option at grant date	Value of options granted
R Cottee	-	-	-	-	-	-	-
S Kelemen	-	-	-	-	-	-	-
A Sloboda	1,000,000	28-Oct-21	28-Oct-22	27-Oct-25	$0.50	$0.17	$166,000
N Young	-	-	-	-	-	-	-
V Allinson	-	-	-	-	-	-	-

Options granted carry no dividend or voting rights.

Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date.

Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

The 1,000,000 unlisted incentive options were issued to Anna Sloboda on 28 October 2021.The grant date was determined to be 28 October 2021 and the total fair value was assessed as $166,000 ($0.166 per option) utilizing the Black-Scholes model with the following key inputs:

- Share Price at grant date $0.26
- Exercise Price: $0.50
- Expiry: 27 October 2025
- Risk Free rate :1.11%
- Share price volatility 110%

Shareholders approved the issue of Ms Sloboda's 1,000,000 options for the purpose of ASX Listing Rule 10.11 and for all other purposes on 28 October 2021.

During the period $54,575 was recognised as share-based payment expense in relation to the the Option.

(g) Additional disclosures relating to key management personnel

Options holdings

The number of Options over ordinary shares held by KMP during the financial year are as follows:

Name	Balance at start of the year	Exercised	Granted	Balance at end of the year	Vested and exercisable	Not vested and un-exercisable
R. Cottee	-	-	-	-	-	-
N. Young	-	-	-	-	-	-
S. Kelemen	4,750,000	-	-	4,750,000	4,750,000	-
A. Sloboda	1,000,000	-	-	1,000,000	1,000,000	-
V. Allinson	-	-	-	-	-	-
Total	**4,750,000**	**-**	**-**	**5,750,000**	**5,750,000**	**-**

Performance rights holdings

The number of Performance Rights held by KMP during the financial year are as follows:

Name	Balance at start of the year	Granted as compensation	Vested and converted	Balance at end of the year	Vesting Milestone Condition
R. Cottee	7,500,000	-	-	7,500,000	a
N. Young	13,500,000	2,000,000	-	15,500,000	a,b,c,d
S. Kelemen	-	-	-	-	-
A. Sloboda	**-**	**-**	**-**	**-**	**-**
V. Allinson	600,000	-	-	600,000	b
Total	**21,600,000**	**2,000,000**	**-**	**23,600,000**	**-**

Milestones and terms:

(c) Class C Performance Rights – Final investment decision approved by the Board and the Mongolian Government or a pilot production test within the PSC within 5 years of date of issue. No voting or dividend rights. The Class C Performance shares milestones have been achieved and the 16,000,000 Rights were all converted to shares on 3 July 2023.

(d) Class P Performance Rights milestones:
- 3,400,000 performance rights to vest upon the commencement of a 1st stage pilot production program by 30 June 2023. The Class P Performance shares milestones have been achieved and the 3,400,000 Rights were all converted to shares on 3 July 2023.
- 3,400,000 performance rights to vest upon the commencement of a 2nd stage pilot production program by 30 June 2024.
- 3,400,000 performance rights to vest upon the commencement of a 3rd stage pilot production program by 30 June 2025.

a. Long-Term Incentive (LTI) Revenue – Performance Rights will vest if, by 30 June 2026, a new business opportunity has been consummated and, in Board's opinion, will generate revenues by 30 June 2028.

b. Long-Term Incentive (LTI) TSR – Performance Rights will vest proportionately in line with the Company achieving an increase in Relative Total Shareholder Returns (Relative TSR) relative to a specific group of oil and gas exploration companies peers.

c. No voting or dividend rights.

During the period $1,061,213 was recognised as share-based payment expense in relation to the following Performance Rights:

- $697,000 in relation to Class C Performance Rights. The probability of achieving the milestone is now considered likely at 30 June 2023 and therefore fair value related to achieving 2023 milestone is recognised.
- $528,951 in relation to Class P Performance Rights. The probability of achieving the milestone set in 2023 is considered likely at 30 June 2023 and milestones set for 2024 and 2025 are considered unlikely at 30 June 2023 and therefore only the portion of the grant date fair value related to achieving 2023 milestone is recognised.
- $58,950 in relation to the LTI Performance Rights (approved by Shareholders on 18 November 2022).

Shareholdings

The number of shares in the company held during the financial year by each director and other members of key management personnel (**KMP**)of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at start of the year	Placement	Exercise of Securities	Other Changes(1,2)	Balance at end of the year(3)
R. Cottee	12,752,240	-	-	-	12,752,240
N. Young	31,760,809	-	-	300,000	32,060,809
S. Kelemen	2,137,223	-	-	-	2,137,223
A. Sloboda	36,000	-	-	-	36,000
V. Allinson	-	-	-	62,000	62,000
Total	**46,686,272**	-	-	**362,000**	**47,048,272**

(1) Ms Allinson acquired 62,000 shares on market during the year.

(2) Mr Young acquired 300,000 shares on market during the year.

(3) Since the year end, KMP exercised 17,200,000 Performance Rights and were issued the following shares:

a. Mr Cottee 7,500,000

b. Mr Young 9,500,000

c. Ms Allinson 200,000.

Loans to Key Management Personnel

No loans were provided to the KMP or to any of their associates.

(h) Other transactions with Key Management Personnel

Ms Victoria Allinson provides Company Secretary and Chief Financial Officer services to the Group via her company, Allinson Accounting Solutions Pty Ltd. Total fees during the year for Victoria Allinson's services amounted to $65,983 (refer to above KMP remuneration table). The Allinson Accounting Solutions Pty Ltd team also provides administration and accounting services, which totalled $129,666 during the year. Total fees billed to the Group during the year were therefore $195,649, of which $10,514 (including GST) was payable at year end.

There were no other transactions with KMP during the financial year.

Voting of Shareholders at Last Years Annual General Meeting

The adoption of the remuneration report for the financial year ended 30 June 2022 was put to shareholders of the Company at the Annual General Meeting (AGM) held on 18 November 2022. The resolution was passed on a poll and the votes were 84% in favour. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of audited remuneration report

Signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the *Corporations Act 2001.*

Neil Young
Managing Director
Adelaide, South Australia
14 August 2023

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DECLARATION OF INDEPENDENCE
BY ANDREW TICKLE
TO THE DIRECTORS OF ELIXIR ENERGY LIMITED

As lead auditor of Elixir Energy Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Elixir Energy Limited and the entities it controlled during the period.

Andrew Tickle
Director

BDO Audit Pty Ltd

Adelaide, 15 August 2023

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ELIXIR ENERGY LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Elixir Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 28(s) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTER: CARRYING VALUE OF EXPLORATION AND EVALUATION ASSETS	
Description of key audit matter	**How the matter was addressed in our audit**
The carrying value of Exploration and Evaluation Assets represents a significant asset of the Group. We considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard *AASB 6 Exploration for and Evaluation of Mineral Resources*. As a result, this is considered a key audit matter.	Our procedures included: • Obtaining a schedule of the area of interest held by the Group and assessing whether the rights to tenure of this area of interest remained current at balance date. • Considering the status of the ongoing exploration programmes in the area of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes. • Considering whether the area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed. • Considering whether any facts or circumstances existed to suggest impairment testing was required. • Assessing the adequacy of the related disclosures in the notes to the financial statements.

KEY AUDIT MATTER: ACCOUNTING OF SHARE-BASED PAYMENT ARRANGEMENTS	
Description of key audit matter	**How the matter was addressed in our audit**
The Group is party to various share-based payment arrangements. Share-based payments are a complex area of accounting that require significant judgment and estimation, and they have a material impact on the financial statements of the Group. We considered it necessary to assess the appropriateness of the company's recognition, measurement, and disclosure of share-based payment transactions in accordance with *AASB 2 Share Based Payment*. As a result, this is considered a key audit matter.	Our procedures included: • Reviewing underlying agreements to obtain an understanding of the terms and conditions of the share-based payment arrangements. • Evaluating management's determination of the fair value of the share-based payments granted, considering the appropriateness of the valuation method and assumptions used, as well as scrutinising key inputs to the model. • Assessing expenditure related to each arrangement was appropriately recognised over the relevant vesting periods identified. • Assessing the adequacy of the related disclosures in the notes to the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Elixir Energy Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO

BDO Audit Pty Ltd

Andrew Tickle
Director

Adelaide, 15 August 2023

Directors' Declaration

In the Directors' opinion:

- the financial statements and accompanying notes set out on pages 38 to 68 are in accordance with the Corporations Act 2001, including:
    - complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
    - giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date.
- the financial statements and accompanying notes are presented in compliance with IFRS and interpretations adopted by the International Accounting Standards Board.
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
- the remuneration disclosures set out in the Directors' report (as part of the audited remuneration report) for the year ended 30 June 2023 comply with section 300A of the Corporations Act 2001; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in Note 22 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 22.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors.

Neil Young
Managing Director
Adelaide, South Australia
14 August 2023

Corporate Governance Statement

Elixir Energy Limited and the Board of Directors are responsible for the corporate governance of the Group and are committed to achieving the highest standard of corporate governance, business integrity and professionalism with due regard to the interests of all stakeholders. The Board guides and monitors the business and affairs of the Group on behalf of shareholders by whom they are elected and to whom they are accountable.

As such, the Company has adopted the fourth edition of the *Corporate Governance Principles and Recommendations* which was released by the ASX Corporate Governance Council on 27 February 2019 and is effective for financial years beginning on or after 1 July 2021.

The Group's Corporate Governance Statement for the financial year ending 30 June 2023 was approved by the Board on 14 August 2023. The Corporate Governance Statement is available at www.elixirenergy.com.au

Big Slope 8

Elixir Energy

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	Consolidated 2023 $	2022 $
Revenue from continuing operations			
Interest income	2	**312,985**	38,926
Foreign exchange gain	2	**26,258**	431,446
Expenses			
Depreciation		**(24,870)**	(8,390)
Share based remuneration	16	**(1,339,476)**	(466,474)
New ventures		**(25,899)**	(344,624)
Corporate administration	3	**(1,891,852)**	(1,632,560)
		(3,282,097)	(2,452,048)
Loss before income tax		**(2,942,854)**	(1,981,676)
Income tax expense	4	**-**	-
Total loss attributable to equity holders of the parent		**(2,942,854)**	(1,981,676)
Other comprehensive income:			
Items that have been or may be reclassified to profit or loss:			
Foreign currency translation differences		**(642,994)**	(688,685)
Other comprehensive income/(loss) for the year, net of tax		**(642,994)**	(688,685)
Total comprehensive loss - equity holders of the parent		**(3,585,848)**	(2,670,361)
Loss per share			
Basic and diluted (loss) per share (cents)	20	**(0.32)**	(0.22)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2023

		Consolidated	
		2023	2022
	Note	**$**	$
Assets			
Current assets			
Cash and cash equivalents	5	**9,555,235**	22,679,219
Other receivables and current assets	6	**958,277**	1,284,571
Inventory	7	**337,396**	-
Total current assets		**10,850,908**	23,963,790
Non-current assets			
Exploration and evaluation expenditure	8	**31,538,926**	18,887,358
Other receivables and non-current assets	6	**-**	1,103,901
Property, plant and equipment	9	**754,023**	111,438
Rights of use asset	10	**189,110**	59,160
Total non-current assets		**32,482,059**	20,161,857
Total Assets		**43,332,967**	44,125,647
Liabilities			
Current liabilities			
Trade and other payables	11	**341,631**	995,055
Lease Liability	10	**10,092**	60,946
Employee benefits	12	**108,486**	127,408
Total current liabilities		**460,209**	1,183,409
Non-current liabilities			
Site Rehabilitation Provision	12	**-**	843,403
Lease Liability	10	**36,865**	5,560
Total non-current liabilities		**36,865**	848,963
Total Liabilities		**497,074**	2,032,372
Net Assets		**42,835,893**	42,093,275
Equity			
Issued capital	13	**123,116,684**	119,682,326
Reserves	14	**911,633**	700,990
Accumulated Losses	14	**(81,192,424)**	(78,290,041)
Total Equity		**42,835,893**	42,093,275

The above consolidated financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Share Capital		Reserves			
	Ordinary Share Capital $	Accumulated Losses $	Share Based Payment Reserve $	Listed Options $	Foreign Currency Translation Reserve $	Total $
Balance at 30 June 2021	**119,496,785**	**(76,308,365)**	**672,518**	**-**	**250,683**	**44,111,621**
Total Income/(loss) for the year	-	(1,981,676)	-	-	-	**(1,981,676)**
Exchange differences on translation of foreign operations	-	-	-	-	(688,685)	**(688,685)**
Total comprehensive income/(loss) for the year	-	(1,981,676)	-	-	(688,685)	**(2,670,361)**
Share based payments	-	-	466,474	-	-	**466,474**
Shares issued	187,200	-	-	-	-	**187,200**
Security issue costs	(1,659)	-	-	-	-	**(1,659)**
Balance at 30 June 2022	**119,682,326**	**(78,290,041)**	**1,138,992**	**-**	**(438,002)**	**42,093,275**
Total Income/(loss) for the year	-	(2,942,854)	-	-	-	**(2,942,854)**
Exchange differences on translation of foreign operations	-	-	-	-	(642,994)	**(642,994)**
Total comprehensive income/(loss) for the year	-	(2,942,854)	-	-	(642,994)	**(3,585,848)**
Share based payments	445,368	40,471	853,637	-	-	**1,339,476**
Shares Issued	3,000,000	-	-	-	-	**3,000,000**
Security issue costs	(11,010)	-	-	-	-	**(11,010)**
Balance at 30 June 2023	**123,116,684**	**(81,192,424)**	**1,992,629**	**-**	**(1,080,996)**	**42,835,893**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2023

	Note	Consolidated 2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		**(2,045,225)**	(1,643,047)
Net cash (used in) operating activities	18	**(2,045,225)**	(1,643,047)
Cash flows from investing activities			
Payments for exploration and evaluation	8	**(10,876,174)**	(8,059,005)
Interest received		**312,985**	38,926
Purchase of property, plant and equipment		**(581,803)**	(63,434)
Net cash (used in) investing activities		**(11,144,992)**	(8,083,513)
Cash flows from financing activities			
Payments for security issue costs		**(11,010)**	-
Net cash provided by financing activities		**(11,010)**	-
Net increase/(decrease) in cash held		**(13,201,227)**	(9,726,560)
Cash at beginning of financial year	5	**22,679,219**	32,779,592
Effect of exchange rates on cash holdings in foreign currencies		**77,243**	(373,813)
Cash at end of financial year	5	**9,555,235**	22,679,219

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. General Information and Basis of Presentation

Elixir Energy Limited ('Company') is a for-profit Australian incorporated publicly listed company. The consolidated financial statements comprise the Company and its controlled entities ('Group') and is a general-purpose report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The consolidated financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The consolidated financial statements have been prepared on the basis of historical cost. All amounts are presented in Australian dollars, unless otherwise noted.

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

New Accounting Standards
There are no issued but not yet effective accounting standards or interpretations that are expected to significantly impact the Group in future financial years. A summary of the Company's accounting policies is contained in Note 28.

Critical Accounting Judgements and Estimates
Estimates and judgments are incorporated into the financial statements based on historical knowledge, best available current information and expectations of future events that may have a financial impact on the Group. Areas that involved a high degree of judgement or complexity and items that are more likely to be materially adjusted are shown below:

(i) Review of capitalised exploration and evaluation expenditure impairment indicators – Note 8
(ii) Estimation of fair value of share-based payments – Note 16

Impact of COVID-19 pandemic -. The Board and management will continue to monitor the impact of the pandemic on the Group's operations and state of affairs.

		Consolidated Group	
	Note	**2023**	2022
		$	$
2. Interest and Other Income			
Interest income		**312,985**	38,926
Foreign exchange gain		**26,258**	431,446
Total		**339,243**	470,372

Notes to the Consolidated Financial Statements continued

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $
3. Expenses			
Loss before income tax includes the following specific items:			
Corporate administration			
Corporate compliance		**464,664**	451,007
Corporate management		**60,000**	61,000
Rental of office space		**32,015**	32,510
Audit fees	19	**48,888**	43,600
Non-Executive Director fees		**255,000**	239,159
Managing Director's fees		**459,840**	547,116
General administration		**571,445**	258,168
Total		**1,891,852**	1,632,560
Wages and salaries			
Managing Director's fees expensed		**459,840**	547,116
Managing Director's fees capitalised		**36,375**	66,109
Managing Director's share based payments		**685,098**	208,852
		1,181,313	822,077

	Consolidated Group 2023 $	Consolidated Group 2022 $
4. Taxation		
(a) Income Tax Expense		
Current	**-**	-
Deferred	**-**	-
Total	**-**	-
(b) Reconciliation of income tax expense to prima facie tax payable		
(Loss) before income tax	**(2,942,854)**	(1,981,676)
Income tax benefit at 25%	**735,714**	495,419
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
- Permanent differences arising from non-assessable/deductible items – share based payments options and rights	**(334,869)**	(116,618)
- Not deductible expenses	**(2,277)**	(1,615)
- Tax losses and other temporary differences for which no deferred tax asset has been recognised	**(398,568)**	(377,186)
Income tax attributable to Group	**-**	-

There are no recognised deferred tax liabilities in the Group at 30 June 2023, as all capitalised exploration expenditure is held in Elixir Energy Ltd's:

Notes to the Consolidated Financial Statements continued

- Mongolian subsidiary GOH LCC and that subsidiary is not subject to income tax under the terms of the Production Sharing Contract. Future income tax that may apply through a withholding tax on repatriated funds, if any, from GOH LLC has also not been recognised as any such distributions are very uncertain at 30 June 2023 and Elixir Energy Ltd as parent can control if and when any distributions are made.

Elixir Energy Ltd has not formed a tax consolidated group with its Australian subsidiaries as at 30 June 2023. Total Australian tax losses and deductible temporary differences at 30 June 2023 were approximately $32.4 million ($27.8 million operating losses, $4 million capital losses, 0.6 million deferred items), prior year $29.3 million ($24.6 million operating losses, $4 million capital losses, 0.7 million deferred items). The potential tax benefit of these losses of approximately $9.7 million (prior year $8.8 million) (at 30% company tax rate in Australia on passive income) has not been recognised.

Significant accounting judgment

The $9.7 million (2022: $8.8 million) of carried forward tax losses has not been recognised as a deferred tax asset as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the appropriate jurisdictions.

Tax losses related to historical operations in the United States are assessed as sufficient to exceed any tax liability arising from the forgiveness of intercompany loans payable by those subsidiaries upon their dissolution (refer Note 22 regarding the legal status of foreign subsidiaries).

	Note	Consolidated Group	
		2023	2022
		$	$
5. Cash and Cash Equivalents			
Cash at bank and on hand		**9,555,235**	22,679,219

Cash and cash equivalents include cash on hand, deposits available on demand with banks, and other short-term highly liquid investments. At 30 June 2023 $400,356 (2022: $nil) is held in a restricted escrow account in Mongolia. If needed, the funds can only be used to pay for environmental rehabilitation. Refer to Note 26 for details of the Group's exposure to foreign exchange risk and interest rate risk in relation to cash and cash equivalents.

	Note	Consolidated Group	
		2023	2022
		$	$
6. Other Receivables			
Current			
GST		**79,415**	70,374
Rent deposit and other		**65,262**	188,542
Advances		**29,038**	544,298
Research & development incentive		**413,762**	-
Prepaid expenses		**370,800**	481,357
		958,277	1,284,571
Non-Current			
Escrow Account in Mongolia		**-**	260,498
Site rehabilitation performance bond in USA		**-**	843,403
		-	1,103,901

Notes to the Consolidated Financial Statements continued

Prior year

The cash-backed site rehabilitation performance bond was previously provided in favour of the former owner of the Pompano oil and gas project in Texas, United States and is held in escrow by a USA insurance company, in addition the Group previously carried a site rehabilitation provision (refer Note 12) of an equivalent amount . During the year the Group dissolved its USA wholly owned subsidiaries (refer to Note 22) and as a result the bond of $843,403 and the corresponding liability of $843,403 have been written off.

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $
7. Inventory			
Stock on hand		**337,396**	-

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $
8. Exploration & evaluation expenditure			
Mongolian Project - Nomgon			
Balance at 1 July		**18,887,358**	11,439,379
Expenditure capitalised during the year		**9,213,539**	7,406,451
Foreign Exchange Movements		**(627,428)**	41,528
Balance at 30 June		**27,473,469**	18,887,358
Australian Project - Grandis			
Balance at 1 July		-	-
Acquisition during the year	22	**3,500,000**	-
Expenditure capitalised during the year		**979,219**	-
Research & Development incentive		**(413,762)**	-
Balance at 30 June		**4,065,457**	-
Total			
Balance at 1 July		**18,887,358**	11,439,379
Acquisition during the year		**3,500,000**	-
Expenditure capitalised during the year		**10,192,758**	7,406,451
Research & Development incentive		**(413,762)**	-
Foreign Exchange Movements		**(627,428)**	41,528
Balance at 30 June		**31,538,926**	18,887,358

The review of capitalised exploration and evaluation expenditure showed no impairment indicators in the current or prior year.

Notes to the Consolidated Financial Statements continued

9. Property, plant and equipment

	Capital projects in progress: Hydrogen project	Capital projects in progress: Solar Plant	Total
	$	$	$
Balance at 1 July 2021	57,011	-	57,011
Additions	63,434	-	63,434
Depreciation charge for the period	(8,390)	-	(8,390)
Forex	(617)	-	(617)
Balance at 30 June 2022	**111,438**	**-**	**111,438**
Additions	600,948	67,010	**667,958**
Depreciation charge for the period	(24,870)	-	**(24,870)**
Forex	(311)	(192)	**(503)**
Balance at 30 June 2023	**687,205**	**66,818**	**754,023**

10. Right of Use Assets & Lease Liabilities

	Note	Consolidated Group 2023	2022
		$	$
Non Current Asset			
Land in Mongolia		**184,791**	59,160
Office in Mongolia		**4,319**	-
		189,110	59,160
Current Liability			
Land in Mongolia		**4,816**	60,946
Office in Mongolia		**5,276**	-
		10,092	**60,946**
Non Current Liability			
Land in Mongolia		**36,865**	5,560
Office in Mongolia		**-**	-
		36,865	5,560
Total Liabilities			
Land in Mongolia		**41,677**	66,506
Office in Mongolia		**5,276**	-
		46,953	66,506

11. Trade and Other Payables

	Note	Consolidated Group 2023	2022
		$	$
Current			
Trade payables and accrued expenses		**341,631**	995,055
Trade and other payables		**341,631**	995,055

Notes to the Consolidated Financial Statements continued

Trade payables are unsecured and generally payable within 30 days. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

	Note	Consolidated Group 2023 $	2022 $
12. Provisions			
Current			
Short-term Employee Benefits			
Annual leave entitlements		**108,486**	127,408
		108,486	127,408
Non-Current			
Site Rehabilitation Provision in USA			
Opening balance at 1 July		**843,403**	772,131
Subsidiary dissolved during the year		**(843,403)**	-
Foreign currency movement		**-**	71,272
Balance at 30 June		**-**	843,403

The rehabilitation provision relates to the Pompano oil and gas project in Texas in which a subsidiary of the Company was involved in prior years. During the year the Group dissolved its wholly owned USA subsidiaries (refer to Note 22) and as a result the bond of $843,403 (refer to Note 6) and the corresponding liability of $843,403 have been written off.

	Note	Consolidated Group 2023 $	2022 $
13. Issued Capital			
912,437,310 fully paid ordinary shares (June 2022: 891,733,376 fully paid ordinary shares)		**123,116,684**	119,682,326

	Number of shares 2023	2022	Note	Consolidated Group 2023 $	2022 $
Balance at 1 July	**891,733,376**	891,013,376		**119,682,326**	119,496,785
Issue of shares to acquire EnergyCapture Pty Ltd at 15c per share	**20,703,934**	-		**3,000,000**	-
Share based payment (Note 16)	**-**	-		**445,368**	-
Issue of shares to acquire Solar Ilch LLC at 26c per share	**-**	720,000		**-**	187,200
Share issue costs	**-**	-		**(11,010)**	(1,659)
Balance at 30 June	**912,437,310**	891,733,376		**123,116,684**	119,682,326

(i) Fully paid ordinary shares

Fully paid ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote on a show of hands or by proxy and upon a poll each share is entitled to one vote.

Notes to the Consolidated Financial Statements continued

(ii) Options and Performance Rights convertible to ordinary shares

Refer to Note 15 for details of Options and Performance Rights on issue that are potentially convertible into fully paid ordinary shares, as well as the movement in Options and Performance Rights over the year. Note 16 contains further detail on Options and Performance Rights issued to Key Management Personnel during the financial year and the related share-based payment expense recognised.

(iii) Capital Risk Management

The majority of the Group's capital is equity-based. Capital is managed by the Directors and management with a view to the Group's short and long-term financial risks as well as its operating and growth strategy. In particular, capital is sourced and managed to generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern. The Group is not subject to any externally imposed capital requirements.

14. Reserves and Accumulated Losses

Reserves

The foreign currency translation reserve is used to record exchange differences arising on consolidation of subsidiaries with non-Australian dollar functional currencies.

The share-based payment reserve reflects the cumulative value of Options and Performance Rights issued to Group personnel and third parties in return for services that has been recognised as a share-based payment expense or a share-issue cost. If an Option is exercised, or a Performance Rights is converted, the corresponding balance in the share-based payment reserve is reclassified to Share Capital. Upon expiry of an Option or Performance Right, the corresponding balance (if any) in the share-based payment reserve is reclassified to Retained Earnings/Accumulated Losses. Refer to Note 16 for detail on share-based payments during the year.

Dividends

No dividends were paid or declared during the current financial year. With respect to the payment of dividends (if any) by the Company in future financial years, no franking credits are currently available, or are likely to become available in the next 12 months.

	Note	Consolidated Group	
		2023 No.	2022 No.
15. Options and Performance Rights			
Movement in Options and Rights over unissued ordinary shares during the year and balances at year end:			
Unlisted Options:			
Opening Unlisted Options		**6,330,000**	5,330,000
Incentive Options granted		**-**	1,000,000
Closing Unlisted Options		**6,330,000**	6,330,000
Total Option			
Weighted average exercise Price		**$0.16**	$0.16
Performance Rights:			
Opening Rights		**26,200,000**	16,000,000
Rights granted		**2,000,000**	10,200,000
Rights vested and converted		**-**	-
Closing Rights		**28,200,000**	26,200,000

Notes to the Consolidated Financial Statements continued

Terms of Options on Issue

Unlisted

Issue date	Number	Exercise price	Expiry	Vesting
30 September 2019	4,750,000	$0.10	29 September 2023	Vested
5 June 2020	580,000	$0.10	4 June 2024	Vested
28 October 2021	1,000,000	$0.50	27 October 2025	Vested
Total	**6,330,000**			

All unlisted options vest after a one-year service period has been completed and have no voting or dividend rights attached.

Terms of Performance Rights on Issue

Grant date	Number	Exercise price	Expiry	Vesting
Class C				
14 December 2018	7,500,000	$nil	13 December 2023	(a)
30 September 2019	7,500,000	$nil	29 September 2024	(a)
5 June 2020	1,000,000	$nil	4 June 2025	(a)
	16,000,000			
Class P				
28 October 2021	3,400,000	$nil	1 July 2023	(b)
28 October 2021	3,400,000	$nil	1 July 2024	(b)
28 October 2021	3,400,000	$nil	1 July 2025	(b)
	10,200,000			
Long-Term Incentive Revenue				
18 November 2022	**1,000,000**	$nil	30 June 2026	(c)
Long-Term Incentive TSR				
18 November 2022	**1,000,000**	$nil	30 June 2026	(d)
Total	**28,200,000**			

(a) Class C Performance Rights – Final investment decision approved by the Board and the Mongolian Government or a pilot production test within the PSC within 5 years of date of issue. No voting or dividend rights. The Class C Performance shares milestones have been achieved and the 16,000,000 Rights were all converted to shares on 3 July 2023.

(b) Class P Performance Rights milestones:
- 3,400,000 performance rights to vest upon the commencement of a 1st stage pilot production program by 30 June 2023. The Class P Performance shares milestones have been achieved and the 3,400,000 Rights were all converted to shares on 3 July 2023.
- 3,400,000 performance rights to vest upon the commencement of a 2nd stage pilot production program by 30 June 2024.
- 3,400,000 performance rights to vest upon the commencement of a 3rd stage pilot production program by 30 June 2025.

(c) Long-Term Incentive (LTI) Revenue – Performance Rights will vest if, by 30 June 2026, a new business opportunity has been consummated and, in Board's opinion, will generate revenues by 30 June 2028.

(d) Long-Term Incentive (LTI) TSR – Performance Rights Performance rights will vest proportionately in line with the Company achieving an increase in Relative Total Shareholder Returns (Relative TSR) relative to a specific group of oil and gas exploration companies.

The LTI Revenue Performance Rights were issued to Managing Director, Neil Young on 18 November 2022, with performance conditions as outlined above. The total fair value was determined to be $180,000 in relation to LTI Revenue Performance Rights based on the closing share price of $0.18 at the Grant date, being 18 November 2023.

Notes to the Consolidated Financial Statements continued

The Directors have employed an independent consultant to value the LTI TSR Performance Rights using a Monte Carlo model. The total fair value was determined to be $166,075 in relation to LTI TSR Performance Rights

16. Share Based Payments

Grant date	Exercise price	Expiry	Number at beginning of year	Granted as compensation	Number at end of year
Class C Performance Rights					
14 December 2018	$nil	13 Dec 2023	7,500,000	-	7,500,000
30 September 2019	$nil	29 Sep 2024	7,500,000	-	7,500,000
5 June 2020	$nil	4 Jun 2025	1,000,000	-	1,000,000
Class P Performance Rights					
28 October 2021	$nil	1 Jul 2023	3,400,000	-	3,400,000
28 October 2021	$nil	1 Jul 2024	3,400,000	-	3,400,000
28 October 2021	$nil	1 Jul 2025	3,400,000	-	3,400,000
Long-Term Incentive Revenue					
18 November 2022	$nil	30 Jun 2026	-	1,000,000	1,000,000
Long-Term Incentive TSR					
18 November 2022	$nil	30 Jun 2026	-	1,000,000	1,000,000
Total			**26,200,000**	**2,000,000**	**28,200,000**
Weighted average exercise price			$nil		**$nil**

Issue date	Exercise price	Expiry	Number at beginning of year	Granted as compensation	Number at end of year
Unlisted Incentive Options					
30 September 2019	$0.10	29 Sept 2023	4,750,000	-	4,750,000
5 June 2020	$0.10	4 Jun 2024	580,000	-	580,000
28 October 2021	$0.50	27 Oct 2025	1,000,000	-	1,000,000
Total			**6,330,000**	**-**	**6,330,000**
Weighted average exercise price			$0.16		**$0.16**

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $
Security:			
Class C Performance Rights		**697,000**	-
Class P Performance Rights		**528,951**	355,049
Long-Term Incentive Revenue		**30,705**	-
Long-Term Incentive TSR		**28,245**	-
Incentive Options		**54,575**	111,425
Total Share Based Payments		**1,339,476**	466,474
Expensed – Performance Rights		**1,284,901**	355,049
Expensed – Options		**54,575**	111,425
Total		**1,339,476**	466,474

Notes to the Consolidated Financial Statements continued

	Note	Consolidated Group 2023 $	2022 $
Share based Payments by Recipient:			
Key management personnel - Anna Sloboda			
Incentive Options		**54,575**	111,425
Total: Director - Anna Sloboda		**54,575**	111,425
Key management personnel - Neil Young			
Class C Performance Rights		**315,000**	-
Class P Performance Rights		**311,148**	208,852
Long-Term Incentive Revenue		**30,705**	-
Long-Term Incentive TSR		**28,245**	-
Total: Director - Neil Young		**685,098**	208,852
Key management personnel – Richard Cottee			
Class C Performance Rights		**345,000**	-
Total: Director – Richard Cottee		**345,000**	-
Key management personnel - Victoria Allinson			
Class P Performance Rights		**31,115**	20,885
Total: KMP – Victoria Allinson		**31,115**	20,885
Total Key Management Personnel		**1,115,788**	341,162
Staff/Advisors			
Class P Performance Rights – staff and consultants		**186,688**	125,312
Class C Performance Rights		**37,000**	-
Total: Consultants		**223,688**	125,312
Total Share Based Payments		**1,339,476**	466,474

Recognition of Share Based Payments: Options and Performance Rights

The fair value of options and performance rights is determined at the grant date and then recognised in profit or loss over the vesting period (with the exception of listed options issued to settle certain advisor fees related to capital raising, which is accounted for as a reduction in share capital).

The fair value of unlisted options is determined using an option pricing model such as the Black-Scholes model, with the key inputs being the current share price of the Company, option exercise price, term to expiry, and assumed future share price volatility. If any of the vesting conditions are 'market-based' (such as the achievement of a particular share price), these conditions are factored into the grant date fair value assessment. The fair value of performance rights is determined based on the Company's share price at the grant date.

With respect to Performance Rights, the probability of achieving the relevant performance condition is re-assessed at each reporting date and this probability factor is applied to the grant date fair value in determining the amount to be recognised for the current reporting period. If and when the relevant performance condition is met and the rights convert to a corresponding number of shares, any remaining portion of the grant date fair value that has not previously been recognised is recognised.

Notes to the Consolidated Financial Statements continued

Significant accounting estimates and judgments for share-based payments

The determination of the fair value of at grant date of equity-settled Options and Performance Rights requires the use of estimates and judgement. In particular, the values and amounts recognised as share-based payments expense are particularly sensitive to the share price volatility assumption in valuing Options and the probability assessment of achieving performance conditions with respect to Performance Rights.

Share based payments expense for the year consisted of:

Security	2023 $	2022 $
Incentive Options	54,575	111,425
Performance Rights	1,284,901	355,049
Total	**1,339,476**	**466,474**

Detail regarding the underlying assumptions used to value and recognise as an expense the Performance Rights and Options that were issued during the year is shown below.

Performance Rights

Total share-based payment recognised during the year in relation to performance rights was $1,284,901 (2022: $355,049).

- Class C Performance Rights were issued to Managing Director, Neil Young and Directors, Richard Cottee on 14 December 2018 and 30 September 2019 respectively, with performance conditions as outlined in Note 15. The total fair value was determined to be $697,000 in relation to Class C Performance Rights. In prior periods, no expense has been recorded in relation to this arrangement, given the arrangement contains non-market based vesting conditions that were previously considered unlikely to occur.

  In the current period, this assessment has changed, and the probability of satisfying this condition has now been re-evaluated as likely to occur.

  As such, the expense amounts that would have historically been recognised in each previous period were this assumption to have always been applied, have been cumulatively brought to account and recorded in this current period .

- Class P Performance Rights were issued to KMPs' and technical consultants on 28 October 2021 with performance conditions as outlined in Note 15. The total fair value was determined to be $884,000 based on the share price at grant date of $0.26. Total share-based payment recognised during the year was $525,951 (2022: 355,049).

  The probability of achieving the milestone set in 2023 is considered likely at 30 June 2023 and milestones set for 2024 and 2025 are considered unlikely at 30 June 2023 and therefore only the portion of the grant date fair value related to achieving 2023 milestone is recognised.

- LTI Revenue Performance Rights were issued to Managing Director, Neil Young on 18 November 2022, with performance conditions as outlined in Note 15. The total fair value was determined to be $180,000 in relation to LTI Revenue Performance Rights. Total share-based payment recognised during the year was $30,705. The remaining $149,295 will be recognised over the three years to 30 June 2026.

- LTI TSR Performance Rights were issued to Managing Director, Neil Young on 18 November 2022 with performance conditions as outlines in Note 15. The Directors have employed an independent consultant to value the LTI TSR Performance Rights using a Monte Carlo model. The total fair value was determined to be $166,075 in relation to LTI TSR Performance Rights. Total share-based payment recognised during the year was $28,245. The remaining $137,830 will be recognised over the three years to 30 June 2026. The performance rights are all American call performance rights calculated with the following inputs:

Notes to the Consolidated Financial Statements continued

- Valuation date of 18 November 2022;
- A share price of $0.16, being the closing share price as at 18 November 2022;
- A risk-free rate of 3.21%, based on the yield of Australian 3-year government bonds as at 18 November 2022;
- A volatility of 100% based on analysis of the historical volatility of ASX: EXR over the last 3.62 years. rounded to one decimal place and reflecting the period for which performance is measured; and
- A Strike price of $nil

Options

Total share-based payment recognised during the year in relation to option was $54,575 (2022: $111,425).

- 1,000,000 unlisted incentive options were issued to Anna Sloboda on 28 October 2021.The grant date was determined to be 28 October 2021 and the total fair value was assessed as $166,000 ($0.166 per option) utilizing the Black-Scholes model with the following key inputs:
  - Share Price at grant date $0.26
  - Exercise Price: $0.50
  - Expiry: 27 October 2025
  - Risk Free rate :1.11%
  - Share price volatility 110%

17. Key Management Personnel Disclosures and Related Party Transactions

Key Management Personnel of the Group during the year were as follows:

- Richard Cottee (Non-executive Chairman)
- Neil Young (Managing Director)
- Stephen Kelemen (Non-executive Director)
- Anna Sloboda (Non-executive Director)
- Victoria Allinson (Company Secretary)

The totals of remuneration paid to KMP of the company and the Group during the year are shown in the table below. Refer to the Remuneration Report contained in the Directors' Report for details of remuneration for each member of KMP.

	Consolidated Group	
	2023	2022
	$	$
Short-term employee benefits	**778,770**	850,390
Post-employment benefits	**38,427**	35,170
Share-based payments (Note 16)	**1,115,788**	341,162
Total KMP compensation	**1,932,985**	1,226,722

Other Related Parties and Transactions

(i) Subsidiaries – refer to Note 22 for details of Elixir Energy Limited's controlled entities.

Elixir Energy Limited provides working capital to its controlled entities through intercompany loans, denominated in both Australian and foreign currency. Transactions between Elixir Energy Limited and other controlled entities in the Group during the year ended 30 June 2023 consisted of:

- Working capital advanced by Elixir Energy Limited
- Provision of services by Elixir Energy Limited.
- Expenses paid by Elixir Energy Limited on behalf of its controlled entities

The above transactions were made interest free with no fixed terms for the repayment of amounts advanced by Elixir Energy Limited.

Notes to the Consolidated Financial Statements continued

(ii) Other related parties

Ms Victoria Allinson provides Company Secretary and Chief Financial Officer services to the Group via her company, Allinson Accounting Solutions Pty Ltd. Total fees during the year for Victoria Allinson's services amounted to $65,983 (2022: $33,177). The Allinson Accounting Solutions Pty Ltd team also provides administration and accounting services, which totalled $129,666 (2022: $126,846) during the year. Total fees billed to the Group during the year were therefore $195,649 (2022: $160,023), of which $10,514 (2022: $25,229) (including GST) was payable at year end.

There were no other transactions with related parties during the year, and no other balances due from or to any related party at year end.

	Note	Consolidated Group	
		2023	2022
		$	$
18. Cash Flow Information			
(a) Reconciliation of Cash Flow from Operations with Loss after Income Tax			
Loss after income tax		**(2,942,854)**	(1,981,676)
Interest income		**(312,985)**	(38,926)
Non-cash flows in profit			
Depreciation, depletion & amortisation		**24,870**	8,390
Share-based payment - remuneration		**1,339,476**	466,474
Net exchange rate differences		**(92,297)**	154,678
(Increase)/decrease in current assets		**36,070**	(18,761)
(Increase)/decrease in non-current assets		**796,582**	71,272
Increase/(decrease) in current liabilities - operating		**(50,684)**	(233,226)
Increase/(decrease) in provisions		**(843,403)**	(71,272)
Cash flow used in operations		**(2,045,225)**	(1,643,047)

(b) Non-cash financing and investing activities

During the year ended 30 June 2023, the Company issued a total of 20,703,934 (2022: 720,000) fully paid shares to the value of $3,000,000 (2022: $187,200), refer Note 13. There were no other non-cash financing and investing activities for the year ended 30 June 2023.

	Note	Consolidated Group	
		2023	2022
		$	$
19. Auditor's Remuneration			
BDO Audit Pty Ltd			
Remuneration of the auditor for auditing or reviewing the financial report		**48,888**	26,000
BDO Audit (WA) Pty Ltd			
Remuneration of the auditor for auditing or reviewing the financial report		**-**	17,600
Total		**48,888**	43,600

Notes to the Consolidated Financial Statements continued

	Note	Consolidated Group 2023 $	2022 $
20. Loss per Share			
(a) Reconciliation of earnings used in calculating earnings per share: Loss attributable to the ordinary equity holders of the company:		**(2,942,854)**	(1,981,076)
		Shares	Shares
(b) Weighted and diluted average number of ordinary shares outstanding during the year used in calculating basic EPS		**909,260,816**	891,449,321
		2023 Cents	2022 Cents
Basic and diluted loss per share		**(0.32)**	(0.22)

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

There are no instruments excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future because they are anti-dilutive for both periods presented.

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

21. Joint Arrangements

At the reporting date, the Group had no interested in joint arrangement. During the year the Group dissolved its wholly owned subsidiary Cottesloe Oil and Gas LLC ("Cottesloe") and all related joint arrangements. In the prior year the Group may have had working interests in joint arrangements for the following projects:

Project	Blocks/ Leases	Activity	Location	Working Interest 2023	Working Interest 2022
Pompano Project[1]	446-L SE/4	Oil & Gas field, production project	USA	-	25%

[1] In the prior year Cottesloe, was a party to a Joint Operating Agreement with respect to the Pompano project. During the year the USA wholly owned subsidiaries which were part of the Joint Operating Agreement were dissolved. Refer Note 22 for more information.

Notes to the Consolidated Financial Statements continued

22. Controlled Entities

Subsidiaries of Elixir Energy Limited:	**Country of Incorporation**	**Percentage Owned 2023**	**2022**
Golden Horde Pty Ltd(1)	Australia	**100%**	100%
GOH LLC(1)	Mongolia	**100%**	100%
GOH Clean Energy LLC(1) (2)	Mongolia	**100%**	100%
Solar Ilch LLC(2)	Mongolia	**100%**	100%
Gobi Tera LLC(2)	Mongolia	**100%**	100%
Elixir Petroleum (Australia) Pty Ltd	Australia	**100%**	100%
Cottesloe Oil & Gas LLC(3)	USA	**-**	100%
Cottesloe Oil & Gas Inc(3)	USA	**-**	100%
EnergyCapture Pty Ltd(4)	Australia	**100%**	-
Number 1 Energy Pty Ltd(5) (6)	Australia	**100%**	-
N1E (UK) Ltd(6)	United Kingdom	**100%**	-

(1) Golden Horde Pty Ltd is the intermediate parent of both GOH LLC and GOH Clean Energy LLC.

(2) GOH Clean Energy LLC is the intermediate parent of Solar Ilch LLC and Gobi Terra LLC. Gobi Terra LLC is currently dormant.

(3) Cottesloe Oil & Gas LLC is the intermediate parent of Cottesloe Oil & Gas Inc. Cottesloe Oil & Gas Inc and Cottesloe Oil & Gas LLC were dissolved during the year.

(4) EnergyCapture Pty Ltd ("ECP") is a wholly owned subsidiary that was acquired in August 2022 for $3,500,000 paid by $500,000 cash, share issue of 20,703,934 Elixir Energy Ltd fully paid ordinary shares worth $3,000,000 and over-riding 3% royalty. On the day of the acquisition, ECP had no material assets, no full-time employees, and no funding capability. Accordingly, the Group has determined that ECP did not constitute a business at the date of the acquisition and hence the transaction has been accounted for as an asset acquisition.

(5) Number 1 Energy Pty Ltd ("N1E") was incorporated on 10th of March 2023 and is the intermediate parent of N1E (UK) Ltd.

(6) N1E (UK) Ltd was incorporated on 27th of March 2023.

Elixir Energy Limited and Elixir Petroleum (Australia) Pty Ltd are parties to a deed of cross guarantee under which each company guarantees the debtors of the other, and comprise an Extended Closed Group as defined by ASIC Corporations (wholly-owned Companies) Instrument 2016/785. By entering into the deed, Elixir Petroleum (Australia) Pty Ltd has been relieved from the requirement to prepare a financial report and Directors' report under ASIC Corporations (wholly-owned Companies) Instrument 2016/785.

Consolidated financial information of the Extended Closed Group, as required under ASIC Class Order 2016/785 is presented below:

Notes to the Consolidated Financial Statements continued

		Note	Extended Closed Group 2023 $	2022 $
(i)	**Statement of Profit or Loss and Other Comprehensive Income:**			
	Revenue from continuing operations			
	Interest income		**312,985**	38,926
	Share based remuneration		**(1,339,476)**	(466,474)
	New ventures		**-**	(84,660)
	Corporate administration		**(1,812,450)**	(1,368,347)
	Loss before income tax		**(2,838,941)**	(1,880,555)
	Income tax expense		**-**	-
	Loss after income tax attributable to members of the parent entity		**(2,838,941)**	(1,880,555)
(ii)	**Accumulated losses:**			
	Accumulated losses at the beginning of the year		**(77,667,151)**	(75,786,596)
	Transfer from reserves to accumulated losses		**40,471**	-
	Loss after income tax		**(2,871,466)**	(1,880,555)
	Accumulated losses at the end of the year		**(80,498,146)**	(77,667,151)
(iii)	**Statement of Financial Position:**			
	Current Assets			
	Cash and cash equivalents		**8,249,573**	22,096,738
	Other receivables		**197,891**	111,891
	Total		**8,447,464**	22,208,629
	Non-current Assets			
	Intercompany loans		**26,568,740**	14,134,685
	Exploration and evaluation expenditure		**2,192,758**	975,210
	Investment in subsidiaries		**6,294,286**	2,765,010
	Other receivables – performance bond		**-**	843,403
	Other plant and equipment		**308,535**	-
	Total		**35,364,319**	18,718,308
	Total assets		**43,811,783**	40,926,937
	Current Liabilities			
	Trade and other payables		**334,339**	457,649
	Provisions		**-**	843,403
	Total liabilities (all current)		**334,339**	1,301,052
	Net assets		**43,477,444**	39,625,885
	Equity			
	Issued Capital		**123,116,684**	119,682,326
	Reserves		**826,381**	(2,389,290)
	Accumulated Losses		**(80,465,621)**	(77,667,151)
	Total Equity		**43,477,444**	39,625,885

Notes to the Consolidated Financial Statements continued

Parent Entity Information

The following information as required by the Corporations Act 2001 Regulations has been extracted from the books and records of the Parent and has been prepared in accordance with Australian Accounting Standards.

	Parent Entity	
	2023	2022
	$	$
Statement of Financial Position		
Assets		
Current Assets	**8,447,464**	22,208,629
Non-current Assets	**34,744,872**	20,342,293
Total assets	**43,192,336**	42,550,922
Liabilities		
Current Liabilities	**334,338**	457,647
Total Liabilities	**334,338**	457,647
Net assets	**42,857,998**	42,093,275
Equity		
Issued Capital	**123,116,684**	119,682,326
Accumulated Losses	**(82,251,316)**	(78,728,044)
Share-based Payment Reserve	**1,992,630**	1,138,993
Total Equity	**42,857,998**	42,093,275
Statement of Profit or Loss and Other Comprehensive Income		
Total loss and comprehensive loss	**(3,523,272)**	(2,514,919)

As at 30 June 2023 amounts receivable from controlled entities at cost totalled $26,568,740 (2022: $17,252,095). At the year-end there was an impairment recorded of $619,447 (2022: $650,021) in relation to amounts receivable from controlled entities nor against the value of investments in controlled entities. Other than the commitments set out in Note 23 there are no contingent liabilities or commitments.

Controlled Entities

Details of interests in wholly-owned controlled entities and a cross guarantee with one subsidiary are set out at Note 22. Elixir Energy Limited provides working capital to its controlled entities via intercompany loans, as disclosed in Note 22.

23. Commitments

	Consolidated Group	
	2023	2022
	$	$
Expenditure by financial years:		
1 – 12 months	**3,399,510**	2,544,048
2-5 years	**43,451,722**	17,036,776
	46,851,232	19,580,824

The minimum exploration work obligations under the Nomgon Production Sharing Contract in Mongolia which began in 2019 are measured in calendar years. During the year the Group acquired the EnergyCapture Pty Ltd that owns Grandis Project ATP 2044 that has a commitment to drill one appraisal well and other works by 25 August 2025. EnergyCapture Pty Ltd qualifies for R&D tax credits of 43.5% of the costs of this well.

Notes to the Consolidated Financial Statements continued

The minimum work program expenditure obligations in the 2023 and 2024 calendar years will be reduced by the actual expenditure in excess of prior years commitment of approximately US $3,210,000 for the Nomgon Production Sharing Contract. Approximate expenditure commitment figures by financial year in the table above have been converted to Australian dollars at the year-end rate of $US0.66/AU.

24. Contingencies

The group has no contingent assets or liabilities as at reporting date.

25. Operating Segments

General Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director (chief operating decision maker) and Board of Directors in assessing performance and in determining the allocation of resources.

The Group had five reportable segments during 2023 (2022: three) being oil and gas exploration in Australia, Mongolia, the United States of America (USA), clean energy in Mongolia and solar project in Mongolia. The Group's management and administration office is located in Australia.

Segment Performance

	Oil & Gas Exploration			Clean Energy	Solar Project	Other Corporate	
	Mongolia	**USA**	**Australia**	**Mongolia**	**Mongolia**	**Activities**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
As at 30 Jun 2023							
Revenue from external sources	-	-	-	-	-	312,985	**312,985**
Reportable segment (loss)	-	(15,886)	(36,771)	(109,923)	(15,787)	(3,077,472)	**(3,255,839)**
Net additions to non-current assets	8,325,613	(843,403)	4,065,458	575,766	196,768	-	**12,320,202**
Reportable segment assets	29,222,113	-	4,596,154	901,553	265,392	8,347,755	**43,332,967**
Reportable segment liabilities	(90,748)	-	(115,760)	-	(41,681)	(248,881)	**(497,070)**
As at 30 Jun 2022							
Revenue from external sources	-	-	-	-	-	38,926	38,926
Reportable segment (loss)	-	(15,657)	-	(94,519)	-	(1,871,500)	(1,981,676)
Additions to non-current assets	7,767,208	71,272	-	54,426	-	-	7,892,906
Reportable segment assets	20,554,308	843,403	-	524,960	-	22,202,976	44,125,647
Reportable segment liabilities	(725,523)	(843,403)	-	(5,796)	-	(457,650)	(2,032,372)

Notes to the Consolidated Financial Statements continued

Operating segment results and balances are determined in accordance with the accounting policies applied in the annual financial statements of the Group. Intercompany loan balances are eliminated for the purposes of segment reporting.

Allocated and Unallocated Items

- In most instances, segment assets are clearly identifiable and allocable on the basis of their nature and physical location.
- Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment.
- The following items of revenue, expense, assets and liabilities are not allocated to operating segments and instead are reported as 'Other Corporate Activities' as they are not considered part of the core operations of any segment:
  - Interest and other income
  - Corporate administration and related payables
  - Share based payments
  - Gains/losses on disposal of assets

26. Financial Risk Management

The Group's financial instruments consist of deposits with banks, GST and other receivables, cash backed performance bond, and trade and other payables. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policy notes to these financial statements, are as follows:

		Consolidated Group	
	Note	**2023** **$**	2022 $
Financial Assets			
Cash and cash equivalents	5	**9,555,235**	22,679,219
Receivables at amortised cost	6	**958,277**	2,388,472
Inventory	7	**337,396**	-
Total Financial Assets		**10,850,908**	25,067,691
Financial Liabilities			
Lease Liability (current and non-current)	10	**46,953**	66,506
Trade and other payables at amortised cost	11	**341,631**	995,055
Total Financial Liabilities		**388,584**	1,061,561

Financial Risk Management Policies

Company Management and the Audit Committee have been delegated responsibility by the Board of Directors for, amongst other issues, managing financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to currency risk, commodity price risk, counterparty credit risk, liquidity risk and interest rate risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group. Credit risk is managed through a delegated approval process, establishing and monitoring credit limits, ensuring to the extent possible that counterparties to transactions are credit worthy, and monitoring of the financial stability of significant counterparties. Credit risk is also minimised by only investing surplus funds in financial institutions that maintain a high credit rating.

Notes to the Consolidated Financial Statements continued

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position. The Group has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables is provided in Note 6.

The following table provides information regarding the credit risk relating to cash and liquid securities held with financial institutions by geographic area:

	Consolidated Group	
	2023	2022
Cash and cash equivalents	**$**	$
Cash held in Australia (AUD and USD)	**8,297,076**	22,529,642
Cash held in Mongolia (MNT and USD)	**1,258,147**	149,577
Total	**9,555,223**	22,679,219

(b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to its financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities
- obtaining funding from a variety of sources
- maintaining a reputable credit profile
- only investing surplus cash with major financial institutions
- managing credit risk related to financial assets.

The table below shows the contractual maturity profile of financial liabilities.

Financial liability maturity timeframe

	Within 1 Year		1 to 5 years		Over 5 years		Total	
Consolidated Group	**2023** **$**	2022 $	**2023** **$**	2022 $	**2023** **$**	2022 $	**2023** **$**	2022 $
Financial liabilities - non-interest bearing								
Trade and other payables	**341,631**	995,055	-	-	-	-	**341,631**	995,055
Financial liabilities - interest bearing								
Lease liability	**10,092**	60,946	**36,861**	5,560	-	-	**46,953**	66,506

(c) Market Risk

(i) *Interest rate risk*

During the year and as at the year-end reporting date, the Group had no significant interest-bearing assets or liabilities other than liquid funds on deposit. As such, the Group's income and operating cash flows (other than interest income from funds on deposit) are not significantly affected by movements in market interest rates.

(ii) *Foreign exchange risk*

Movement in the US dollar and Mongolian tugrik (MNT) exchange rates may result in fluctuations in the fair value of or future cash flows related to the Group's financial assets and liabilities.

The Board regularly monitors the Group's foreign exchange requirements and risks including the consideration of the use of foreign exchange contracts or instrument to hedge its foreign currency risk. No such arrangements were entered into during the year, although by holding US dollar bank accounts the Group can manage its exposure to movements in the USD/AUD exchange rate regarding its future USD expenditure (in Mongolia).

Notes to the Consolidated Financial Statements continued

The Group's exposure (in Australian dollars) to foreign currency risk at the reporting date was as follows:

	2023		2022	
	MNT	**USD**	MNT	USD
	$	**$**	$	$
Cash	**22,826**	**2,931,169**	41,686	5,501,624
Other receivables	**376,933**	**-**	993,628	-
Inventory	**337,396**	**-**	-	-
Non-current receivables	**189,110**	**-**	260,498	843,403
Trade Payables	**(85,472)**	**-**	(731,319)	-
	840,793	**2,931,169**	564,493	6,345,027

(iii) Commodity price risk

The Group is currently not directly exposed to movements in the prices of natural gas and crude oil as the Group's Coal Bed Methane project in Mongolia is still in the exploration and evaluation stage. The Group is indirectly affected by movements in petroleum commodity prices in terms of the impact of such movements on the Company's share price on the ASX and its consequential impact on the Group's ability to raise capital effectively.

Sensitivity Analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates and exchange rates. The table indicates the impact on reported profit/loss and net equity values for changes in rates that management considers to be reasonably possible. This analysis assumes that the movement in each variable is independent of movement in the other variable and is prepared on the same basis as the prior year.

	Consolidated Group	
	Profit/Loss	**Equity**
	$	**$**
Year ended 30 June 2023		
+/- 1.0% in interest rates on interest bearing cash assets	**79,389**	**79,389**
+/- 20% in AUD relative to USD & MNT impact on foreign exchange gains/losses including forex translation reserve*	**762,095**	**762,95**
Year ended 30 June 2022		
+/- 1.0% in interest rates on interest bearing cash assets	166,814	166,814
+/- 20% in AUD relative to USD & MNT impact on foreign exchange gains/losses including FC translation reserve*	1,381,904	1,381,904

*a weakening of the AUD results in P&L gains and vice-versa

(d) Fair values

The carrying value of all financial assets and liabilities at the balance date reflects their fair values. All financial instruments have a short (<12 months) time to maturity, with the exception of the following:

1) Lease liability in Mongolia – GOH LLC is 13 months.
2) Land lease liability in Mongilia – Solar Ilch is 8 years (being, September 2031)

27. Subsequent Events

There were no other events occurring after year end impacting the operations, results of operations, or state of affairs of the Group requiring disclosure in the 30 June 2023 consolidated financial statements.

Notes to the Consolidated Financial Statements continued

28. Summary of Accounting Policies

(a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the parent entity Elixir Energy Limited at the end of the reporting period. A controlled entity is any entity over which the parent has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 22 to the financial statements.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full.

(b) Asset acquisitions

When an asset acquisition does not constitute a business combination, the assets and liabilities are recorded based on their relative fair values. No deferred tax balances will arise in relation to the acquired assets and assumed liabilities under the initial recognition exemption afforded by AASB 112 *Income Taxes*. No goodwill arises on an asset acquisition and transaction costs are included in the fair value of the assets and liabilities acquired.

(c) Revenue recognition

Interest revenue is recognised as the interest accrues using the effective interest method described in Note 24(c).

(d) Income Tax

Income tax expense for the year comprises current and deferred tax expense.

Current income tax expense/benefit is charged to profit or loss representing the tax payable/receivable on taxable income. Current tax liabilities/assets are measured at the amounts expected to be paid to/recovered from the relevant taxation authority. Deferred income tax expense/benefit reflects movements in deferred tax asset and deferred tax liability balances during the year as well the recognition, if any, of previously unrecognised tax losses.

Current and deferred income tax is charged or credited to other comprehensive income/loss when the tax relates to items that are recognised in equity.

Except for business combinations, no deferred income tax is recognised from temporary differences stemming from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled. Measurement of deferred tax balances reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Notes to the Consolidated Financial Statements continued

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority and it is intended that net settlement or simultaneous settlement will occur in the future.

The Group does not consolidate any Australian entities for tax purposes.

(e) Goods and Services Tax (GST) and Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of GST or value added tax (VAT), except where the amount of GST or VAT incurred is not recoverable from the taxation authority.

Receivables and payables are stated inclusive of the amount of GST or VAT receivable or payable. The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

(f) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 28(g)).

The cost of property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment that is under construction classified as a 'capital project in progress' and is measured on the cost basis. Once construction is completed and the asset becomes substantially ready for its intended use or sale, these costs are reclassified to the appropriate category and are depreciated over their expected useful lives.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in profit or loss in the period in which they arise.

(g) Impairment of Assets

At the end of each reporting period, an assessment is made as to whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including market conditions and asset-specific matters. If such an indication exists, an impairment test is carried out on the asset by comparing the asset's carrying amount to its estimated recoverable amount, being the higher of fair value less costs to sell and value in use. Value in use is determined on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal discounted to their present values. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Notes to the Consolidated Financial Statements continued

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives.

(h) Exploration & evaluation expenditure

Expenditure on exploration for and of evaluation of petroleum resources in relation to each separate area is recognised as an asset in the year the expenditure is incurred, provide rights to tenure are current and:

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; or
- Exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Expenditure that is capitalised as an asset includes only those costs directly related to exploration and evaluation activities.

The carrying value of exploration and evaluation assets is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. The recoverable amount of the asset (or the cash generating unit (CGU) to which the asset is allocated, being no larger than an area of interest) is based on the higher of value in use and fair values less costs to sell.

If the carrying amount exceeds the recoverable amount, the asset or cash-generating unit is then written down to its recoverable amount with a corresponding impairment loss recognised in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount not to exceed the original pre-impairment carrying amount.

Once a decision has been made to proceed with development in a particular area of interest, the relevant asset/CGU is tested for impairment, reclassified to development properties and then amortised (once production commences) over the life of the petroleum reserves associated with the asset or CGU.

(i) Inventory

Inventories are recognised at the lower of cost and net realisable value

(j) Financial Instruments

Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (trade date).

Financial assets are classified as those measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income. This classification is based on two criteria: the Group's business model for managing the assets; and whether the asset's contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding. A financial asset can only be measured at amortised cost if both these tests are satisfied.

Trade and other receivables, and trade and other payables, are classified as amortised cost instruments. They are initially measured at fair value, which includes transaction costs and any expected credit losses, and then subsequently at amortised cost using the effective interest method.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition, less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method. The effective interest method is used to allocate interest income (financial asset) or interest expense (financial liability) over the term of the instrument and is equivalent to the rate that discounts estimated future cash payments or receipts over the expected life of the instrument

Notes to the Consolidated Financial Statements continued

to its to the net carrying amount. Revisions to expected future net cash flows that result in adjustment to the carrying amount, and any gains or losses from derecognition, are recognised in profit or loss.

Derecognition occurs in the case of a financial asset where the contractual rights to the receipt of cashflows expire or are transferred to a third party with no significant continuing involvement.

For a financial liability, derecognition occurs when the related obligations are discharged, cancelled or have expired.

Impairment
At the end of each reporting period, an assessment is made as to the extent of any expected credit losses (ECLs) impacting on the estimated future cash flows of the financial asset. Expected credit losses may arise where there are indications that the counterparty is experiencing significant financial difficulty or might enter insolvency proceedings or other financial reorganisation, where there has been a default or delinquency in interest or principal payments, or where changes in economic conditions have occurred impacting on the likelihood of defaults.

Under AASB 9 *Financial Instruments,* a separate allowance account is used to record any expected credit losses on financial assets (including receivables). For financial assets held at fair value through profit or loss, any expected credit losses reduce the carrying amount of the asset directly.

(k) Interests in Joint Operations
The Group recognises its direct right to the assets, liabilities, revenue and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been included in the appropriate line items of the consolidated financial statements.

(l) Share Capital and Reserves
Equity instruments issued by the Group are recorded at the fair value of consideration received. Incremental costs directly attributable to the issue of new equity instruments are shown in equity as a deduction from the proceeds.

Separate reserves in shareholders' equity are utilised to record the consideration received for options issued, the fair value of options or performance rights issued for no consideration that has been recognised as a share-based payments expense, and for the cumulative foreign exchange translation difference on controlled entities with a non-Australian dollar functional currency (refer Note 28(o)).

If the Company reacquires its own equity instruments, e.g., as the result of share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs is recognised directly in equity.

In the case of an in-specie distribution, where an asset of the Group other than cash is distributed to shareholders, the share capital of the Group is reduced by the fair value relevant asset.

(m) Share based payments
The Group has an Employee Incentive Securities Plan, whereby Shares, Options and Performance Rights may be issued in return for services. Share based payments to employees are measured at the fair value of the instruments issued and recognised in profit or loss as share-based payments expense over the relevant vesting periods. Share based payments to non-employees are measured at the fair value of goods or services received if they can be reliably measured, otherwise at the fair value of the equity instruments issued. The fair value is recognised when the goods or services are received. A corresponding amount to the share-based payments expense or amount recognised for goods or services received is recorded in the share-based payment reserve in equity.

Notes to the Consolidated Financial Statements continued

When shares are issued following the exercise of an option, or the vesting of a performance right, a transfer is made from the share-based payment reserve to issued capital for the amount related to those particular options or rights. When an option or performance right expires or lapses, a transfer is made from the share-based payment reserve to retained earnings.

The fair value of unlisted options is determined using an option pricing model, such as the Black–Scholes model. Performance rights are valued with reference to the Company's share price at the grant date. Market-based vesting conditions are factored into the grant date fair value, typically using a probability assessment. The number of options and performance rights expected to vest is reviewed and adjusted at the end of each reporting period such that the cumulative amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vests.

(n) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares on issue during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after, income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(o) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is based on the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period; and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

Notes to the Consolidated Financial Statements continued

(p) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

(q) Site Restoration and Environmental Rehabilitation Provision

Provisions are recognised when the Group has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable and the amount of the obligation can be reliably estimated.

Provision is made for the restoration and environmental rehabilitation of operating sites. The provision is based on the estimated future costs, determined on a discounted basis, which are re-assessed regularly and exclude any allowance for potential changes in technology or material changes in legislative requirements. The rate used to discount future estimated costs reflects a market assessment of the time value of money adjusted for risks specific to the obligation.

(r) Leases

A lease liability and a right of use asset is recognised in the statement of financial position for all leases conveying a right to control the use of an underlying asset with the exception of leases with a period of 12 months or less and for low value leases. The asset and liability are initially recognised based on discounted future lease payments and the rate embedded in the lease.

(s) Going Concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business. For the year ended 30 June 2023 the entity recorded a loss of $2,942,854 and had net cash outflows from operating activities of $2,045,225, while cash and cash equivalents amounted to $9,555,235.

The Group's ability to finance planned exploration and ongoing capital projects is reliant on third party funding sources and/or joint venture funding. The uncertainty of obtaining said financing indicates the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.

While no assurances can be given about the future ability to source finance for the Group's activities, the Directors believe, given the quality of the Group's assets, that the Group can, if required, fund future activities through a combination of existing cash, third party finding sources or joint venture options to pursue its business strategy and meet its obligation as and when they fall due, and has therefore prepared the financial report on a going concern basis.

Management believes there are sufficient funds to meet the entity's working capital requirements as at the date of this report.

(t) Comparative Figures

In certain cases, including when required by Australian Accounting Standards, comparative figures are adjusted to conform to the changes in recognition or presentation made in the current financial year.

Additional Shareholder Information

As at 14 August 2023

Shares on Issue, Unmarketable Parcels, and Escrowed Securities

As at 14 August 2023, there were a total of 931,837,310 shares on issue and 7,710 shareholders. Of these, a total of 2,136 shareholders held a less than marketable parcel of securities.

There is one class of ordinary shares. Each share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy, each has one vote on a show of hands.

Details of top 20 shareholders

The following is a list of the top 20 Shareholders of the Company:

Rank	Name	Number of Shares	% of Shares
1	MR NEIL ALEXANDER INGLIS YOUNG	37,403,036	4.01%
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	30,258,211	3.25%
3	CITICORP NOMINEES PTY LIMITED	21,248,358	2.28%
4	MAMDAL SUPERANNUATION PTY LTD <MAMDAL SUPER FUND A/C>	12,752,240	1.37%
5	MR ANDREW TROTT HOPKINS & MRS ADRIENNE JANET HOPKINS	12,442,000	1.34%
6	LLAMA CAPITAL PTY LTD <LLAMA FAMILY A/C>	8,301,541	0.89%
7	HILDA HOLDINGS PTY LTD <O'BRIEN FAMILY SUPERFUND A/C>	7,500,000	0.80%
8	MR MICHAEL KRESINGER	7,100,000	0.76%
9	MR ANTHONY KILMARTIN	7,000,000	0.75%
10	REIJA PTY LTD <MARTINOVICH SUPER FUND A/C>	6,800,500	0.73%
11	CALIBER TRUSTEE COMPANY LTD <CALIBER A/C>	5,893,435	0.63%
12	PAINKALAC HOLDINGS PTY LTD <LIGHTHOUSE A/C>	5,100,000	0.55%
13	RONGIA PTY LIMITED <MORONY SUPER FUND A/C>	4,991,506	0.54%
14	MR NEIL YOUNG & MS KAREN SIM <YOUNG FAMILY SUPER A/C>	4,500,000	0.48%
15	LEE REBORSE <RUACH ENTERPRISES A/C>	4,157,773	0.45%
16	MR PAUL MOYES	4,149,242	0.45%
17	FERNBROOK (AUST) INVESTMENTS PTY LTD <CLEINE SUPER FUND A/C>	4,100,000	0.44%
18	MR MARX LIN	4,045,000	0.43%
19	CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	4,000,000	0.43%
20	TEN TALENTS (2020) LIMITED <FIVE TALENTS A/C>	3,968,331	0.43%
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES		**195,711,173**	**21.00%**
Total Remaining Holders Balance		**736,126,137**	**79.00%**
Total Holders		**931,837,310**	**100.00%**

Distribution of shareholder numbers

Range	Total holders	Number of Shares	% of Shares
1 - 1,000	152	26,969	0.00%
1,001 - 5,000	1,672	5,105,866	0.55%
5,001 - 10,000	1,167	9,049,963	0.97%
10,001 - 100,000	3,383	126,443,970	13.57%
100,001 and over	1,336	791,210,542	84.91%
TOTAL	**7,710**	**931,837,310**	**100.00%**

Additional Shareholder Information

As at 14 August 2023

Details of substantial shareholders

There are no substantial shareholders of Elixir Energy Limited.

Unlisted Options and Performance Rights

As at 8 August 2023, there are:

- 6,330,000 Unlisted Options on issue with a weighted average exercise price of 16 cents each expiring in 2023 - 2025.
- 8,800,000 Performance Rights on issue, each convertible into one ordinary share if the relevant performance conditions are met.

Number and class of shares held in escrow

- 6,901,310 fully paid ordinary shares to be held in voluntary escrow until 26 February 2024.

On-Market Buy Back

There is no on–market buyback at the date of this report.

List of projects

- Mongolian exploration: Nomgon IX CBM PSC
- Australian ATP 2044: Grandis Gas Project
- Mongolian hydrogen project: Gobi H2
- Mongolian solar project

Securities Exchange

The Company is listed on the Australian Securities Exchange under the stock symbol EXR.

Wind turbine