

## Canadian acquisitions consolidate Paddle River area, more acquisitions identified

9<sup>th</sup> November 2017

### Canadian Operations Update

- JV secures 100% of Ostracod oil pool within Paddle River Oil Development Project via new acquisitions. Transfer of wells completed – production to commence mid-November.
- 9-18 Sparky well on extended flow test.
- Data review has identified the Duvernay Oil Shale play in 16,524 acres of JV land.
- Non-binding offers submitted on numerous acquisition opportunities to expand JV production base.

### Xanadu Oil Discovery update – Perth Basin

- Post well analysis continuing on Xanadu 1 discovery well.
- JV exploring additional prospects on the west flank of structure now that the fault seal risk has been mitigated.

Producer and explorer Whitebark Energy Ltd (ASX: WBE) (“Whitebark” or “the Company”) is pleased to provide an update on its Australian and Canadian operations.

### Point Loma JV, Canada (WBE 20% WI)

Based on recent drilling success in Canada, the Company expects to see gross Point Loma JV (PLJV) production increase to 1,250 boe/day in the December quarter. This represents a 40% increase since the Company acquired the JV interest in April and is in line with the objective of the PLJV to double gross production over the course of 12 months.

### Paddle River Oil Development Project

The transfer of the two horizontal wells and 640 acres that was recently announced has been approved by the Alberta Government allowing field operations to commence in the near future. The Company anticipates production will commence in mid-November from the 12-4 well which intersected the Ostracod oil pool in an updip position in the field but has never been produced.

The PLJV has continued to strengthen its position in its core Paddle River Oil Project with further acquisitions. The PLJV has signed agreements to acquire associated residual interests for C\$325,000, adding 100,000 barrels of oil to reserves as well as control of surface facilities. In addition, an adjacent section (640 acres), is to be acquired for C\$50,000.

Over the past four months, the PLJV has now made three acquisitions in this core Paddle River area, which is now 100% controlled by the PLJV (refer to Figure 1). This now enables the PLJV to add significantly to production by reactivating stranded wells, drilling and bringing on new wells and undertaking well workovers. This will allow the PLJV to optimise field performance without the requirement to seek third party approvals.

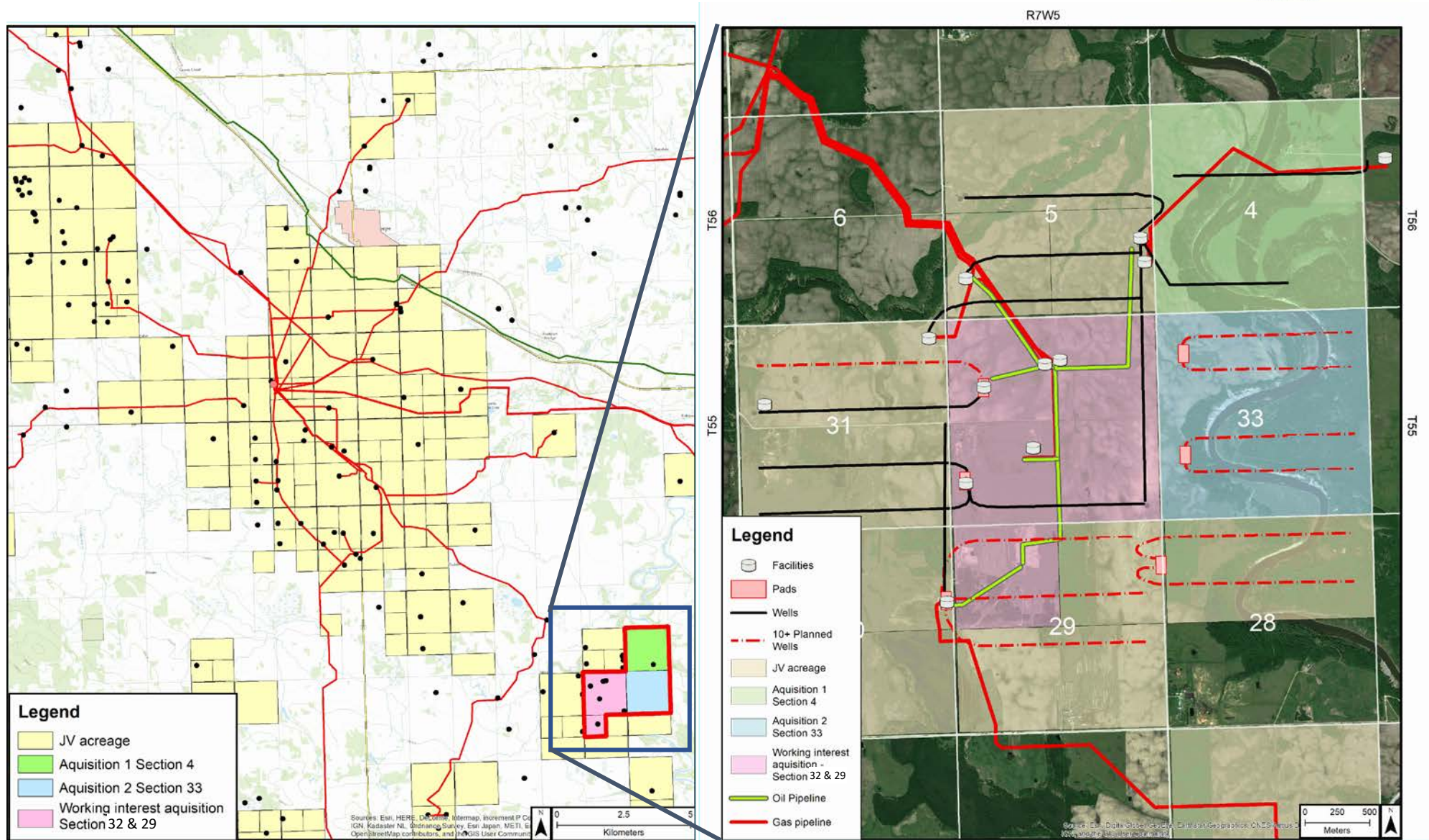


Figure 1 - Point Loma JV Acreage and Details of Recent Paddle River Project Area Acquisition

### 9-18 Sparky Well and Pipeline - Thorsby

The PLJV has recently completed the previously announced 9-18 Sparky well. This well is currently on an extended flow test but information is commercially sensitive and is being held confidential. Once the test is completed, it is anticipated that the Sparky well will be produced through the surface facilities associated with the adjacent, previously drilled and tested 11-18 Glauconite well.

A pipeline to connect these wells to a nearby facility, as a combined emulsion line, has finished construction and will be commissioned in the near future. Flows from these wells will potentially provide a base for an additional four to six horizontal, development drilling opportunities on existing land thereby creating an important production hub for the PLJV.

Production is anticipated to commence through the new pipeline in mid-November 2017.

### Leaman Area Reactivation

In consultation with the facility operator, the PLJV is working to reactivate wells, previously shown to be capable of producing 1.5-mmcf/d and 80 barrels per day of associated natural gas liquids, to supplement flows into the facility operator’s deep cut plant.

In addition, the PLJV has identified four recompletion opportunities that have the potential to increase production and add to the horizontal drilling inventory in the area.

### West Shale Basin Duvernay Land Position

The PLJV has established a 16,524 acre land position within the oil rich, Duvernay west shale basin that has been the focus of recent Alberta Crown land sale activity. The JV will continue to evaluate offset activity in the Duvernay as it relates to JV lands.

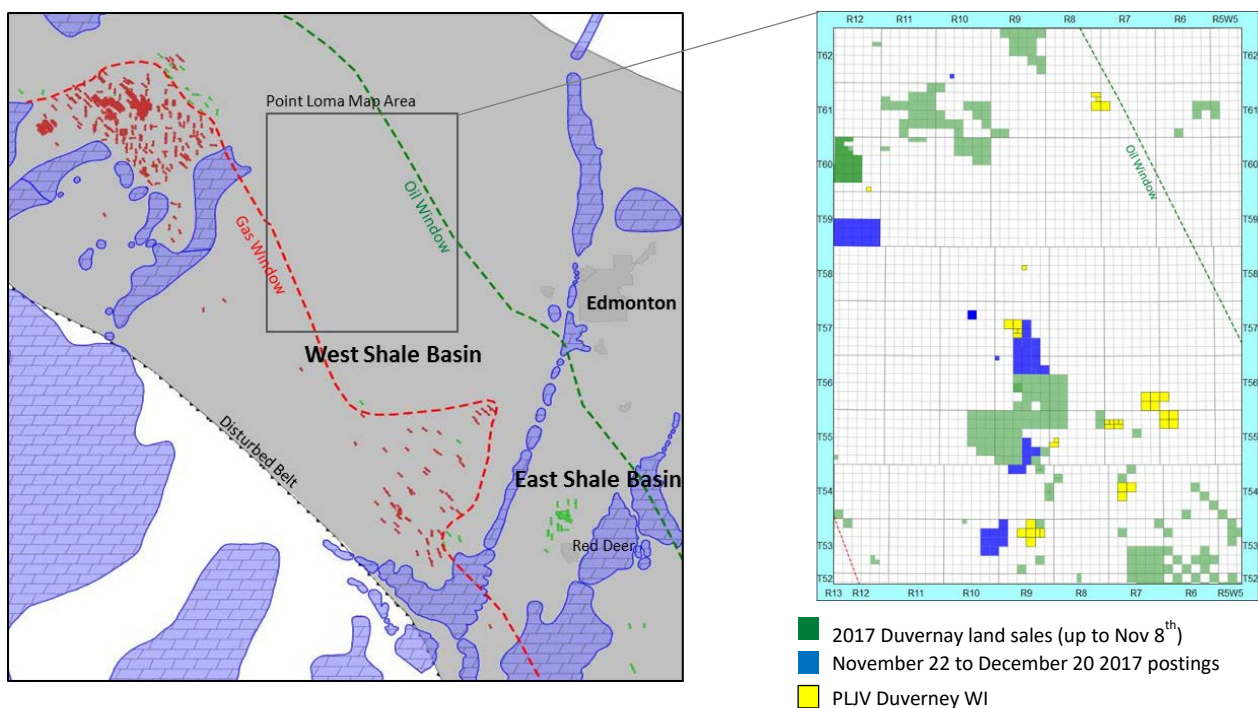


Figure 2 - JV Assets in Duvernay Shale Basin

## Xanadu Oil Discovery, WA (WBE 15% WI)

The Xanadu-1 discovery has confirmed the entrapment of oil in sands of the upper Irwin River Coal Measures in the structure, which lies immediately adjacent to the coastline in state waters, 40 km south of the township of Dongara.

The Xanadu crude is similar to the crude produced at the adjacent Cliff Head offshore oil field which provides processing options at the onshore refinery 12km to the north of the discovery.

The JV is currently reviewing options on the best means to develop the Xanadu discovery and expects to provide an update to the market during November. The JV intends completing a more detailed analysis of the western flank of the Xanadu structure, which is further offshore, but could also contain commercial quantities of oil.

Whitebark's Managing Director, David Messina, said *"The recent acquisitions provide the PLJV control of our core Paddle River Oil Project and combined with production increases from recently drilled wells and the Thornbury and Leaman tie-ins, sets the PLJV up to fulfil its target to double production in Canada in the 12 months following the acquisition.*

*"In Australia, excitement is building around the development options for Xanadu. Given the quality of the oil and proximity to infrastructure, we are confident that this asset will be monetised in the near future."*

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## About Whitebark Energy

Whitebark Energy Limited (ASX: WBE) is a Perth-based company with production and exploration assets in Canada and Australia.

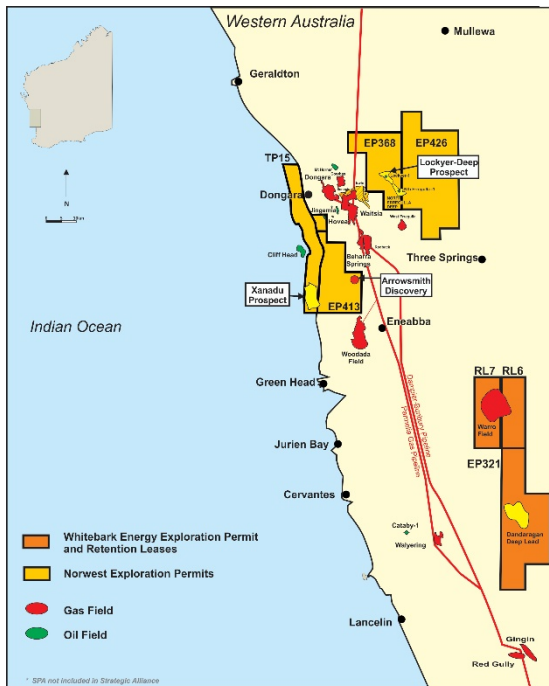
### Canada

In Canada, the Company holds a 20% working interest in the producing Point Loma joint venture project in the state of Alberta, via an unincorporated joint venture with TSXV-listed Point Loma Resources Limited.

The Point Loma project is a well-established producer, with existing gas processing facilities and transport pipelines into commercial markets. Whitebark's aim for the Point Loma project is for a significant increase in production through the workover and tie-in of behind-pipe reserves and horizontal development drilling.



### Western Australia



In Western Australia, the Company has agreed to fund 20% of the Xanadu-1 exploration well in the Perth Basin to earn 15% of the Xanadu prospect and permit TP/15. On 25 September 2017, the Operator announced Xanadu field 1 as an Oil Discovery. The Joint Venture with permit partners Norwest Energy, Triangle Energy Group and 3C Group spud Xanadu-1 on 4 September 2017.

Through wholly owned subsidiary Latent Petroleum, Whitebark holds a majority interest (57%) in the 1.5tcf (refer ASX release dated 19 November 2015) undeveloped Warro Gas Project, about 200km north of Perth. Alcoa of Australia is Latent's joint venture partner and holds 43% of the Warro project equity. The farm-in program includes a drilling program and seismic surveys which could see Alcoa earn a total 65% interest, with Latent retaining 35%.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of contingent resource estimates that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

**ASX Code: WBE**

**Market Capitalisation:**

**A\$10.85**

**Issued Shares: 835m**

**Cash (as at 30 September 2017):**

**A\$3.66m**