



3 September 2013

Company Announcements Office
ASX Limited
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UK North Sea Farmout

Elixir Petroleum Limited ("Elixir" or the "Company") (ASX:EXR) is pleased to announce an amendment to the existing farmout agreement (**Farmout**) with UK based oil and gas exploration company, Adriatic Oil Plc (**Adriatic**) in relation to Elixir's 75% owned and operated Seaward Production Licence P1921 (**Licence**).

Background

The Licence has been granted over Blocks 12/18 and 12/19c (**Blocks**) which are located in the Inner Moray Firth area of the UK North Sea (see *Figure 1*). The Blocks are contiguous and are approximately 150km north east of Inverness, in a water depth of approximately 75m. The Licence was awarded to Elixir under the 26th UK Seaward Licensing Round in early 2012.

In line with the Company's strategy of re-focusing efforts on the Moselle Permit in France, Elixir has sought to remain exposed to any potential upside value associated with non-core assets, without the need to contribute to further exploration expenditure. As such, Elixir has agreed to an amendment of the Farmout with Adriatic.

Amended Farmout Terms

Under the amended terms of the Farmout, Adriatic will be assigned a further 55% participating interest (resulting in a total 80% Adriatic participating interest) in the Licence in consideration for fully funding re-processing of the acquired 3D seismic data, and interpretation of the re-processed data.

In addition, all costs related to any farm-out required to fulfil the drill or drop requirements before February 2014 will be borne solely by Adriatic. Adriatic will become the operator of the Licence subject to regulatory approvals.

Elixir will retain a 20% participating interest (free carried until the drill or drop decision).

The closing of the amended Farmout is subject to usual closing conditions, including regulatory approvals.

Yours sincerely,
ELIXIR PETROLEUM LIMITED

Nicholas Ong
Company Secretary

For further information on Elixir Petroleum, please visit the Company's website at www.elixirpetroleum.com

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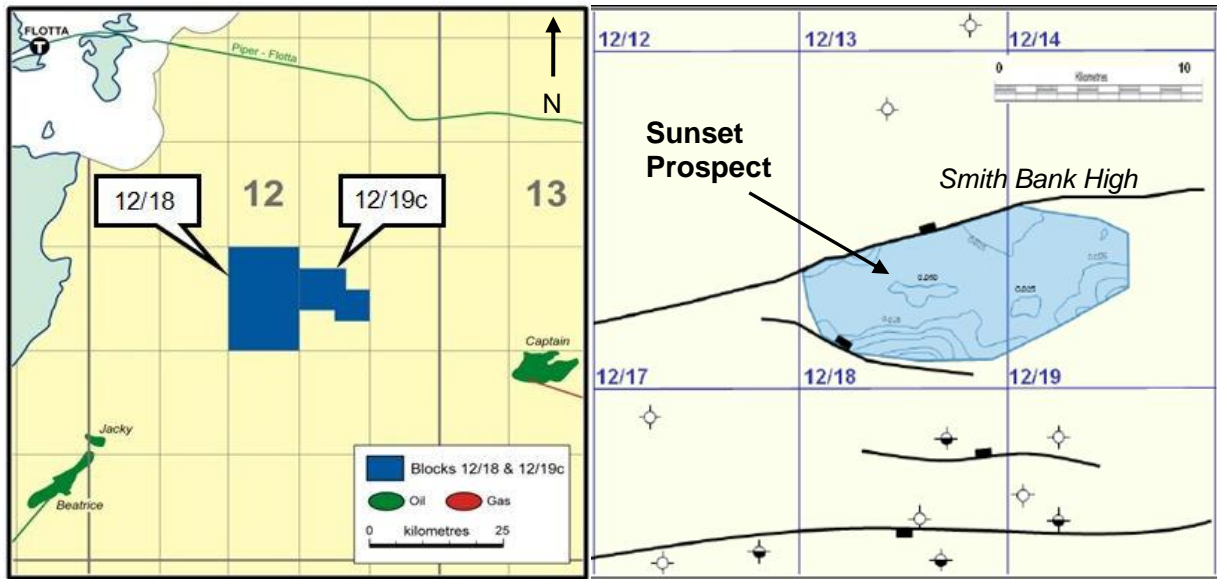


Figure 1 – Map of Licence and Sunset Prospect