

Further Success from Drilling Program

11 October 2017

- **Perth Basin – WA – Xanadu Oil Discovery post well analysis continues.**
- **Canadian Operations Update:**
 - 5-31 well recompletion placed on production on 3rd October;
 - 9-18 Sparky well drilled and will be stimulated this week, with production expected in early November;
 - Initial 1-32 Ostracod well drilled with strong shows: over 2000 gas units and visible oil staining, further activity to follow;
 - Twelve sections (7,680 acres) of petroleum and natural gas (P&NG) leases and licences recently acquired which will enable development of significant Mannville, Nordegg and Banff oil targets in 2018;
 - 18 additional drilling opportunities added to inventory as a result of current drilling programs and land acquisitions;
 - Thornbury development plan filed to unlock approximately 2mmcf/day of previously producing fields; and
 - Paddle River acquisition to be placed on production in the second half of October.

Producer and explorer Whitebark Energy Ltd (ASX: WBE) (“Whitebark” or “the Company”) has completed the drilling portion of its recent work program. This involved the drilling of three new wells, two workovers and strategic land acquisitions in Canada. Initial production from this activity has commenced and over the quarter, additional production will be added.

Xanadu Oil Discovery, WA (WBE 15% WI)

While the Joint Venture is carrying out evaluation of the Xanadu-1 discovery, planning work has commenced on various scenarios including the acquisition of seismic and the drilling of development/appraisal wells over the discovery. Once all the information is available, the Joint Venture will determine the optimum means to appraise the oil discovery.

Point Loma JV, Canada (WBE 20% WI)

5-31 Nordegg Recompletion – West Cove

The 5-31 Nordegg well was placed on production 3rd October 2017 and is currently producing between 100-200boe/day and expected to stabilise as the well cleans up. This production, from a short lateral intersecting the upper Nordegg, is an excellent test of concept for future longer horizontal wells intersecting the zone of interest. The well pad is configured for two additional wells, which would produce through the existing pipeline infrastructure enhancing the economics of future wells.



Figure 1- Canadian JV Land Position

The Joint Venture is currently evaluating the potential of using 3D seismic to further delineate the pool and assist in evaluating the Banff oil target underlying the Nordegg pool. Nine sections (5,760 acres) of P&NG leases and licences were recently acquired to secure the surrounding acreage on the Banff prospect.

9-18 Sparky Well - Thorsby

The 9-18 horizontal Sparky well was drilled and cased and a stimulation is planned for mid-October. Once completed it is anticipated that the Sparky well will be pipeline connected on the same surface lease as the previously drilled and tested Glauconite well. The two wells will flow to an area operator’s facility along a combined emulsion line. These wells are expected to provide a base for an additional four to six horizontal development drilling opportunities on existing P&NG leases. Production is anticipated to commence in early November 2017.

1-32 Ostracod Well - Paddle River

The 1-32 horizontal development well was drilled into the Ostracod A pool, which is currently producing. As expected, the well encountered oil shows over a horizontal section of approximately 1000 metres. During casing operations, the well encountered tight sections that ultimately required the lateral to be plugged back and cemented off up to 1300 metres depth. The JV is now planning to side track to re-drill the identified oil pay zone in November.

In addition, the previously announced, acquired horizontal oil well, will be transferred and placed on production in the second half of October. The well was drilled, completed and tied-in during 2014 but not placed on production due to area facility constraints. It is expected the well should perform at the upper range of the horizontal wells (200-400boe/d) drilled into the Ostracod A pool to date. In addition, the JV will explore re-activation or re-entry of the second well purchased in the transaction for further production additions. Two additional potential horizontal drilling opportunities are also supported on the acquired land.

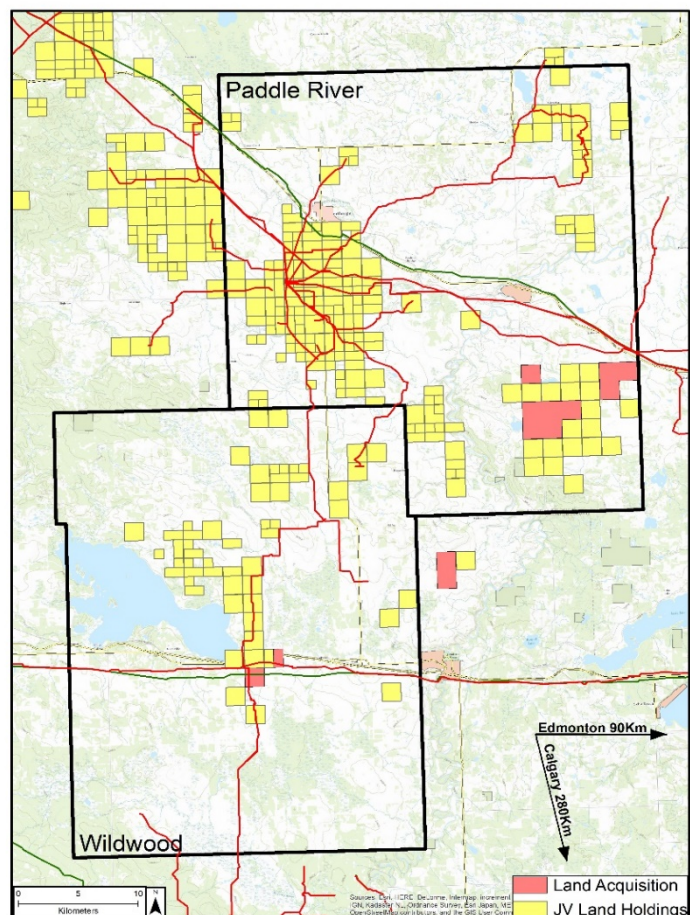


Figure 2 - Recent Acquisitions

Thornbury Development

A development plan has been filed to undertake construction of short connector pipelines to tie-in a number of stranded wells in the Thornbury area. Construction work is expected to occur during the first quarter of 2018. Capital investment of approximately CAD\$360,000 (gross) is required to reconnect approximately 2.0 mmcf/d of natural gas into JV operated facilities.

Whitebark's Managing Director, David Messina, said "Following an active work program over the last month we have confirmed an oil discovery at Xanadu and the combined results of our Canadian activities will result in an increase in production during the current quarter."

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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.

In Canada, the Company holds a 20% working interest in the producing Point Loma joint venture project in the province of Alberta, via an unincorporated joint venture with TSXV-listed Point Loma Resources Limited.

The Point Loma project is a well-established producer, with existing gas processing facilities and transport pipelines into markets. Whitebark's aim in the Point Loma project is for a significant increase in oil and gas production through the workover and tie-in of behind-pipe reserves and horizontal development drilling.



In Western Australia, the Company funded 20% of the Xanadu-1 exploration well in the Perth Basin to earn 15% in the well and permit TP/15. The Joint Venture, with partners Norwest Energy, Triangle Energy Group and 3C Group spud Xanadu-1 on 4 September 2017. 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\$10m
Issued Shares:	835m	Cash (as at 30 June 2017):	A\$5m