

Industry pays C\$33 million for Duvernay Shale Oil Acreage surrounding Whitebark Lands

6 June 2018

Increasing interest in emerging Duvernay Shale Oil Play in Canada

Whitebark Energy Limited (ASX : WBE) (the “Company” or “Whitebark”) is pleased to provide an update on recent transaction activity in the emerging Duvernay shale oil play. Whitebark currently has a 20% interest in approximately 19,000 gross acres (3,800 net acres or approx. 6 net sections) in the West Duvernay Basin with Point Loma Resources as part of its Point Loma Joint Venture (PLJV) holdings.

The May 30th Alberta land sale by the Alberta Government recorded increased transaction activity attracting C\$42m of sales with the majority of the acreage posted within the West Duvernay shale oil basin. Several large parcels of land, with a combined acreage of 82,920 acres, and located just to the southeast of Point Loma Joint Venture (PLJV) lands (Figure 1), were acquired for C\$33.3 million or an average price of C\$347/acre

The Duvernay shale is an emerging oil play which continues to attract increasing industry activity and attention, with an estimated 150 horizontal oil wells drilled mostly in the East Duvernay Basin. An analysis by Point Loma of technical data from the West Duvernay Basin indicates similar reservoir characteristics to the East Duvernay Basin, where contingent resources of 10 to 15 million barrels per section of original oil in place have been stated by other operators.

Point Loma’s analysis shows that the West Duvernay Basin shale has a thickness of approximately 10 to 15 metres, with porosities ranging from 3 to 10% and TOC’s in the range of 2% to 10% which are parameters comparable to other successful North American shale plays and those seen in the East Duvernay Basin.

Three horizontal Duvernay shale oil wells have been drilled by other operators to date in 2018 within Whitebark’s core area of operations at Paddle River. The results of these wells have not yet been publicly disclosed.

Whitebark’s Managing Director, David Messina said *“Increased sales is another clear sign of increasing activity and interest in the Canadian oil space, and Whitebark is well positioned to benefit. The Point Loma Joint Venture is reviewing alternatives to unlock shareholder value from its Duvernay shale holdings.”*

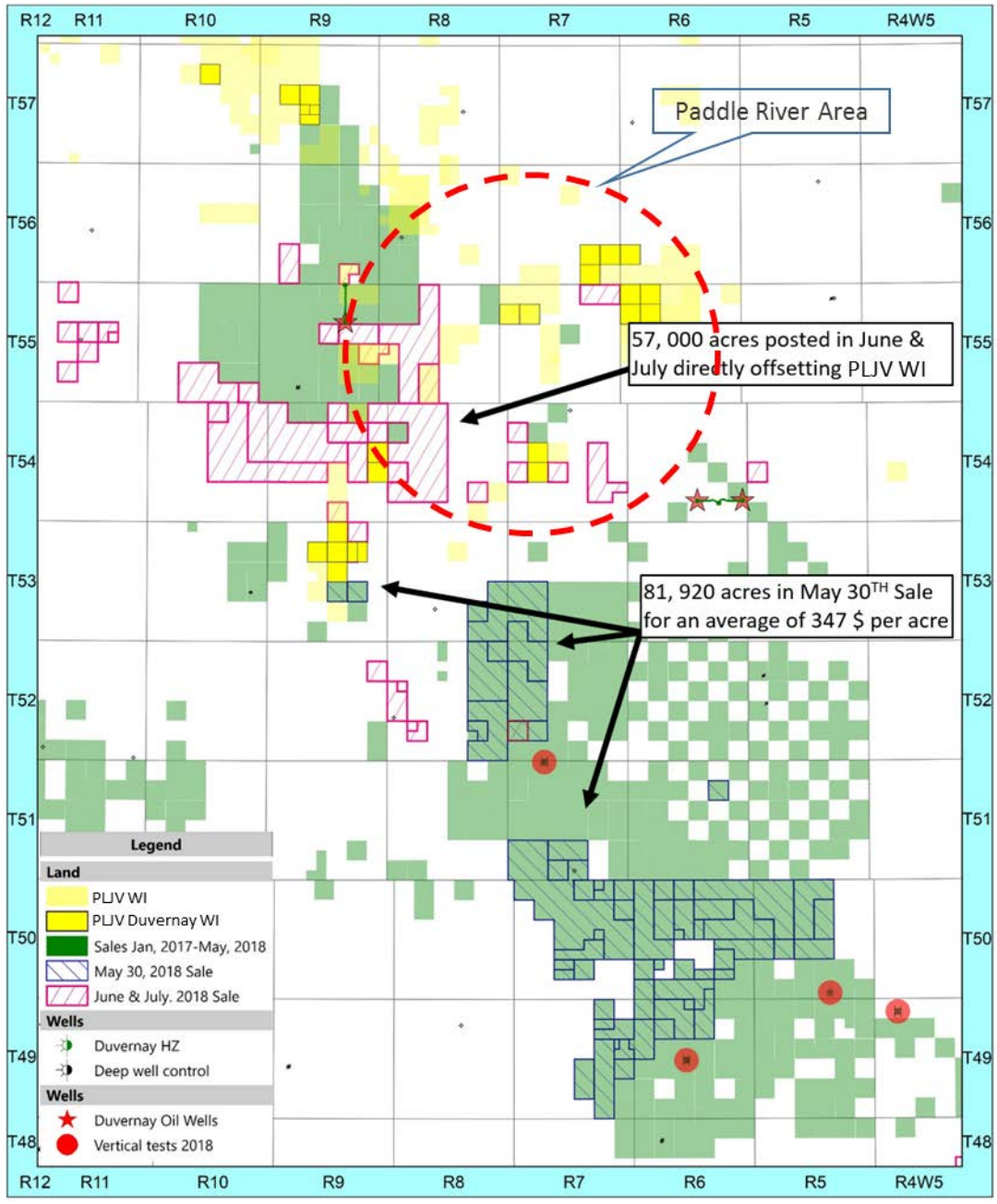


Figure 1 - Land Holding Within the West Duvernay Basin Oil Play

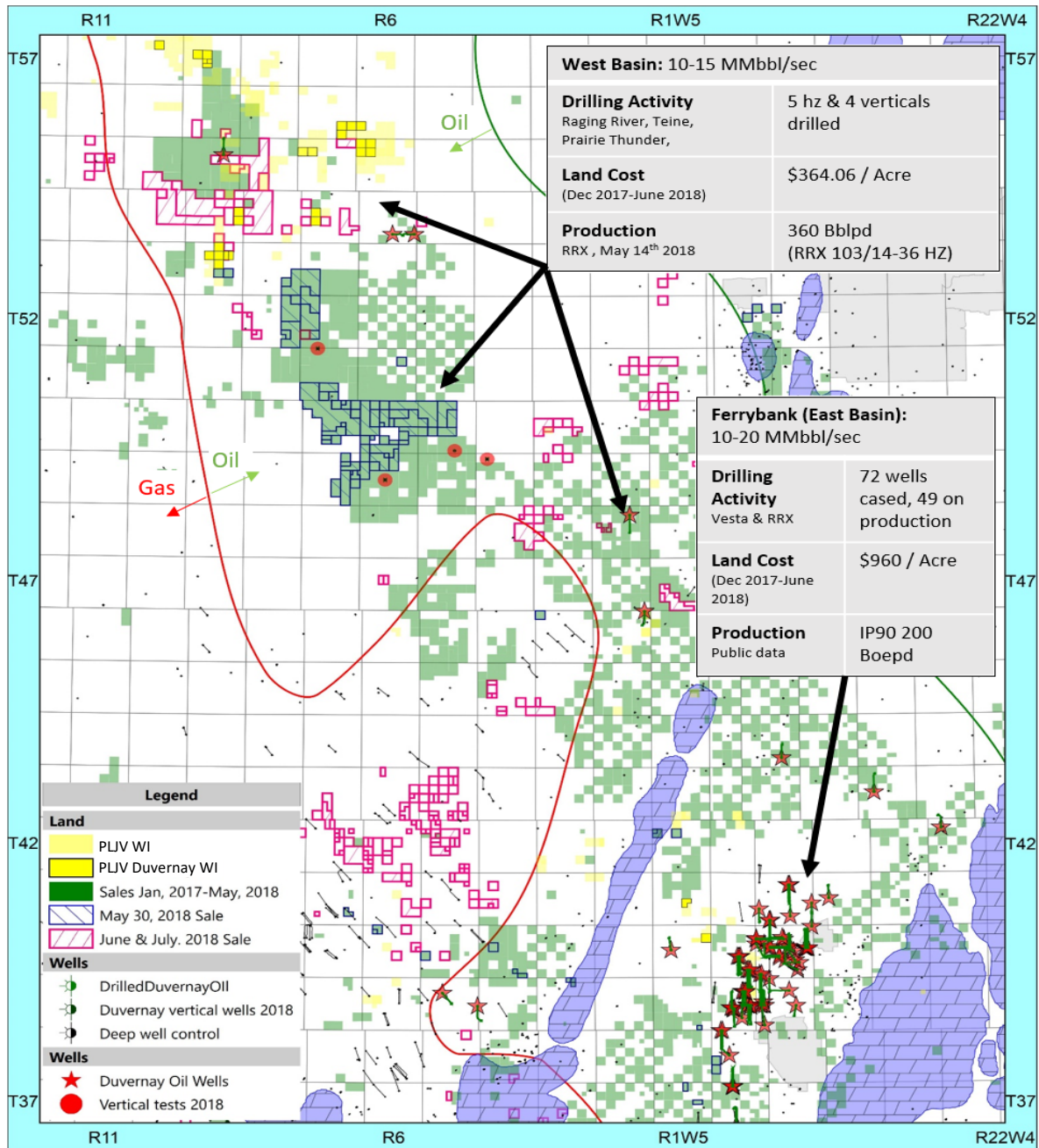


Figure 2- Duvernay Shale Oil Fairway Information

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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.

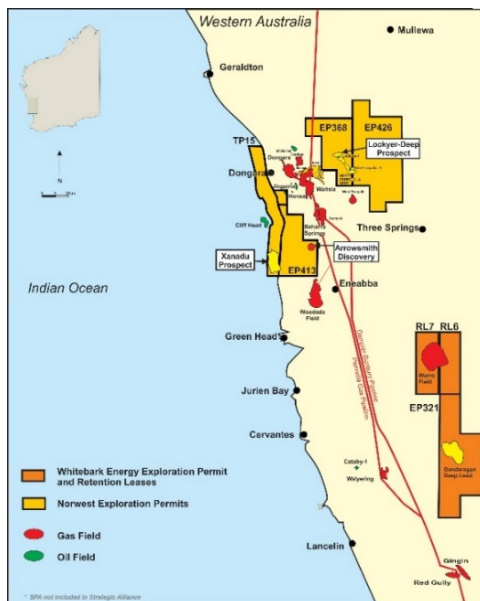
Canada

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-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 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\$6.9

Issued Shares: 990m **Cash (as at 31 March 2018):** A\$1.68