

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

PROSPECTUS

For a non-renounceable pro rata offer of up to 96,190,808 New Options (each exercisable at \$0.075 on or before 31 December 2020) at an issue price of \$0.01 each on the basis of one (1) New Option for every four (4) Shares held at the Record Date.

This Prospectus also contains an offer of 1,000 Shares each at an issue price of \$0.05 per Share.

THIS OFFER CLOSSES AT 5.00PM (WST) ON 21 JANUARY 2019

VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.

Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

THE NEW OPTIONS OFFERED BY THIS PROSPECTUS ARE OF A HIGHLY SPECULATIVE NATURE.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THIS PROSPECTUS IS ALSO BEING ISSUED UNDER SECTION 708A(11) OF THE CORPORATIONS ACT FOR THE PURPOSE OF FACILITATING SECONDARY TRADING OF THE GOH CONSIDERATION SHARES AND THE CONVERSION SHARES

CORPORATE DIRECTORY

Directors
Mr Ray Barnes (Non Exec. Chairman)
Mr Dougal Ferguson (Managing Director)
Mr Scott Patrizi (Non Exec. Director)
Proposed Director
Mr Neil young (Chief Executive Officer)
Company Secretary
Mr Dougal Ferguson
Registered Office
1202 Hay Street
West Perth WA 6005
Australia
Telephone: (08) 9226 2111
Stock Exchange Listing
Australian Securities Exchange
Home Exchange: Perth, WA
ASX Code: EXR
Share Registry*
Security Transfer Australia Pty Ltd
770 Canning Highway,
Applecross WA 6153,
Australia
Telephone: +61 3 9268 2200
Facsimile: +61 8 9315 2233
Solicitors to the Company
GTP Legal
68 Aberdeen Street
Northbridge WA 6003
Australia

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*This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

IMPORTANT NOTICES

This Prospectus is dated 14 December 2018 and was lodged with ASIC and ASX on that date. This Prospectus is available electronically at www.asx.com.au. ASIC and ASX take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus, being the expiry date of this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at 1202 Hay Street, West Perth WA 6005, Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.4).

The Securities offered by this Prospectus should be considered highly speculative. Please refer to Section 3 for details relating to investment risks.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation or particular needs of any Eligible Shareholder. Before making any investment in the Company, each Eligible Shareholder should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Eligible Shareholder should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay.

Acceptances for New Options by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form sent with this Prospectus. Please read the instructions on the Entitlement and Acceptance Form carefully. Applications for Shortfall New Options can only be made on an original Shortfall Offer Acceptance Form by investors invited by the Company to subscribe for Shortfall New Options. The issue of Shortfall New Options is in the absolute discretion of the Directors. The Company will send prospective investors a Shortfall Offer Application form with this Prospectus. More information on the Shortfall Offer is contained in Section 1.6. Acceptances for Shares can only be made on the Cleansing Offer Application Form provided by the Company at the Board's discretion with this Prospectus. Please read the instructions on the Cleansing Offer Application Form carefully.

No person is authorised to give any information or to make any representation in connection with the Offer, the Shortfall Offer or the Cleansing Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer, the Shortfall Offer or the Cleansing Offer.

The Company is a disclosing entity listed on the ASX and this Prospectus is issued under section 713 of the Corporations Act in reliance on information previously disclosed to the ASX by the Company. It does not contain, by itself, all information that would be contained in a prospectus for an initial public offering or all information relevant to a decision to invest in the Company.

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia and New Zealand (refer to Section 1.14 for further information). The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known by investors and professional advisers whom potential investors may consult.

By returning an Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer, the Shortfall Offer or the Cleansing Offer (if applicable) detailed in this prospectus.

PROPOSED TIMETABLE

Lodgement of Prospectus with ASIC and provision of copies to ASX	14 December 2018
Appendix 3B given to ASX	14 December 2018
Notice sent to security holders	19 December 2018
Cleansing Offer Closing Date*	20 December 2018
Existing Shares quoted on an "ex" basis	20 December 2018
Record Date for the Offer	21 December 2018
Prospectus and Entitlement and Acceptance Form sent to Eligible Shareholders	28 December 2018
Last Day to extend offer Closing Date	16 January 2019
Closing Date*	21 January 2019
Existing Shares quoted on a deferred settlement basis	22 January 2019
ASX notified of under subscriptions	24 January 2019
Anticipated date for the issue of the New Options (excluding under Shortfall Offer)**	29 January 2019
Anticipated date for despatch of holding statements for New Options (excluding under Shortfall Offer)**	29 January 2019
Deferred settlement trading ends**	29 January 2019
Shortfall Offer Closing Date*	29 January 2019
Anticipated date for commencement of New Options trading (excluding New Options offered under Shortfall Offer)**	31 January 2019
Anticipated date for the issue of Shortfall New Options (Shortfall Offer only)**	5 February 2019
Anticipated date for despatch of holding statements for Shortfall New Options (Shortfall Offer only)**	5 February 2019
Anticipated date for commencement of Shortfall New Options trading (Shortfall Offer only)**	7 February 2019

* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer, the Shortfall Offer and the Cleansing Offer at their discretion. Any extension of the Closing Date, the Shortfall Offer Closing Date or the Cleansing Offer Closing Date will have a consequential effect on the anticipated date for issue of the New Options or Shares under this Prospectus.

** Indicative date only.

1. Details of the Offer

1.1 The Offer

The Company is making a non-renounceable, pro rata offer of New Options (each exercisable at \$0.075 on or before 31 December 2020) at an issue price of \$0.01 each to Eligible Shareholders on the basis of one (1) New Option for every four (4) Shares held at 5.00pm (WST) on the Record Date (**Offer**).

A maximum of 96,190,808 New Options will be issued pursuant to this Prospectus.

Where the determination of the entitlement of Eligible Shareholders results in a fraction of a New Option, such fraction will be rounded down to the nearest whole New Option.

The Offer is not underwritten.

The Prospectus is also for the offer of Shortfall New Options to investors invited by the Company to subscribe for Shortfall New Options. The issue of Shortfall New Options is in the absolute discretion of the Directors. Refer to Section 1.6 for further information and details of the Shortfall Offer.

Refer to Section 5.1 for a summary of the rights attaching to the New Options.

1.2 Purpose of the Offer

Completion of the issue of New Options offered by this Prospectus will result in an increase in the cash on hand of up to approximately \$961,908 (before payment of Offer costs). The Company has approximately \$1.7 million in cash as at the date of this Prospectus following the costs for the recently announced successful lease bidding in Alaska.

The funds raised under the Offer will be used to supplement the Company's existing cash reserves and will be primarily used to fund the holding and management costs and further exploration on the Alaskan Leases, to provide general working capital for existing assets, business and administration costs and, if the GOH acquisition completes (which is expected to occur on or around 14 December 2018), to fund activities within the CBM PSC area.

1.3 Your Entitlement and acceptance of the Offer

Your entitlement to participate in the Offer will be determined on the Record Date, being 21 December 2018. The Entitlement of Eligible Shareholders receiving this Prospectus is shown on the Entitlement and Acceptance Form sent to Eligible Shareholders with this Prospectus. You may accept all or only part of your Entitlement. If your acceptance exceeds your Entitlement, any surplus Application Monies will be returned (without interest).

1.4 Cleansing Offer

This Prospectus also contains an offer of 1,000 Shares each at an issue price of \$0.05 per Share (**Cleansing Offer**). There is no minimum amount sought to be raised by the Cleansing Offer and there is no provision for oversubscriptions. The Cleansing Offer is not underwritten.

Refer to Section 5.2 for a summary of the rights attaching to Shares.

On 17 October 2017 the Company entered into the GOH Option to acquire all of the shares of Golden Horde Limited (**GOH**). The acquisition of GOH was subject to various conditions precedent including signing of the Mongolia CBM PSC and Shareholder approval of the issue of the GOH Consideration Shares. The Mongolia CBM PSC was signed on 18 September 2018 and Shareholders approved the issue of the GOH Consideration Shares on 28 November 2018. Accordingly, the Company exercised the GOH Option on 30 November 2018 and has until 14 December 2018 to complete the acquisition of GOH under the terms of the Binding Terms Sheet entered into with GOH and its shareholders. The Company expects to complete the acquisition of GOH on 14 December 2018.

The Company currently has 2,500,000 Class A Performance Rights, 2,500,000 Class B Performance Rights and 5,000,000 Class E Performance Rights on issue, held by Company management and consultants, which convert into Shares on a one for one basis upon the achievement of certain performance milestones. Refer to Section 4.1 for further details in relation to the Company's capital structure, including details of the performance milestones applicable to the Company's Performance Rights on issue. It is expected that some or all of the Class A Performance Rights, Class B Performance Rights and Class E Performance Rights will convert into the Conversion Shares prior to the Record Date.

The Cleansing Offer is being made with disclosure under this Prospectus to facilitate secondary trading of the GOH Consideration Shares and the Conversion Shares as they will be issued without disclosure to investors under Part 6D.2 of the Corporations Act. A prospectus is required under the Corporations Act to enable persons who were issued such Shares to on-sell those Shares within 12 months of their issue.

The Company is not issuing the GOH Consideration Shares or the Conversion Shares with the purpose of the persons to whom they are being issued selling or transferring their Shares, or granting, issuing or transferring interests in those Shares within 12 months of the issue but this Prospectus provides them the ability to do so should they wish.

Accordingly, the purpose of this Prospectus is also to:

- (a) make the Cleansing Offer; and
- (b) ensure that the on-sale of the GOH Consideration Shares and the Conversion Shares does not breach section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in section 708A(11) of the Corporations Act.

1.5 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms from the Record Date for determining Eligible Shareholders' entitlements, being 21 December 2018, until 5.00pm WST on the Closing Date, being 21 January 2019 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

The closing date for the Cleansing Offer is 20 December 2018 (**Cleansing Offer Closing Date**). The Company will accept the Cleansing Offer Application Forms from the date of this Prospectus until 5.00pm WST on the Cleansing Offer Closing Date, or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

1.6 Shortfall Offer

In the event that not all Eligible Shareholders accept their full Entitlement pursuant to the Offer, the Company is offering the Shortfall on the terms and conditions below (**Shortfall Offer**).

The Offer of any Shortfall New Options is a separate offer made pursuant to this Prospectus and will remain open until 29 January 2019 or such other date as the Directors determine in their absolute discretion subject to the requirements of the Listing Rules (**Shortfall Offer Closing Date**). The Company will not accept any applications for Shortfall New Options any later than the Shortfall Closing Date.

Only investors invited by the Company to subscribe for Shortfall New Options will be sent a Shortfall Offer Application Form with this Prospectus. Refer to Section 2.2 for further details. The issue of Shortfall New Options is in the absolute discretion of the Directors. Any Shortfall New Options are expected to be issued in accordance with timetable set out at the commencement of this Prospectus and in any event will be issued within three months after the Closing Date.

Shortfall New Options will be offered at an issue price of \$0.01 each (which is the issue price at which the Offer has been made to Eligible Shareholders). The New Options comprising the Shortfall New Options will have the same rights as the New Options as set out in Section 5.1.

The Company reserves the right to issue an Applicant a lesser number of Shortfall New Options than applied for in the Shortfall Offer Application Form, reject an application or not proceed with the issuing of the Shortfall New Options or any part thereof. If the number of Shortfall New Options issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on any Application Monies refunded.

1.7 No rights trading under the Offer

The rights to New Options under the Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your rights to subscribe for New Options to any other party. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse.

1.8 Application Forms

(a) Offer

Acceptance of a completed Entitlement and Acceptance Form, or alternatively a BPAY® payment, by the Company creates a legally binding contract between the Applicant and the Company for the number of New Options accepted. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Options.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance of an Entitlement and Acceptance Form as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

A personalised Entitlement and Acceptance Form will be issued to Eligible Shareholders together with a copy of this Prospectus.

(b) Shortfall Offer and Cleansing Offer

Acceptance of a completed Shortfall Offer Application Form or Cleansing Offer Application Form (as applicable) by the Company creates a legally binding contract between the Applicant and the Company for the number of Securities accepted. The Shortfall Offer Acceptance Form and the Cleansing Offer Application Form do not need to be signed to be a binding acceptance of Securities.

If the Shortfall Offer Acceptance Form or Cleansing Offer Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance of a Shortfall Offer Acceptance Form or Cleansing Offer Application Form as valid and how to construe, amend or complete the form is final.

Shortfall Offer Acceptance Forms and Cleansing Offer Application Forms will be sent with a copy of this Prospectus to investors invited by the Company to subscribe for either Shortfall New Options or Shares at the absolute discretion of the Directors.

1.9 No minimum subscription

There is no minimum subscription for the Offer.

1.10 Issues

All:

- New Options issued pursuant to the Offer;

- Shortfall New Options issued pursuant to the Shortfall Offer; and
- Shares issued pursuant to the Cleansing Offer,

will be issued, and holder statements sent, in accordance with the Listing Rules and the timetable set out at the commencement of this Prospectus.

It is the responsibility of Applicants to determine their allocation prior to dealing in their New Options, Shortfall New Options or Shares (as applicable). Applicants who deal in New Options, Shortfall New Options or Shares before they receive their holding statements will do so at their own risk.

1.11 Application Monies held on trust

All Application Monies received for the New Options or Shares will be held in trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Options or Shares (as applicable) are issued. All Application Monies will be returned (without interest) if the New Options or Shares (as applicable) are not issued.

1.12 ASX Quotation

Application has been made to ASX for official quotation of the New Options. If permission is not granted by ASX for the official quotation of the New Options offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

Application will be made to ASX no later than 7 days after the date of this Prospectus for the Official Quotation of the Shares offered under the Cleansing Offer. If permission is not granted by ASX for the Official Quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

1.13 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASTC, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Options or Shares (as applicable).

If you are broker sponsored, ASTC will send you a CHESS statement.

The CHESS statement will set out the number of New Options or Shares (as applicable) issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Options or Shares (as applicable).

If you are registered on the Issuer Sponsored subregister, your statement will be sent by Security Transfers Australia and will contain the number of New Options or Shares (as applicable) issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to security holders at the end of any calendar month during which the balance of their security holding changes. Security holders may request a statement at any other time, however, a charge may be made for additional statements.

1.14 Overseas Shareholders

- (a) *Offer*

The Offer is not being extended to any Shareholders whose registered address is outside Australia and New Zealand. The Company is of the view that it is unreasonable to make the Offer to Shareholders outside Australia or New Zealand, having regard to:

- the number of those Shareholders;
- the number and value of New Options to be offered to those persons; and
- the cost of complying with overseas legal requirements.

The Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia or New Zealand. The Company is not required to make offers under the Prospectus to Shareholders other than in Australia or New Zealand. Where the Prospectus has been sent to Shareholders domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the Offer contemplated by the Prospectus, the Prospectus is provided for information purposes only.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 6D of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Notwithstanding the above, the Company may (in its absolute discretion) extend the Offer to certain institutional or sophisticated shareholders who have registered addresses outside Australia and New Zealand in accordance with applicable law.

(b) *Shortfall Offer and Cleansing Offer*

This Prospectus, and the Shortfall Offer Application Form or the Cleansing Offer Application Form (as applicable), do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities. The distribution of this Prospectus to applicants for Securities under the Cleansing Offer or the Shortfall Offer in jurisdictions outside

Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

1.15 Risk factors

An investment in New Options, Shortfall New Options or Shares issued pursuant to this Prospectus should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are in Section 3.

1.16 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Options, Shortfall New Options or Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders and other potential investors. As a result, Shareholders and other potential investors should consult their professional tax adviser in connection with subscribing for New Options, Shortfall New Options or Shares under this Prospectus.

1.17 Major activities and financial information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2018 is in the Annual Financial Report which was lodged with the ASX on 28 September 2018.

The Company's continuous disclosure notices (i.e. ASX announcements) since 28 September 2018 are listed in Section 5.4.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.18 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form (as applicable) for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form, the Company may not be able to accept or process your Acceptance.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.19 Effect of the offers on control of the Company

The potential effect the Offer will have on each Shareholder's percentage interest in the total issued capital of the Company is as follows:

- (a) if all Eligible Shareholders take up their Entitlement, each Eligible Shareholder's percentage in the total issued Securities of the Company will remain the same and will not be diluted; or
- (b) if some but not all Eligible Shareholders take up their entitlement, and some or all of the Shortfall is taken up under the Shortfall Offer, the percentage interest in the total issued Securities of the Company of each Eligible Shareholder who does not take up their Entitlement will be diluted and the percentage interest of the total issued Securities of each Eligible Shareholder who does take up their Entitlement will remain the same.

The Offer and the Shortfall Offer are not expected to have a material effect on the control of the Company as only Options are being issued and even if all New Options and Shortfall New Options are applied for, issued and exercised then this will result in a 20% increase in the number of Shares on issue post exercise of all New Options. However, acceptance of Entitlements or the placement of any Shortfall may result in existing Shareholder or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. Shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act.

The Cleansing Offer is for a nominal number of Shares and therefore is not expected to have a material effect on the control of the Company.

1.20 Enquiries concerning Prospectus

Enquiries concerning the Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form can be obtained by contacting Security Transfer Australia by telephone on 1300 992 916 or outside Australia on +61 (0)3 9268 2200.

Enquiries relating to this Prospectus, the Offer or the Cleansing Offer should be directed to the Company Secretary by telephone on +61 (0)8 9226 2111.

2. Action required under Offer, Shortfall Offer and Cleansing Offer

2.1 Actions required under Offer

(a) *Acceptance of your Entitlement to New Options under this Prospectus*

Should you wish to accept all of your Entitlement to New Options, then applications for New Options under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Elixir Petroleum Ltd – Applications" and lodged and received at any time after the issue of this Prospectus and no later than 5.00pm (WST) on the Closing Date at the Company's share registry (by post) at:

By Post Security Transfer Australia
 PO Box 52
 Collins Street
 West Victoria, VIC 8007

The Company will not be responsible for any postal or delivery delays.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your Entitlement upon receipt of the BPAY® payment by the share registry. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form for the Offer. If you elect to pay via BPAY® then your payment must be made before 5.00pm (WST) on the Closing Date. Please read the instructions carefully.

It is your responsibility to ensure that your BPAY® payment is received by the share registry no later than 5.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut off times with regards to electronic payments and you should therefore take this into consideration when making payment.

The Company will not be responsible for any delay in the receipt of BPAY® payments.

(b) *If you wish to take up part of your Entitlement only*

Should you wish to only take up part of your Entitlement, then applications for New Options under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment in respect of the portion of your Entitlement you wish to take up, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Options you wish to accept and the Application Monies (calculated at \$0.01 per New Option accepted), and attach a cheque for the appropriate Application Monies. Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Elixir Petroleum Ltd – Applications" and lodged and received at any time after the issue of this Prospectus and no later than 5.00pm (WST) on the Closing Date at the Company's share registry (by post) at the address listed in Section 2.1.

The Company will not be responsible for any postal or delivery delays.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your Entitlement upon receipt of the BPAY® payment by the share registry. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® then your payment must be made before 5.00pm (WST) on the Closing Date. Please read the instructions in the Entitlement and Acceptance Form carefully.

It is your responsibility to ensure that your BPAY® payment is received by the share registry no later than 5.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut off times with regards to electronic payments and you should therefore take this into consideration when making payment.

The Company will not be responsible for any delay in the receipt of BPAY® payments.

(c) *Entitlements not taken up*

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of existing Shares you hold and the rights attaching to those Shares will not be affected should you choose not to accept any of your Entitlement.

New Options not taken up by Eligible Shareholders under the Offer will form the Shortfall New Options offered under the Shortfall Offer.

(d) *Enquiries concerning your Entitlement*

If you have any queries concerning your Entitlement, please contact Security Transfer Australia by telephone on 1300 992 916 or outside Australia on +61 (0)3 9268 2200.

2.2 Actions required under the Shortfall Offer and the Cleansing Offer

Investors invited to subscribe for Shortfall New Options pursuant to the Shortfall Offer or Shares pursuant to the Cleansing Offer, each at the Director's absolute discretion, will be sent a Shortfall Offer Application Form or Cleansing Offer Application Form (as applicable) with a copy of this Prospectus. Such investors should complete and return the Shortfall Offer Application Form or Cleansing Offer Application Form (as applicable) in accordance with the instructions in the form.

Completed Cleansing Offer Application Forms and Application Monies must be received by the Company prior to 5:00pm (WST) on the Cleansing Offer Closing Date. Completed Shortfall Offer Application Forms and Application Monies must be received by the Company prior to 5pm (WST) on the Shortfall Offer Closing Date. Cheques must be made payable to "Elixir Petroleum Limited – Applications Account" and crossed "Not Negotiable". All cheques must be in Australian currency. Application Forms should be mailed to Elixir Petroleum Limited, PO Box 180, West Perth, WA, 6872 or delivered to the Company's registered office. If you are in doubt as to the course of action, you should consult your professional advisor.

3. Risk Factors

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

3.1 Specific risks associated with the Company

(a) **Commodity price volatility risk**

It is anticipated that any future revenues of the Company, other than sales of assets, will be derived from the sale of oil and/or natural gas. The demand for, and price of, oil and natural gas is dependent on a variety of factors beyond the control of the Company, including supply levels of the product, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.

The market price of hydrocarbon products is volatile and outside the control of the Company. Oil and gas prices have fluctuated widely in recent years. If the price of hydrocarbons should drop significantly and remain depressed, the economic prospects of the projects which the Company has an interest in could be significantly reduced or rendered uneconomic. There is no assurance that, even if significant quantities of hydrocarbon products are discovered, a profitable market may exist for their sale.

The marketability of hydrocarbons is also affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of oil and gas and petroleum products, the effect of which cannot be accurately predicted. Restrictions on the Company's ability to market production from projects that the Company has an interest in may have a material adverse effect on the Company's overall financial performance.

(b) **Country Risk**

If the Company completes the acquisition of GOH, the Company will have a significant exposure to Mongolia including exposure to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to, currency exchange rates, high rates of inflation, labour unrest, social unrest, civil disobedience, renegotiation or nullification of the Mongolian CBM PSC, licences, permits and contracts, changes in taxation policies, changing political conditions, war and civil conflict, lack of law enforcement, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes to oil and gas exploration policies or shifts in political attitude in Mongolia may adversely affect the Company's operations and may have a material adverse effect on the Company's overall financial performance. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people and, water use. Failure to comply strictly with applicable laws, regulations and local practices relating to exploration or production activities, could result in loss, reduction or expropriation of interests.

The legal system in Mongolia may be less developed than more established countries, which may result in risk such as: (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of governmental agencies; (iii) the lack of political or administrative guidance on implementing applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; and (v) relative inexperience of the judiciary and court in such matters. There can be no assurance that joint ventures, licences (or licence applications), permits (or permit applications) or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness of the enforcement of such arrangements cannot be assured.

(c) Permit grant and maintenance risk

The Company's exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, concessions, leases, permits and regulatory consents. The grant or maintenance of licences and obtaining renewals often depends on the Company being successful in obtaining the required regulatory approvals for its proposed activities. There can be no assurances that the Company will be successful in obtaining renewals of existing acreage in the future.

The lease, licences or permits might also contain conditions relating to operations including, but not limited to, environmental management issues, occupational health and safety, operating procedures and plant and equipment design specifications. Such conditions or regulations might be subject to change from time to time and might impact the cost base and hence profitability of a particular project.

If the Company completes the acquisition of GOH, the Mongolia CBM PSC will require the Company, via its then wholly owned subsidiary GOH LLC, to meet certain annual expenditure commitments to retain the CBM PSC during the exploration phase. The Company, through GOH LLC, may be prevented from achieving these annual expenditure commitments for unforeseen reasons outside the control of the Company or due to lack of funding. If this were to occur, the CBM PSC may be cancelled or terminated prior to the CBM PSC expiry date, which may have a material adverse effect on the Company's overall financial performance.

The Alaskan Leases require the Company to pay an annual lease rental fee to maintain the Alaskan Leases. Should the Company fail to pay the annual lease rentals, then the Alaskan Leases may be cancelled or terminated before the Company is able to fully exploit them, which may have a material adverse effect on the Company's overall financial performance. The Company has signed a Binding Option Term Sheet to sell the Alaskan Leases to Entek Energy Limited (refer to Section 3.1(p) for more details). If the sale of the Alaskan Leases occurs, the risks identified in this paragraph may no longer be applicable.

In France, oil and gas exploration and production activities are carried out under permits awarded to parties by the French Government in accordance with the terms of the Mining Code 1955 and associated regulations. During the exploration phase, and prior to the determination of a production area, permits have a fixed duration. The initial five year term for the permit comprising the Company's Moselle Project in France expired in January 2014 and a renewal was finally awarded for a second five year term in December 2017, expiring on 20 January 2019.

The Company lodged its application for a three-year extension of the second exploration period on 5 April 2018, which if granted will extend the expiry of the second exploration period to 20 January 2022. The Company also has the right to apply for a third exploration period on expiry of the second exploration period, which will extend the term of the Moselle Permit for a further five years, subject to the Company continuing to meet its license obligations within the second exploration period and a relinquishment of a further 25% of the original license area. Given the extensive delays in receiving the renewal into the second exploration period, the Company may not be in a position to meet its expenditure commitments in the second exploration period and therefore there is a risk that the Company will not be successful in obtaining an extension of the second exploration period or being granted a renewal of the Moselle Permit into a third exploration period.

(d) Exploration and development risks

Oil and gas exploration involves significant risks including the risk that drilling will result in dry holes or not result in commercially feasible oil or natural gas or CBM gas production. Selecting a drilling location is influenced by the interpretation of geological, geophysical and seismic data, which is a subjective science and has varying degrees of success. Other factors, including land access rights and regulatory rules, may impact the Company's decisions with respect to well locations. New wells drilled may not be productive, or may not recover all or any portion of the Company's investment in such wells. Decisions to purchase, explore, develop or otherwise exploit prospects or properties will depend, in part, on the evaluation of production data, engineering studies, and geological and geophysical analyses, the results of which are typically inconclusive or subject to varying interpretations. The costs of drilling, completing, equipping and operating wells are typically uncertain before drilling commences.

The area covered by the Mongolian CBM PSC is at an early stage of exploration. If the acquisition of GOH is completed, there is no certainty that exploration within the Mongolian CBM PSC area will result in the discovery of an economic CBM deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited, particularly given the remote location and the lack of infrastructure in the region.

The Alaskan Leases are also at an early stage of exploration. There can be no certainty that exploration of the Leases will result in the discovery of an economic oil or gas deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited, particularly given the remote location and the lack of infrastructure in the region. The Company has signed a Binding Option Term Sheet to sell the Alaskan Leases to Entek Energy Limited (refer to Section 3.1(p) for more details). If the sale of the Alaskan Leases occurs, the risks identified in this paragraph may no longer be applicable.

The value of the Company's Shares will likely be affected by the results obtained by other companies conducting exploration activities in close proximity to its projects. If

the results obtained by other companies are positive then this will likely increase the value of the Company's Shares. Conversely, if the results obtained by other companies are negative then this will likely decrease the value of the Company's Shares.

(e) **Drilling Risks**

Oil and gas drilling activities are subject to numerous risks, many of which are beyond the Company's control. The Company's drilling operations may be curtailed, delayed or cancelled due to a number of factors including weather conditions, mechanical difficulties, shortage or delays in the availability or delivery of rigs and/or other equipment and compliance with governmental requirements. Hazards incident to the exploration and development of oil and gas properties such as unusual or unexpected formations, pressures or other factors are inherent in drilling and operating wells and may be encountered by the Company.

Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. While drilling may yield some hydrocarbons there can be no guarantee that the discovery will be sufficiently productive to justify commercial development or cover operating costs.

(f) **CBM dewatering process**

CBM resources, if discovered, usually require dewatering before they enter the gas production phase. There can be no guarantee that the dewatering of the formations that allow gas to flow will occur in a timely fashion to allow commercial gas production to commence. Additionally, the process of dewatering may produce large volumes of water and there are costs associated with water disposal which may have an adverse effect on the commerciality of the CBM resource.

The Mongolian CBM PSC is the first CBM PSC to be awarded in Mongolia under its Petroleum Law of 2014 and the regulations with respect to water disposal are not yet fully developed. Should Mongolia not adopt current industry best practice regulations with respect to water disposal, there may be an adverse impact on the value of the Company's assets and future financial performance if the acquisition of GOH is completed and the Company proceeds with drilling and if successful, a subsequent dewatering process.

(g) **Infrastructure access**

The Company's future performance is likely to be impacted by its ability to access infrastructure, including various equipment and facilities required for the production, processing and commercialisation of the Company's assets and product transportation routes, including access to pipelines and associated infrastructure. The ability of the Company to access infrastructure economically or at all is largely outside of the control of the Company and therefore may have an adverse impact on the Company's future performance. Further, there can be no guarantees that the Company will have continued access to the infrastructure needed for the Company's activities or that such infrastructure will not be subject to unexpected issues which could adversely effect the operations and financial performance of the Company.

(h) **Commercialisation of Discoveries**

It may not always be possible for the Company to participate in the exploitation of successful discoveries made in any areas in which the Company has an interest. Such exploitation will involve the need to obtain the necessary licences or clearances from

the relevant authorities, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as the Company. Such further work may require the Company to meet or commit to financing obligations for which it may not have planned.

(i) **Additional requirements for capital**

Exploration, drilling and other project expenditure estimates are based on certain assumptions with respect to the method and timing of these activities. By their nature, these estimates and assumptions are subject to significant uncertainties and accordingly, the actual costs may materially differ from these estimates. In particular, if the Company completes the GOH acquisition, it is proposing to conduct seismic acquisition and drilling in 2019 in Mongolia which, in addition to the leasing activities in Alaska, are projected to have a cost over and above the Company's existing cash resources. The Directors consider that the Company will be sufficiently funded to meet its medium term objectives, however additional funding will be required to effectively implement its business and operational plans in the future or to take advantage of opportunities for acquisition, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. The Company has signed a Binding Option Term Sheet to sell the Alaskan Leases to Entek Energy Limited (refer to Section 3.1(p) for more details). If the sale of the Alaskan Leases occurs, the future capital requirements in relation to the Alaskan leases will not be required to be met by the Company.

There can be no assurance that additional finance will be available when needed. Any additional equity financing may be dilutive to the Company's existing Shareholders and any additional debt financing, if available, may be on terms that are not favourable to the Company or involve restrictive covenants, which limit the Company's operations and business strategy. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and/or indefinite postponement of the Company's activities and potential development programs.

(j) **Exchange rate fluctuation risk**

The Company's oil and gas projects are currently, or proposed to be, located in Mongolia, France and the USA. As a result, the majority of cash flows, expenses, capital expenditure and commitments will be denominated in United States dollars, Euros and to a lesser extent, the local Mongolian currency (Tughriks). To the extent the Company may become involved in petroleum production, the revenue derived through the sale of commodities will expose the potential income of the Company to commodity price and exchange rate risks through the translation or repatriation of foreign currencies to Australian Dollars.

(k) **Environmental risks**

The Company's operations will be subject to environmental laws and regulations, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources which may impact and influence the Company's operations. The government and other authorities that administer and enforce environmental laws and regulations determine these requirements. The cost and complexity of complying with the applicable environmental laws and regulations may

prevent the Company from being able to develop potentially economically viable petroleum reserves.

If the Company fails to comply with environmental laws and regulations regarding the discharge of oil, gas, or other materials into the air, soil or water it may be subject to liabilities to the government and third parties, including civil and criminal penalties. The Company may also become liable for environmental damage caused by any previous owners of licence areas the Company will have an interest in.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment, including production activities. There is no assurance that such approvals will be obtained. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

The Company is unable to predict the effect of any new environmental laws, regulations or stricter enforcement policies, once implemented, including whether any such laws or regulations would increase the Company's cost of doing business or affect its operations in any area.

(l) Potential acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies or assets. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

There are a number of uncertainties with the acquisition of interests in properties including, the amount of recoverable reserves, development and operating costs and potential environmental and other liabilities. Even with careful due diligence, it may be impossible to ascertain certain environmental or structural problems such as pipeline corrosion or hazardous spills. This risk could have a negative effect on future operations and the Company's financial position.

(m) Hydrocarbon reserve estimates

Hydrocarbon reserve estimates are expressions of judgment based on knowledge, experience, interpretation and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. Should the Company encounter oil and/or gas deposits or formations different from those predicted by past drilling, sampling and similar examinations, then reserve estimates may have to be adjusted and production plans may have to be altered in a way which could adversely affect the Company's operations. Where possible, the Company will seek to have any such estimates verified or produced by an independent party with sufficient expertise in their chosen field.

(n) Reliance on key personnel and key contractors

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends

on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services may be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

Further, the Company relies on contractors. Any delay in contractors completing work or encountering operational difficulties may lead to a loss of revenue and increased costs. The loss of one or more contracts with key contractors may lead to an increase in the Company's operational costs. The Company is unable to predict the risk of financial, managerial, operational or other failures by any of its contractors, any of which could have a material adverse effect on the operations and financial performance of the Company.

(o) **Acquisition of GOH**

As outlined in Section 1.4, the Company has exercised the GOH Option and expects to complete the acquisition of GOH on 14 December 2018. Notwithstanding that all conditions precedent to the proposed transaction have now been satisfied, there remains a risk that the acquisition of GOH will not complete. If the acquisition of GOH does not complete on time or at all, the Company may incur additional costs and may be exposed to liability to GOH under the terms of the Binding Terms Sheet entered into with GOH and its shareholders.

(p) **Disposal of Alaskan Leases**

The Company has signed a Binding Option Term Sheet to sell the Alaskan Leases to Entek Energy Limited, subject to Entek exercising the option to acquire the Alaskan Leases and satisfaction of various conditions precedent. The proposed transaction is structured such that Entek will acquire the Company's wholly owned subsidiary for up to 200 million Entek shares, which the Company then intends to distribute on a pro rata basis to Shareholders. There is a risk that Entek will not exercise the option to acquire the Alaskan Leases or, if Entek exercises the option, that the Company may not be able to complete the disposal of the Alaskan Leases to Entek if the conditions precedent to the transaction are not satisfied or waived. The conditions precedent include completion of due diligence by Entek, shareholder approvals of both Entek and Elixir and various ASX and other regulatory approvals. The Company has measures in place to mitigate these risks, including the non-refundable \$50,000 option fee it has received and the additional \$50,000 break fee payable by Entek if the option is not surrendered within the first 30 days and not exercised by Entek before 31 January 2019 to cover some of the costs in relation to this proposed transaction. However, the Company may incur costs over and above these amounts, including costs which are not contemplated as at the date of this Prospectus, in relation to this proposed transaction.

(q) **Contingent Liabilities**

Cottesloe Oil and Gas LLC (**Cottesloe**), a wholly owned subsidiary of the Company, was a party to a Joint Operating Agreement (**JOA**) with amongst others, Buccaneer Resources LLC (**Buccaneer**), a wholly owned subsidiary of Buccaneer Energy Limited on the Pompano Project. During 2011 the operator of Pompano proposed activities which Cottesloe declined to participate in thus impacting Cottesloe's status and future rights and obligations under the JOA. The remaining JV partners ultimately elected to shut in the wells and relinquish the two associated leases during 2012 with abandonment obligations remaining outstanding. The Company became aware that Buccaneer applied for and was granted Chapter 11 protection in the United States and

Australia post the end of the 2014 financial year. As at the date of this Prospectus, the Company has not been made aware of any claims from Buccaneer or any of its creditors.

It is unclear whether Cottesloe is still a party to the JOA, but if this is the case, there is the possibility that in the event of a default by Buccaneer on its share of the abandonment cost of the platform, associated infrastructure and the wells, then Cottesloe will potentially be liable for its increased proportionate share of the cost. Cottesloe's only significant asset is a cash backed bond of US\$580,208 in favour of the previous owner of the platform and associated infrastructure which can be called upon in the event Cottesloe defaults on its share of the abandonment costs of this infrastructure. The cash backed bond provided by Cottesloe does not extend to any costs of abandoning the wells. There is no parent company guarantee in place between the Company and any of the other co-venturers in the Pompano project and therefore there is limited recourse to the Company or any other subsidiary of the Company should a claim be made on Cottesloe for an amount in excess of its assets.

(r) Regulation

Oil and natural gas exploration, production and related operations are subject to extensive rules and regulations promulgated by federal, state and local agencies. Failure to comply with such rules and regulations can result in substantial penalties. The regulatory burden on the oil and gas industry increases the cost of doing business and affects profitability. Because such rules and regulations are frequently amended or reinterpreted, the Company is unable to predict the future cost or impact of complying with such laws.

Permits are required in some of the areas in which the Company operates for drilling operations, drilling bonds and the filing of reports concerning operations and other requirements are imposed relating to the exploration and production of oil and gas. The Company will be required to comply with various federal and state regulations regarding plugging and abandonment of oil and natural gas wells, which will impose a substantial rehabilitation obligation on the Company, which may have a material adverse effect on the Company's financial performance.

(s) Insurance

Exploration, development and production operations on oil and gas properties involve a number of risks and hazards which are beyond the control of the Company including unexpected or unusual geological conditions, environmental hazards, technical and equipment failures, extended interruptions due to inclement or hazardous weather or other physical conditions, unavailability of drilling equipment, unexpected shortages of key personnel, labour, consumables or parts and equipment, fire, explosions and other incidents. It is not always possible to insure against all such risks or the Company may decide not to insure against certain risks because of high premiums or other reasons. Although the Company will have insurance in place at levels considered appropriate for its operations and in accordance with industry practice, in certain circumstances the Company's insurance may not cover, or be adequate to cover, the consequence of such events which could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company's Shares.

(t) Claims by Indigenous Inhabitants

The oil and gas assets of the Company may be subject to land claims by indigenous people. Should this occur and be successful, the Company's ability to conduct

exploration and/or development and production activities may be affected, which may have a material adverse effect on the Company's financial performance and the price at which its Shares trade.

The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties leased or owned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties leased or purchased by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with indigenous people in order to facilitate exploration and development work on the properties leased or owned by the Company.

The Company is not currently aware of any land claims or potential claims by indigenous people in respect of its proposed exploration activities that could affect tenure or any future production operations.

(u) Competition

The Company operates in a competitive and dynamic market. The Company will compete with other companies, including major oil and gas companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities and respond to the introduction of new technologies or technological advancements relating to drilling or other relevant operations (common in the oil and gas industry).

Many of the Company's competitors not only explore for and produce oil and gas, but also carry out refining operations and market petroleum and other products on a worldwide basis. There can be no assurance that the Company will compete effectively with these companies and other industry participants and thereby be successful in acquiring additional oil and gas properties on reasonable commercial terms.

(v) Substitution of oil and gas products as energy sources

There are a number of alternative energy sources to energy sources from oil and gas products. These include renewable energy (ie wind, solar or hydroelectric), nuclear energy, geothermal and biomass. If the costs and commercial prices of such alternative energy sources fall or there is a significant shift in consumer sentiment towards such sources, this may have a significant effect upon the Company's overall financial performance and ability to operate in the oil and gas industry.

3.2 General Risks

(a) Economic and government risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the oil and gas industry including, but not limited to, the following:

- (i) general economic conditions in jurisdictions in which the Company operates;
- (ii) changes in government policies, taxation and other laws in jurisdictions in which the Company operates;

- (iii) the interpretation of taxation laws by the relevant taxation authority differing from the Company's interpretation;
- (iv) the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the oil and gas industry;
- (v) movement in, or outlook on, exchange rates, interest rates and inflation rates in jurisdictions in which the Company operates; and
- (vi) natural disasters, industrial disputes, social upheaval or war in jurisdictions in which the Company operates.

(b) Financial markets risks

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions may be affected by many factors including, but not limited to, the following:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) commodity price fluctuations;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general, and oil and gas securities in particular. Neither the Company, nor the directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Risk of litigation, claims and disputes

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of claims by joint venture partners, personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims, and could affect the Company's reputation.

(d) Investment risk

An investment in the New Options or Shares to be issued pursuant to this Prospectus should be considered speculative. They carry no guarantee as to payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid for the Shares. Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

3.3 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Therefore, the New Options and Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for New Options or Shares pursuant to this Prospectus.

4. Effect of the offers

4.1 Capital structure on completion of the Offer, Shortfall Offer and Cleansing Offer

The capital structure of the Company on completion of the Offer, the Shortfall Offer and the Cleansing Offer is set out in the table below, based on the below assumptions:

- (a) the Offer is fully subscribed or all Shortfall is placed;
- (b) the Cleansing Offer is completed;
- (c) no Options are exercised prior to the Record Date;
- (d) the acquisition of GOH is completed.; and
- (e) the Conversion Shares are issued.

	Shares	Options	Performance Rights
Balance at the date of this Prospectus ⁽¹⁾	305,763,232	8,000,000 ⁽²⁾	5,000,000 ⁽³⁾
GOH Consideration Shares and Performance Rights to be issued pursuant to the acquisition of GOH ⁽⁴⁾	79,000,000		17,500,000 ⁽⁵⁾
New Options to be issued under the Offer and Shortfall Offer		96,190,808 ⁽⁶⁾	
Cleansing Offer	1,000		
Balance after the offers	384,764,232⁽⁷⁾	104,190,808	22,500,000⁽⁷⁾

Notes:

1. Includes
 - a. 41,316,360 Shares issued by the Company pursuant to the bonus issue completed on 9 November 2018; and
 - b. 10,000,000 Shares to be issued by the Company on conversion of 2,500,000 Class A Performance Rights, 2,500,000 Class B Performance Rights and 5,000,000 Class E Performance Rights (on a one for one basis) which is expected to occur on or around 18 December 2018 (being prior to the Record Date).
2. Unlisted Options exercisable at \$0.04 expiring on 30 September 2019.
3. Class F Performance Rights which convert into Shares on a one for one basis on Board approval of a corporate transaction that introduced new capital or alternative funding to progress the exploration of the Alaskan leases by the date that is 18 months from the date of issue. Assumes that 2,500,000 Class A Performance Rights, 2,500,000 Class B Performance Rights and 5,000,000 Class E Performance Rights have converted into the Conversion Shares (on a one for one basis), which is expected to occur on or around 18 December 2018 (being prior to the Record Date).
4. Subject to the acquisition of GOH completing. Shareholders approved the issue of the GOH Consideration Shares and the Performance Rights subject to the completion of the acquisition of GOH at the Company's annual general meeting on 28 November 2018.
5. To be issued to Proposed Director, Mr Neil Young following his appointment to the Board on completion of the acquisition of GOH. Comprises 10,000,000 Class D Performance Rights which

convert into Shares on a one for one basis on satisfaction of the drilling and testing of two coal bed methane wells within the PSC by the date that is 18 months after the date of issue and 7,500,000 Class C Performance Rights which convert into Shares on a one for one basis on a final investment decision, approved by the Board of the Company and the Mongolian Government, for a pilot production test within the Mongolia CBM PSC by the date that is five years from the date of issue.

6. Assumes the Offer is fully subscribed or, if the Offer is not fully subscribed, that all Shortfall New Options are placed by the Directors.

4.2 Pro Forma Statement of Financial Position

	Company Audited 30-Jun-18 \$	GOH Audited 30-Jun-18 \$	Pro forma adjustments \$	Company Unaudited pro forma 30-Jun-18 \$
Current Assets				
Cash and cash equivalents	2,484,234	2,621	109,570	2,596,425
Trade and other receivables	21,056	10	-	21,066
Total Current Assets	2,505,290	2,631	109,570	2,617,491
Non-Current Assets				
Trade and other receivables	783,735	-	422,535	1,206,270
Plant and equipment	3,528	-	-	3,528
Exploration and evaluation expenditure	-	-	4,409,825	4,409,825
Total Non-Current Assets	787,263	-	4,832,360	5,619,623
TOTAL ASSETS	3,292,553	2,631	4,941,930	8,237,114
Current Liabilities				
Trade and other payables	102,486	6,407	-	108,893
Financial Liabilities	-	43,250	(43,250)	-
Provisions	858,708	-	-	858,708
Total Current Liabilities	961,194	49,657	(43,250)	967,601
Non-Current Liabilities				
Borrowings	-	-	-	-
Restoration Provisions	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	961,194	49,657	(43,250)	967,601
NET ASSETS	2,331,359	(47,026)	4,985,180	7,269,513
EQUITY				
Contributed equity	73,658,419	1,357,100	3,831,054	78,846,573
Reserves	571,359	8,608	(8,608)	571,359
Accumulated losses	(71,898,419)	(1,412,734)	1,162,734	(72,148,419)
Total Equity	2,331,359	(47,026)	4,985,180	7,269,513

Notes:

1. The Cash and cash equivalents balance does not account for movements in the Company or GOH since 30 June 2018, except for the following:
 - a. The Placement completed by the Company on 20 September 2018 raising a total \$1,650,000 (before costs). Costs of the Placement included share issue costs of \$124,000.
 - b. The issue of 1,000 shares at \$0.05 each to raise \$50 (before costs of the Offer). Costs of the Offer are estimated to be \$7,090.

- c. The acquisition of the Alaskan Leases for US\$803,859 and the lodgement of the US\$300,000 performance bond required to be lodged as part of the Alaskan Leases acquisition. The exchange rate assumption is that A\$1 = US\$0.71.
 - d. Re-payment of \$43,250 to GOH convertible note holders on completion of the acquisition of GOH.
 - e. Receipt of \$50,000 from Entek Energy Limited for the payment of the option fee under the Binding Option Term Sheet to sell the Alaskan Leases.
 - f. Payment of US\$224,078 for the deposit amounts payable on additional leases provisionally awarded to Elixir on 13 December 2018. The exchange rate assumption is that A\$1 = US\$0.71.
 - g. The issue of 96,190,808 New Options at \$0.01 per Option under the proposed Rights Issue to raise a maximum of \$961,908 (before costs).
 - h. Reduction in cash and cash equivalents for \$450,000 for working capital movements since 30 June 2018, being the last balance date of the Company's audited accounts.
2. The GOH acquisition includes the issue of GOH Consideration Shares of 79,000,000 issued to GOH shareholders. At a valuation of \$0.035 per share (the closing price of Shares on the last trading day prior to the lodgement of this Prospectus), less GOH's combined cash holdings of \$2,621, equates to a total consideration of \$2,762,379. The excess of the fair value of the consideration over the net assets acquired is allocated to the Exploration and Evaluation asset.
3. The Exploration and Evaluation asset is increased by the cost of
 - a. the Alaskan Lease acquisition being US\$803,859 and US\$224,078 for amounts payable on additional leases provisionally awarded to Elixir on 13 December 2018 at a USD/AUD exchange rate of 0.71 which equates to A\$1,447,798.
 - b. the assessed fair value of the Nomgon IX CBM PSC calculated as total consideration less net assets of GOH as \$2,812,026.
 - c. increased by \$200,000 for working capital adjustments since 30 June 2018.
 - d. reduced by \$50,000 from Entek Energy Limited for the payment of the option fee under the Binding Option Term Sheet to sell the Alaskan Leases
4. Pro-forma adjustments to contributed equity are as follows:
 - a. Elimination of GOH share capital of \$1,357,100.
 - b. Value of the Consideration Shares of \$2,765,000 as described in Note 2.
 - c. Value of Shares to be issued under the Placement of \$1,526,000 (net of costs).
 - d. Value of Share to be issued under the Offer of \$50 net of expenses of the Offer of \$7,090.
 - e. Value of the New Options at \$0.01 per Option under the proposed Rights Issue to raise a maximum of \$961,908 less costs of the Offer.
5. Pro-forma adjustments to the other reserves relate to the elimination of GOH reserves of \$8,608.
6. Pro-forma adjustments to accumulated losses include the elimination of GOH accumulated losses of \$1,412,734 and \$250,000 for working capital adjustments since 30 June 2018.

Basis of Preparation

This unaudited pro forma consolidated statement of financial position has been prepared for illustrative purposes only and gives effect to the transactions described in the notes to the pro forma consolidated statement of financial position and the assumptions described therein as if it had occurred as of 30 June 2018.

The unaudited pro forma consolidated statement of financial position is not necessarily indicative of the financial position that would have been achieved if the transactions had been completed on the dates or for the periods presented, nor does it purport to project the results of operations or financial position of the consolidated entities for any future period or as of any future date. The audited pro forma consolidated statement of financial position does not reflect any special items such as integration costs or operating synergies that may be incurred or achieved as a result of the transaction.

The unaudited pro forma consolidated statement of financial position has been prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS).

In preparing the audited pro forma consolidated statement of financial position in accordance with IFRS, the following historical information was used:

- (i) the audit accounts of the Company as of 30 June 2018; and
- (ii) the audited accounts of GOH as of 30 June 2018.

In preparing the pro forma consolidated statement of financial position no alignment has been made between the accounting policies of the Company and GOH.

The unaudited pro forma consolidated statement of financial position should be read in conjunction with the historical financial statements of the Company and GOH.

4.3 Substantial holders

Based on publicly available information as at the date of this Prospectus, there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

On completion of the offers and the acquisition of GOH, it is anticipated that the following persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue:

Shareholder	Shares	%
Neil Young ⁽¹⁾	20,690,387	5.38%

Notes:

1. Assumes Mr Young takes up 25% of his Entitlement under the Offer as per the current intentions outlined in Section 5.7(b).

4.4 Market price of Shares

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.054 per Share on 18 September 2018

Lowest: \$0.035 per Share on 13 December 2018

The last available market sale price of Shares on ASX prior to the date of this Prospectus was \$0.035 per Share on 13 December 2018.

The Company's Shares were in a trading halt or suspended from trading on the ASX from 12 June 2018 to 11 September 2018. The highest and lowest market sale prices of the Company's Shares on ASX during the three months prior to 12 June 2018 and the respective dates of those sales were:

Highest: \$0.099 per Share on 19 April 2018 and 24 April 2018

Lowest: \$0.06 per Share on 29 May 2018 and 8 June 2018

The last available market sale price of Shares on ASX prior to the Company's Shares being in trading halt or suspended from trading on ASX from 12 June 2018 was \$0.06 per Share.

4.5 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

5. Additional information

5.1 Terms and conditions of New Options

- (a) Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.
- (b) The New Options have an exercise price of \$0.075 (**Exercise Price**) and an expiry date of 31 December 2020 (**Expiry Date**).
- (c) The New Options are exercisable at any time on or prior to the Expiry Date.
- (d) The New Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised. Any Notice of Exercise of a New Option received by the Company will be deemed to be a notice of the exercise of that New Option as at the date of receipt.
- (e) Shares issued on exercise of the New Options will rank equally with the then shares of the Company.
- (f) After a New Option is validly exercised, the Company must as soon as possible after receipt of the Notice of Exercise and cleared funds equal to the sum payable on the exercise of the New Option:
 - (i) issue the Share; and
 - (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 business days after issuing the Shares.
- (g) There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options. However, the Company will give holders of the New Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.
- (h) If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the New Optionholder would have received if the New Optionholder had exercised the New Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (i) If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of a New Option.
- (j) If there is any reconstruction of the issued share capital of the Company, the rights of the New Optionholders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.
- (k) Application will be made by the Company to ASX for official quotation of the New Options. Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Options.
- (l) The New Options are transferable.

- (m) Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the New Options with the appropriate remittance should be lodged at the Company's registered address.

5.2 Rights attaching to Shares

A summary of the rights attaching to Shares, being the underlying securities of the Options and the securities issued under the Cleansing Offer, in the Company is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. Investors should seek legal advice to obtain a definitive assessment of the rights and liabilities which attach to Shares in specific circumstances.

Shares issued under the Cleansing Offer and any Shares to be issued on exercise of the New Options offered under this Prospectus will rank equally with the existing Shares.

(a) General meetings and notices

Each eligible Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each eligible Shareholder entitled to vote, may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands every person present who is an eligible Shareholder or a proxy, attorney or representative of an eligible Shareholder has one vote; and
- (iii) on a poll, every person present who is an eligible Shareholder or a proxy, attorney or representative of an eligible Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote per Share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Issues of further shares

The Directors may, on behalf of the Company, issue shares and grant options over or unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights and restrictions attached to a class of shares.

(d) Variation of rights

Unless otherwise provided by the Constitution or by the terms of issue of a class of shares, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

(e) Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

The Directors may decline to register a transfer of shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 business days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal.

(f) Partly paid shares

The Directors may, subject to compliance with the Constitution, the Corporations Act and Listing Rules, issue partly paid shares upon which there are outstanding amounts payable. These shares will have limited rights to vote and to receive dividends.

(g) Dividend rights

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare dividend to be paid to the shareholders entitled to the dividend. Subject to the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the dividend as declared shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

(h) Winding-up

Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, any surplus must be divided among the Shareholders in the proportions which the amount paid (including amounts credited) on the shares of a Shareholders is of the total amounts paid and payable (including amounts credited) on the shares of all Shareholders.

(i) Dividend reinvestment and share plans

Subject to the requirements in the Corporations Act and the Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company) and any other share plans (under which any member may elect to forego any dividends that may be payable on all or some of the

shares held by that member and to receive instead some other entitlement, including the issue of fully paid shares).

(j) Directors

The Constitution states that the minimum number of Directors is three and the maximum number is 10.

(k) Powers of the Board

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors have the power to manage the business of the Company and may exercise every right, power or capacity of the Company.

(l) Share buy backs

Subject to the provisions of the Corporations Act and the Listing Rules, the Company may buy back shares in itself on the terms and at times determined by the Directors.

(m) Unmarketable parcels

The Company's constitution permits the Board to sell the shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of ASX Business Rules. The procedure may only be invoked once in any 12 month period and requires the Company to give the shareholder notice of the intended sale.

If a Shareholder does not want his shares sold, he may notify the Company accordingly.

(n) Capitalisation of profits

The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(o) Capital reduction

Subject to the Corporations Act and Listing Rules, the Company may reduce its share capital.

(p) Preference shares

The Company may issue preference shares, including preference shares that are liable to be redeemed. The rights attaching to preference shares are those set out in the Constitution unless other rights have been approved by special resolution of the Company's Shareholders.

5.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Company's Securities.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.4 below).

5.4 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the issue, a copy of:

- (a) the Annual Financial Report of the Company for the financial year ended 30 June 2018, being the last financial year for which an annual financial report has been lodged with ASIC in relation to the Company before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify the ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report referred to in paragraph (a) and before the date of issue of this Prospectus are as follows:

Date	Headline
13/12/2018	ETE: ENTEK ACQUIRES FURTHER RIGHTS FOR LEASES IN ALASKA
13/12/2018	Elixir Winds Additional Alaskan Acreage
03/12/2018	Exercise of Option to Acquire Golden Horde
29/11/2018	Alaska Asset Sale Option Agreement
29/11/2018	ETE: OPTION TO ACQUIRE ALASKAN LEASES
29/11/2018	Trading Halt
28/11/2018	Results of Meeting
20/11/2018	Investor Presentation – November 2018
19/11/2018	Nomgon IX Prospective CBM Resource
19/11/2018	Trading Halt
15/11/2018	Mongolian Operations Update
14/11/2018	Alaskan Lease Acquisition Completed
13/11/2018	Change of Director's Interest Notice
13/11/2018	Change of Director's Interest Notice – Ray Barnes
13/11/2018	Change of Director's Interest Notice – Scott Patrizi
09/11/2018	Appendix 3B
08/11/2018	Disclosure Document
01/11/2018	Appendix 3B (Amended)
01/11/2018	Appendix 3B
01/11/2018	Bonus Issue Record Date Clarification
01/11/2018	Bonus Issue
01/11/2018	Alaskan Lease Acquisition Update
25/10/2018	Notice of Annual General Meeting/Proxy Form
24/10/2018	Quarterly Activities Report
24/10/2018	Quarterly Cashflow Report

The following documents are available for inspection throughout the application period of this Prospectus during normal business hours at the registered office of the Company at 1202 Hay Street, West Perth WA 6005:

- (i) this Prospectus;
- (ii) Constitution; and
- (iii) the consents referred to in Section 5.10 and the consents provided by the Directors and the Proposed Director to the issue of this Prospectus.

5.5 Information excluded from continuous disclosure notices

Other than as disclosed in this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

5.6 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the New Options or Shares under this Prospectus.

5.7 Directors' interests

(a) Interests

Except as disclosed in this Prospectus, no Director, and no firm in which a Director has an interest:

- (i) has any interest, nor has had any interest in the last two years prior to the date of this Prospectus, in the formation or promotion of the Company, the Offer, the Cleansing Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer or the Cleansing Offer; or
- (ii) has been paid or given, or will be paid or given, any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

(b) Directors' Holdings

Set out in the table below are details of the Directors' relevant interests in the Shares, Options and Performance Rights of the Company and their Entitlements at the date of this Prospectus:

Director	Shares Held	Options Held	Performance Rights Held	Entitlements to New Options
Ray Barnes	711,666	1,000,000 ⁽¹⁾	-	177,916
Dougal Ferguson ⁽²⁾	14,092,666	1,000,000 ⁽¹⁾	2,500,000 ⁽³⁾	3,523,166
Scott Patrizi	1,458,333	1,000,000 ⁽¹⁾	-	364,583
Neil Young ⁽⁴⁾	19,473,306	-	17,500,000 ⁽⁵⁾	4,868,326

Notes:

1. Unlisted Options exercisable at \$0.04 expiring on 30 September 2019.
2. Assumes 6,500,000 Shares have been issued to Mr Ferguson on conversion of 2,000,000 Class A Performance Rights, 2,000,000 Class B Performance Rights and 2,500,000 Class E Performance Rights (on a one for one basis) which is expected to occur on or around 18 December 2018 (being prior to the Record Date).
3. 2,500,000 Class F Performance Rights which convert into Shares on a one for one basis on Board approval of a corporate transaction that introduced new capital or alternative

funding to progress the exploration of the Alaskan leases by the date that is 18 months from the date of issue.

4. Proposed to be appointed to the Board on completion of the acquisition of GOH. Figures assume that the acquisition of GOH has completed, which is expected to occur on or around 14 December 2018.
5. Comprising:
 - (a) 7,500,000 Class C Performance Rights which convert into Shares on a one for one basis on a final investment decision, approved by the Board of the Company and the Mongolian Government, for a pilot production test within the Mongolia CBM PSC by the date that is five years from the date of issue following his appointment to the Board on completion of the GOH Option; and
 - (b) 10,000,000 D Performance Rights which convert into Shares on a one for one basis on the drilling and testing of two coal bed methane wells within the PSC by the date that is 18 months after the date of issue.

Each of Mr Barnes, Mr Ferguson, Mr Patrizi have advised the Company that they intend to take up their full Entitlements under the Offer. Mr Young has advised the Company that he intends to take up 25% of his Entitlements under the Offer.

(c) **Remuneration of Directors**

In accordance with the Constitution, the Shareholders have approved an aggregate amount of up to \$500,000 per annum to be paid as non-executive Directors' fees.

It is currently resolved that Directors' fees are \$45,000 per annum for the Chairman (Ray Barnes) and \$36,000 per annum for Non-Executive Directors (inclusive of statutory superannuation contributions). Payments of Director's fees will be in addition to any payments to Directors in any employment or consultancy capacity.

Dougal Ferguson currently receives annual remuneration of \$260,000 (inclusive of superannuation), which includes fees for his roles as Managing Director and Company Secretary of the Company.

Upon completion of the GOH Option, Mr Neil Young will be appointed an Executive Director and Chief Executive Officer of the Company. Mr Young will receive a salary of \$250,000 per annum including statutory superannuation and his employment may be terminated by either party giving three months' notice.

The table below sets out the remuneration provided to the Directors or their related entities for the preceding two financial years prior to this Prospectus.

Director	Year	Salary & Fees \$	Super- annuation \$	Cash Bonus	Total
Ray Barnes	2017/2018	\$42,750	-	-	\$42,750
	2016/2017	\$36,000	-	-	\$36,000
Dougal Ferguson	2017/2018	\$237,443	\$22,557	\$26,000	\$286,000
	2016/2017	237,443	\$22,557	-	\$260,000
Scott Patrizi	2017/2018	\$33,000	-	-	\$33,000
	2016/2017	\$17,419	-	-	\$17,419

5.8 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offer.

GTP Legal will be paid fees of approximately \$12,000 (plus GST) in relation to the preparation of this Prospectus and related matters regarding the capital raising. In the past two years, GTP Legal has been paid or is entitled to be paid approximately \$60,713 (including GST) for the provision of legal services to the Company.

5.9 Expenses of the Offer and the Cleansing Offer

The estimated expenses of the Offer and the Cleansing Offer are as follows:

Expenses	\$
ASIC lodgement fee	3,206
ASX quotation fee	20,165
Legal expenses	12,000
Share registry expenses	5,000
Total	\$40,371

5.10 Consents

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgement of this Prospectus with ASIC:

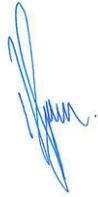
GTP Legal has given, and has not withdrawn, their written consent to being named in this Prospectus as solicitors to the Company. GTP Legal has not authorised or caused the issue of this Prospectus or the making of the Offer or the Cleansing Offer under this Prospectus. GTP Legal makes no representation regarding, and to the extent permitted by law excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

Security Transfer Australia has given and, as at the date hereof, has not withdrawn, its written consent to be named as share registry in the form and context in which it is named Security Transfer Australia has had no involvement in the preparation of any part of this Prospectus other than being named as share registrar of the Company. Security Transfer Australia has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

6. Authorisation

This Prospectus is authorised by each of the Directors and the Proposed Director of the Company.

This Prospectus is signed for and on behalf of Company by:



Dougal Ferguson
Managing Director

Dated: 14 December 2018

7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

Acceptance means a valid application for New Options, Shortfall New Options or Shares made pursuant to this Prospectus on an Entitlement and Acceptance Form, Shortfall Offer Application Form or Cleansing Offer Application Form (as applicable).

Alaskan Leases means all the leases within the National Petroleum Reserve of Alaska that the Company owns as at the date of this Prospectus.

Annual Financial Report means the financial report lodged by the Company with ASIC in respect to the financial year ended 30 June 2018 and includes the corporate directory, Shareholder information, Directors' declaration, financial statements and the notes thereto, of the Company and its controlled entities for the period ended 30 June 2018, together with a Directors' report in relation to that financial year and the auditor's report.

Applicant means a person who submits an Entitlement and Acceptance Form or a Shortfall Offer Application Form (as applicable).

Application Monies means application monies for New Options, Shortfall New Options or Shares received by the Company.

ASIC means Australian Shares and Investments Commission.

ASTC means ASX Settlement Pty Ltd ACN 008 504 532.

ASX means ASX Limited ACN 008 624 691.

Board means the Directors meeting as a board.

CBM means Coal Bed Methane.

CHESS means ASX Clearing House Electronic Subregister System.

Cleansing Offer has the meaning given in Section 1.4.

Cleansing Offer Application Form means the application form provided with a copy of this Prospectus by the Company at the Board's discretion to subscribe for Shares under the Cleansing Offer.

Cleansing Offer Closing Date has the meaning given in Section 1.5.

Closing Date means the date identified as such in the proposed timetable or such later date as the Directors may determine.

Company means Elixir Petroleum Ltd ACN 108 230 995.

Constitution means the constitution of the Company as at the date of this Prospectus.

Conversion Shares means the Shares (if any) issued on conversion of the Class A Performance Rights, Class B Performance Rights and Class E Performance Rights 4.1(d).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

Entitlement means an Eligible Shareholder's entitlement to New Options under the Offer as determined on the Record Date.

Entitlement and Acceptance Form or **Form** means the entitlement and acceptance form attached to this Prospectus that sets out the entitlement of Shareholders to subscribe for New Options pursuant to the Offer.

GOH Consideration Shares means 79 million Shares to be issued to GOH shareholders upon exercise of the GOH Option and completion of the acquisition of GOH.

GOH Option means the option granted by GOH and its shareholders to the Company to acquire all of shares of GOH.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Listing Rules means the Listing Rules of the ASX.

Mongolia CBM PSC means the Nomgon IX Coal Bed Methane Production Sharing Contract negotiated by GOT with the Mineral Resources and Petroleum Authority of Mongolia.

New Option means an unlisted option on terms and conditions in Section 5.1.

Offer has the meaning in Section 1.1.

Official List means the official list of ASX.

Official Quotation means quotation of Securities on the Official List.

Option means an option to acquire a Share.

Performance Right means performance rights which convert on a one for one basis to Shares upon exercise subject to the achievement of certain vesting conditions and/or performance milestones prior to the relevant expiry date.

Proposed Director means the person identified as the proposed director in the Corporate Directory.

Prospectus means this prospectus dated 14 December 2018.

Record Date means the date specified as such in the proposed timetable.

Section means a section of this Prospectus.

Security means a Share, an Option or a Performance Right.

Shareholder means a holder of Shares.

Share means a fully paid ordinary share in the capital of the Company.

Shortfall Application Form means the personalised application form to be sent with this Prospectus to investors invited by the Company to subscribe for Shortfall New Options.

Shortfall Offer means as defined in Section 1.6.

Shortfall New Options means that number of the New Options that have not validly been applied for under the Offer by the Closing Date.

WST means Western Standard Time, being the time in Perth, Western Australia.