

Whitebark Takes Control of Warro

26th June 2018

Flexibility to progress up to 11.6 tcf¹ field

Whitebark Energy (ASX : WBE) is pleased to announce the return to full ownership of the Warro Gas Discovery, 200km North East of Perth.

- Alcoa Australia has agreed to relinquish its 43% interest earned in the Warro assets.
- This will allow Whitebark greater ability and flexibility to progress the assets once the current fracking moratorium in WA ends.
- Opportunity for offtake agreement with Alcoa remains.
- Non-core permits and licenses relinquished as part of a focus on the core resources in Retention Lease 7 (RL7).

The Warro partnership between Whitebark (and its predecessors and subsidiaries) and Alcoa has spanned a decade, including the drilling of four wells and the acquisition of 90km² of 3D seismic.

“Alcoa has been an excellent partner during this period and the advancement of the Warro project would not have occurred without their ongoing support during the period of the Joint Venture,” said Whitebark Managing Director David Messina.

As part of the transfer Alcoa has agreed to provide future funding to cover its share of plug and abandonment liabilities in the event any of the wells are not used in future development scenarios.

RL7, on which Warro sits, is currently in suspension pending the completion of the WA Government fracking inquiry. The holding costs for the lease are modest and all near term work commitments have been met, giving Whitebark significant time to determine how the asset may be advanced to maximise its future potential.

“The impact of the moratorium on the project has significantly hampered the Joint Venture’s ability to continue with development activities,” Mr Messina said.

“As the industry lies dormant awaiting the official findings and recommendations, the decision has been made to relinquish the permits outside of the Warro core field resources, namely EP321 and RL-6 and concentrate on RL7.”



Figure 1 - Warro Location Map

¹ Refer ASX Announcement 19 November 2015

Warro Project Background

The Warro field lies 200km north of Perth in the Perth Basin and is one of the largest undeveloped onshore gas fields in Australia. The Warro reservoir section is about 3,750m below surface and has a thickness of approximately 500m. The gas is held within low porosity and low permeability Jurassic sandstones. The field is located 31km east of both the Dampier-to-Bunbury Natural Gas Pipeline and the Dongara-to-Perth Parmelia Pipeline.

In 2008, Latent Petroleum Pty Ltd (now a wholly owned subsidiary of WBE) entered into \$100m partnership with Alcoa of Australia to fund the exploration of the Warro gas field.

The completion of wells Warro-3 to Warro-6 and subsequent testing have provided valuable information and insight of the Warro field. Results of these wells and the 3D seismic continue to be analysed to determine the best way forward for the project and proving the field commercial.

Latent Petroleum, as operator of the Warro Project, remains confident that the results of the moratorium will find in favour of the fracture stimulation process under a strong regulatory regime.

Latent is also very proud of the company's implementation of environmental monitoring from the inception of our activities in 2008 and continued to expand this over the next ten years. The company is confident that many of the expected guidelines are already in place at Warro.

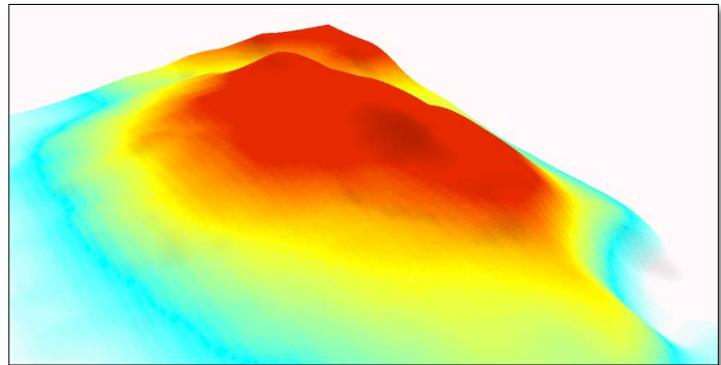


Figure 2 – Warro Top Reservoir

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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.

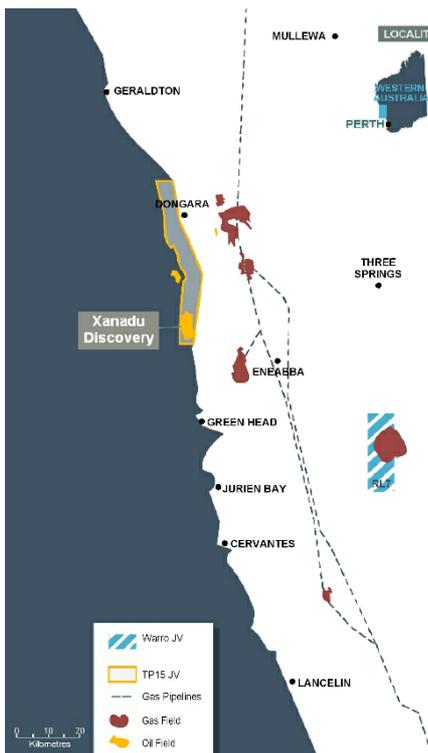
Canada

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 100% interest in the 4.4-11.6tcf (refer ASX release dated 19 November 2015) undeveloped Warro Gas Project, about 200km north of Perth.

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