



Corporate Presentation

Roadmap to 100 mmbbls and beyond

June 2018

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Competent Persons Statement

The reserves and resources assessment follows the guidelines set forth by the Society of Petroleum Engineers – Petroleum Resource Management System (SPE-PRMS).

The Reserves and Contingent Resources in this announcement relating to the Madden Gas Field and Madden Deep Unit is based on an independent review and audit conducted by Netherland, Sewell & Associates, Inc., an independent petroleum advisory firm and fairly represents the information and supporting documentation reviewed. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Shane M. Howell and Mr. John R. Cliver, both Vice Presidents of Netherland, Sewell & Associates, Inc.. Mr. Howell is a Registered Professional Geologist in the State of Texas and Mr. Cliver is a Registered Professional Engineer in the State of Texas. Mr. Howell's qualifications include Master of Science in Geological Sciences, San Diego State University and a Bachelor of Science in Geological Sciences, San Diego State University. Mr. Howell has more than 10 years of relevant experience. Mr. Cliver's qualifications include a Masters of Business Administration from the University of Texas, Austin and a Bachelor of Science in Chemical Engineering from Rice University. Mr. Cliver has more than 10 years of relevant experience. Mr. Howell and Mr. Cliver meet the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules.

The Reserves and Contingent Resources in this announcement relating to the Grieve CO₂ EOR project, operated by Denbury Resources, is based on an independent review and audit conducted by VSO Petroleum Consultants, Inc. (VSO) , an independent petroleum advisory firm and fairly represents the information and supporting documentation reviewed. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Grant Olsen, a Director of VSO. Mr. Olsen is a Registered Professional Engineer in the State of Texas and his qualifications include a Bachelor of Science and Master of Science (both in Petroleum Engineering) from Texas A&M University. He has more than 10 years of relevant experience. Mr. Olsen is a member of the Society of Petroleum Engineers (SPE) and an Associate Member of the Society of Petroleum Evaluation Engineers. Mr. Olsen meets the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules and consents to the inclusion of this information in this report.

The Reserves and in this announcement relating to the Aneth Oil Field and CO₂ EOR project are based (1) in part on independent reviews and audits conducted by Netherland, Sewell & Associates, Inc. ("NSAI") , an independent petroleum advisory firm and fairly represents the information and supporting documentation reviewed, (2) in part on an independent review and audit conducted by VSO Petroleum Consultants, Inc. ("VSO"), an independent petroleum advisory firm and fairly represents the information and supporting documentation reviewed and (3) in part by internal engineering studies and reviews undertaken by the Company under the supervision of Mr. Brian Dolan and Mr. David Evans.

The review and audit of NSAI was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Derek F. Newton, a Director of NSAI. Mr. Newton is a Licensed Professional Engineer in the State of Texas, United States of America; and I has in excess of 30 years of experience in petroleum engineering studies and evaluations. Mr. Newton, attended Strathclyde University in Scotland, and graduated in 1986 with a Masters of Science Degree in Petroleum Engineering. Mr. Newton also attended University College in Cardiff, Wales and graduated in 1983 with a Bachelor of Science Degree in Mechanical Engineering. Mr. Newton meets the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules and consents to the inclusion of this information in this report.

The review and audit of VSO was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Grant Olsen, a Director of VSO. Mr. Olsen is a Registered Professional Engineer in the State of Texas and his qualifications include a Bachelor of Science and Master of Science (both in Petroleum Engineering) from Texas A&M University. He has more than 10 years of relevant experience. Mr. Olsen is a member of the Society of Petroleum Engineers (SPE) and an Associate Member of the Society of Petroleum Evaluation Engineers. Mr. Olsen meets the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules and consents to the inclusion of this information in this report.

The information in this ASX release or presentation that relates to Reserve and Contingent Resources estimates for (1) the Grieve CO₂ EOR project, the Reserve, (2) Contingent Resource estimates for the Madden Deep Gas Field and (3) the Reserves for the Aneth Oil Field and CO₂ EOR Project have been compiled and prepared by Mr. David Evans, COO of Elk Petroleum Ltd. and Mr. Brian Dolan, Executive Vice President and COO-USA of Elk Petroleum Inc. who are both qualified persons as defined under the ASX Listing Rule 5.11 and both have consented to the use of the reserves figures in the form and context in which they appear in this presentation.

Mr. Evans is a full-time employee of the company. Mr. Evans earned a Bachelor of Science with Honours in Geology from the University of London, United Kingdom, a Post Graduate Diploma, Petroleum Exploration from Oxford Brookes University, United Kingdom and a Master of Applied Science, Geology from the University of Canberra and Australian National University in Canberra, ACT. Mr. Evans has more than 30 years of relevant experience. Mr. Evans has sufficient experience that is relevant to the company's Reserves and Resources to qualify as a Reserves and Resources Evaluator as defined in the ASX Listing Rules. Mr. Evans consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

Mr. Dolan is a full-time employee of the company. Mr. Dolan earned a degree in Mechanical Engineering from the University of Colorado at Boulder. Mr. Dolan has more than 27 years of relevant experience. Mr. Dolan has sufficient experience that is relevant to the company's Reserves and Resources to qualify as a Reserves and Resources Evaluator as defined in the ASX Listing Rules. Mr. Dolan consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

Investment Proposition

Ability to deliver equity value with significant near-term upside



Steady cash flow from PDP reserves

- 48 mmboe 1P PDP reserves – 70%+ oil*



Long-life, low-decline rate asset base

- Approximately 26 years of production life*



Deep inventory of low risk development

- Over 45 mmbbls of PDNP+PUD development projects to increase total 1P to 94 mmboe*



Highly leveraged to oil price

- Projected profit margin of US\$25-US\$35/bbl on oil production @ US\$60/bbl WTI oil price*

Elk is one of the largest ASX E&P companies by Reserves and Production

Corporate Overview

Fast Growing Conventional Oil

- Elk is a fast-growing, oil-weighted oil & gas production company focused on redevelopment of conventional oil fields through our core operated position in the US Rockies

Proven Long Life Low Risk

- Elk focuses on development of its long-lived, low risk production reserve base through proven, industry-standard production techniques - ~90% success rate

Low Cost, High Return Profits

- Elk has a profitable reserve and production base that delivers competitive, low cost, high margin production & annuity style cash flows with forecast 40-50 year production lives

Sustainable Organic Growth

- Elk is focused on delivering significant growth from existing assets – with potential to materially and consistently increase reserves and production over the next 5-years

Cash Flow Positive

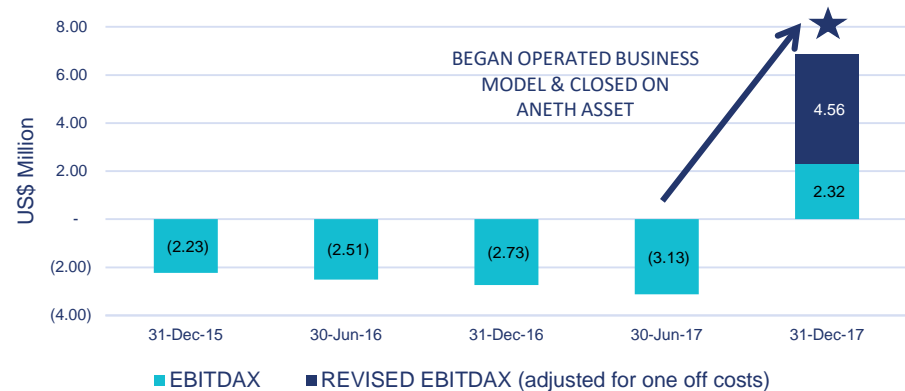
- Forecast CY2018 EBITDA of ~US\$50 million+

Financial Snapshot

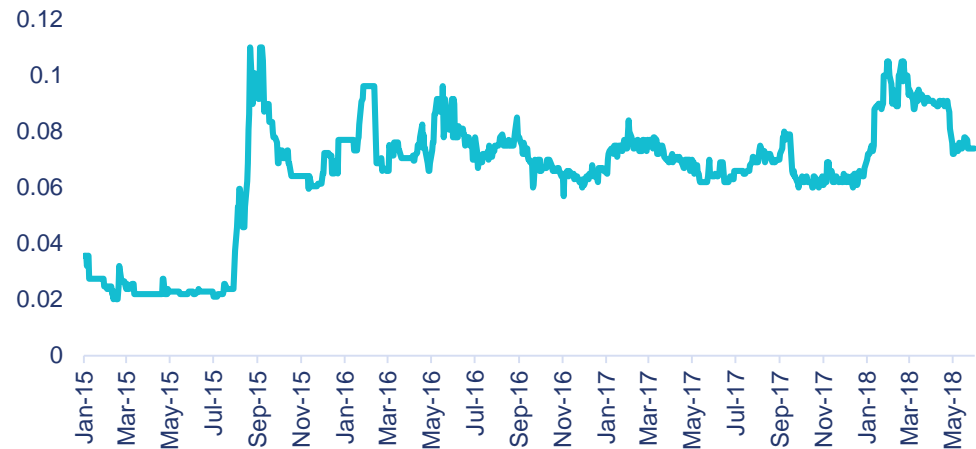
Financial Overview

Ticker (ASX):	ELK
Market capitalization ¹	AU\$198m
Shares outstanding	1,508 million
Enterprise Value	US\$344m
Long term debt ³	US\$194m
Debt to EBITDA	3.0x
PDP reserves	47.8 mmboe (69% oil)
Total proved reserves	94.0 mmboe (87% oil)
PDP PV ₁₀ ²	US\$436m
1Q18 daily production	9,319 BOED (59% oil)
1Q18 operating revenue	US\$33.2m
1Q18 operating expense	US\$15.0m
1Q18 capital expense	US\$4.8m

EBITDAX



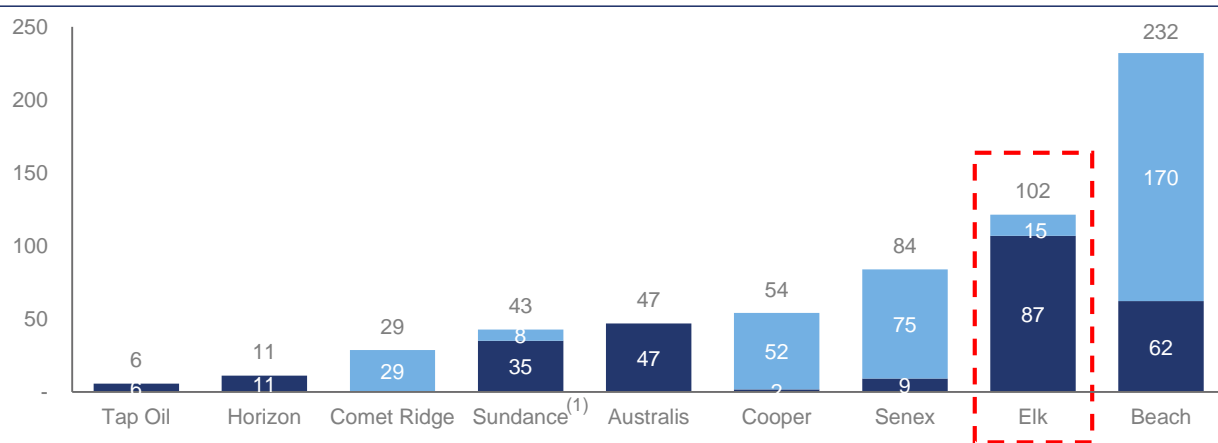
Elk Share Price



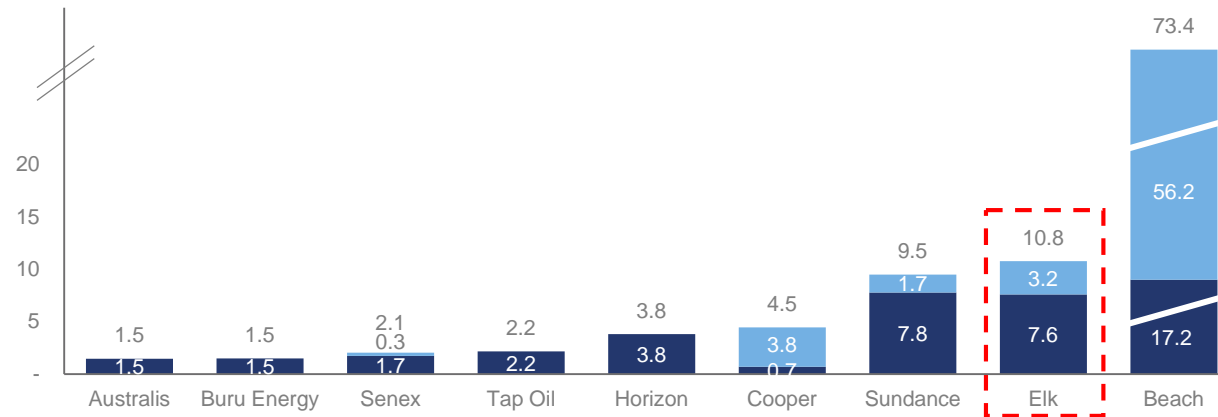
ASX E&P Leader - Reserves & Production

Not all reserves are created equal!

2P Reserves (mboe)^{1, 3}









Production (mboe/d)^{2, 3}



- 2P Reserves highly weighted to oil - 85% oil
- Long-term, low decline oil weighted production - 70% oil
- 1/3 of reserves are fully developed 1P Proved Developed Producing (PDP)
- Limited additional capital required to sustain production

Oil Gas

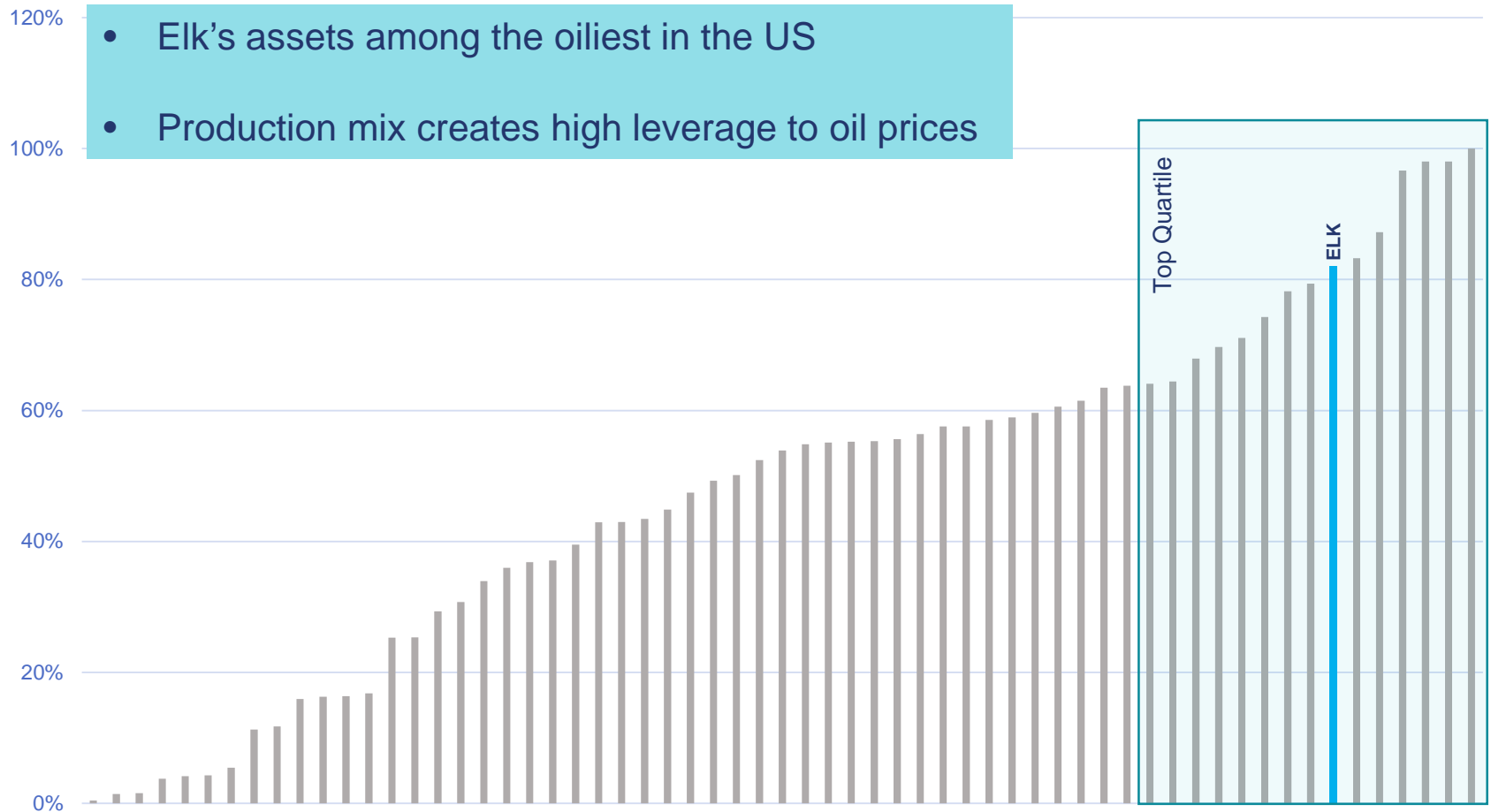
Operator With a Highly Experienced Team

Name	Title	
Brad Lingo	Managing Director, CEO & Executive Chairman-USA	
Jim Piccone	President & CEO-USA	
Alex Hunter	CFO	
David Evans	COO-Australia	
Brian Dolan	EVP & COO-USA	
Jeff Roedell	VP-Four Corners Business Unit Manager	

See Appendix slide page 32 for further details

Leveraged to Oil

Percent oil compared to 61 U.S. Companies



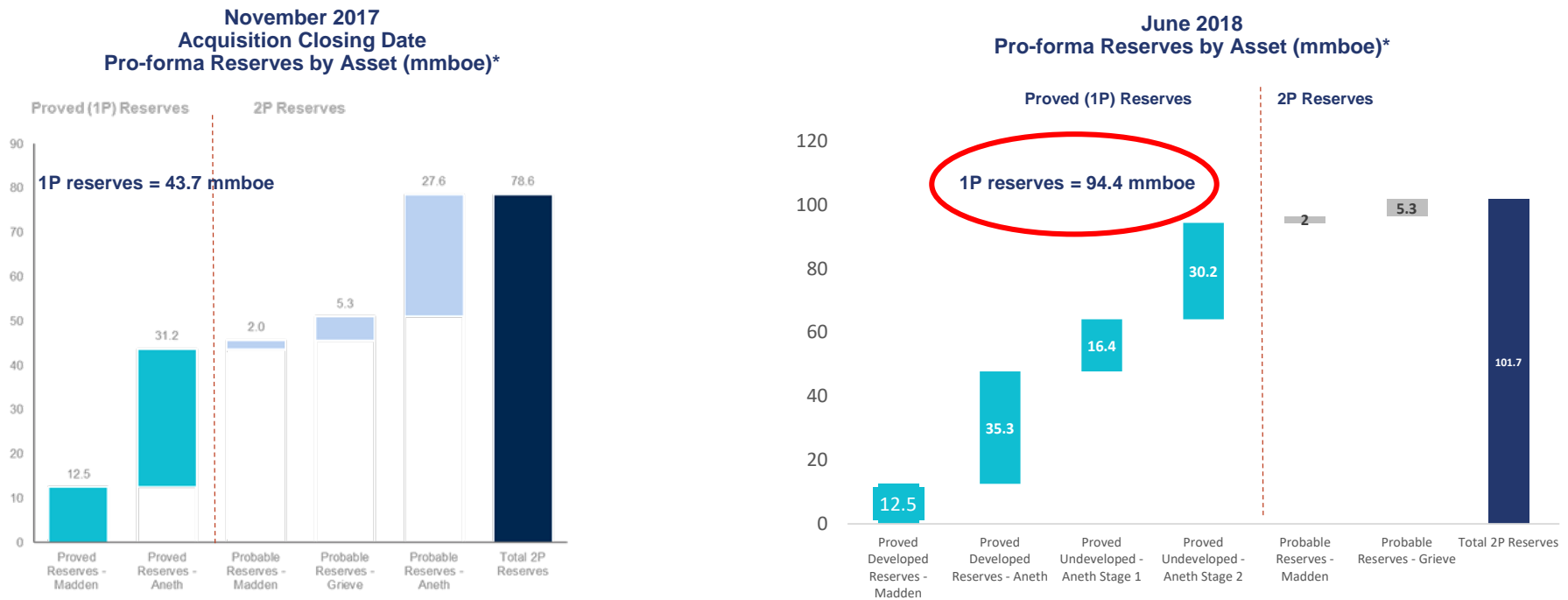
Source: Bloomberg data as of Year-end 2017

Track Record of Execution - Timeline & Milestones



Delivering Significant Reserves Growth

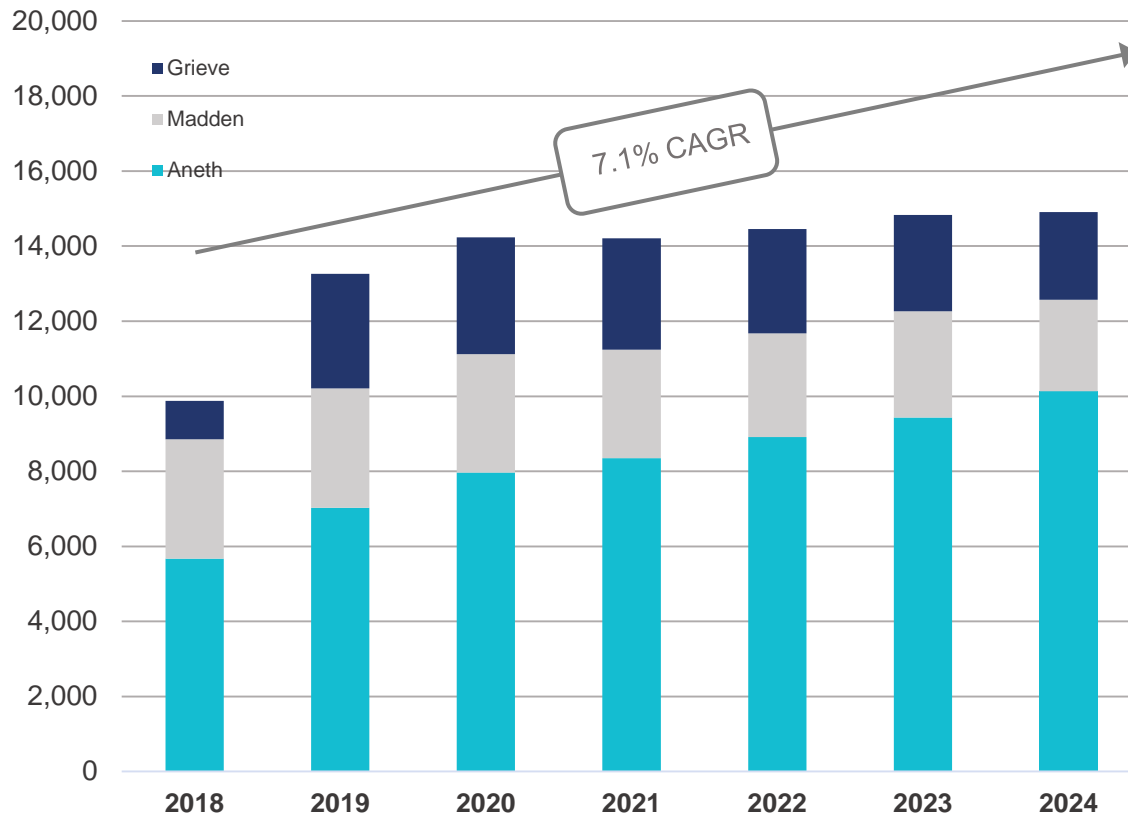
*Over a 200% increase in Total Proven Reserves since completing Aneth acquisition
Driven by commitment to active field development program and strong oil prices*



Reserve additions are - All high value liquids, low risk, low cost additions and undeveloped (PUD) reserves can be delivered at ~US\$6/bbl development capital cost

Delivering Significant Organic Production Growth

Total Elk Petroleum Growth (beopd) through 2024



- Production supported by high quality, low decline assets
- Strong base line production established of ~10,000 BOEPD in 2017
- Strong organic growth can be delivered through focusing on Aneth development
- Potential to increase production by 40% to over 14,000 BOEPD by CYE2023
- Incremental production growth is entirely made up of high value liquids

Current Aneth project pipeline at flat \$60/bbl oil price. Project IRR hurdle rate of 15% (pipeline range of 15% to 124% at \$60/bbl oil)

Elk's 3 Core Operating Assets

Significant developed & undeveloped reserves, extensive CO₂ supplies & infrastructure, multiple operating projects and numerous opportunities for development

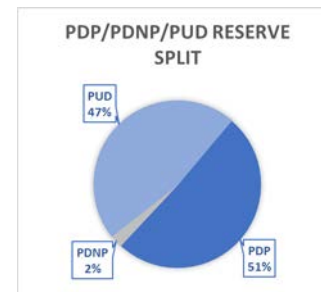
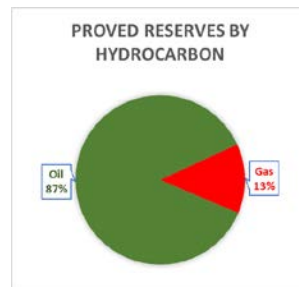
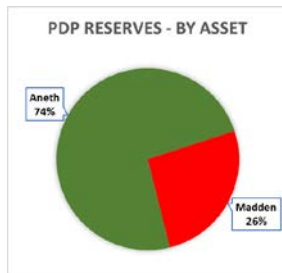
Asset locations



Reserve & Production

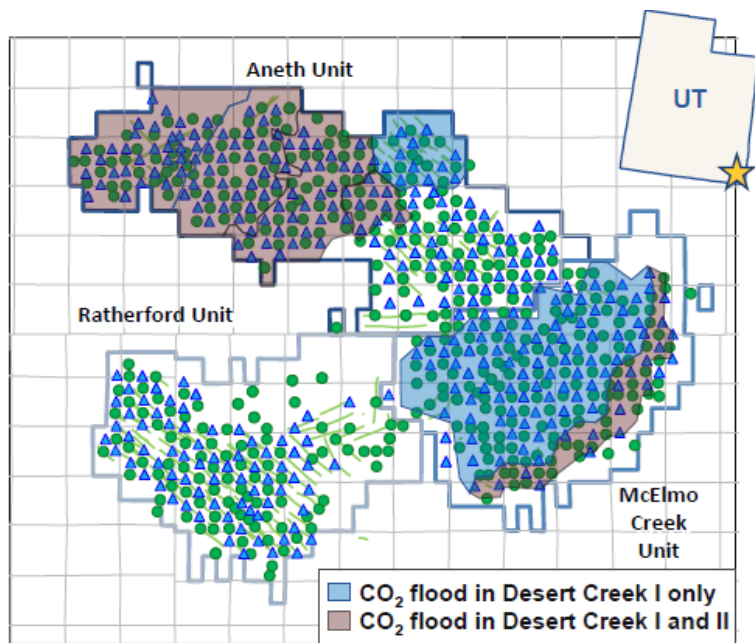
- PDP reserves = 47.8 mmboe / 69% oil
- Total Proved reserves = 94.0 mmboe / 87% oil
- Forecast production FYE18 = 8,250 to 9,300 BOEPD / 65% oil
- CYE2018 Grieve expected PDP reserves = ~5 mmbbls
- Total Proved R/P ratio = ~26 years
- Proved Developed Producing R/P ratio = 14-16 years

Proved reserves

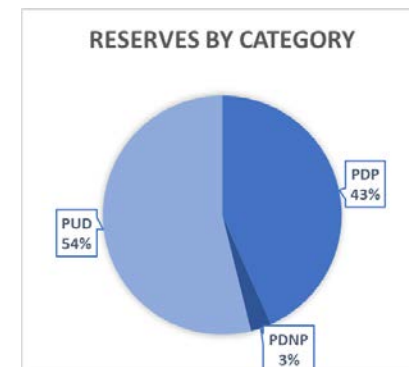
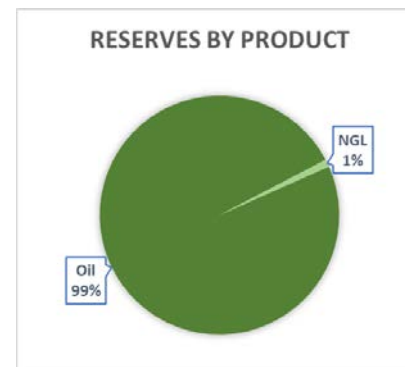


* Reserves and production figures net to Elk. Reserves are Pro Forma internal Company assessments subject to independent year-end reserve audit. See Appendix slides pages 28-31 for details on reserve classifications

Aneth Oil – Elk's Core Operated Asset

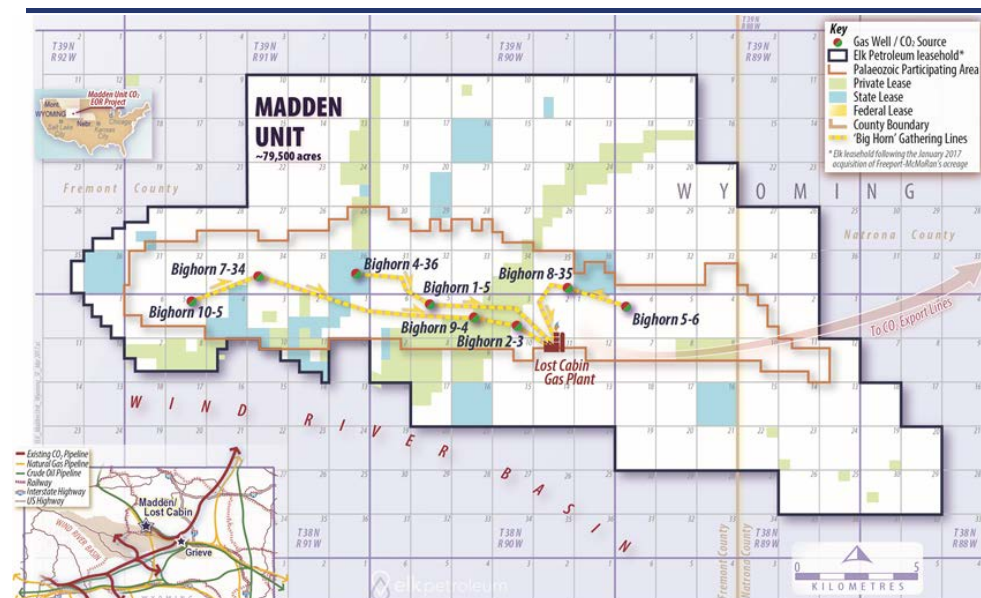


- Elk majority owned (63%) and operated
- Acquired Nov 2017 for USD 160 million from Resolute*
- Discovered 1956 previously operators Resolute, Exxon & Chevron
- 86th biggest oil field in US (EIA ranking)
- 1.5 billion barrels original oil-in-place
- 450 mmbbls light, sweet crude produced to date
- US\$1.1 billion invested by previous operator Resolute
- 300 mmbbls remaining recoverable oil @ 50% recovery factor

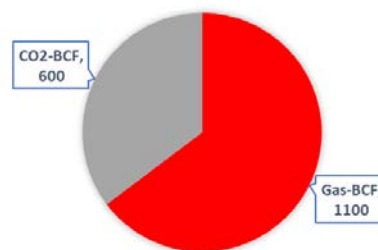


- Proved Developed Producing reserves = 35.3 mmbbls**
- Total Proved reserves = 81.9 mmbbls**
- NPV10 @ US\$60/bbl = US\$307m**
- Forecast FYE18 production = 5500 to 6000 BOPD*
- Forecast FYE18 LOE = US\$22.80 to US\$25.20/bbl**
- Forecast FYE18 maintenance CAPEX = US\$6.2 to US\$6.8 m**
- Significant multi-year PUD development project pipeline

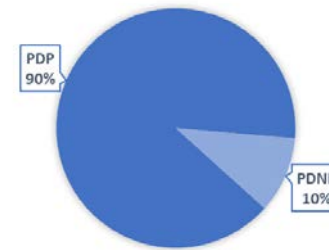
Madden Gas – Long Life Production & CO₂ Supply



GROSS RESERVES BY PRODUCT



RESERVES BY CATEGORY

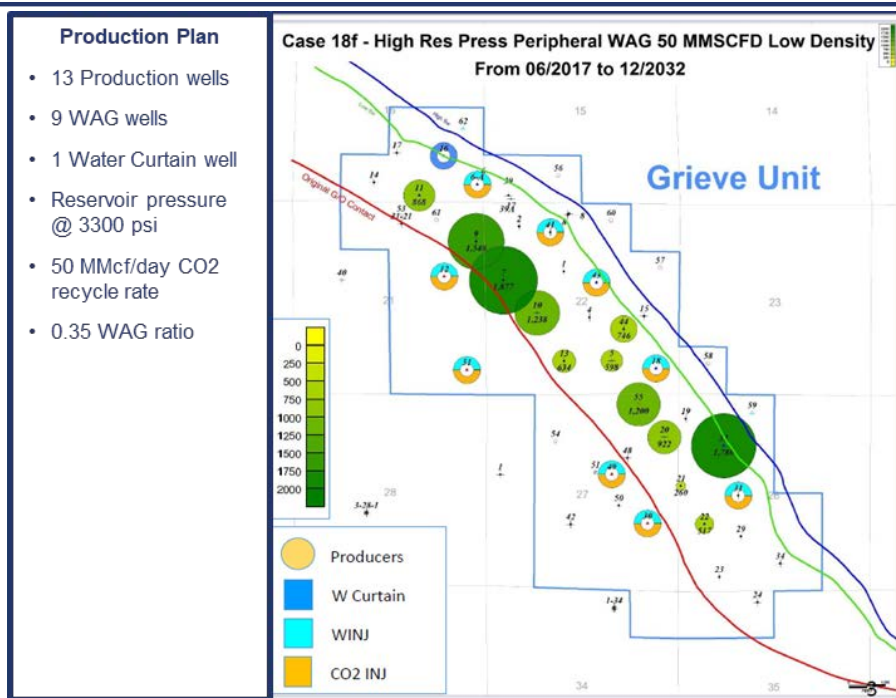


- Elk working interest (14%) operated by ConocoPhillips (46%)
- Acquired March 2017 for USD 17.5 million from Freeport McMoRan
- Discovered 1994 – previous operator Burlington Resources
- 33rd biggest gas field in US (EIA ranking)
- 5.5 TCF original gas-in-place – 2nd largest gas field in Wyoming
- 2.4 TCF produced to date / 1.1 TCF sales gas remaining
- 240 mmscf/day sour gas + 90 mmscf/day sweet gas processing
- 2nd biggest CO₂ supplier for EOR in Northern Rockies
- Multiple high take-away capacity sales gas interconnects

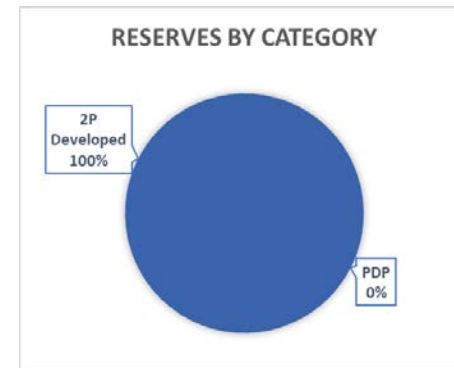
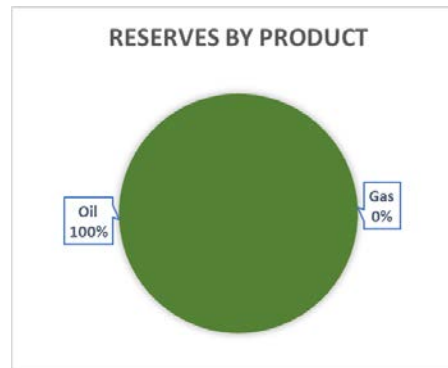
- Proved Developed Producing reserves = 71.3 BCF*
- Total Proved reserves = 79.5 BCF*
- Recoverable CO₂ = 600 BCF (gross)
- NPV10 @ US\$60/bbl + US\$2.70/mcf = US\$42.8m*
- Forecast FYE18 production = 2750 to 3300 BOEPD*
- Forecast FYE18 LOE = US\$8.30 to US\$9.10/BOE*
- Forecast FYE18 maintenance CAPEX = US\$800,000-900,000*
- Gross CO₂ production = ~30 MMscf/day
- Gross Sulphur production = ~930 long tonnes/day

* Reserves and production figures net to Elk. Reserves are Pro Forma internal Company assessments subject to independent year-end reserve audit. See Appendix slides pages 28-31 for details on reserve classifications. Guidance forecast contained in 2018 Half-Year Report lodged with the ASX on 16 March 2018. NPV10 is after giving effect of existing hedging and on a pre-finance basis.

Grieve Oil – Elk’s Newest Production



- Elk working interest (49%) with 60% economic interest
- Operated by Denbury Resources (51%)
- Project completed & field start-up commenced
- Elk receives 75% of 1st million barrels oil production
- Elk receives 65% of 2nd million barrels oil production
- All oil shipped via Elk 100%-owned Grieve Pipeline @ US\$3/bbl
- Avg. 5-year forecast free cash flow US\$17-19 million p.a.*



- Probable reserves = 5.3 mmbbls**
- Probable reserves expected to reclassified as PDP by CYE2018**
- NPV10 @ US\$60/bbl = US\$115.2m**
- After well clean-up, gross production expected @ ~1100-1200 BOPD
- Gross production expected to ramp up to over 2100 BOPD after 6-7 months increasing to over 3400 BOPD within 13-months
- Development cost = US\$7 to US\$10/bbl
- Avg 5-year forecast LOE = US\$19 to US\$21/bbl*
- Annual CAPEX = negligible
- Avg 5-year profit margin = US\$40 to US\$45/bbl*

Organic Growth - Roadmap to 100 mmbbls & Beyond

Aneth Oil Field acquisition provides an extensive organic growth pipeline which over 5-years allows:

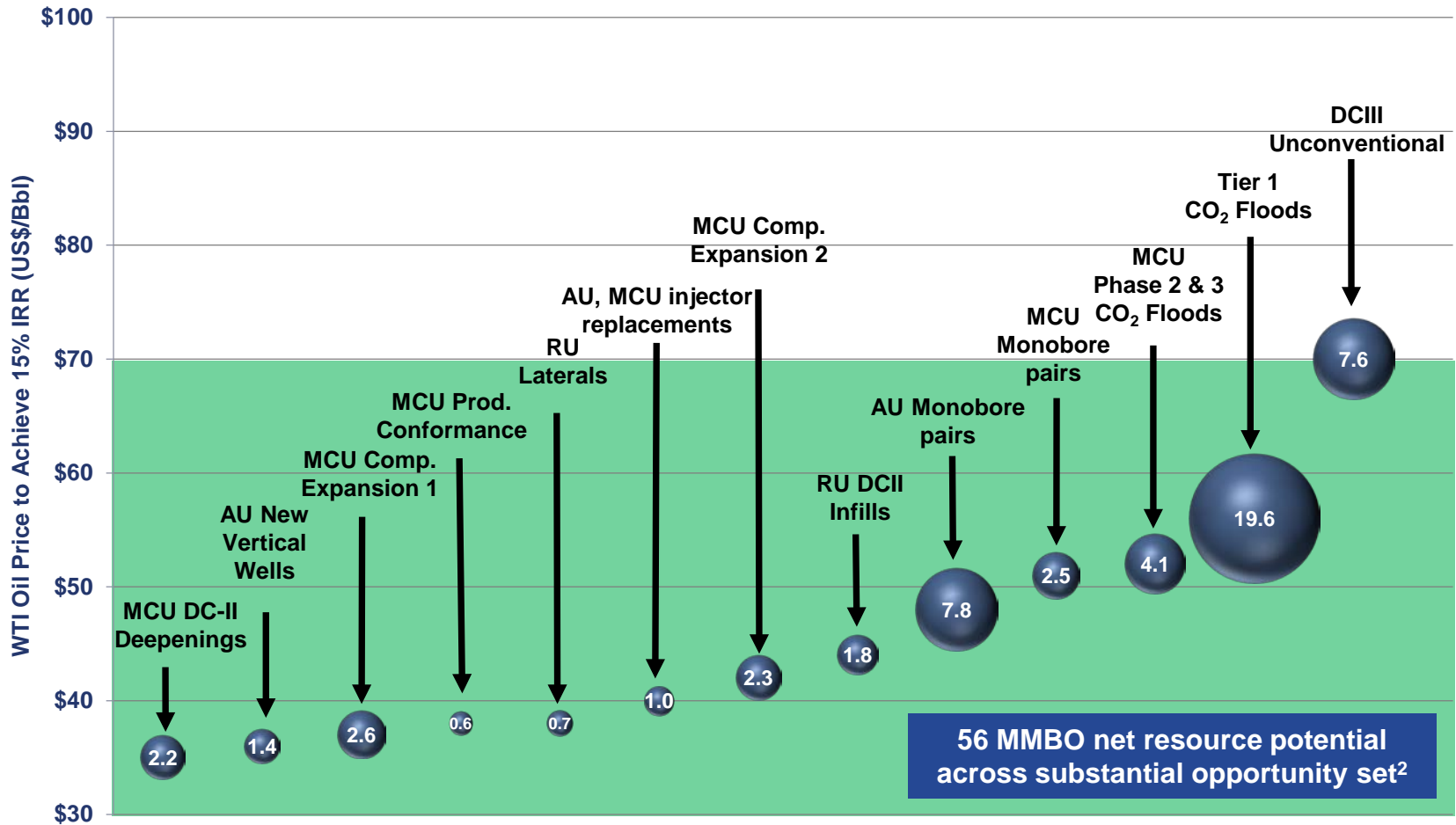
- **Controlled development** - As majority owner & operator Elk has full control over pace of development
- **More than doubling of reserves** - Increase current PDP reserves of 35 mmbbls to over 100 mmbbls
- **Near doubling of production** - Current production of 10,000 BOEPD can reach 18,000 BOEPD
- **Low cost development** - Projects have attractive development cost of US\$3-US\$10/bbl (US\$6/bbl project average)*
- **Attractive returns** - At US\$60/bbl, these projects deliver high returns from 20% to nearly 100%*
- **Quick paybacks** - Many projects also have quick paybacks of less than 180-days
- **Free cash flow growth** – Staged low cost, high margin development delivers consistent cash flow growth
- **Significant increase in NPV** – Development projects increase current PDP PV10 by additional US\$370m to over US\$675m*
- **Growth beyond 100 mmbbls** – Beyond the low risk PUD projects, Aneth contains another 50+ mmbbls low risk, engineered technical resources economic at higher oil prices

An ideal asset with proven reserves, material profitable production and significant development growth potential

*See Appendix slides 28-31 for detailed development project economics

Organic growth – Aneth Development Projects

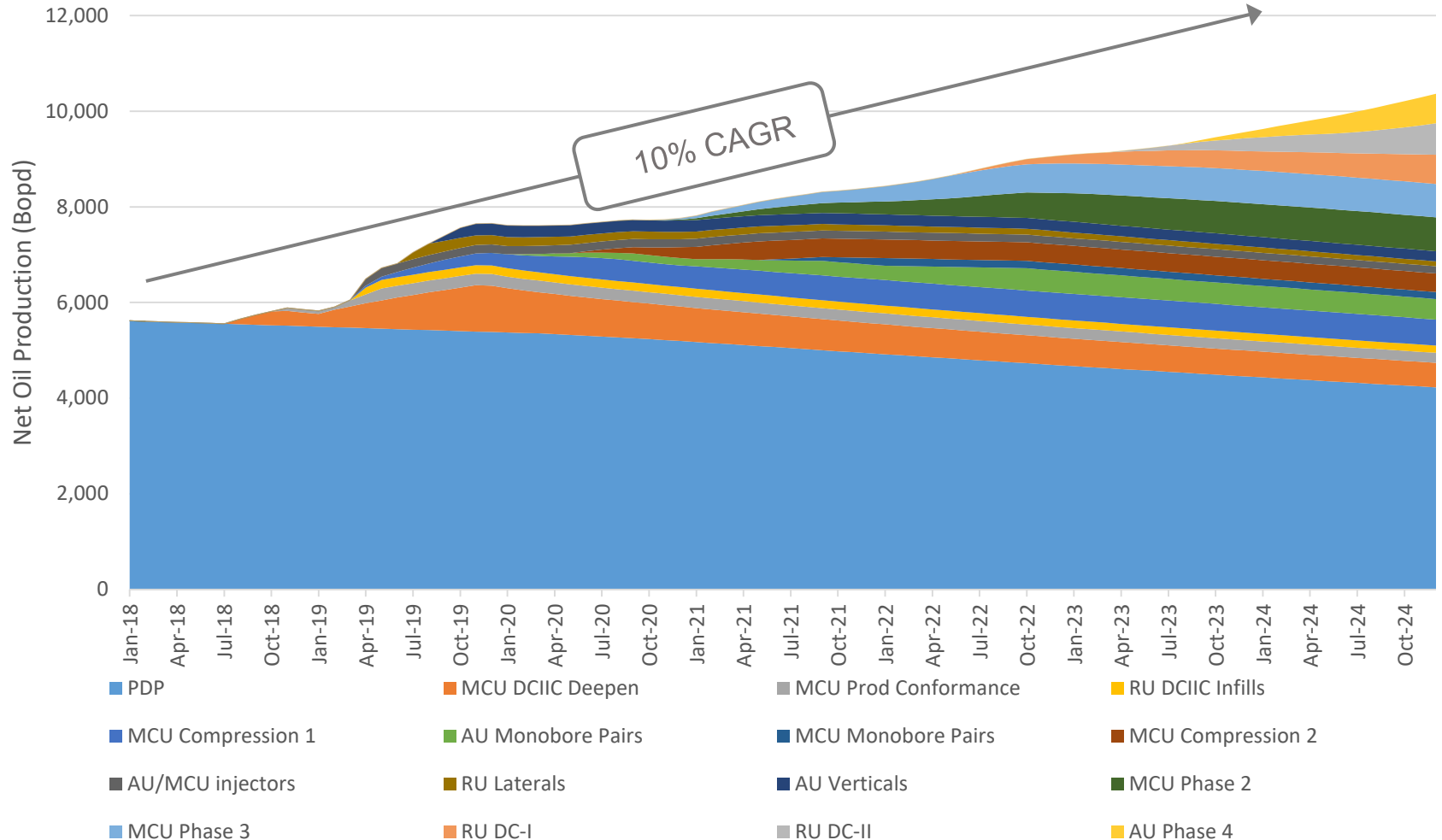
Aneth Infield Development Reserve Additions – By Project



1. Projects evaluated at time-zero for ranking purposes.
2. Reserves only and excludes any non-economic contingent resources.

*See Appendix slides 28-31 for detailed development project economics

Aneth Growth Projects Add Significant Production



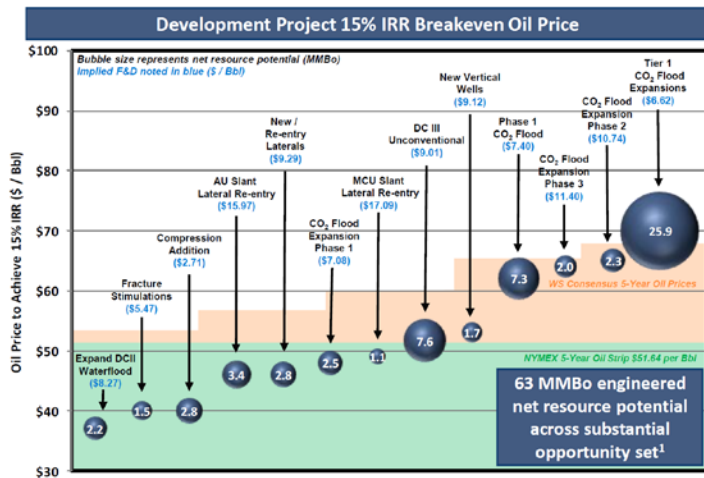
*One example development scenario and timing shown. Does not represent full project inventory.

*See Appendix slides 28-31 for detailed development project economics

New, Focused Operator Refreshes Growth Outlook

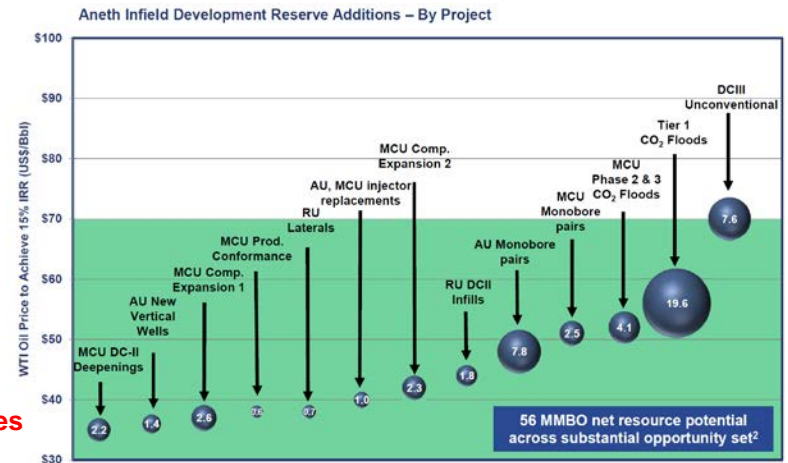
Elk as new majority owner & operator has brought a refreshed outlook and renewed focus on delivering recognized Aneth growth potential against backdrop of significant increase in oil prices

Resolute Aneth Growth Picture – 2016*



Elk's refreshed outlook drives 200% increase in Total Proven Reserves

Elk "refreshed" Aneth Operator Growth Picture



147 MMBo of Net Future Recoverable Resources

- 43,200 gross acres with 1.5 BBo of OOIP; 31% recovery to date
- 40 MMBo total net proved reserves
 - Booked proved reserves represent 5% incremental recovery (36% total recovery) from continued CO₂ flooding in Aneth and McElmo Creek Units
 - Analogous fields typically reach 50% or more when fully developed
- Resolute-engineered development and contingent resource projects represent 112 MMBo and take recovery factor to 49%
 - Includes drilling and compression projects
 - Accessing Desert Creek III zone
 - Full-field CO₂ flood
 - 60% of development projects vetted by independent engineering
- Identified projects beyond proved have 107 MMBo potentially recoverable resource
- Operational flexibility to react to oil price changes and to shape desired growth profile

Identified Net Resource	
Category	Res. (MMBo)
CO ₂ F	35
CO ₂ W	3
DCII	2
Engineered Unbooked	54
Contingent Resource	49
Total	147

Net Proved Reserves ¹	40 MMBo
% PDP	88%
Proved NPV10% (\$MM) ¹	\$288
2017E Net Cash Flow (\$MM) ¹	\$49
Net Recoverable Resource ²	~147 MMBo

¹ Based on year-end 2016 Resolute engineering and field audit. Source: internal report and NYMEX data ending as of December 31, 2016.

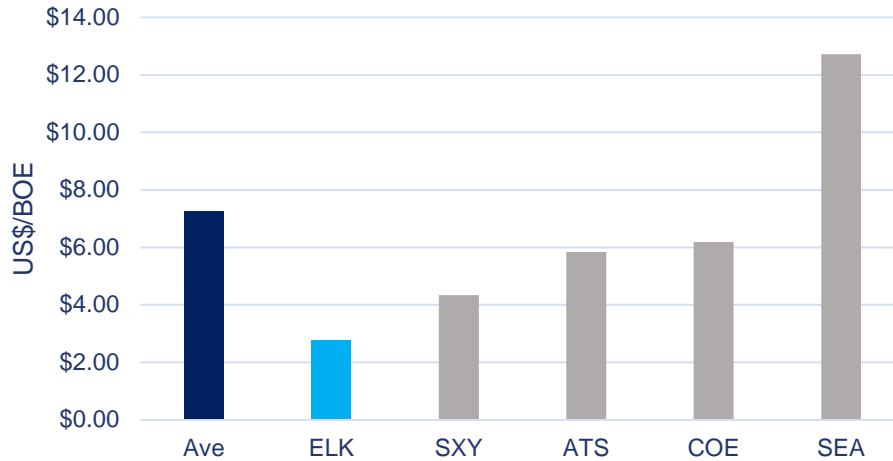
² Based on Resolute engineering and field audit. Source: internal report and NYMEX data ending as of December 31, 2016.

- Elk has been working with Aneth operating team since August 2016
- Aneth operating team had thoroughly engineered many growth projects awaiting capital commitment
- Smooth transition of majority ownership and operatorship to Elk has enabled combined Aneth team to refresh Aneth development programs
- "Fresh set of eyes", refreshed outlook and renewed corporate commitment have put growing Aneth reserves, production and profitability back on the agenda with increased oil prices

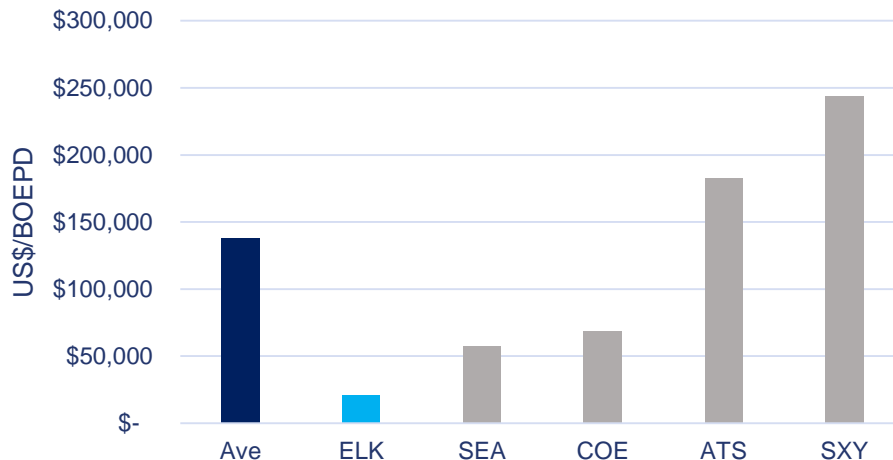
* Source Resolute Spring 2017 Aneth Field Opportunity Overview Presentation publicly released 17 April 2017

Elk Petroleum is Discounted to ASX Peers

EV to 2P Reserves



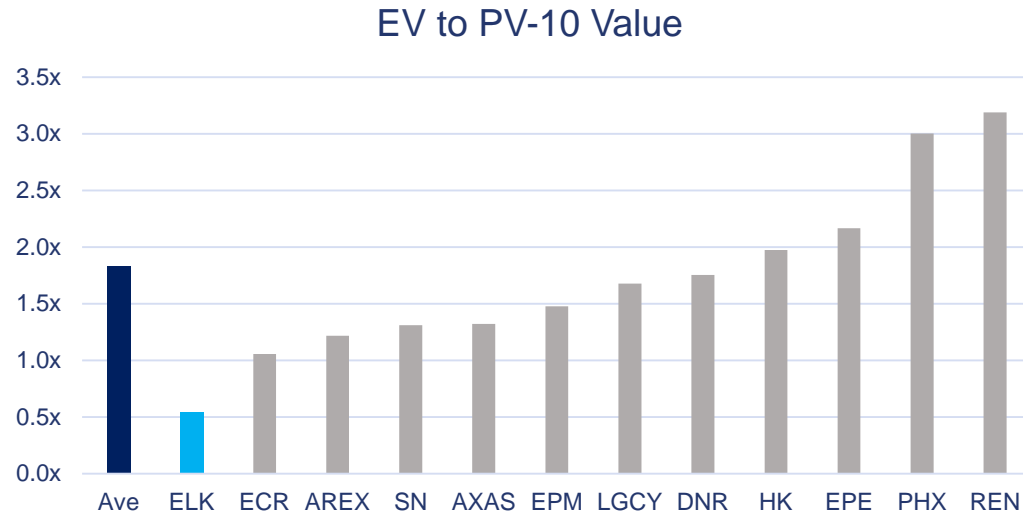
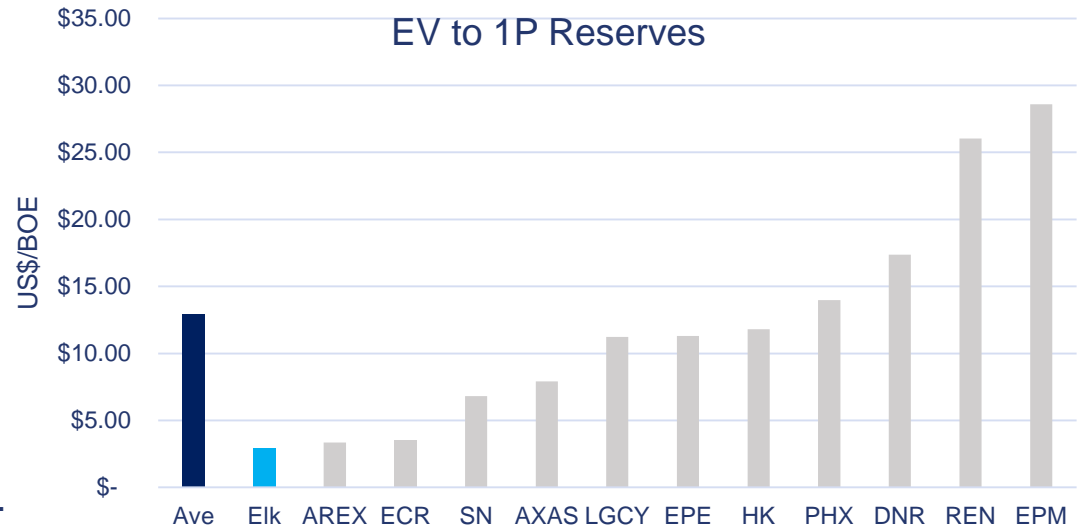
EV to Flowing Production



- Elk Petroleum trades at a discount to Australian peers on both a reserves and production basis.
- If ELK received the average valuation per MMBOE of reserves, the Company’s enterprise value would be US\$596 million.
- Despite having the most flowing production in the peer group, ELK receives the lowest valuation.
- If ELK received the average valuation per flowing barrel, the Company’s enterprise value would be approximately US\$1.5 billion.

The Value Disconnect Extends to the U.S.

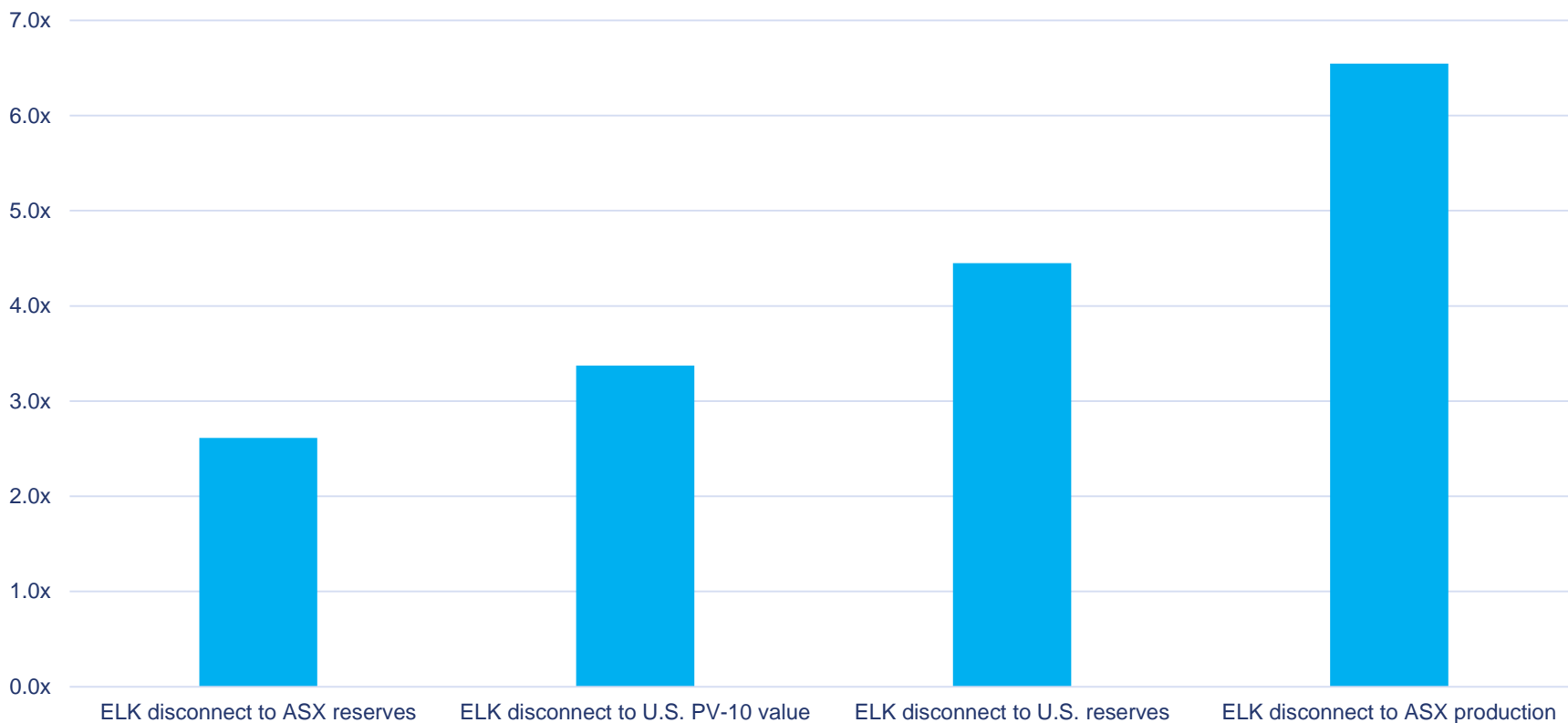
- Elk Petroleum is also undervalued compared to U.S. peers.
- If the Company received the average valuation for 1P reserves, ELK's enterprise value would be US\$1.0 billion.
- If the Company received the average valuation for the PV-10 value of its assets, the company would have an enterprise value of US\$769 million.



Pick Your Metric

Regardless of the peer group, ELK is trading as a clear discount to peers providing opportunity for investors

Disconnect to Average Valuation



2018 Priorities

Strengthen the balance sheet

- Enable realization of full value of underlying production assets and business
- Establish strong access to both Australian and North American capital markets
- Eliminate multiple layers of funding through a comprehensive refinancing
- Successful refinancing expected to significantly reduce cost of capital and free-up cash flows to support investment in continued growth in Aneth reserves, production and cash flows

Deliver Aneth low risk development projects

- With Elk's high performance operational team in place, the Company is strongly positioned to significantly increase Aneth proven developed producing reserves and production
- At current oil prices a significant portion of proposed development projects are highly economic and will deliver high margin returns in excess of 30-90%
- Focus on rolling out extensive suite of high return projects over next 3 years to access full upside potential

Deliver Equity Value

- Focussed implementation of priorities listed above will help Elk deliver full value to shareholders

Investment Proposition

Ability to deliver equity value with significant near-term upside



Steady cash flow from PDP reserves

- 48 mmboe 1P PDP reserves – 70%+ oil*



Long-life, low-decline rate asset base

- Approximately 26 years of production life**



Deep inventory of low risk development

- Over 45 mmbbls of PDNP+PUD development projects to increase total 1P to 94 mmboe*



Highly leveraged to oil price

- Projected profit margin of US\$25-US\$35/bbl on oil production @ US\$60/bbl WTI oil price**

Elk is one of the largest ASX E&P companies by Reserves and Production



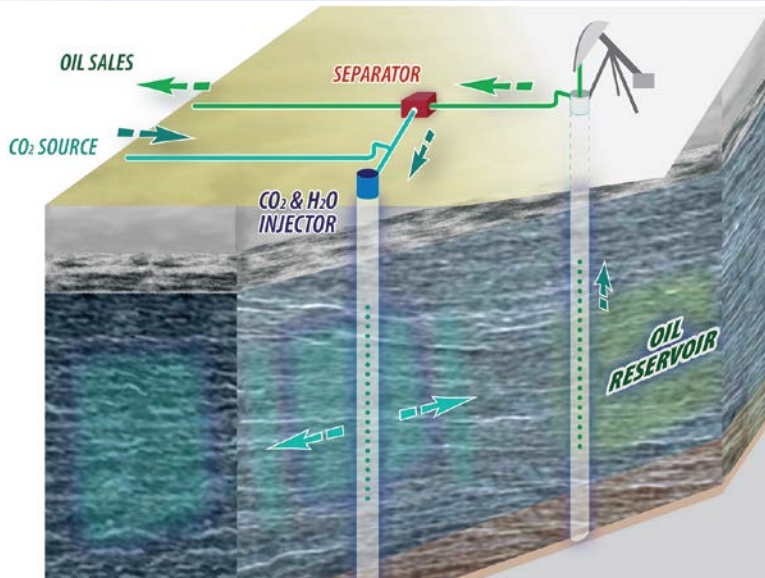
Appendices



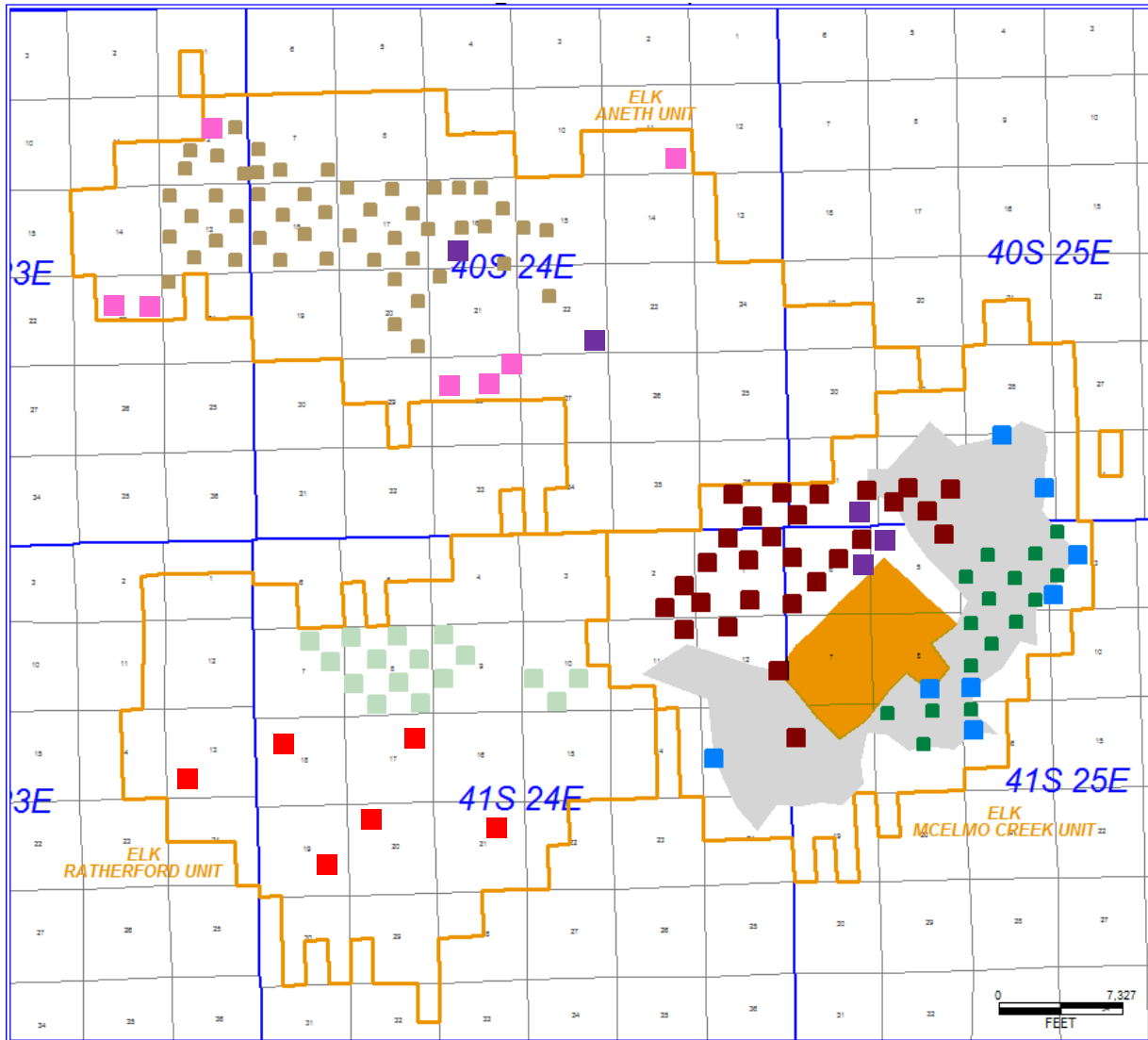
What is EOR



- EOR is a proven oil recovery method used to increase the amount of crude oil extracted
- Applied to historically producing conventional oil fields
- EOR has the potential to produce an additional 30-60% of a reservoir's original oil in place
- Gas injection is the most commonly used enhanced oil recovery method in the US
- Elk is focussed on CO₂ EOR which involves injecting CO₂ into the oil reservoir
- CO₂ expands in the reservoir pushing additional oil into a production wellbore
- Accounts for nearly 60% of EOR oil production
- EOR is a well established, low risk production approach
- 90% success rate



Aneth Development Project map



Legend

Stage 1 Development Projects

- MCU DC-IIC Well Deepening
- MCU Producer Conformance Well
- RU Banked & Infill Lateral Well
- MCU Compression Expansion 1
- AU Infill Monobore Producer/Injector Well Pair
- MCU Infill Monobore Producer/Injector Well Pair

Stage 2 Development Projects

- MCU Compression Expansion 2
- AU/MCU Injector Well replacement
- AU Vertical Producer Well
- RU DC-IIC Infill Well

Drilling Project Inventory Beyond PDP

Project	Reserve Category*	Net Resource Potential (MMBO)	Net CAPEX (non-CO2) (US\$MM)	F&D Cost* (US\$/Bbl)	Net Peak Production (BOPD)	IRR @ \$60/bbl (%)	PV10 @ \$60/bbl (US\$MM)	IRR @ \$70/bbl (%)	PV10 @ \$70/bbl (US\$MM)
Stage 1 Drilling Projects									
MCU DC-IIC Deepenings <small>(full inventory)</small>	PUD-A1	2.2	18.2	8.27	969	87	35.5	124	48.5
MCU Producer Conformance	PUD-A2	0.6	5.6	9.33	248	69	8.8	94	12.4
RU Infill laterals	PUD-A2	0.5	3	6.33	163	64	3.1	90	8.4
RU Banked laterals	PUD-A2	0.2	1.5	9.62	78	33	1.3	49	2
AU Monobore Pairs	PUD-A2	7.8	46.8	6	465	24	40.3	32	61.6
MCU Monobore Pairs	PUD-A2	2.5	16.2	6.48	160	22	11.5	29	18.7
Sub-total		13.8	91.3	7.67 avg			100.5		151.6
Stage 2 Drilling Projects									
AU Injector replacements	PUD-A3	0.4	1.1	2.73	70	79	3.3	113	4.7
MCU Injector replacements	PUD-A3	0.6	1.7	2.89	108	68	4.5	99	6.7
AU Vertical producers	PUD-A3	1.4	8.7	6.42	246	48	18.4	61	24.2
RU DC-IIC Infills	PUD-A3	1.8	18.8	10.44	591	32	8.6	44	25.4
Sub-total		4.2	30.3	4.01 avg			34.8		61
Total		18	121.6	6.76 avg			135.3		212.6

*F&D cost does not include CO₂ CAPEX, PUD-A1 Projects are included in 12/31/17 independently audited Reserve Report. PUD-A2 Projects are Company internal assessed PUD reserve addition projects that are proposed to be PUD in independently audited 6/30/2018 Reserve Report. PUD- A3 Projects are Company internal assessed PUD reserve additions to be proposed as PUD in future independently audited Reserve Reports.

CO₂ Project Inventory Beyond PDP

Project	Reserve Category*	Net Resource Potential (MMBO)	Net CAPEX (non-CO2) (US\$MM)	F&D Cost* (US\$/Bbl)	Net Peak Production (BOPD)	IRR @ \$60/bbl (%)	PV10 @ \$60/bbl (US\$MM)	IRR @ \$70/bbl (%)	PV10 @ \$70/bbl (US\$MM)
Stage 1 CO₂ Projects									
MCU Compression Expansion 1	PUD-A2	2.6	10.4	4	560	28	21.3	33	28.9
Sub-total		2.6	10.4	4.0 avg			21.3		28.9
Stage 2 CO₂ Projects									
MCU Compression Expansion 2	PDNP	2.3	10.9	4.74	388	27	17.9	33	25.5
MCU Phase 3	PUD-A2	1.9	15.7	8.48	700	20	11.3	25	18.6
MCU Phase 2	PUD-A2	2.2	17.7	8.19	710	19	12.1	23	20.2
RU DC-I (South)	PUD-A3	6.2	18.7	3.02	776	20	31.3	23	43.2
RU DC-II (North)	PUD-A3	5	37.7	7.48	1,141	15	15.7	19	30.1
AU Phases 4A-H	PUD-A3	8.4	48.4	5.73	1,372	15	24.7	17	43.1
Sub-total		26	149.1	6.27 avg			113		180.7
Total		28.6	159.5	5.58 avg			134.3		209.6

*F&D cost does not include CO₂ CAPEX, PUD-A1 Projects are included in 12/31/17 independently audited Reserve Report. PUD-A2 Projects are Company internal assessed PUD reserve addition projects that are proposed to be PUD in independently audited 6/30/2018 Reserve Report. PUD- A3 Projects are Company internal assessed PUD reserve additions to be proposed as PUD in future independently audited Reserve Reports.

Explanation of reserves classifications

Reserve Category Notes

- Initially oil reserves associated with tertiary CO₂ flood expansions are classified as Proven Undeveloped (PUD).
- Following installation of the necessary infrastructure, these CO₂-related reserves are reclassified as Proven Developed None Producing (PDNP).
- Once a response is seen at a producing well from CO₂ injection, the tertiary reserves associated with that well are then reclassified to Proven Developed Producing (PDP)

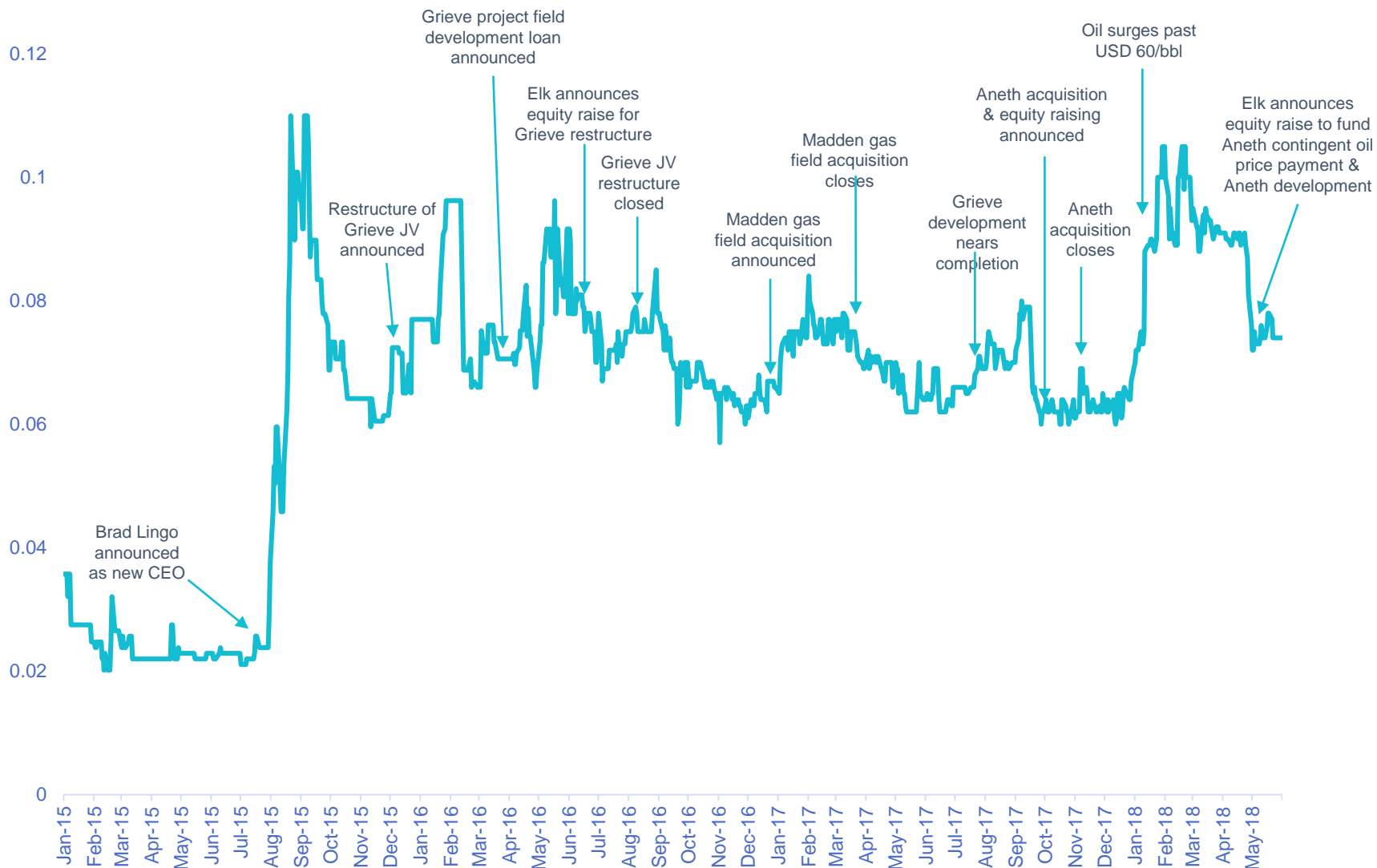
Drilling Projects Beyond PDP Discussion

- The McElmo Creek Deepening's were designated as PUD's when oil was sub US\$40/bbl. All of the other identified stage 1 and 2 drilling projects were PUD's when Crude was above \$80/bbl resulting in PV(10) values greater than zero.
- Infill development producer/injector pairs and producer conformance re-entries wells have been reengineered to utilize a mono-bore well design which includes using existing locations and the costs have been reduced by 60%. These stage 1 drilling projects that were not economical at sub US\$50/bbl are all now PV(10) positive and NSAI is reviewing for current PUD status.
- The Rutherford Unit Infill and Banked oil laterals have become PUD's with oil above \$50/BO. Additional cost reduction opportunities have not been assessed for these wells.
- All stage 2 drilling projects can be converted to PUD's using a mono-bore well design for cost reduction and will be reviewed by NSAI for determination when additional supporting data becomes available.

CO₂ Projects Beyond PDP Discussion

- McElmo Creek DC IIC stage 1 compression expansion 1 was internally designated as a PUD YE 2017 and is proposed to be included as PUD reserves in independently audited 6/30/2018 Reserve Report. MCU expansion 2 is a PDNP project in the current CO₂ flooded MCU area, that was replaced by the more prolific DC IIC previously deepened wells because it delivers better returns.
- All other stage 2 CO₂ projects that were previously PUD's in better pricing environments have returned to PUD status in the current oil market. However, these will require further review by independent auditors for verification.

Elk share price performance



Operator With a Highly Experienced Team

Name	Title	Experience	
Brad Lingo	Managing Director, CEO & Executive Chairman-USA	An experienced international resource & energy executive with a proven track record of successfully building Oil & Gas companies. Former Managing Director and CEO of Drill search Energy building that company into one of Australia's leading onshore oil and gas producers. Experienced in business development, new ventures, M&A and corporate finance	     
Jim Piccone	President & CEO-USA	39 years of experience in the USA oil and gas industry. Extensive experience with oil and gas financial transactions and financing, most recently as a director and co-founder of Resolute Energy and senior executive of HS Resources. As President & CEO-USA oversees Elk's Denver, Colorado-based US operations	 
Alex Hunter	CFO	Over twelve years' experience in resources sector M&A and capital raising, with ten years previous experience in construction and infrastructure project management. Former General Manager Business Development at Drillsearch Energy where he helped to grow the business leading various successful acquisitions, corporate takeovers and capital raisings	   
David Evans	COO-Australia	Geologist with 30 years upstream global oil & gas development, production and exploration experience, with significant exposure to Brownfield redevelopments and EOR projects. He joins Elk Petroleum from the former Drillsearch Energy where over a 6-year period he held the positions of Chief Technical Officer and Acting Chief Operating Officer	    
Brian Dolan	EVP & COO-USA	Over 27 years of diverse engineering management and operations experience in the oil and gas industry. Leadership positions for Shell, Amoco, and three independent E&P companies. Experience ranges from shallow CSG development plays to deep complex exploration environments. Before joining Elk in 2014, he spent the last seven years developing shale resources with horizontal drilling in four different plays.	    
Jeff Roedell	VP-Four Corners Business Unit Manager	Over 27 years experience in CO2 EOR operations in USA oil and gas. A wide range of background centering around engineering of CO2 EOR facilities, production and petroleum engineering, project management and managing mature fields in the Rocky Mountains. He worked 21 years, including 11 years in leadership positions, in the Rangely Field, a large CO2 flood in NW Colorado prior to joining Resolute in 2012 to manage the Four Corners Business Unit and Aneth field. He continues to manage the operations of the Aneth Field for Elk	 



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