

Lorelle-3 intersects multiple Permian hydrocarbon reservoirs

- The Lorelle-3 pilot has been successfully drilled to a total depth of 3,580m MDRT (Measured Depth below Rotary Table).
- The primary, secondary and tertiary Permian reservoir targets have been observed on logging while drilling tools with associated elevated mudgas.
- The Tinowon 'Dunk' Sandstone (primary target) is interpreted to be 60m thick with 18m of core successfully retrieved from the upper zone with sections of the core observed to be high-quality.
- Wireline logs will now be acquired to confirm thicknesses, rock quality and hydrocarbon phase/saturation of the multiple reservoir targets.

Elixir Energy Limited (ASX: EXR, Elixir, the Company) provides an operational update and preliminary observations on the Lorelle-3 appraisal drilling campaign in ATP2056 within Queensland's Taroom Trough.

Operations Completed

Elixir has successfully drilled the 8-1/2" section of the Lorelle-3 pilot hole to a final depth below rotary table (MDRT) of 3,580m. The Tinowon 'Dunk' Sandstone (primary target) was observed at 3,167m MDRT with associated elevated mudgas readings and fluorescence in the cuttings. Upon reaching the primary target Elixir removed the drilling assembly to commence coring operations. 18m of whole core was successfully cut and retrieved from the upper Tinowon 'Dunk' Sandstone. Sections of the recovered core have been observed to be of high quality sandstone. Drilling operations were then recommenced passing through the remainder of the upper and lower Tinowon 'Dunk' Sandstone (where the Tinowon 'Dunk' Sandstone has a preliminary thickness of 60m, subject to confirmation by wireline logs) and then to final depth in basement lithology. The primary, secondary (Overston and Lorelle Sandstones) and tertiary (Kiangra Group) targets were all observed on the LWD with associated elevated mudgas readings. In addition to these preliminary observations, multiple mudgas shows were also observed in the lower Rewan Formation.

Forward Program

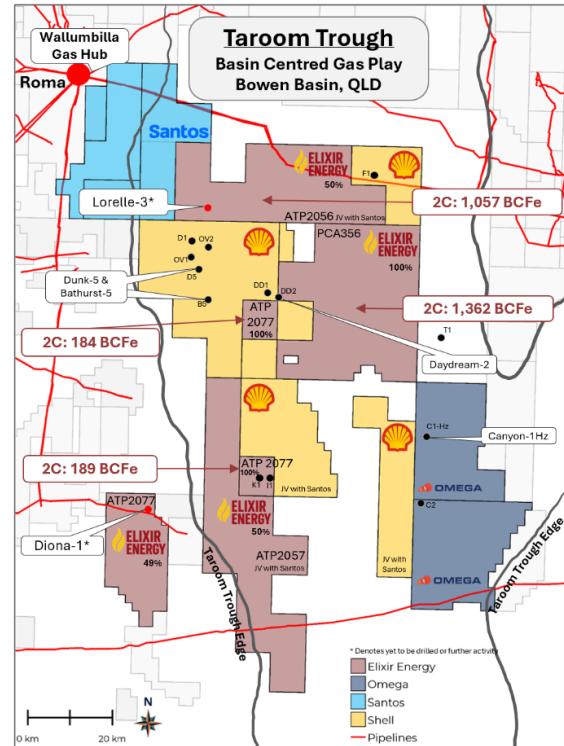
Elixir has commenced pulling the drilling assembly and LWD out of the hole. A comprehensive series of wireline logs will then be acquired to assess the thickness, quality and the hydrocarbon phase/saturation of the intersected reservoirs. The logs are required to confirm the preliminary observations observed on the LWD and mudgas readings.

About Lorelle-3

Lorelle-3 (L3) in ATP2056 (50% EXR and operator of the L3 appraisal well, 50% STO and operator of the permit thereafter) located at 26° 58' 40.184"S, 149° 29' 15.986"E is to be drilled in two-phases. Initially the pilot hole has been drilled to 3,580m total vertical depth, collecting core and logs in an expanded evaluation program across the various Permian sandstone targets within the Taroom Trough (Bowen Basin). The primary target of L3 is the Dunk member of the Tinowon Sandstone with the secondary targets including the Overston and Lorelle Sandstones in the Back Creek Group and potential reservoirs within the Kianga Group. Upon completion of the evaluation program, Elixir will move immediately into the second phase of the drilling campaign which will include the placement of at least a 1,000m horizontal sidetrack into the primary target which will then be cased and suspended for stimulation and production testing.

The data and core gathered from the expanded evaluation campaign will lead into a series of experiments and laboratory work that will support the design and execution of an optimal stimulation. Elixir then intends to execute a multi-stage fracture stimulation and production test at L3 prior to June 2026. This sidetrack and flow test is designed to demonstrate commercial flow rates of gas and condensate from the Basin Centred Gas Play and then lead into a possible maiden Reserve conversion of the underlying Resource.

The L3 appraisal well costs associated with its qualifying activities that cover the drilling, coring, logging, analysis, completion, stimulation and testing of the well, will be eligible for up to a 48.5% refund via the Advanced Finding that Lorelle-3 has qualified for under the Federal Governments Research and Development Tax Incentive and tax return processes.



L3 will be one of the highest impact wells in the Taroom Trough in 2026 as it is being drilled and tested ~10km from the best penetration of the Taroom Trough's Tinowon 'Dunk' Sands, in Shell's Dunk-1 well. L3 will be the first well outside of the Shell acreage drilled on the upper western flank of the Taroom Trough and has the opportunity to validate the value, quality and materiality of Elixir's substantial Taroom Trough acreage position.

About Elixir Energy Limited

Elixir Energy Limited is the largest acreage holder in the Taroom Trough in Queensland's Bowen Basin. The Taroom Trough which is geologically analogous to the Montney Formation in Canada is highly advantaged by its immediate proximity to the Wallumbillia Gas Hub, multiple gas pipelines, the nearby 25 mtpa of LNG export infrastructure, multiple refineries and sitting amongst the mature and well serviced onshore gas industry of Queensland. Elixir is aiming to appraise its ~2.8 TCF¹ of independently certified 2C Contingent Gas Resources which borders Shell's primary area of investment across the Basin Centered Gas Play.

By authority of the Board

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¹ For further information on the Contingent Resources see Elixir Energy's FY25 Annual Report and the release dated 6 Nov 2025 'Increase in Taroom Trough Contingent Gas Resources'