

Acquisition Approved

Adds 450boe/d and 4.1 million boe* to JV reserves

21st March 2018

Highlights:

- Acquiring oil and gas assets producing 450 boe/d in its existing area of focus in Central Alberta for the gross amount of A\$1.9m¹ (30% working interest for Whitebark).
- Adds 135 boe/d net to Whitebark, 30% oil and NGL's and 70% natural gas.
- Dec 31 2017 1P Reserves Gross 1.5 mboe, 2P Reserves gross 4.1 mboe*.
- Acquisition funded from existing cash reserves, circa A\$350,000 net to Whitebark after adjustments.
- Approximately 26,500 gross acres of land, including 1100 acres with Duvernay rights.
- Identified drilling locations with multizone opportunities.

Whitebark Energy Ltd (ASX: WBE) ("Whitebark" or "the Company") is pleased to announce that the first acquisition of 2018 for the Point Loma JV (PLJV) has been approved by the Alberta Courts (ref. ASX release March 5th 2017).

The acquired oil and gas assets increase the PLJV's current daily production by over 30%.

Comprising approximately 26,500 gross acres of land and associated facilities, the area of the acquisition (designated as Gilby area) is adjacent to the PLJV's existing landholdings (Figure 1) and is currently producing approximately 450 boe/d with 30% being oil and NGLs.

The assets include significant upside potential with booked Proved and Probable undeveloped reserves as well as numerous exploration locations with multi-zone potential across the Mannville, Cardium and Duvernay zones.

"Over the last nine months we have demonstrated we have the capability to identify and execute value adding transactions and we remain focussed on growing both production and reserves in Canada as long as the acquisition metrics remain attractive." said Whitebark Managing Director, David Messina.

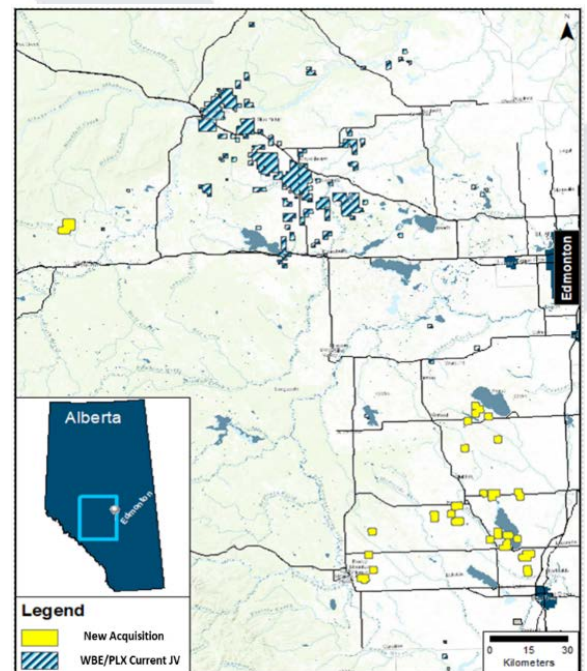


Figure 1 - Map of Acquisition and Current PLJV Land Holdings

¹ \$1 AUD = \$1 CAN

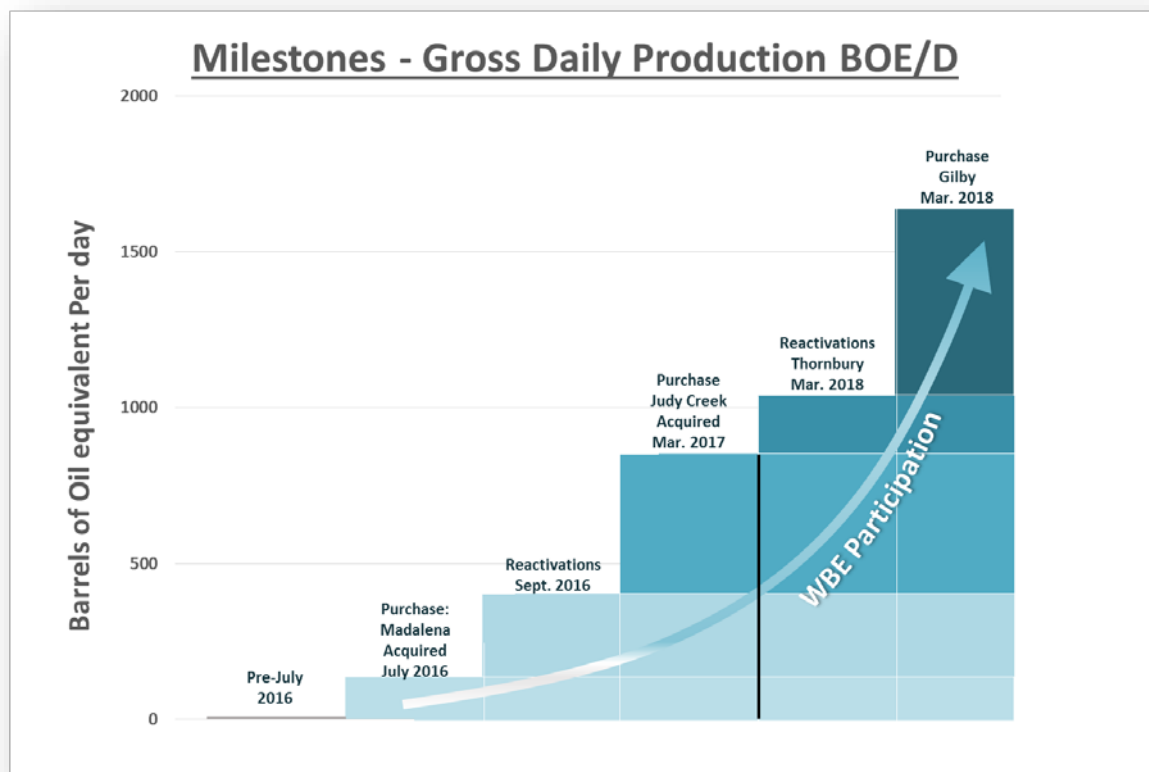


Figure 1 – Canadian Production Growth from Inception - 20% Net to Whitebark Energy from 1 April 2017, except for Gilby where WBE has a 30% interest

Summary of Acquired Reserves*

The PLJV entered into an agreement to acquire certain assets in the Gilby area of Alberta. The transaction is anticipated to close in late March 2018 and is subject to the Alberta Energy Regulator approval of the transfer of licenses. The following tables show a summary of the reserve evaluation prepared by Sproule and Associates in respect of the Gilby assets as at December 31, 2017.

Table 1 - Gilby Reserves (100%) as at Dec 31 2017

Reserve Category	Light and	Conventional	Natural Gas	Barrels of Oil
	Medium Oil	Natural Gas	Liquids	
	(mdbl)	(mmcf)	(mdbl)	Equivalent(3) (mboe)
Proved (1P)				
Producing	97	4,557	206	1,046
Non-Producing	-	129	3	24
Undeveloped	87	1,803	71	460
Total proved (1P)	184	6,489	280	1,530
Probable (2P)	194	10,896	599	2,609
Total proved plus probable	379	17,384	879	4,139

Table 2 – Whitebark Gilby Reserves (30%) as at Dec 31 2017

Reserve Category	Light and	Conventional	Natural Gas	Barrels of Oil
	Medium Oil	Natural Gas	Liquids	Equivalent(3)
	(mdbl)	(mmcf)	(mdbl)	(mboe)
Proved (1P)				
Producing	29	1,367	62	314
Non-Producing	-	39	1	7
Undeveloped	26	541	21	138
Total proved (1P)	55	1,947	84	459
Probable (2P)	58	3,269	180	783
Total proved plus probable	114	5,215	264	1,242

**Reserves Estimates*

2017 year-end reserves evaluation was prepared by Sproule and Associates in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and Standards of Disclosure for Oil and Gas Activities, published by the Society of Petroleum Evaluation Engineers (SPEE), a party to the Guidelines for Application of the Petroleum Resource Management System (PRMS - Nov 2011).

Key Assumptions

- **Crude Oil:** The crude oil reserves estimates presented were based on a review of the volumetric data and performance characteristics of the individual wells and reservoirs in question. Volumetric estimates of the original oil in-place were based on individual well petrophysical interpretations, geological studies of pool configurations, and in some cases on published estimates. In those cases where indicative oil production decline and/or increasing gas-oil and oil cut trends were evident, the remaining reserves were determined by extrapolating these trends to economic limiting conditions. Where definitive production information was not yet available, the reserves estimates were usually volumetrically determined using recovery factors based on analogy with similar wells or reservoirs or on estimates of recovery efficiencies. The cumulative production figures were taken from published sources or from records of the Company and estimated for those recent periods where such data were not available.
- **Natural Gas and Products:** The natural gas reserves estimates for non-associated gas and gas cap pools were based on a study of the volumetric data and performance characteristics of the individual wells and reservoirs in question. Volumetric estimates of the initial gas in-place were based on individual well petrophysical interpretations, geological studies of the pools and areas, and in some cases on published estimates. Material balance estimates of the initial gas in-place were employed where sufficient information was available for a reliable estimate. The reserves recoverable from the currently producing properties were estimated from studies of production performance characteristics and/or reservoir pressure histories. In those cases where indicative gas production decline and/or increasing oil-gas ratio and water-gas ratio trends were evident, the remaining reserves were determined by extrapolating these trends to economic limiting conditions. In cases of competitive drainage in multi-well pools the reserves were based on an analysis of the relevant factors relating to the future pool depletion by existing and possible future wells. The recovery factors for the non-producing properties were estimated from a consideration of test rates, reservoir pressures and by analogy with similar wells or reservoirs.

- Natural gas reserves estimates for solution gas production from producing crude oil properties were based on an analysis of producing gas-oil ratios and existing sales gas recoveries. Solution gas reserves were assigned to non-producing oil properties where there was a likelihood of those reserves being recovered and sold from existing facilities or facilities that are expected to be available in the near future. The natural gas products reserves estimates for the producing properties were based on historical and anticipated future recoveries of these products from the natural gas reserves. The natural gas products recoveries from the non-producing natural gas reserves were estimated from gas analyses, well test information and from analogy with similar reservoirs. Natural gas products reserves were only assigned to non-producing properties in those cases where there was a likelihood that the gas production would be processed through existing facilities capable of extracting these products or where such a facility will be available in the near future.
- The oil and gas prices used by Sproule and Associates for the reserve analysis is set out in the table below:

	Reference		Realized	
	Oil (WTI)	Gas ¹ (AECO)	Oil (Edm)	Gas ² (AECO)
2018	55.0	2.85	60.90	2.77
2019	65.0	3.11	70.00	3.07
2020	70.0	3.65	73.76	3.70
2021	73.0	3.80	77.98	3.87
2022	74.5	3.95	79.55	4.05

- Undeveloped reserves (representing approximately 30% Proven and 11% Proven plus Probable) are associated with undrilled locations within existing producing fields. Drilling of PUD locations will take place in accordance to good oilfield practice and are subject to normal regulatory and environmental approvals. No capital expenditures for undeveloped or probable reserves have been approved by the Company.
- All products have ready access to market through existing infrastructure.
- Operating costs were based on 2017 actuals.
- Conversion of gas to BOE is done on the basis of 6mmcf = 1 BOE.
- Royalties are calculated in accordance to the Province of Alberta regulations.
- Well costs and associated depths, lengths and completion practices are ascribed to each well in according to their location in the field or accumulation and prevailing oil and gas field practices.
- All proposed wells are analysed for commercial viability and only those deemed commercial were included in the reserve estimates.
- The oil and gas assets are held under existing production licenses in the Province of Alberta, Canada.

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Reserve Statement

Gilby 2017 year-end reserves evaluation was prepared by Sproule and Associates in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and Standards of Disclosure for Oil and Gas Activities, published by the Society of Petroleum Evaluation Engineers (SPEE), a party to the Guidelines for Application of the Petroleum Resource Management System (PRMS - Nov 2011).

The Company has non-operating interests in oil and gas assets in Canada and is focused on horizontally exploiting conventional oil and gas reservoirs in west central Alberta. The PLJV business plan is to utilize its experience to drill, develop and acquire accretive assets with potential for horizontal multi-stage frac technology and exploit opportunities for secondary recovery.

Undeveloped reserves (representing approximately 30% Proven and 11% Proven plus Probable) are associated with undrilled locations within existing producing fields that we anticipate we will develop in the next 12 months, subject to good oilfield practice.

Drilling of PUD locations are subject to normal regulatory and environmental approvals. All products have ready access to market through existing infrastructure and acquired licenses are held by existing production. Historical operating costs have been calculated at \$12/boe.

A Note Regarding Forward Looking Information

This announcement includes certain statements related to our future business and financial performance and future events or developments involving Whitebark Energy Limited ('WBE' or 'the Company') that may constitute forward-looking statements. All statements, other than statements of historical fact, that refer to any future oil and gas production, resources or reserves, exploration results and events that the Company expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes anticipated. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

The Qualified Reserves and Resources Evaluator Statement

The information in this report that relates to the oil and gas reserves was compiled by technical employees of Sproule Associates Ltd, a premier independent Canadian Petroleum Consulting Firm, and subsequently reviewed by Mr Stephen Keenihan BSc (Hons) Geology/Geophysics, whom have consented to the inclusion of such information in this report in the form and context in which it appears. Mr Keenihan is a director of the Company and has more than 40 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). The reserves included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE) / World Petroleum Council (WPC) / American Association of Petroleum Geologists (AAPG) / Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). There sources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Keenihan. Mr Keenihan is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

GLOSSARY OF TERMS

Abbreviation	Definition
AECO	The Alberta natural gas price which is quoted in gigajoules (GJ) and is traded on the Natural Gas Exchange (NGX).
Edm	Edmonton
MBOE	Thousand Barrels of Oil Equivalent
MMCF	One million cubic feet of gas volume only.
MSTB	Thousand Stock Tank Barrels
P+P	Total Proved + Probable
PDNP	Proved Developed Non-Producing

Abbreviation	Definition
PDP	Proved Developed Producing
PRBDNP	Probable Developed Non-Producing
PRBDP	Probable Developed Producing
PRBPUD	Probable Undeveloped
PUD	Proved Undeveloped
TP	Total Proved
TPRB	Total Probable
WTI	West Texas Intermediate

About Whitebark Energy

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

Canada

Whitebark holds a 20% working interest in the Point Loma Joint Venture (PLJV) in the province of Alberta with TSXV-listed Point Loma Resources Limited.

The PLJV is a well-established producer, with existing oil and gas processing facilities and pipelines into markets. Whitebark’s aim for the PLJV is for a significant increase in production through acquisitions, the workover and tie-in of behind-pipe reserves and horizontal development drilling.



Western Australia



In Western Australia, the Company funded 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.

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\$9.9
Issued Shares:	990m	Cash (as at 31 December 2017):	A\$3.05m