

# Whitebark's Rex-2 Production Test Exceeds Rex-1

6 September 2019

---

## ***Rex-2 Flows 865 boe/d at peak rate – 540 bbls/ oil***

---

Highlights:

- As the Rex-2 well continued to clean up, a restricted peak rate of 865 boepd (540 bbl/d oil and 2.0 mmscfpd of gas) was achieved over a three-hour period.
- Increasing production rates during the Rex-2 test period enabled declaration of “commercial production”, seven days after testing commencement and seven days earlier than Rex-1.
- Average production rate for the final 24 hours of the test period was approximately 350 barrels of oil per day (bopd) and 700 barrels of oil equivalent per day (boe/d) including 350 barrels of 18.5 API oil per day (bopd).
- Rex-2 flow rates at Day-7 were approximately 15% and 105% respectively ahead of initial commercial production rates recorded for Rex-1 at Day-14.
- As expected, the extra length of the horizontal section at Rex-2 has led to higher oil production rates and larger reserve bookings per well than at Rex-1.
- The completion of Rex-2 will increase Whitebark's working interest in the field to 40%.
- The Rex prospect has the potential for 20+ follow up development wells, and Whitebark currently intends to proceed with Rex-3 before the end of 2019.
- Rex-2 will be tied-in to existing production facilities and is expected to be placed on production within a few days.

---

Whitebark Energy (ASX : WBE) is pleased to announce that steadily increasing production rates during the test period has enabled commercial production to be established for the Rex-2 well. This was seven days after the commencement of testing and around seven days earlier than when commercial production was established for Rex-1 (announced on 21 January 2019).

The final 24 hour flow rates exceeded flowrates from Rex-1 and oil continue to trend upwards, averaging 700 boepd during the final 24 hours of testing (50% oil). This compares to around 340 boepd for Rex-1.

After flowing unassisted for a period of 82 hours, the well has been shut-in to optimize tubing size and configure the well to flow to the central facility. To date, 40% of the load fluid has been recovered and testing will recommence in the coming days to continue the cleanout operation, stabilize flow, and assess the capability of the well.

Whitebark Energy Managing Director, David Messina said: “We were confident that the Rex-2 well would be as good as, if not better than the Rex-1 oil discovery, and we are delighted with the initial results. Rex-2 has significantly exceeded Rex-1, flowing greater rates of oil, and overall more than double the oil equivalent flow rate.

“Initial indications, as in other fields in North America, are that extended laterals are a cost effective production measure in the Wizard Lake Field.

“We have now successfully drilled two wells in the Rex Oilfield, demonstrating our execution capabilities and the consistency of our acreage with results by other operators from the same reservoir. The Rex prospect has potential for another 20+ follow up wells.”

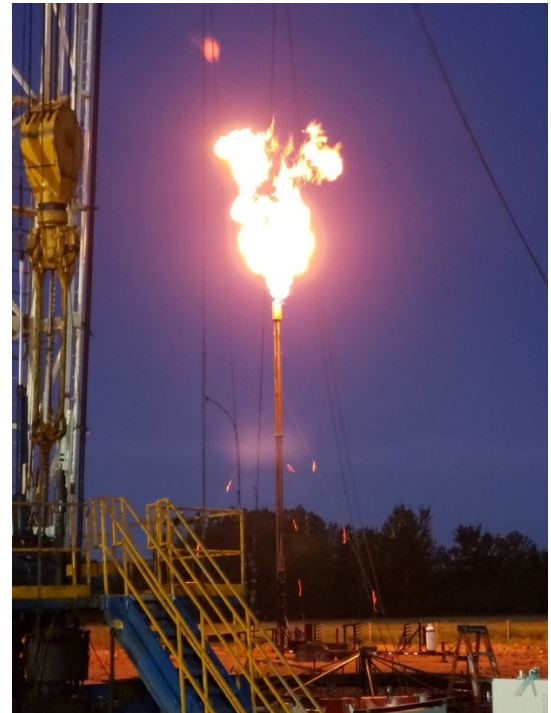


Figure 1- Rex-2 Flare

### Test Results

Clean up flows from August 29, 2019 until September 4, 2019 (Canadian Mountain Daylight Time). The well was initially pumped to assist with fluid recovery but quickly flowed unassisted and thereafter flowed continuously until shut in – Figure 2. The well displayed excellent inflow characteristics with total fluid rates averaging 1,400 bpd during the testing period. During the test period 8,252 barrels of fluid were recovered of which 817 barrels were oil. Oil cuts were trending upward through the continuous unassisted flow period and the well averaged approximately 700 boepd unassisted during the final 24 hours of the test (50% oil).

The results of Rex-2 have confirmed the excellent quality of the reservoir and further delineated and extended the Wizard Lake Rex oil pool. These results provide a strong basis to proceed with further Wizard development activity.

The Rex-2 well will be placed on production to existing facilities within a few days.

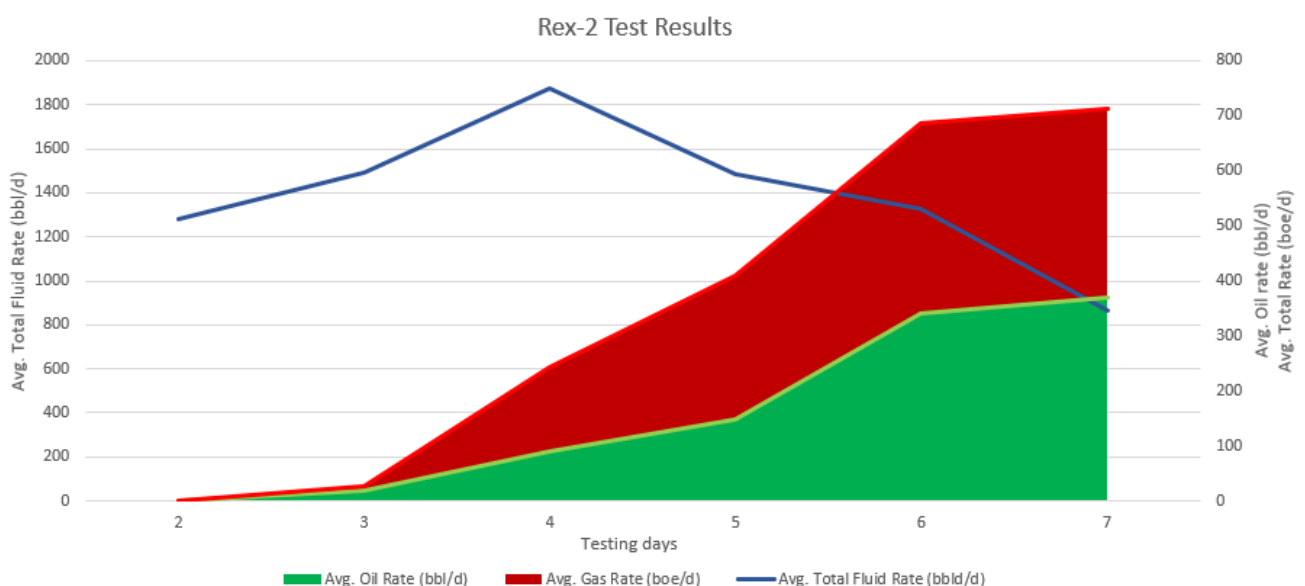


Figure 2 –Rex-2 test results to 5:00am, 5 September, 2019 (Local Perth time)

## Rex 2 Well Testing Summary

Well Location	Wizard Lake: 100/01-08-48-27 W4M
WBE Working Interest	30% - earning 40%
Net Pay Thickness	Not applicable - horizontal well
Geological Rock Type and Formation Drilled	Lower Manville Rex Sands
Drilling Depth	1435 mTVD with ~1500m horizontal section
Duration of Test	Tested for 7 days (unassisted for last 82 hours)
Hydrocarbons Recovered	817 bbls Oil and 5.9 mmcf Gas
Water/Load fluid recovered	8,252 bbls
Choke Size	20.10 mm
Fracture Stimulations	35 stages averaging 30t proppant / stage
Material non hydrocarbon Gases	Not material

Conversion of gas to BOE is done on the basis of 6mcf = 1 BOE.

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

*The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed.*



## Background

- The Wizard Lake oil field was identified using well control and seismic together with geology.
- It has the potential to contain 20+ wells targeting 11mboe<sup>1</sup>.
- The development program commenced with the spudding of the horizontal Rex-1 well on 24 November 2018<sup>2</sup>.
- Initial flow testing of the Rex-1 well recorded rates of more than 300 barrels of oil per day. Total oil produced from the 16-day flow test was 2845 barrels – a 55% increase on initial estimates<sup>3</sup>.
- An interim production flow rate of 275 bbls oil/day was announced after ten days clean up<sup>4</sup>.
- Production facilities and a pipeline were completed in early June 2019 and Rex-1 began pumping fluids on 5 June 2019<sup>5</sup>.
- Whitebark's working interest in the Wizard Lake oil development is now at 40% and will increase to 50% following the drilling and completion of Rex 3<sup>6</sup>.

---

<sup>1</sup> ASX Release 22 August 2019

<sup>2</sup> ASX Release 26 November 2019

<sup>3</sup> ASX Release 20 February 2019

<sup>4</sup> ASX Release 19 June 2019

<sup>5</sup> ASX Release 5 June 2019

<sup>6</sup> ASX Release 30 May 2019