

Whitebark Energy Operations Update

30 May 2018

3D Program Identifies Material New Oil Targets in Canada Current Whitebark Production approx. 400boe/d

Highlights

- Westcove 3D program identifies new drilling targets with potential for over 40 mmboe in place (gross):
 - Ostracod Liquids Play 10 mmboe in place (2 mmboe net to WBE);
 - Nordegg Liquids field extension 12 mmboe in place (2.4 mmboe net to WBE);
 - Banff Oil Play 20 mmbbls in place in two features (4 mmbbls net to WBE).
- Thornbury Project Stage 1 completed, 750mmcf/d gross now being processed through 100% owned gas facility.
- Operating Costs improve to circa \$15/boe with scale and further improvements forecast with cost control measures adopted.

Whitebark Energy Ltd (ASX: WBE) (“Whitebark” or “the Company”) is pleased to provide an update on its Canadian Operations. The Company’s Point Loma Joint Venture (PLJV) undertook a 3D Seismic Program in Q1 2018 in the Westcove area and the data have now been processed and the interpretation of the results is underway.

The program identified significant new drilling targets with potential for over 40 mmboe in place adjacent to the PLJV’s Paddle River oil field.

“Finding significant new oil targets with today’s oil price adds significant value to the company.” said David Messina, Managing Director of WBE. “We will be factoring the result of the 3D into our drilling program with the potential to test the play in 2018.”

PLJV 3D Seismic Program Identifies New Oil Targets

The main objective of the 3D program was to define the extent of the Nordegg oil accumulation being produced by horizontal well 5-31 and provide guidance on the optimal location and direction for a planned Nordegg horizontal development well. A secondary objective was to delineate the extent of an underlying Banff Oil play in the surrounding area and in an area in the NW portion of the survey around well 8-11.

Not only has the 3D delivered valuable information on these objectives but it has also identified a potential Ostracod oil pool which appears to be analogous to the adjacent PLJV Paddle River oil field (Figures 1 and 2).

As shown in Figure 2, the Nordegg pool is currently being produced from well 5-31. The 3D has defined the areal extent of the accumulation around this well and to the north and west and suggests the potential for further development wells.

In the NW part of the 3D (Figure 2), the data indicates a Banff level closure associated with a seismic anomaly which is usually associated with a thickening of the reservoir unit (see Figure 1 and 2). Importantly, well 8-11, which drilled through the feature, appears to contain by-passed pay at the Banff level with the unit yielding high gas readings, strong oil related fluorescence and indications of pay on the electric logs.

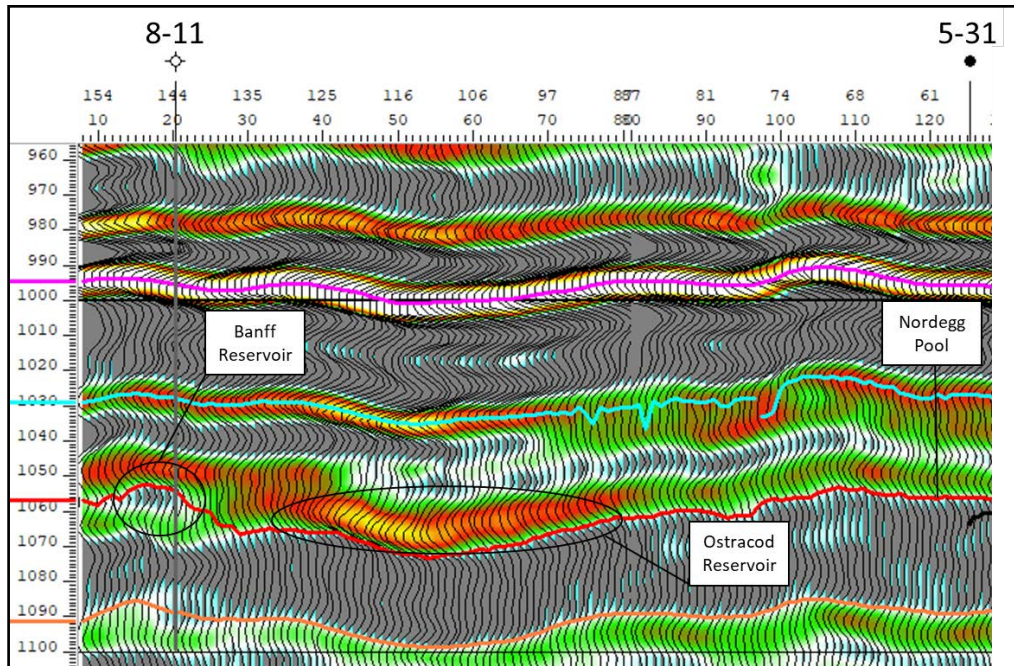


Figure 1- Westcove 3d Seismic Arbitrary Line through wells 8-11 and 5-31

To the west of the Westcove 3D area, the PLV operates the Paddle River Ostracod oil field which is held in a stratigraphic trap formed by the reservoir unit pinching out updip within a paleo valley. The 3D has identified an analogous configuration within the Westcove area (Figure 2). The presence of a low area with a seismic thickening at the Ostracod level suggests the potential for an oil accumulation akin to Paddle River field.

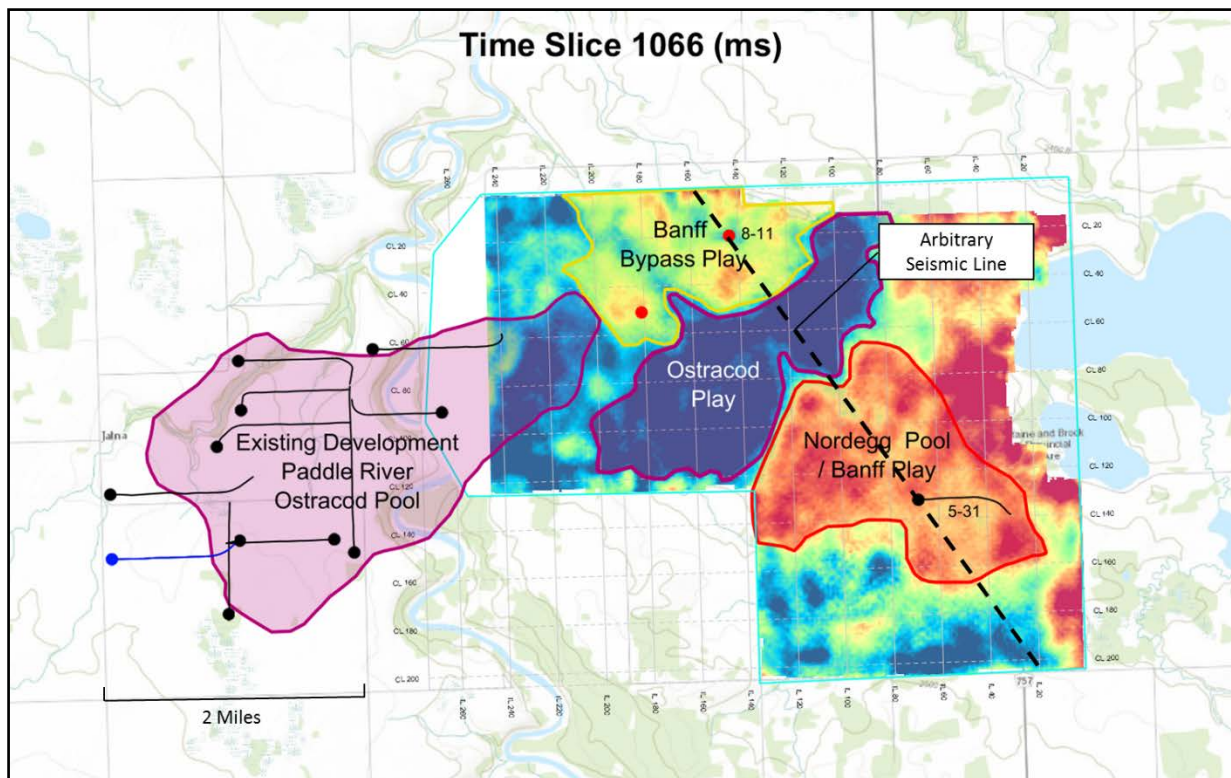


Figure 2 - Westcove 3D Timeslice showing location of prospects and Paddle River Pool

The potential unrisks resources for all the features described above are set out in Table 1.

Table 1 - Resource Estimation Approach Westcove 3D Drilling Opportunities

	Category	Resource assessment approach	Stratigraphic Unit	Best Estimate OOIP mmbbl	Best Estimate OOIP mmbbl Net to WBE (20% WI)	Type of Trap	Reservoir Type
Ostracod Prospect	Prospective	Deterministic GRV and bbls/ac-ft	Cretaceous	10	2	Stratigraphic	Fossiliferous Sandstone
Banff 8-11 by-passed pay	Contingent	Deterministic GRV and bbls/ac-ft	Mississippian	15	3	Structural/Stratigraphic	Dolomite
5-31 Banff	Prospective	Deterministic GRV and bbls/ac-ft	Mississippian	5	1	Structural/Stratigraphic	Dolomite
5-31 Nordegg	Contingent	Deterministic GRV and bbls/ac-ft	Jurassic	12	2.4	Structural/Stratigraphic	Limestone and Dolomite

Thornbury Reactivation Project

Stage one of the winter Thornbury Reactivation project has been completed and approximately 750mmcf from four wells is now flowing through our 100% owned facility at Thornbury. Two wells are still to be brought back online due to technical issues and, as a result, the final volumes have been lower than previously forecast. As the breakup has commenced throughout the area, reactivation of the two wells is not likely to occur until late 2018.



Figure 3 – PLJV Thornbury Reactivation Project Pipeline Installation

PLJV Corporate Transactions

The PLJV closed on the sale of one isolated section (640 acres) of the 29,000 acres recently acquired in the Gilby acquisition for \$160,000. An overriding royalty was also sold over the lands relating to the Gilby acquisition for \$500,000 gross (\$150,000 net to WBE) bringing the PLJV net cost of the acquisition to approximately \$450,000.

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Reserve Statement

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.

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 resources was compiled by technical employees of Point Loma Resources 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 resources 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). These 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.

Resource Estimates Cautionary Statement

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery, as well as a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a commercial quantity of potentially moveable hydrocarbons.

Resource estimates in this market release are prepared as at 28th May 2018.

Gas to liquid conversion factor of 6 has been used in the resource estimates to deal with volumes of associated gas.

About Whitebark Energy

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

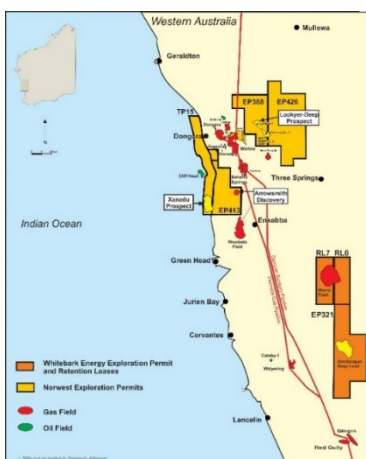
Canada

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\$6.9m

Issued Shares: 990m

Cash (as at 31 March 2018):

A\$1.68m