EnerCom Dallas 2018

Elk Petroleum - An emerging Rockies CO_2 EOR producer

Investor Presentation

22 February 2018

(ASX:ELK)

elk petroleum

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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 to be acquired from Freeport McMoRan Inc. is based on an independent review and audit conducted by Netherland, Sewell & Associates, Inc. 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., an independent petroleum advisory firm. 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 CO_2 EOR project, operated by Denbury Resources, is based on an independent review and audit conducted by VSO Petroleum Consultants, Inc. 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 Petroleum Consultants, Inc., an independent petroleum advisory firm. 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 the Grieve CO_2 EOR project and the Reserve and Contingent Resource estimates for the newly acquired Madden Deep Gas Field and the Madden Deep Unit Singleton CO_2 EOR project have been compiled and prepared by Mr. David Evans, COO and Mr. Brian Dolan, COO-USA and VP-Engineering 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 24 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.

Corporate Overview

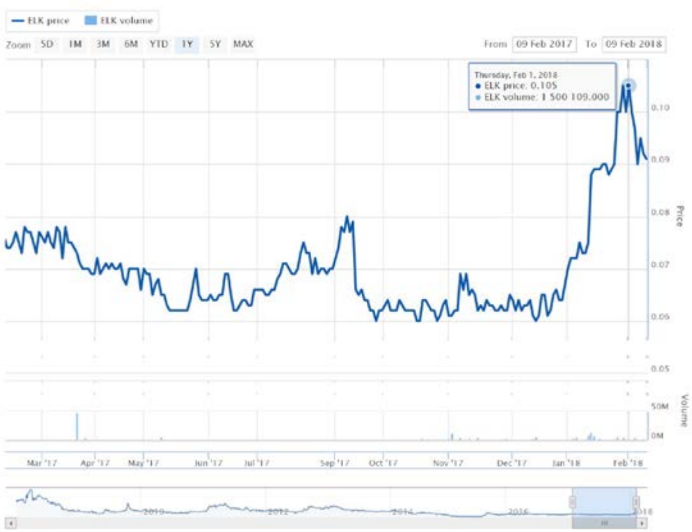
Conventional Oil	• Focused on redevelopment of conventional oil fields through enhanced oil recovery ("EOR") • Elk is the 2nd biggest ASX Mid-Tier Oil & Gas company by reserves & production
Proven Practices	• EOR is a well established, low risk production approach - ~90% success rate • Engineering not exploration and field/project selection is critical
Production Focused	• CO_2 EOR focus provides opportunity for low risk, long-term, low decline production growth • Abundance of large mature conventional oil fields suitable for CO_2 EOR redevelopment
Long term Profits	• EOR can deliver competitive, low cost, high margin production & annuity style cash flows • Main assets have forecast 40-50 year production lives & significant growth potential
Cash Flow Positive	• Forecast 2018 EBITDA of ~US$50 million+

Financial Snapshot

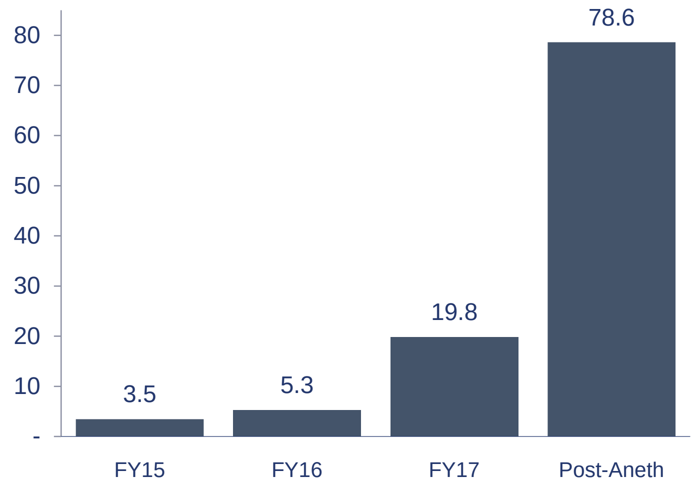
Financial Overview	Current
Market capitalization[1]	USD 165m
PV_{10}	USD 420m
Long term debt	USD 175m
Debt to EBITDA	3.0x
R/P ratio	21 yrs
Reserves (MMBOE)	
PDP	40.3
1P	43.7
2P	78.6
Production (BOE/day)	
Total	10,000

1. ASX common equity plus Nov 2017 Preferred Equity issuance

Elk 12-Month Share Price

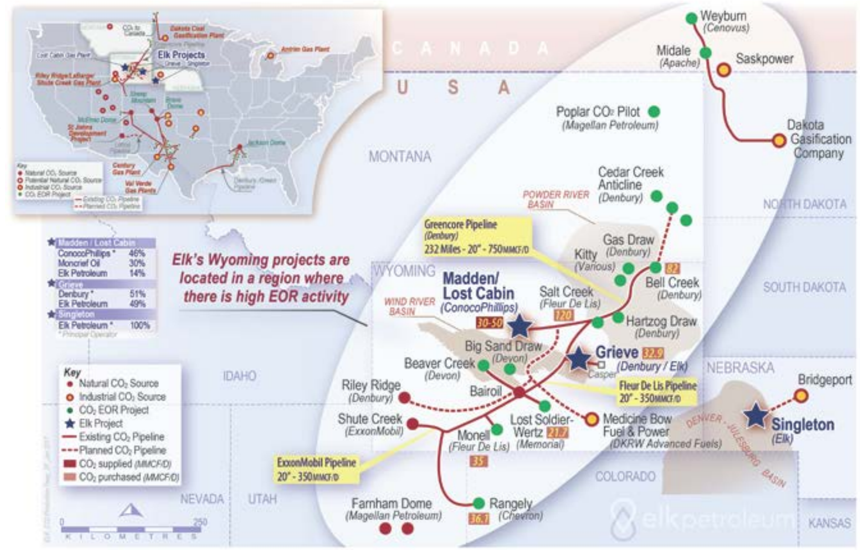


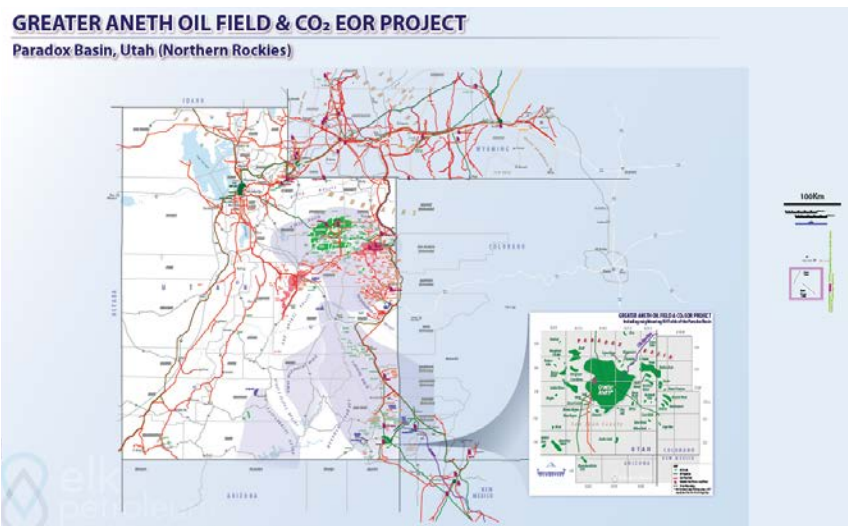
Elk 2P Reserves Growth (MMBOE)



Our core assets

Wyoming





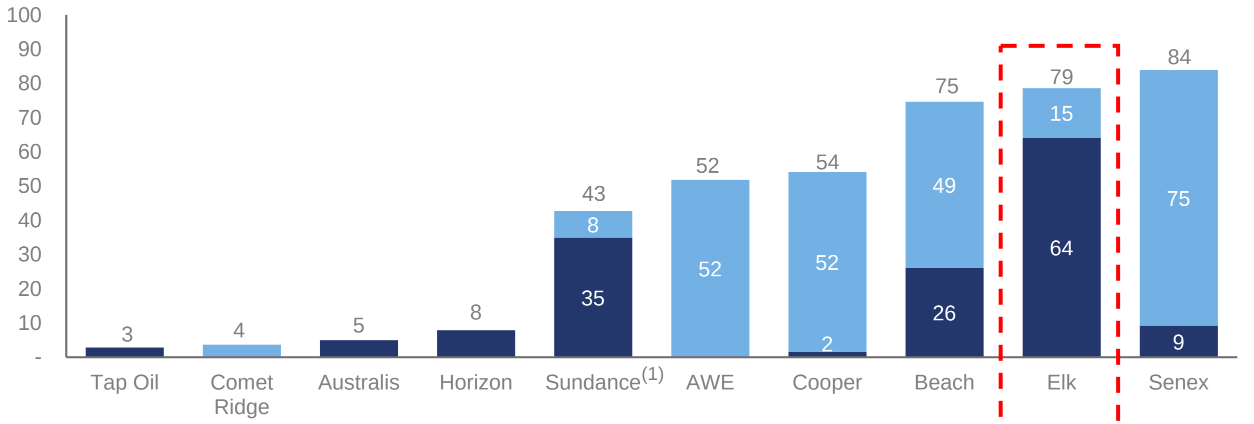
Our new asset – Utah

Vast CO_2 reserves, extensive CO_2 infrastructure, multiple CO_2 EOR operating projects and numerous new projects for development

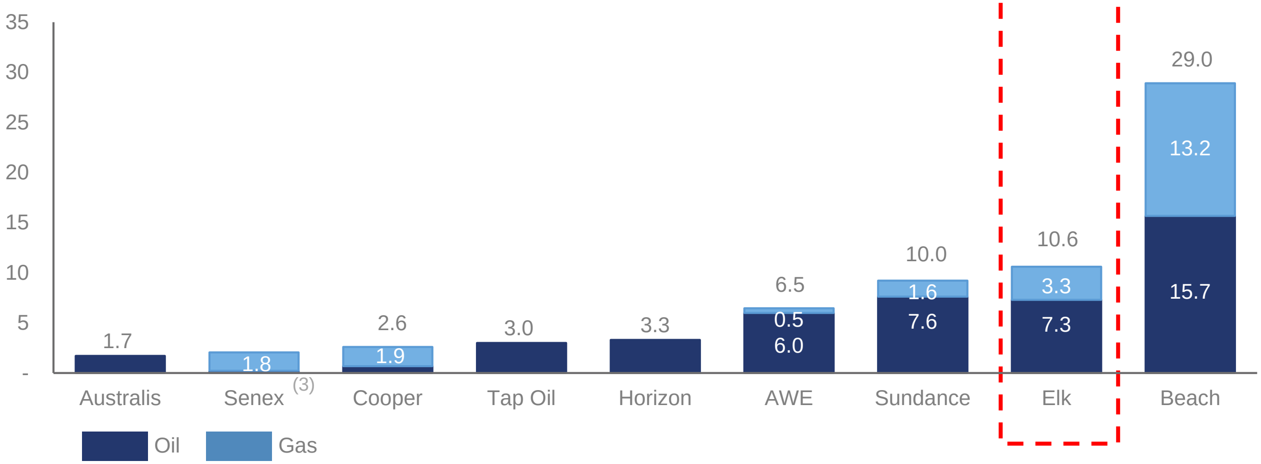
Elk is one of the largest ASX E&P Mid-Caps

Not all reserves are created equal!

2P Reserves (mmboe) [4]



2017 Production (mboe/d)[2,4]



- 100% of Elk's Reserves are conventional
- Elk's reserves are highly oil-weighted (82%)
- Over 50% of Elk's 2P Reserves are PDP
- Limited additional capital required to monetise and sustain production
- Elk's production weighted (69%) to long-term, low decline oil production

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(1) Proved reserves only, split of oil and gas based on latest production split
(2) Elk production based on 2018 forecast
(3) Senex production split assumed to reflect its 2P reserves split between oil and gas
(4) Source: Company announcements

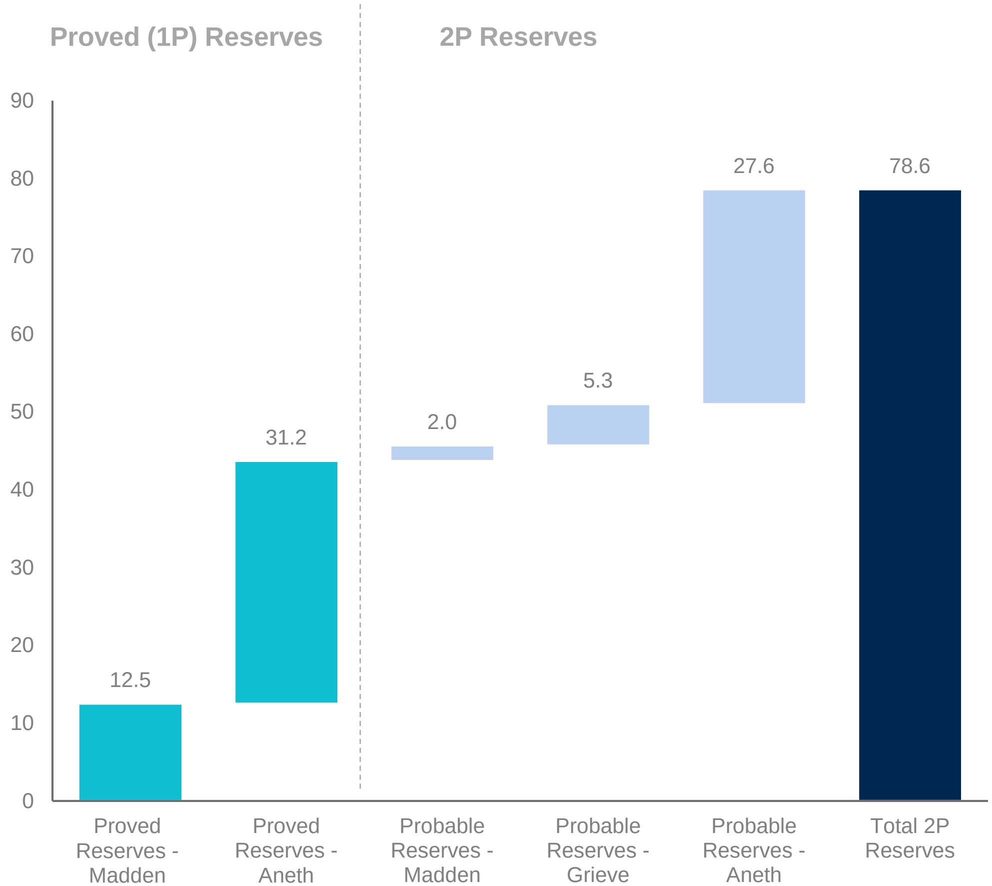
Operator with a highly experienced team

- Elk has taken on all of staff across all areas of Aneth field operation and head office management – approximately 120 Denver/Rockies based- employees
- Key Resolute senior management have joined Elk in senior executive & Board roles
- Aneth operating team has fully integrated with Elk's existing Denver corporate team
- Resulting team delivers a strong management & operating organisation
- Acquisition has delivered transformational change from non-operated junior oil company to operating mid tier company with a material position in CO_2 EOR and the US Rockies

Integration of Aneth operating and management personnel with Elk's experienced management team is transformational

Delivering significant Reserves growth

Pro-forma Reserves by Asset (mmboe)



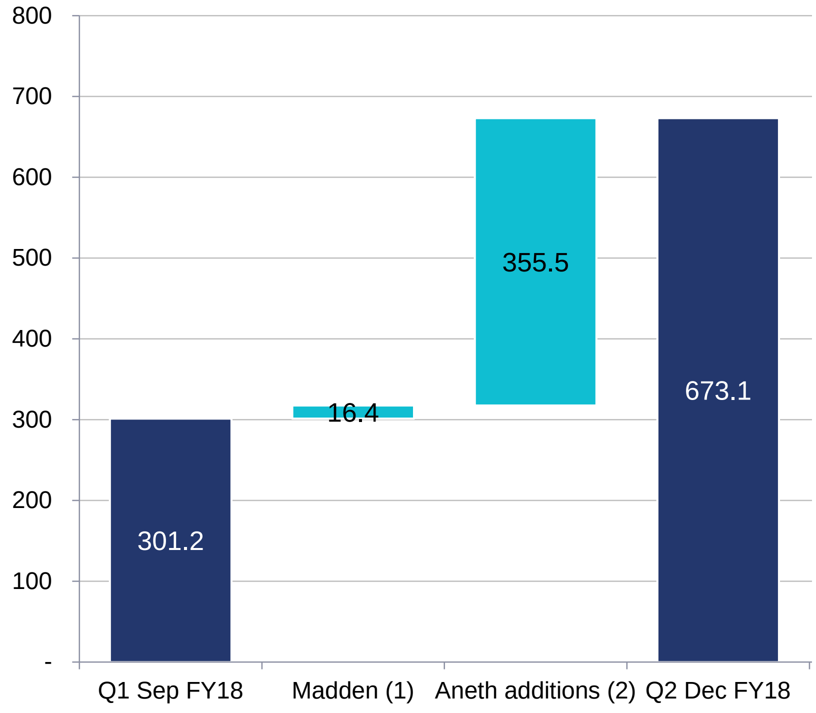
Reserve additions are:

- All high value liquids
- At low cost per bbl
- Largely 1P Proven Developed Producing – "PDP"
- 1P PDP are the lowest risk category of reserves - 90% confidence level
- 1P PDP reserves require no further capital to produce
- Additional low risk, low cost 1P Proven Developed Non-Producing (PDNP) reserves
- Significant 2P reserve growth

Delivering significant production growth

Substantial increase in Quarter-on-Quarter production – more than doubled

Previous financial quarter (Q1 2018 to Q2 2018)

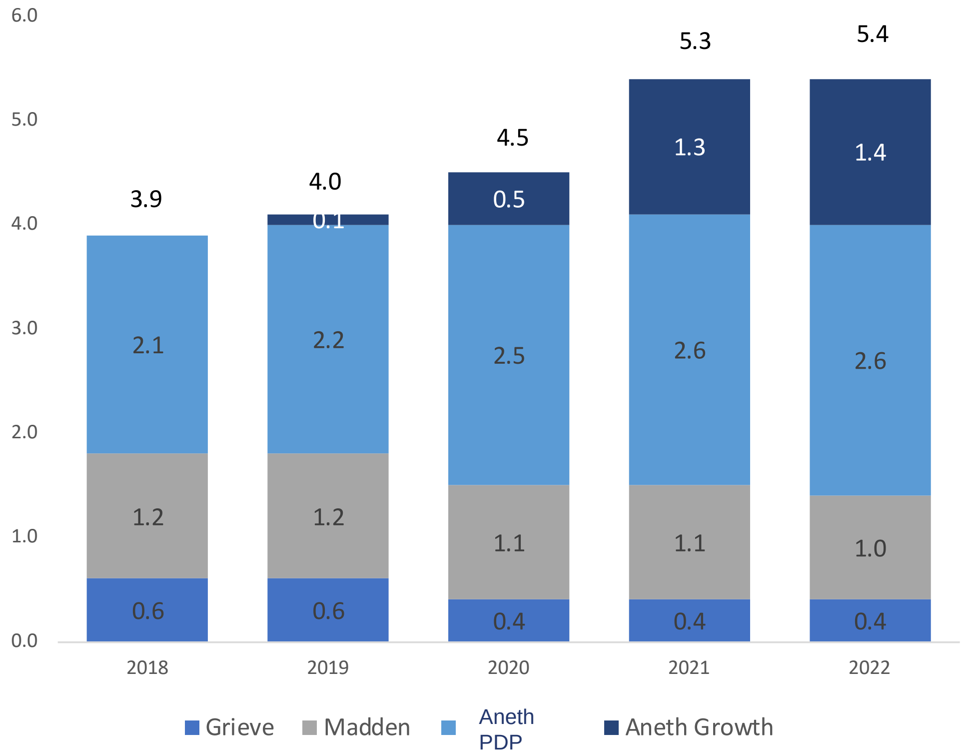


- Company sets new quarterly production record of ~673,100 BOE.
- Quarter-on-Quarter increase in production largely driven by completion of Aneth Oil Field acquisition.
- FY 2017 production growth driven by Aneth Oil and Madden Gas acquisitions.
- Quarterly production only reflects 2 full months of Aneth production from purchase effective date.
- Oil now makes up over 50% of Company's total production (53%) – expected to grow to ~69%

1. *Excludes sulphur*
2. *Production from 1 November 2017 onwards*

Significant opportunity for further growth

Pro-forma Production by Asset (mmboe)



- Production supported by high quality, low decline assets
- Strong base line production established of ~10,000 BOEPD in 2017
- Organic growth can be delivered through expanded Aneth development
- Potential to increase production by 40% to over 14,000 BOEPD by 2022
- Incremental production growth is entirely made up of high value liquids

Foundations For Further Growth

CO_2 Sources

- Direct investment in CO_2 supplies
- Control of CO_2 essential
- Competitive advantage
- Profitable 3rd party CO_2 supplier
- Core focus moving forward

EOR Project Fields

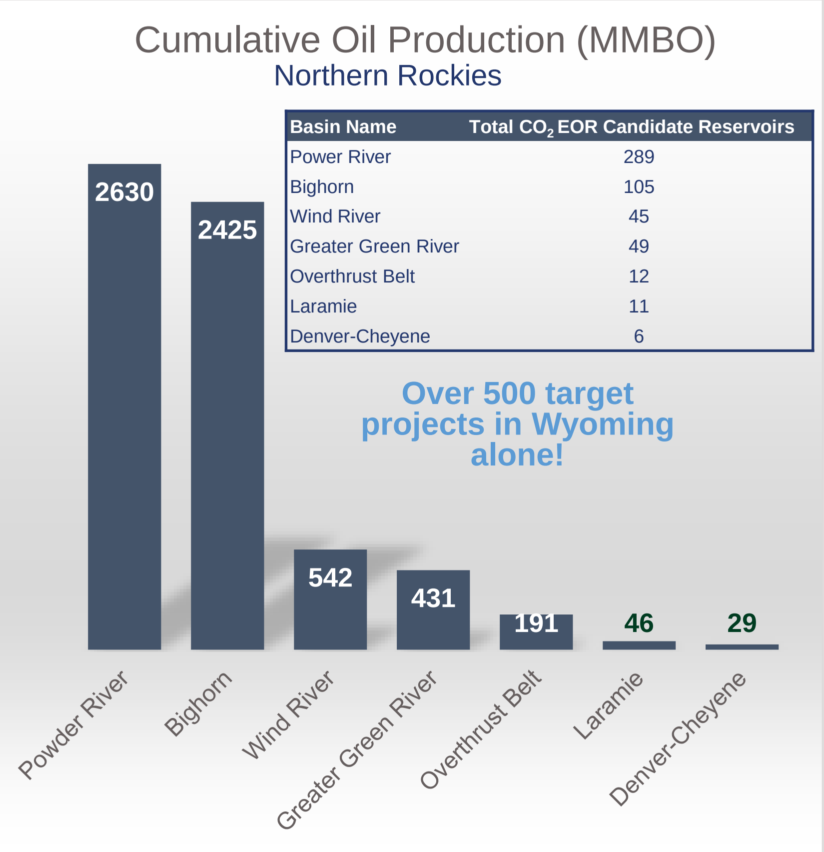
- Ownership & development of CO_2 EOR Projects
- Main financial engine room
- Small club of competitors
- Already a recognized player
- Long-term, low risk cash flows

CO_2 & Production Infrastructure

- Oil & CO_2 pipelines, gas processing
- Grieve Oil Pipeline shows value of 3rd party revenues
- Potential additional value in CCS

CO_2 EOR – A material business in the Rockies

- Elk well established in the Northern Rockies CO_2 EOR Production Fairway with Grieve and Madden
- Solid platform for organic and acquisition growth
- Wyoming is the 4th largest gas producing state and the 10th largest oil producing state in the USA
- Wyoming contains one of largest proven developed CO_2 reserves - 10 TCF - in US with resource potential of 100 TCF
- Favourable regulatory environment
- Many significant CO_2 EOR production project acquisition opportunities are available
- Over 500 target CO_2 EOR projects have been identified in Wyoming alone



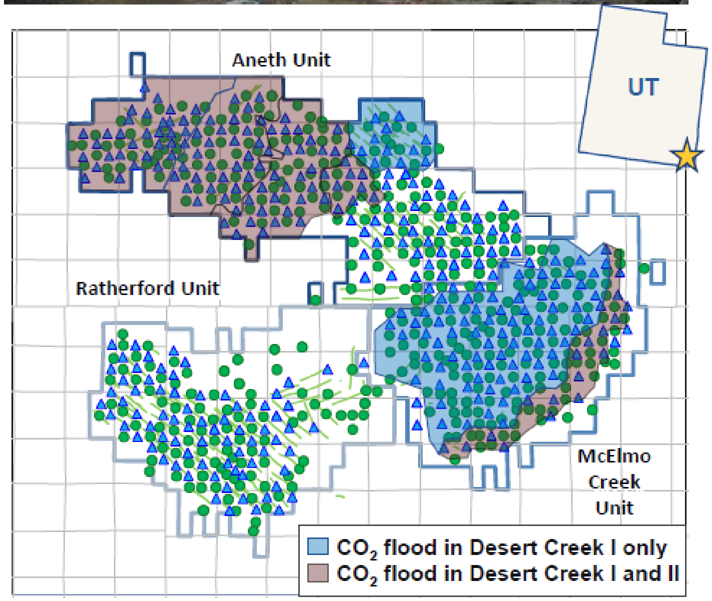
Basin Name	Total CO_2 EOR Candidate Reservoirs
Power River	289
Bighorn	105
Wind River	45
Greater Green River	49
Overthrust Belt	12
Laramie	11
Denver-Cheyene	6

Source: SPE-122921-MS-Estimates of Potential CO_2 Demand for CO_2 EOR in Wyoming Basins

Significant growth potential with deep pipeline of attractive projects

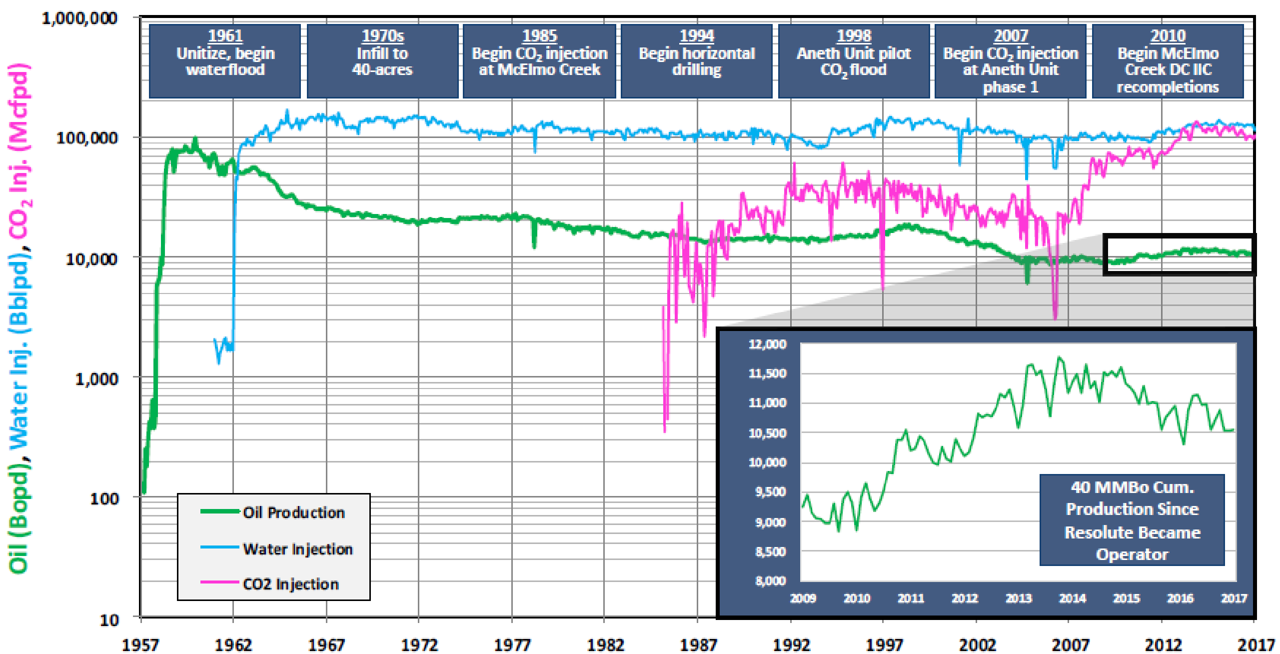
Greater Aneth Oil Field Overview

- World class giant oil field ranked by EIA as the 86th biggest oil field in US
- One of 3 biggest CO_2 EOR projects in Rocky Mountains
- Acquired 63% WI and operatorship from Resolute Energy for upfront consideration of USD 160 million
- Transforms Elk into one of the leading CO_2 EOR operators with a focus on the US Rocky Mountains
- Productive partnership with Navajo Nation Oil & Gas Corporation (~37%) JV interest partner
- Long-term CO_2 supply from McElmo Dome CO_2 Field - one of world's largest CO_2 sources
- Potential for new CO_2 supply to be sourced from reservoir discovered deeper within Greater Aneth Field



History of Aneth field

- Long history of continuous oil production since late 1950's
- Historical operators include Texaco, Mobil and Exxon
- Mobil and Texaco successfully initiated CO_2 EOR floods
- 1.5 billion bbls OOIP of light, sweet crude
- 448 mmbbls cumulative production to date – 31% recovery
- 300 mmbbls remaining recoverable oil @ 50% recovery factor



History of Aneth Field

- Discovered 1956
- Oil production peaked at 100,000 BOPD in 1960
- Waterflooding commenced 1961
- **Mobil** successfully initiated CO_2 flood in 1984 within McElmo Creek Unit
- **Texaco** successful CO_2 EOR pilot in Aneth Unit in 1998
- **Exxon** drilling program in preparation for Ratherford Unit CO_2 flood between 1995-1998
- **Resolute** acquired Texaco interest from Chevron in 2004
- **Resolute** commences expansion of Aneth Unit CO_2 flood in 2007
- **Resolute** consolidates ownership/ operatorship of entire Greater Aneth Field – 2004-2009
- **Resolute** operator for past 12 years
- **Resolute** & NNOG have invested ~USD 1.1 Billion gross capital 2004-2015
- **Elk** acquires 63% operating working interest from Resolute in Nov 2017 for USD 160 million

Organic Growth Opportunities at Aneth

Significant growth projects funded from operating cash flow that can add a further ~6,000bopd

#	Project	Elk Net Production	Details
1	Additional Compression	~500 bopd	• Increase CO_2 recycle capacity allowing additional CO_2 injection • Delivers faster processing rate and incremental oil production • Increases number of wells producing on free flow • Eliminates well workover cost and lowers LOE
2	Increased CO_2 injection	~1,500 bopd	• Opportunity to increase CO_2 injection across current flood areas capturing additional untapped reserves and increasing production
3	Waterflood Expansion	~600 bopd	• Deepening existing wells into deeper oil reservoir only partially under waterflood • Each new producer expected to deliver 190,000 bbls • 19 production well deepenings ready for execution
4	Bypassed Pay	~2,300 bopd	• Recompletion or enhanced completion opportunities in areas of bypassed pay in Aneth, Ratherford and McElmo Creek areas
5	CO_2 Flood Expansion	~1,700 bopd	• Reduce well spacing from 80 acres to 40 acres • Increase waterflood injection rate in northern Ratherford portion of Greater Aneth • Build CO_2 facilities (compression and recycling) and initiate CO_2 flood

Madden/Lost Cabin - Overview

Asset overview and ownership

- Conventional natural gas production asset with profitable CO_2 and sulphur by-products
- Located in Wind River Basin, Northern Rockies, Wyoming (90 miles west of Casper & 60 miles from the Grieve Project)
- Elk ~14% working interest (effective 1 January 2017)
- 46% owned and operated by Conoco Philips

A long-life, profitable production operation

- Elk's current production (30 June) ~25.4 MMSCF/day (4,240 BOE/day).
- YTD 30 Jun 17 production 22.9 MCF/d (3,800 boe/d).
- Reserves independently certified by Netherland Sewell & Associates
- Favourable operating costs of $10.8/boe ($1.8/mcf) and capital costs of $1.0/boe ($0.17/mcf)
- Moderate production maintenance capex through 2021 covered by operating cash flows

Madden/Lost Cabin Project Economics (US$)		
Project life (PDP Reserves)	16 years	
Capex (next 5 years, real)	$1.0/boe	$0.17/mcf
Operating cost (next 5 years, including all royalties and production taxes, real) [2]	$11.2/boe	$1.9/mcf
Profit margin (next 5 years, real) [1,2]	$3.0-4.4/boe	$0.5-0.75/mcf
Avg realised gas price (next 5 years, real)[1]	$15.2-18/boe	$2.6-2.9/mcf
Total projected revenue (Project life, post royalties and production taxes) [1]	$165-195m	
First 5 years annual project free cash flow[1,2]	$3.6-5.5m p.a.	

Madden/Lost Cabin Project Reserves & Resources (Net to Elk)

	BCF	MMBOE
PDP (Proved Developed Producing)	71.3	11.9
1P (Proved Reserves)	79.5	13.3
2P (Proved + Probable Reserves)	91.3	15.2
3P (Proved + Probable + Possible)	103.1	17.2

(1) Range: Futures (13 September 2017) and Bloomberg Consensus Pricing (23 August 2017) for PDP production profile
(2) Includes bi-product economics and royalty credits

Madden/Lost Cabin - Overview (continued)

Madden Gas Field:

- Madden anticline discovered in 1959, first gas train constructed in late 1990's and third gas train constructed in late 2000's.
- 33rd largest gas field in US by Proven Reserves
- Operator estimated 50 year project life and ~1.9 TCF remaining recoverable gas
- Highly attractive ownership structure – entire field within a single JV unit with common operatorship
- Substantial upside from shallow behind pipe resources
- Natural CO_2 source

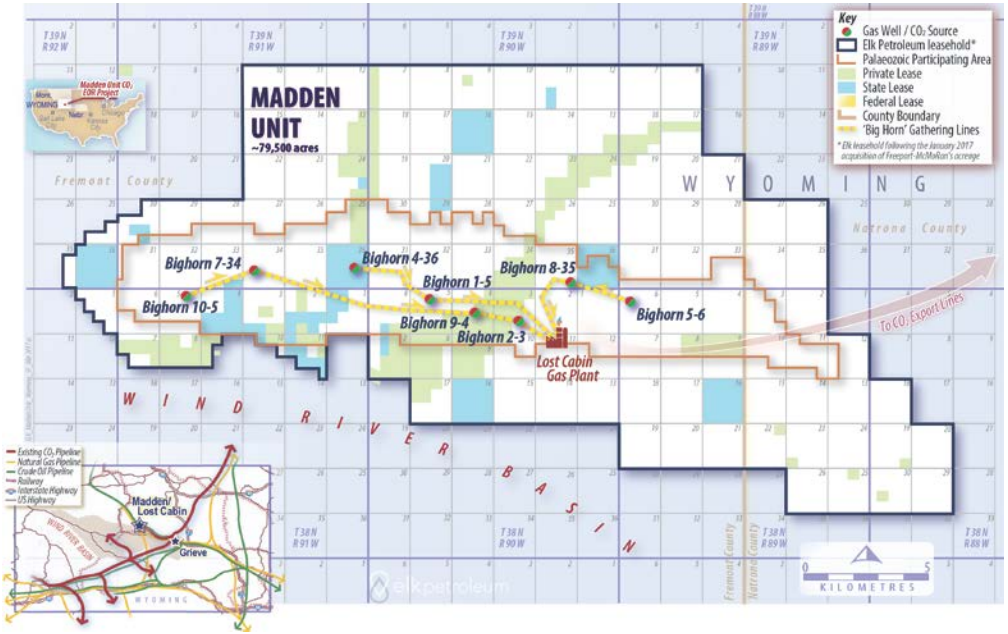
Madden/Lost Cabin Working Interests	
Conoco Phillips (Operator)	46%
Moncrief Oil	30%
Elk Petroleum	14%
Various minority interests	10%

Lost Cabin Gas Plant:

- Began operation in 1995
- 2 gas trains with 240 MMcf/day capacity
- Exclusively processes gas from Madden Field
- 2nd biggest CO_2 supplier for EOR in Northern Rockies

Greencore CO_2 plant and pipeline

- Starting point for Denbury's Greencore CO_2 Receiving Facility and Pipeline
- Supplying CO_2 to Denbury's Wyoming and Montana CO_2 EOR projects since 2013



Grieve Project - Overview

Asset overview and ownership

- Carbon Dioxide Enhanced Oil Recovery (CO_2 EOR) project- redevelopment of producing conventional oil field
- Located in Wind River Basin, Northern Rockies, Wyoming
- Elk 49% working interest and ~60% economic interest[1]
- 51% owned and operated by Denbury Resources, North America's leading CO_2 EOR oil development & production company

Project construction nearing completion

- Fixed time and cost construction contract with Denbury
- ELK is funding US$55m remaining construction works, fully funded with senior debt and equity financing in place
- Project construction nearly complete, production expected late Q1 CY2018

Favourable economics

- Elk to receive 75% of the operating profit from 1st million barrels and 65% from 2nd million barrels
- Enhanced revenue stream from 100% Grieve Oil Pipeline
- Forecast annual project free cash flow for first 5-years averages US$17-19 million pa[1,2,3,4]

Grieve Project Economics (US$)	
Project life	20 years
Capex invested to date	$168.5m
Remaining capex spend	$5.5m
Development cost	$7-10/bbl
Operating cost (First 5 years, including all royalties and production taxes, real)	$19-21/bbl
Profit margin (First 5 years, real)[2,3,4]	$40-45/bbl
Total projected revenue (Project life, post royalties and production taxes)[2,3,4]	$300-340m
First 5 years annual project free cash flow[2,3,4]	$17-19m p.a.

Grieve CO_2 EOR Project Reserves & Resources

Scenario	(MMbbl)	
	Gross	**Net**
2P (Proved + Probable Reserves)	12.3	5.3
3P (Proved + Probable + Possible)	16.4	7.0
3C (Contingent Resources)	16.3	7.0

(1) Refer Elk ASX announcement 05 August 2016 Detailing revised joint venture structure
(2) Range: Futures (31 January 2018)
(3) Inclusive of Grieve Oil pipeline revenue, royalties and productions taxes
(4) Net to Elk

Key Takeaways– Investing in Elk

- Only ASX-listed oil company focussed on enhanced oil recovery
- Core projects located in the prolific Rocky Mountain CO_2 EOR Fairway
- Aneth acquisition transforms Elk into one of the leading CO_2 EOR production operators in the Rockies
- Aneth Oil Field and CO_2 EOR operation is highly accretive
- Aneth delivers significant growth in reserves, long-life production & cash flow
- Madden/Lost Cabin delivers free cash flow & significant long-life, low risk, high quality reserves & production
- Elk is now a CO_2 supplier in its own right from Madden/Lost Cabin ownership interest
- Company's flagship Grieve CO_2 EOR Project is nearly complete and commissioning & start-up imminent
- Start-up of Grieve Project will deliver material production and PDP Reserve growth in CY 2018

Elk Key Metrics	
PDP Reserves	40.3 mmboe
2P Reserves	78.6 mmboe
Reserve/Production Life ratio (1)	~21 years
Operating cost (First 5 years, including all royalties and production taxes, real) (2,3)	US$22 –24/boe
Profit margin (First 5 years, real)(2,3,4)	US$14.5-18.5/boe
Total projected revenues (Project life, post royalties and production taxes)(2,4)	US$2,800-3,450m
First 5 years annual project free cash flow (Net to Elk)(2,3,4)	US$80-101m p.a

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(1) Total reserves / average 2018 forecast production (boe)
(2) Range: Futures to Bloomberg Consensus (23 August 2017). Grieve 2P production profile; Madden PDP production profile; Aneth Management Case including development projects (excluding Aneth development capex)
(3) Includes bi-product economics and royalty credits
(4) Inclusive of Grieve Oil pipeline revenue

Appendices

Reserves Tables

Madden/Lost Cabin Project Reserves & Resources (Elk Net) 30th June 2017		
	BCF	MMBOE
PDP (Proved Developed Producing)	67.2	11.2
1P (Proved Reserves)	75.3	12.5
2P (Proved + Probable Reserves)	87.1	14.5
3P (Proved + Probable + Possible)	99.0	16.5

Aneth Reserves & Resources 30th June 2017		
	(MMbbl)	
	Gross	Net
PDP (Proved Developed Producing)	53.5	29.1
1P (Proved Reserves)	57.4	31.2
2P (Proved + Probable Reserves)	93.4	58.8
3P (Proved + Probable + Possible)	135.8	85.5

Grieve CO_2 EOR Project Reserves & Resources 30th June 2017		
	(MMbbl)	
	Gross	Net
2P (Proved + Probable Reserves)	12.3	5.3
3P (Proved + Probable + Possible)	16.4	7.0
3C (Contingent Resources)	16.3	7.0

Total (Arithmetic summation) 30th June 2017		
	BCF Gas Only	MMBOE Oil + Gas
PDP (Proved Developed Producing)	53.5	40.3
1P (Proved Reserves)	57.4	43.7
2P (Proved + Probable Reserves)	61.9	78.6
3P (Proved + Probable + Possible)	99.0	109.0

Hedge protection

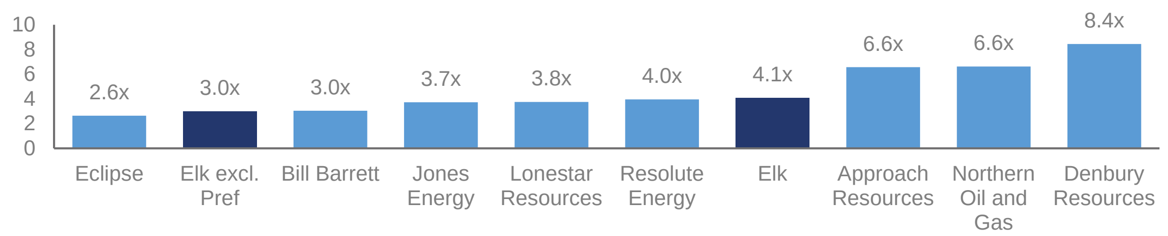
	Details as of 30 Sept 2017		4Q17	2018	2019	2020
Swaps	WTI NYMEX Fixed-Price Swaps	Volumes Hedged (Bbls/d)	-	4,200	4,000	3,800
		Swap Price ($/Bbl)	-	47.7	50.2	50.2
	Henry Hub NYMEX Fixed-Price Swaps	Volumes Hedged (MMbtu/d)	16,546 [1]	11,375	4,192	-
		Swap Price ($/MMbtu)	2.93	2.90	2.80	-
Puts	WTI NYMEX Fully-Paid Put Options	Volumes Hedged (Bbls/d)	-	1,340	1,074	-
		Put Price ($/Bbl)	-	45.0	45.0	-
	Total Volumes Hedged (MMBOE/day)		**2,853**	**7,502**	**5,797**	**3,800**

1) 1,530.2 Bbtu over January to July 2017. Divided by full calendar year days

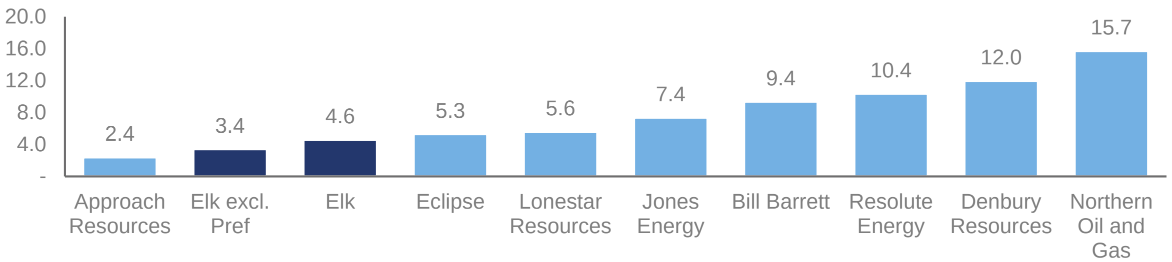
Sustainable capital structure

- Highly predictable, long life production and cash flow allow Elk to use less dilutive debt to fund the acquisition
- Debt provided by market leading lenders who have a long history financing Resolute & the Aneth Field
- Significant hedging in place to protect downside
- Results in robust coverage metrics and strong cash flows to equity
- Ample liquidity provided through undrawn working capital facility
- Further potential upside from corporate refinancing following completion of Grieve

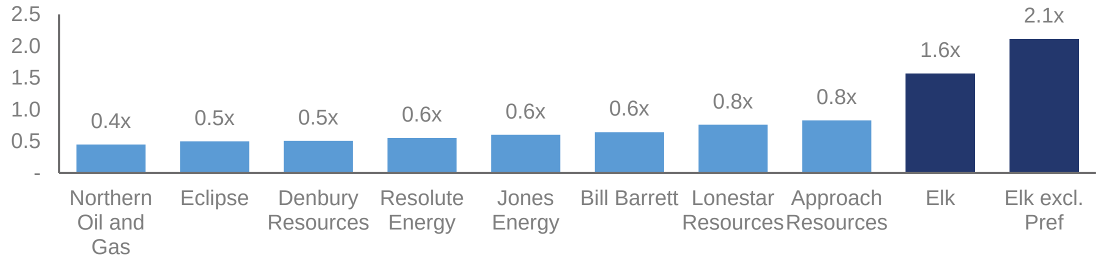
Debt / LTM EBITDA (x) [1,2]



Debt / 1P Reserves (US$ / boe)[1,2]



1P PV_{10} / Debt (x)[1,2,3]



(1) Source: Company announcements
(2) Elk corporate forecast
(3) Elk PV_{10} includes 2P PV_{10} for Grieve as a 1P value is not available

Production

Elk's share of production for the quarter ended 31 December 2017 with appropriate comparatives

Production (post royalty)			Three months ended		Year to date	
Project	Product	Units	31 Dec 2017	30 Sep 2017	31 Dec 2017	31 Dec 2016 [3]
Aneth [1]	Oil	Bbl	343,273	n/a	343,273	n/a
	Sales Gas	MMSCF	73	n/a	73	n/a
Madden	Sales Gas	MMSCF	1,663	1,795	3,458	n/a
	Sulphur	Long Tons	10,663	13,324	23,987	n/a
	CO_2	MMSCF	242	n/a [2]	242	n/a
	Oil	Bbl	157	201	357	n/a
Grieve	Oil	Bbl	n/a	n/a	n/a	n/a
Total [4]		BOE	**673,098**	**301,218**	**974,316**	**n/a**

1. *Production from 1 November 2017 onwards.*
2. *There was no CO_2 sold in Q1.*
3. *There was no production from 1 July 2016 to 31 December 2016.*
4. *Excludes sulphur*

Production Rates

Average daily production rates (100% project) for the quarter ended 31 December 2017 with appropriate comparatives

Production rates				100% project		Remarks
Project	**Product**	**Units**	**% Elk Share**	**Q2 2018**	**Q1 2018**	
Aneth [(1)]	Oil	Bbl/d	~63%	10,402	n/a	Production rate remains steady year-on-year with low decline rate from prior operator
	Sales Gas	MMSCF/d	~63%	2.8	n/a	
Madden	Sales Gas	MMSCF/d	~14%	173	174	Production resumes at expected rates following LGCP turn-around
	Sulphur	Long Ton/d	~14%	910	1,063	
	CO_2	MMSCF/d	~14%	22	n/a	CO_2 sales to Denbury Resource resume
	Oil	Bbl/d	~14%	2	2	
Grieve	Oil	Bbl/d	49%	n/a	n/a	Production due to commence in early 2018 following project completion and commissioning

1. Production from 1 November 2017 onwards.

Revenue

Elk's share of sales and operating revenue for the quarter ended 31 December 2017 with appropriate comparatives

Revenue (US$ million)		Three months ended		Year to date	
Project	**Product**	**31 Dec 2017**	**30 Sep 2017**	**31 Dec 2017**	**31 Dec 2016**
Aneth [1]	Oil	17.3	n/a	17.3	n/a
	Sales Gas	- [2]	n/a	- [2]	n/a
Madden	Sales Gas	4.2	4.6	8.9	n/a
	Sulphur	1.2	- [3]	1.2 [3]	n/a
	CO_2	-	n/a [4]	-	n/a
	Oil	-	-	-	n/a
Grieve	Oil	n/a	n/a	n/a	n/a
	Total Sales Revenue	**22.7**	**4.6**	**27.4**	**n/a**
Grieve Pipeline Revenue		n/a	n/a	n/a	n/a
Other Revenue		n/a	n/a	n/a	n/a
	Total Operating Revenue	**22.7**	**4.6**	**27.4**	**n/a**

1. *Production from 1 November 2017 onwards.*
2. *Sales Gas Revenue for Q1 will be recorded in Q2*
3. *Sulphur sales in Q1 were net off against LOE costs.*
4. *No CO_2 sales in Q1*

Expenditure

Elk's share of sales and operating revenue for the quarter ended 31 December 2017 with appropriate comparatives

Expenditure (US$ million)		Three months ended		Year to date	
Project	Product	31 Dec 2017	30 Sep 2017	31 Dec 2017	31 Dec 2016
Aneth [1]	Lease Operating Expense	8.0	n/a	8.0	n/a
	CO_2 Capex	0.7	n/a	0.7	n/a
	Maintenance Capex	0.3	n/a	0.3	n/a
	Development Capex	-	n/a	-	n/a
Madden	Lease Operating Expense [2]	3.4	3.0	6.4	n/a
	Maintenance Capex	0.8	1.0	1.8	n/a
Grieve	Lease Operating Expense	n/a	n/a	n/a	n/a
	CO_2 Capex	n/a	n/a	n/a	n/a
	Maintenance Capex	n/a	n/a	n/a	n/a
	Development Capex	2.0	7.4	9.4	18.0
Grieve Pipeline	Operating Expense	n/a	n/a	n/a	n/a
	Development Capex	0.4	0.5	0.9	2.2
	Total Operating Expense	**11.4**	**3.0**	**14.4**	**n/a**
	Total Capital Expenditure	**4.2**	**8.9**	**13.1**	**20.2**

1. *Expenditure from 1 November 2017 onwards.*
2. *Includes sulphur transportation from 1 October 2017 onwards*

Realized Prices

Realized product prices for the quarter ended 31 December 2017 with appropriate comparatives (in US dollars)

Production			Three months ended			Three months ended	
Project	**Product**	**Units**	**31 Dec 2017**	**30 Sep 2017**	**Units**	**31 Dec 2017**	**30 Sep 2017**
Aneth [1]	Oil	$/Bbl	50.4	n/a	$/boe	50.4	n/a
	Sales Gas	$/MCF	- [2]	n/a	$/boe	- [2]	n/a
Madden	Sales Gas	$/MCF	2.5	2.6	$/boe	15.0	15.4
	Sulphur	$/ Long Ton	110.0	- [3]	$/boe	n/a	n/a
	CO_2	$/MCF	0.0	n/a [4]	$/boe	0.0	- [4]
	Oil	$/Bbl	47.8	38.7	$/boe	47.8	38.7
Grieve	Oil	$/Bbl	n/a	n/a	$/boe	n/a	n/a
Average realised prices [5]					**$/boe**	**31.9**	**15.3**
Dated NYMEX WTI					**$/boe**	**55.4**	**48.2**

1. *Production from 1 November 2017 onwards.*
2. *Aneth Sales Gas Revenue for Q1 will be recorded in Q2*
3. *Sulphur sales in Q1 were net off against LOE costs.*
4. *No CO_2 sales in Q1*
5. *Excludes sulphur*

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. 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., an independent petroleum advisory firm. 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 CO_2 EOR project, operated by Denbury Resources, is based on an independent review and audit conducted by VSO Petroleum Consultants, Inc. 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 Petroleum Consultants, Inc., an independent petroleum advisory firm. 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 CO_2 EOR project, operated by Resolute Energy Corporation, is based on an independent review and audit conducted by VSO Petroleum Consultants, Inc. 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 Petroleum Consultants, Inc., ("VSO") an independent petroleum advisory firm. 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 the Grieve CO_2 EOR project, the Reserve and Contingent Resource estimates for the Madden Deep Gas Field and the Reserves for the Aneth Oil Field and CO2 EOR Project have been compiled and prepared by Mr. David Evans, COO and Mr. Brian Dolan, COO-USA and VP-Engineering 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 24 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.

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