whitebark ENERGY

ASX ANNOUNCEMENT

Reserves Update – 184% increase in 2P Reserves

26 March 2018

Highlights:

- Whitebark net reserves as at 31 December 2017 increase more than 32% since 30 June 2017:
  - 1P (proved) reserves increased by 34% to 875 mboe
  - 2P (proved plus probable) reserves increased 32% to 1,113 mboe
- Whitebark proforma net reserves including post period Gilby acquisition increase by more than 104% since 30 June 2017:
  - 1P reserves up 104% to 1,338 mboe
  - 2P reserves up 184% to 2,360 mboe

Whitebark Energy Ltd (ASX: WBE) ("Whitebark" or "the Company") is pleased to provide an update on its reserve position for its Point Loma Joint Venture (PLJV) in Canada as at 31 December 2017, independently assessed by McDaniels and Associates (McDaniels).

The reserves update to 31 December 2017 represent a 32% and-34% increase in 1P and 2P reserves to 875mboe and 1,113mboe respectively. When the reserves from the recently acquired Gilby Project are added, the Company's 1P and 2P reserves more than doubled when compared to 30 June 2017 (Figure 1).

Whitebark Energy Managing Director David Messina said: "Growing reserves and production has been, and remains, a strategic focus for Whitebark, and I am pleased with the progress we made in 2017. An increase of almost three times our 2P reserves in six months provides future cashflow opportunity, strengthens our balance sheet and places us in a strong position for further growth in 2018."

Table 1 shows the estimated net reserves to Whitebark as at December 31, 2017, based on the McDaniel reserve estimates of Dec 31 2017 PLJV properties (WBE 20%) plus Sproule reserve estimates of the Gilby properties (WBE 30%)- refer Gilby announcement 21st March 2018.

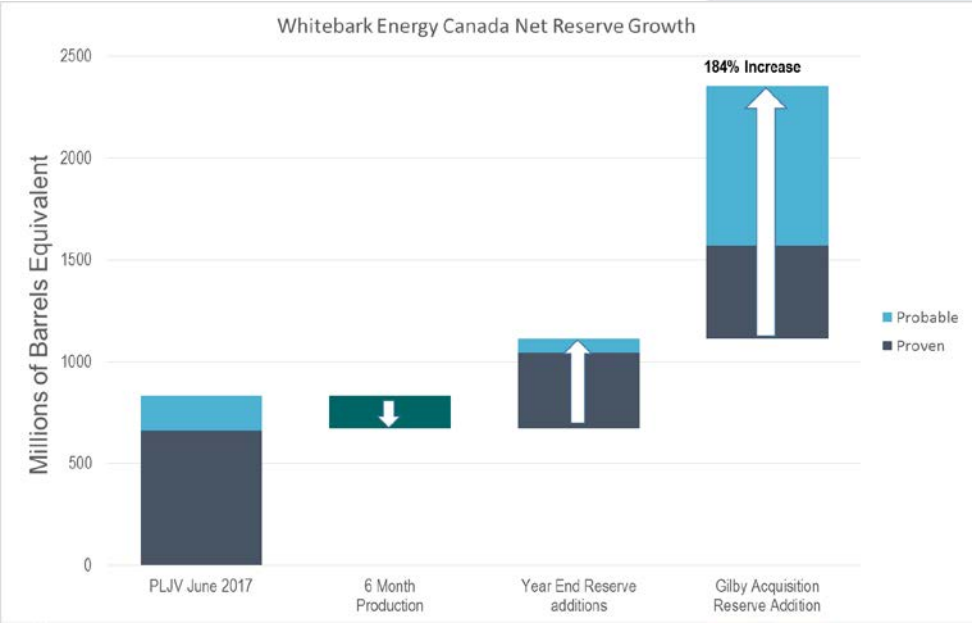


Figure 1 - WBE Canada Net Reserve Growth (including Gilby acquisition)

SUMMARY OF RESERVES

Table 1 - WBE reserves at 31 December 2017, including Gilby acquisition

Reserve Category	Light and Medium Oil	Conventional Natural Gas	Natural Gas Liquids	Barrels of Oil Equivalent
	(mbbl)	(mmcf)	(mbbl)	(mboe)
Proved (1P) YE 2017 (20%)				
Producing	57	1615	28	355
Non-Producing	5	2007	39	379
Undeveloped	99	205	8	141
Total proved (1P) YE 2017 (20%)*	161	3827	75	875
Total proved (1P) Gilby (30%) **	55	1947	84	463
Total proved (1P) YE 2017 + Gilby	**216**	**5774**	**159**	**1338**
Probable 2017 YE (20%)*	67	908	21	239
Probable Gilby (30%)**	58	3269	180	783
Total proved plus probable (2P) - 2017 YE + Gilby	**341**	**9951**	**360**	**2360**

* McDaniels Reserve Estimates - 31 December 2017

** Sproule Associates Ltd Reserves Report - Refer ASX Announcement 21 March 2018

Whitebark previously published reserves as of June 30, 2017. Tables 2 and 3 set out changes by category over the last 6 months, net production and the impact of the Gilby acquisition.

Table 2 - WBE Reserve comparison from 1st July to 31 December 2017 – including Gilby

Category	OIL (mbl)					GAS (mmcf)					NGL (mbl)				
	Jun-17	Reserve Revision*	Production	Year End 2017 + Gilby	Variation	Jun-17	*Reserve Revision	Production	Year End 2017 + Gilby	Variation	Jun-17	Reserve Revision*	Production	Year End 2017 + Gilby	Variation
Proved Producing	46	51	6	91	45	3041	2145	158	5028	1987	59	72	1	130	71
Proved Undeveloped	35	90	0	125	90	77	669	0	746	669	1	29	0	30	29
Total Proven (1P)	**81**	**141**	**6**	**216**	**135**	**3118**	**2814**	**158**	**5774**	**2656**	**60**	**101**	**1**	**160**	**100**
Probable	24	101	0	125	101	786	3391	0	4177	3391	15	185	0	200	185
Proven+Probable (2P)	**105**	**242**	**6**	**341**	**236**	**3904**	**6205**	**158**	**9951**	**6047**	**75**	**286**	**1**	**360**	**285**

*Reserve Revisions due to acquisitions, unlocking stranded production and reactivation of wells

Table 3 - Summary of Reserves Increases from 1 July to 31 December 2017

	1-Jul-17	31-Dec-17	Boe Increase	% Increase
Total Proven (mboe)	661	1338	678	**103%**
Proven + Probable (mboe)	831	2360	1529	**184%**

Key Assumptions and Notes

- Whitebark Energy's reserve review has been completed in conjunction with the reporting requirements of Whitebark's joint venture partner in Canada, Point Loma Resources LTD. (PLX).
- 31 December 2017 reserves evaluation was prepared by McDaniels 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).
- Reserves are presented on a "company gross" basis, which is defined as Whitebark's working interest (non-operating) share.
- Table 1 includes Gilby Reserve's announced to ASX on 21 March 2018.
- Company Reserves based on McDaniel's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the McDaniel report can be found at www.mcdan.com. See also 'Price Forecast' below.

Price Forecast

The following table summarizes McDaniel's commodity price forecast and foreign exchange rate and inflation rate assumptions as at December 31, 2017, as applied in the McDaniel report.

Year	Exchange Rate	WTI Crude Oil	Edmonton Light Crude Oil	Edmonton Butane	Natural gas Alberta AECO Spot
	$US/$Cdn	$US/bbl	$Cdn/bbl	$Cdn/bbl	$Cdn/MMBtu
2018	0.790	58.50	70.10	51.40	2.25
2019	0.790	58.70	71.30	52.20	2.65
2020	0.800	62.40	74.90	54.90	3.05
2021	0.825	69.00	80.50	59.00	3.40
2022	0.850	73.10	82.50	60.70	3.60

- Estimated future net revenues are stated without any provision for interest costs, other debt service charges or general and administrative expenses, and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future development costs.
- Estimated future net revenue, whether discounted or not, may not represent fair market value.
- Columns may not add due to rounding of individual items.
- Inflation rate is accounted for at 2% per year.
- 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.

- Undeveloped reserves 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.
- 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 6mcf = 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.

See also cautionary statements below for further explanations and discussions.

For further information:

David Messina
Managing Director
Ph: +61 8 6555 6000
E: david.messina@whitebarkenergy.com

Cameron Morse
FTI Consulting
Ph: +61 8 9485 8888
M: 0433 886 871

Reserve Statement

31 December 2017 reserves evaluation was prepared by McDaniels 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 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.

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 McDaniels and 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
BOE	Barrel of oil equivalent

Abbreviation	Definition
PDNP	Proved Developed Non-Producing
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

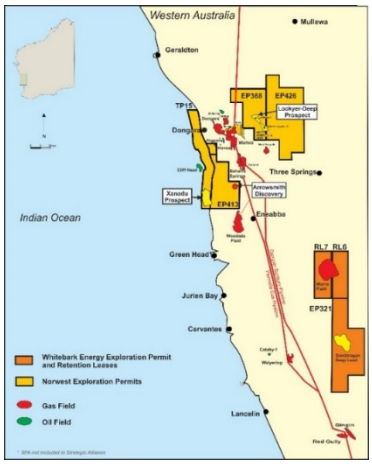
Whitebark Energy Limited (ASX: WBE) is a Perth-based company with production and exploration assets in Canada and Australia.

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 (PLX). On the 21st March 2018 the company announced it had acquired a 30% interest in the Gilby assets with existing partner PLX acquiring the remaining 70%.

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$7.9**
Issued Shares:	**990m**	**Cash (as at 31 December 2017):**	**A$3.05m**