

Diona-1 Update

- Diona-1 flow testing paused to mobilise and install artificial lift systems aimed at accelerating recovery of remaining stimulation fluids ahead of recommencement of future testing operations.
- The Joint Venture has commenced engagement with Sproule ERCE on the booking of a Contingent Resource post the successful demonstration of the repeatable recoverability of the Permian gas resource at the Diona-1 well.

Elixir Energy Limited (ASX: EXR, the Company) as operator and 49% holder of the ATP2077 Diona sub-block joint venture (51% XST) in the Surat-Bowen Basin in Queensland provides an interim operational update on the flow testing operations of the Diona-1 (D1) exploration well.

Current Operations

D1 has flowed back approximately 46% of its total injected fluid, however the well has been unable to naturally complete this process in order to reach the 50-60% fluid recovery target. Diona-1 has been cycled over the past week in order to slug fluids to surface, this process whilst consistently producing gas at near-zero impurity levels, has been unable to move the well into stabilised recovery due to the volume of returning stimulation fluid (a positive for reservoir connectivity) which has been confirmed by echo meter measurements and salinities of the produced fluids. Shut-in well head pressure is currently measured at ~1,600 psi and will be monitored along with well bore fluid levels via additional echo meter measurements while the demobilisation of non-essential equipment takes place to reduce the cost profile at Diona.



Diona-1 flow
back 24-05-26

Forward Plan

The joint venture is now assessing the installation of the appropriate artificial lift method in order to recommence flow-testing of the gas-condensate resource in the future. The Joint Venture has briefed Sproule ERCE to book an independently certified Contingent Resource in the 375 km² Diona sub-block as part of ATP2077.

The Joint Venture believes the results achieved to date continue to support the potential for a new material Permian gas-condensate resource in Queensland’s Surat-Bowen Basin.

Elixir Energy Limited’s Managing Director & Chief Executive Officer Stuart Nicholls said:

“Diona-1 has provided valuable information about the recoverability of Elixir’s greater Taroom Trough gas-condensate and light oil resource.

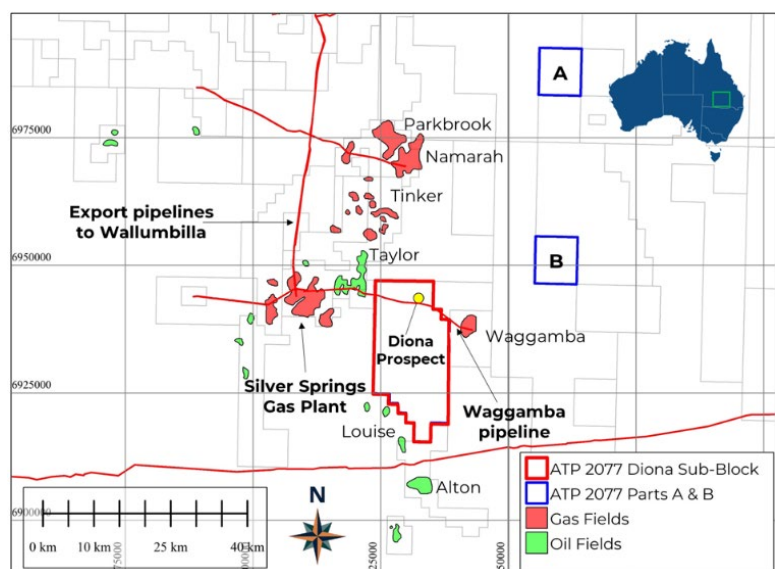
“Installation of artificial lift is necessary to reach the testing phase of the Diona resource and assess ultimate recoveries. Positively, the performance of the Diona-1 well to date has been encouraging given the constant gas flows against the fluid column.

Ultimately and much like all other areas of the Taroom Trough, multi-staged stimulated horizontal wells are the more optimal drilling and completion strategy. Given the known gas-condensate bearing reservoirs within the shallower setting of Diona, this can likely be done cost effectively in the future and would be the logical next appraisal and development step for the Diona resource, where the size of that resource is now under independent assessment.”

About Diona-1

Elixir Energy was fully carried for the drilling of the Diona-1 exploration well by Xstate Resources Limited (XST) as part of the transaction agreed in 2025.

Diona-1 is located at (27° 37' 14.268" S, 149° 21' 28.476" E) between the Silver Springs Gas Plant and the Waggamba gas field in the Surat-Bowen Basin of Queensland and adjacent to the Waggamba to Silver Springs gas pipeline. The well is an unoptimised vertical exploration well and has performed in line with other vertical Taroom trough wells. Given the proximity of the Diona gas-condensate resource



to the Waggamba pipeline, the potential application of horizontal drilling may create a pathway to a fast to market production opportunity.

ATP2077-Diona Sub Block (only) Equity Interest

EXR: 49%

XST: 51%

About Elixir Energy Limited

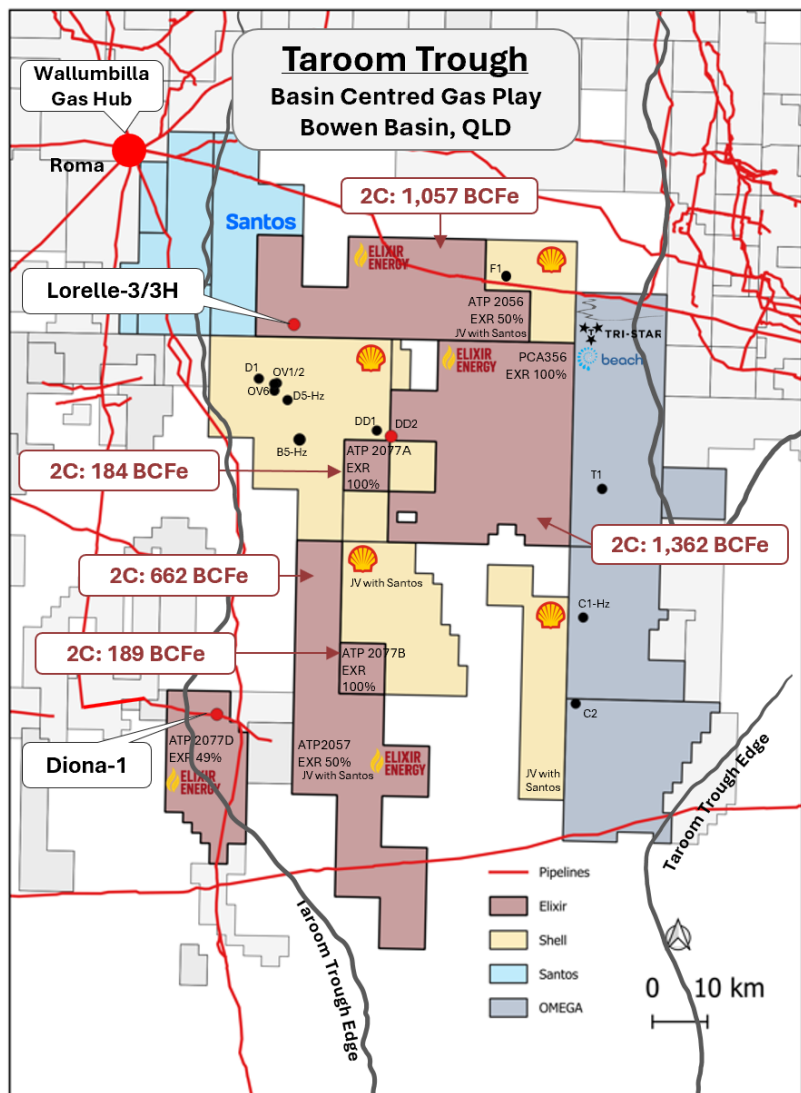
Elixir Energy Limited is the largest acreage holder in the exciting Taroom Trough in Queensland’s Bowen Basin. The Taroom Trough is highly advantaged by its immediate proximity to the Wallumbilla Gas Hub, multiple gas pipelines, the nearby 25 mtpa of LNG export infrastructure, multiple operating refineries and sitting amongst the mature and well serviced onshore industry of Queensland. Elixir is aiming to appraise its ~3.5 TCF¹ of independently certified 2C Contingent Gas Resources which borders Shell’s primary area of investment across the Basin Centred Gas Play and demonstrate Reserve conversion and a path to commercial production operations.

By authority of the Board

Stuart Nicholls

Managing Director & Chief Executive Officer

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¹ For information on the Company’s Contingent Resources please refer to the Company’s announcement ‘24% increase in Taroom Trough Gas Resources’ dated 24 April 2026

For further information on Elixir Energy, please call us on +61 (8) 7079 5610, visit the Company's website at www.elixirenergy.com.au

Forward Looking Statements

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