



2018 Guidance & Grieve Update

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Reserves and Contingent Resources

To the extent that any information in this ASX release or presentation that relates to Reserve and Contingent Resources estimates for the Aneth Oil Field and EOR Project, the Madden Deep Gas Field and the Grieve 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. The Reserves and Contingent Resources have been prepared in accordance with the guidelines set forth by the Society of Petroleum Engineers – Petroleum Resource Management System (SPE-PRMS).

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.

Highlights

Record annual production reaches 2.6 million barrels of oil equivalent – a Company milestone

Aneth

- Aneth net production exceeds 1 mmboe for H2 FY2018 with improved LOE from H1 FY2018
- Aneth net production well within guidance and under budget on LOE (down 8.5%) and CAPEX (down 27%)
- Aneth forecast to deliver 1.0-1.1 mmbbls net production for H2 FY2018 (Dec 2018) before expansion project additions

Madden

- Madden production increased to 640,000 boe for H2 FY2018 - ~5% increase over H1 FY2018
- Madden net production ahead of guidance (up 6.6%) on increased LOE (up 27%) and under budget CAPEX (down 21%)
- Madden forecast to deliver an additional 550,000 to 650,000 boe net production for H2 FY2018 (Dec 2018)

Grieve

- Grieve producing water and CO₂ at high rates with oil production ramping up slowly with continued new CO₂ injection
- Water and CO₂ injection patterns are being adjusted to accelerate oil production rate ramp-up
- 1,000 bbls oil produced to date scheduled for transfer into Grieve Pipeline 1 August 2018



Operational Results

FYE2018 Operating Results

Asset	Product	H1 FY2018 Actual* (July17-Dec17)			H2 FY2018 Actual* (Jan18-June18)			FY2018 Annual Total		
		Production (MMBOE)	LOE (US\$/boe)	CAPEX (US\$million)	Production (MMBOE)	LOE (US\$/boe)	CAPEX (US\$million)	Production (MMBOE)	LOE (US\$/boe)	CAPEX (US\$million)
Aneth	Oil	0.36	22.41	1.0	1.03	21.00	4.49	1.39	21.40	5.50
Madden	Gas	0.61	11.50	1.30	0.64	11.60	0.63	1.25	11.60	1.93
Grieve	Oil	-	-	10.3	-	-	3.24	-	-	13.6
Total		0.97		12.6	1.67		8.37	2.64		21.03
Average			15.50			17.40			15.50	



Guidance Update



CY2018 Guidance

Guidance for 2nd Half of CY2018

- Updated guidance is provided for the period through the end of CY2018
- Guidance is limited to Aneth and Madden production assets
- Guidance is provided for production, CAPEX and LOE
- Additional guidance for FY 2019 (Jan-June 2019) will be provided towards end of CY2018
- Grieve Project Update is provided in subsequent slides – oil production rate expected to improve with changes in CO₂ injection and water withdrawal rates and distributions
- Guidance for Grieve Project will be provided once production ramp-up is completed and stabilized production rates are achieved

CY2018 outlook

Production, Lease Operating Expense & Capital Expenditure

Asset	CY2018 Original Guidance (Jan-June)			CY2018 Actual* (Jan-June)			CY2018 Guidance (July-Dec)		
	Production (MMBOE)	LOE (US\$/boe)	CAPEX (US\$million)	Production (MMBOE)	LOE (US\$/boe)	CAPEX (US\$million)	Production (MMBOE)	LOE (US\$/boe)	CAPEX (US\$million)
Aneth	1.0-1.1	22.80-25.20	6.2-6.8	1.03	21.00	4.49	1.0-1.1	23.40-25.90	17.2-18.8
Madden	0.5-0.6	8.30-9.10	0.8-0.9	0.64	11.60	0.63	0.55-0.65	9.60-10.60	0.9-1.0
Grieve	-	-	-	-	-	3.24	-	-	-
Total	1.5-1.7		7.0-7.7	1.67		8.37	1.55-1.75		18.1-19.8
Average		17.10-19.50			17.40			18.40-20.30	



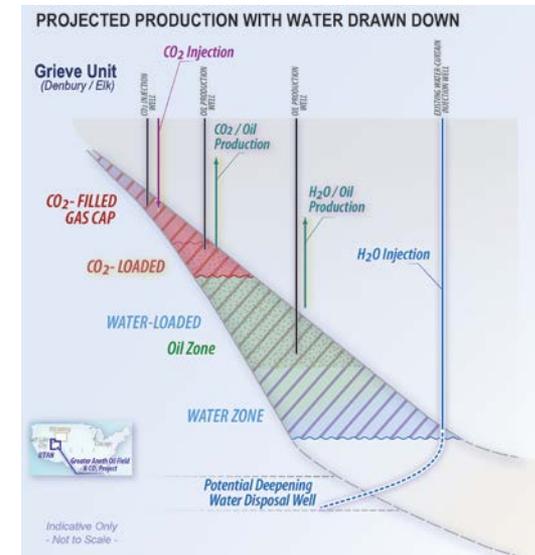
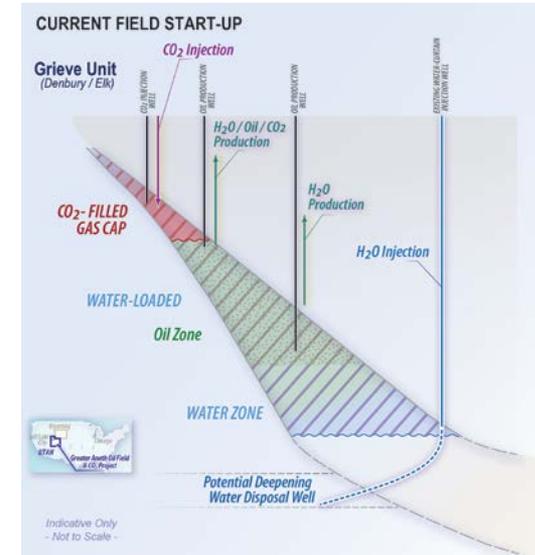
Grieve Update



Grieve Overview

Oil production ramping up slowly

- Total oil production to date approximately 1,000 bbls and first oil sales awaiting the filling of the Grieve Oil Pipeline – first oil transfer to the pipeline is scheduled for 1 August 2018
- Currently producing approximately 11,000-12,000 barrels of water per day and 35-50 barrels of oil per day with CO₂ recovery sufficient to run recycle compression; oil rate is building
- Facilities capable of handling 22,000 bbls of water production per day and 4,000 bbls of oil production per day
- 44 BCF of CO₂ injected to date and currently injecting ~25-35 mmscf/day of additional CO₂ and ~4.5-5.0 mmscf/day of recycled CO₂
- Water injected during field development phase to accelerate the pressure build-up to achieve miscibility between injected CO₂ and oil in place now needs to be drawn down to allow desired CO₂ movement into the oil-bearing reservoir zones of the oil producing wells
- Start-up production plan is focussed on altering the rates and locations of injected CO₂ and water being produced to improve CO₂ migration and miscible oil flow at oil production wells as well as to initiate miscible flow from further oil production wells as CO₂ migrates through the oil-bearing reservoir zones
- Continuing CO₂ injection volumes at no cost to Elk up to 59 BCF CO₂ injected*
- Fine-tuning of injection and water production patterns will continue to be made over coming months and oil production rates is expected to accelerate over coming months to anticipated build-up in oil production
- Actively engaging with operator to ensure appropriate operating plan is executed to Elk satisfaction





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