



Enercom Presentation

Roadmap to 100 mmbbls and beyond

August 2018

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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 26 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 reserves – 70%+ oil*



Long-life, low-decline rate asset base

- Approximately 26 years of production life*



Deep inventory of low risk development

- 63 mmboe of PDNP+PUD+Technical PUD developments targeting 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

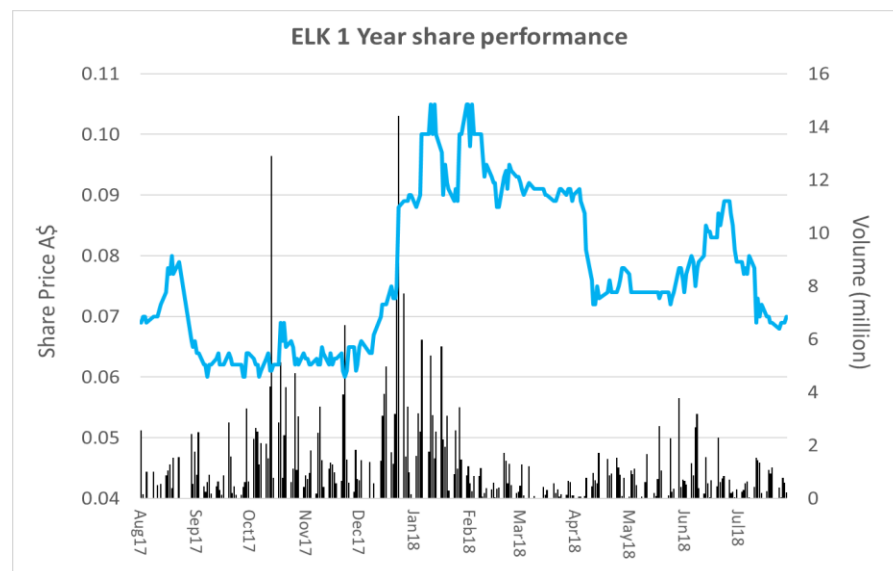
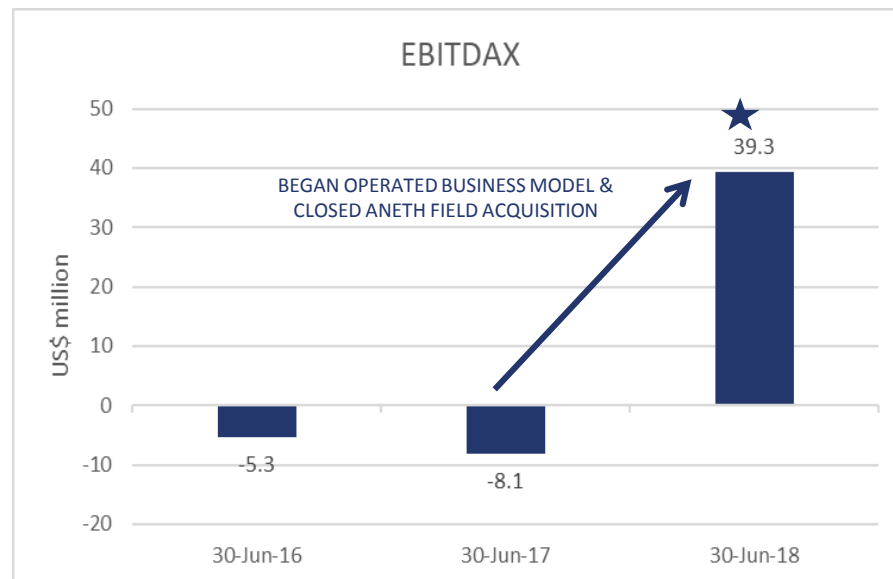
- Forecast CY2018 EBITDA of ~US\$50 million+

Financial Snapshot

Financial Overview

Ticker (ASX)	ELK
Market capitalization ¹	US\$147m
Shares outstanding	1,618 million
Enterprise Value	US\$341m
Long term debt ³	US\$194m
Total Proved reserves	47.8 mmboe (69% oil)
Proved & Technical reserves	94.0 mmboe (87% oil)
PDP PV ₁₀ ²	US\$493 million
FYE18 production (exit rate)	9,150 BOEPD (59% oil)
FYE18 operating revenue	US\$94.8 million
FYE18 operating expense	US\$44.1 million
FYE18 capital expense	US\$34.9 million
FYE18 EBITDAX	US\$39.3 million

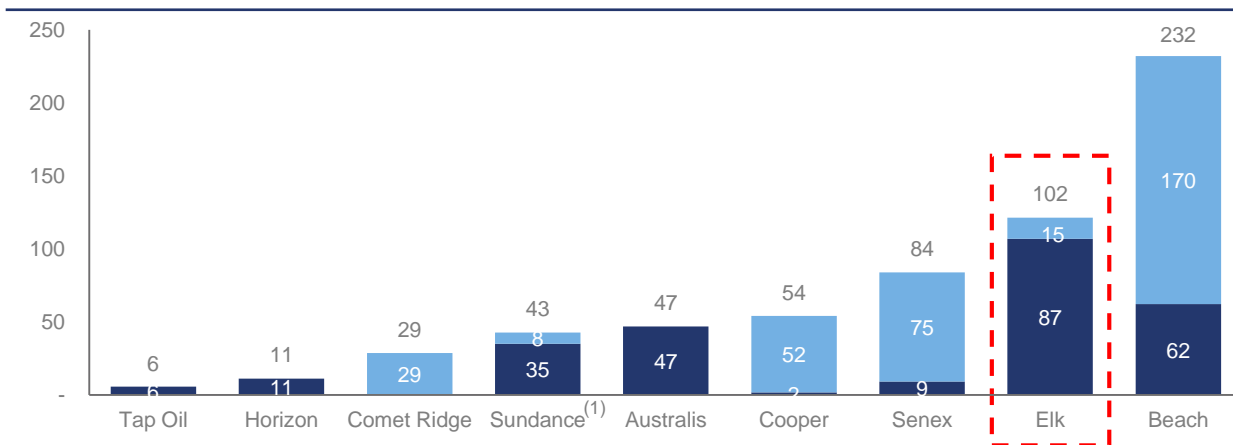
Note Elk is currently on a 30 June Financial Year end and intends to move to a calendar Financial Year end as of 31 December 2018



ASX E&P Leader - Reserves & Production

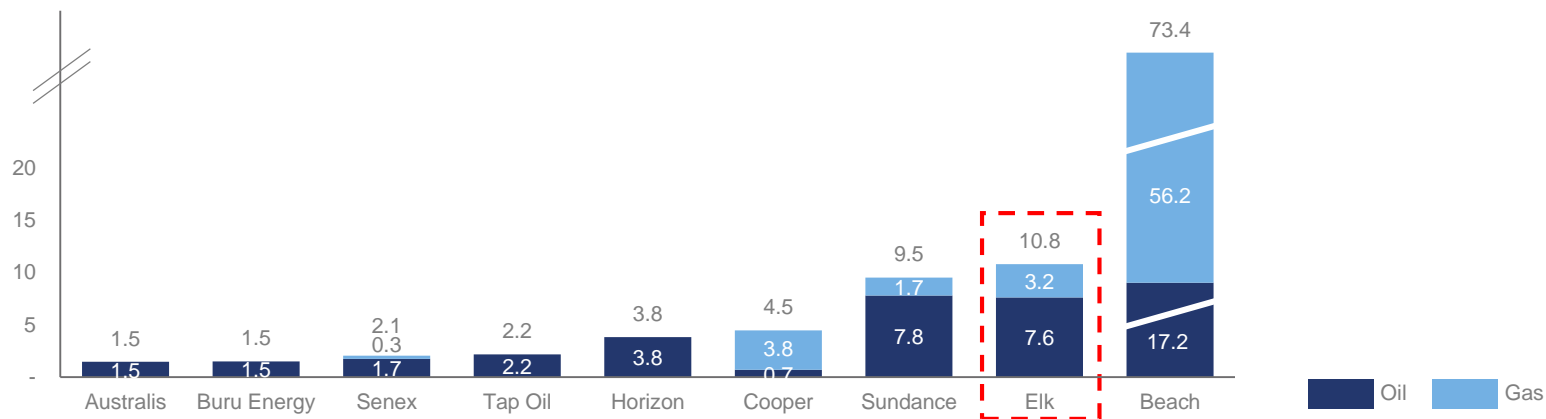
Not all reserves are created equal!

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







- Over 1/3 of reserves are PDP
- Reserves highly weighted to oil
- Long-term, low decline oil weighted production - 70% oil
- Limited additional capital required to sustain production

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



Oil Gas

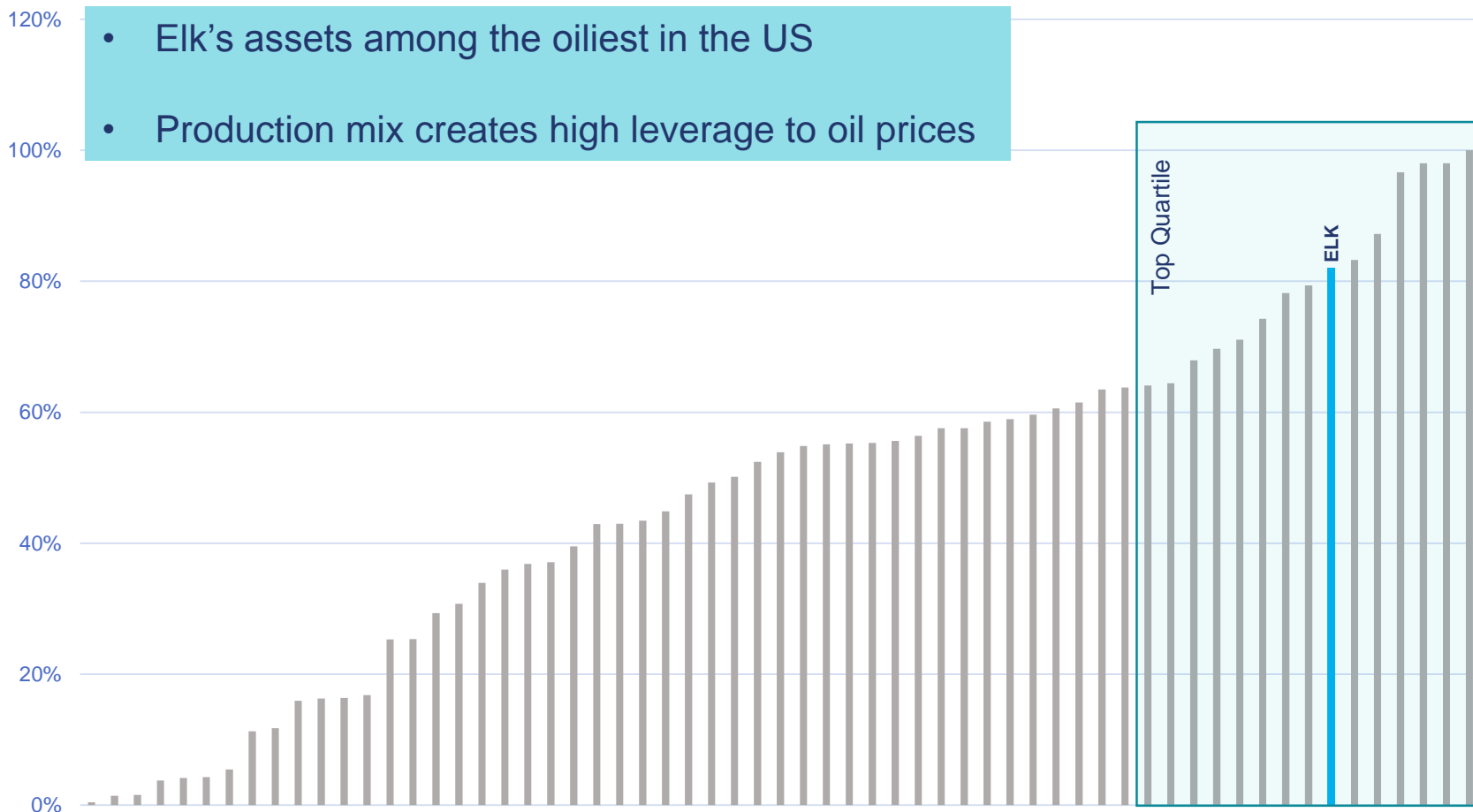
Operator With a Highly Experienced Team

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

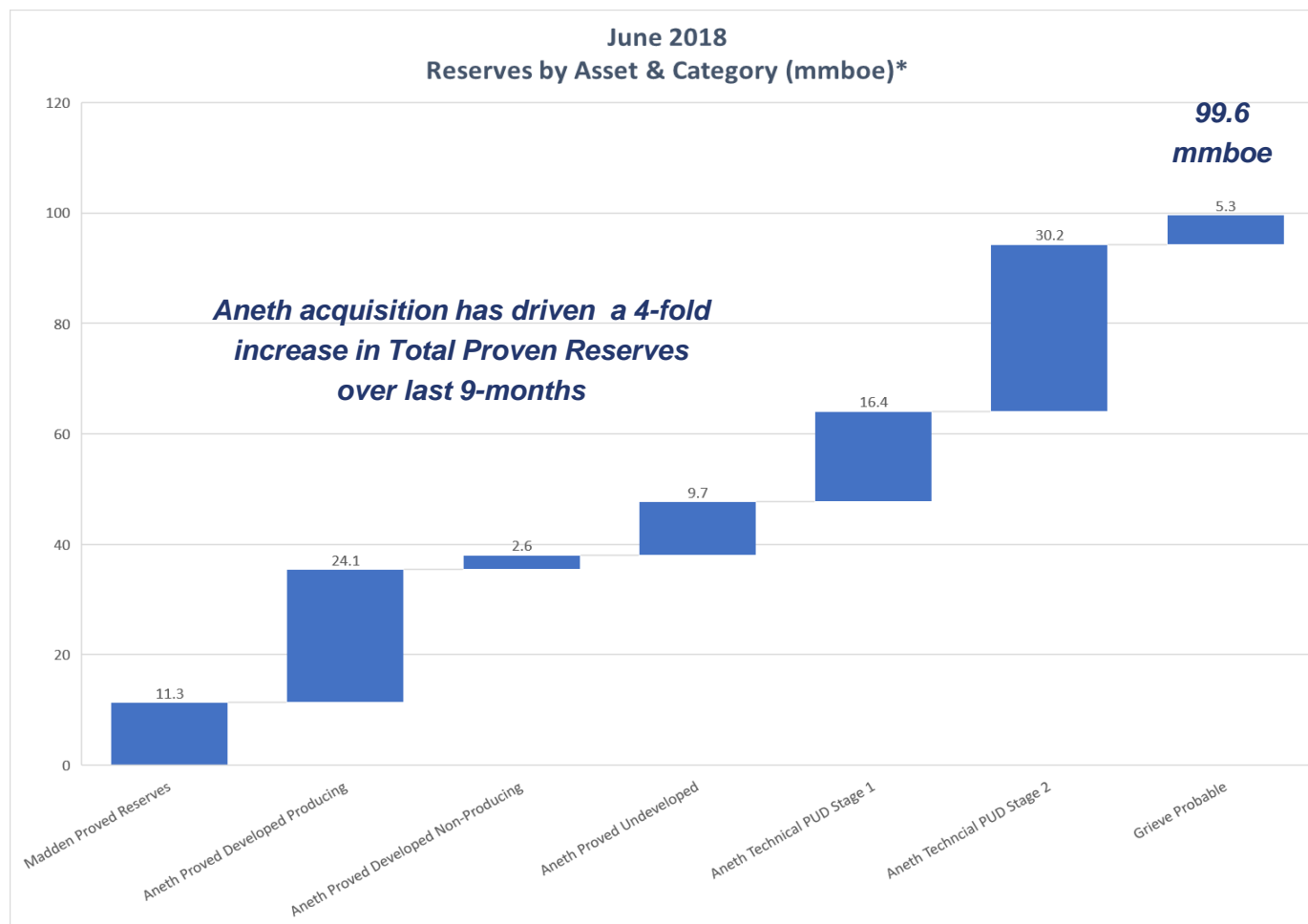


Source: Bloomberg data as of Year-end 2017

Track Record of Execution - Timeline & Milestones



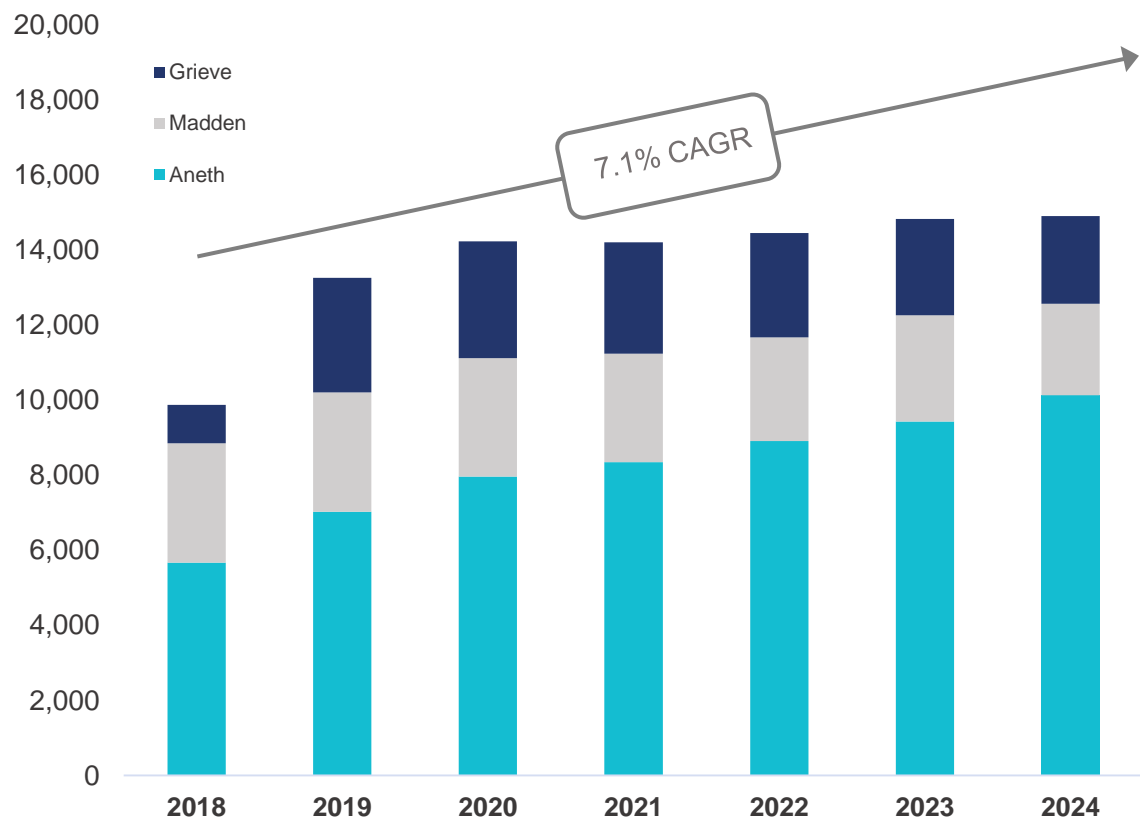
Delivering Significant Reserves Growth



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

Delivering Significant Organic Production Growth

Total Elk Petroleum Growth (boepd) 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)

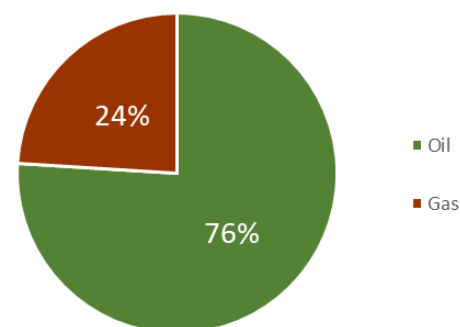
Significant Developed & Undeveloped Reserves

Elk's 3 Core Operating Assets are supported by extensive CO₂ supplies & infrastructure, multiple operating projects and numerous opportunities for development

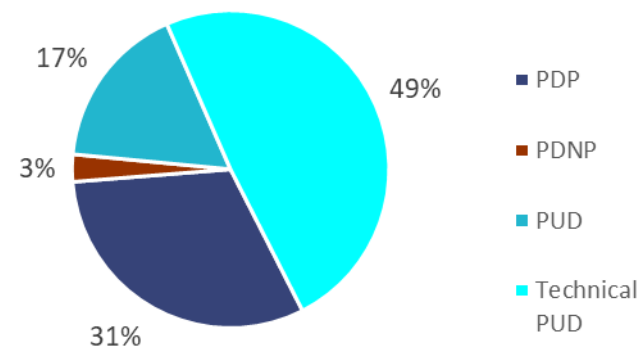
Reserve & Production

- PDP reserves = 29.2 mmboe / 83% oil
- Total Proved reserves = 47.8 mmboe / 76% oil
- Total Proved reserves + Technical PUDs = 94.0 mmboe / 87% oil
- 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

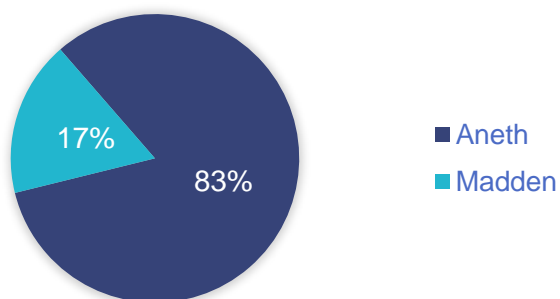
Proved Reserves - By Hydrocarbon



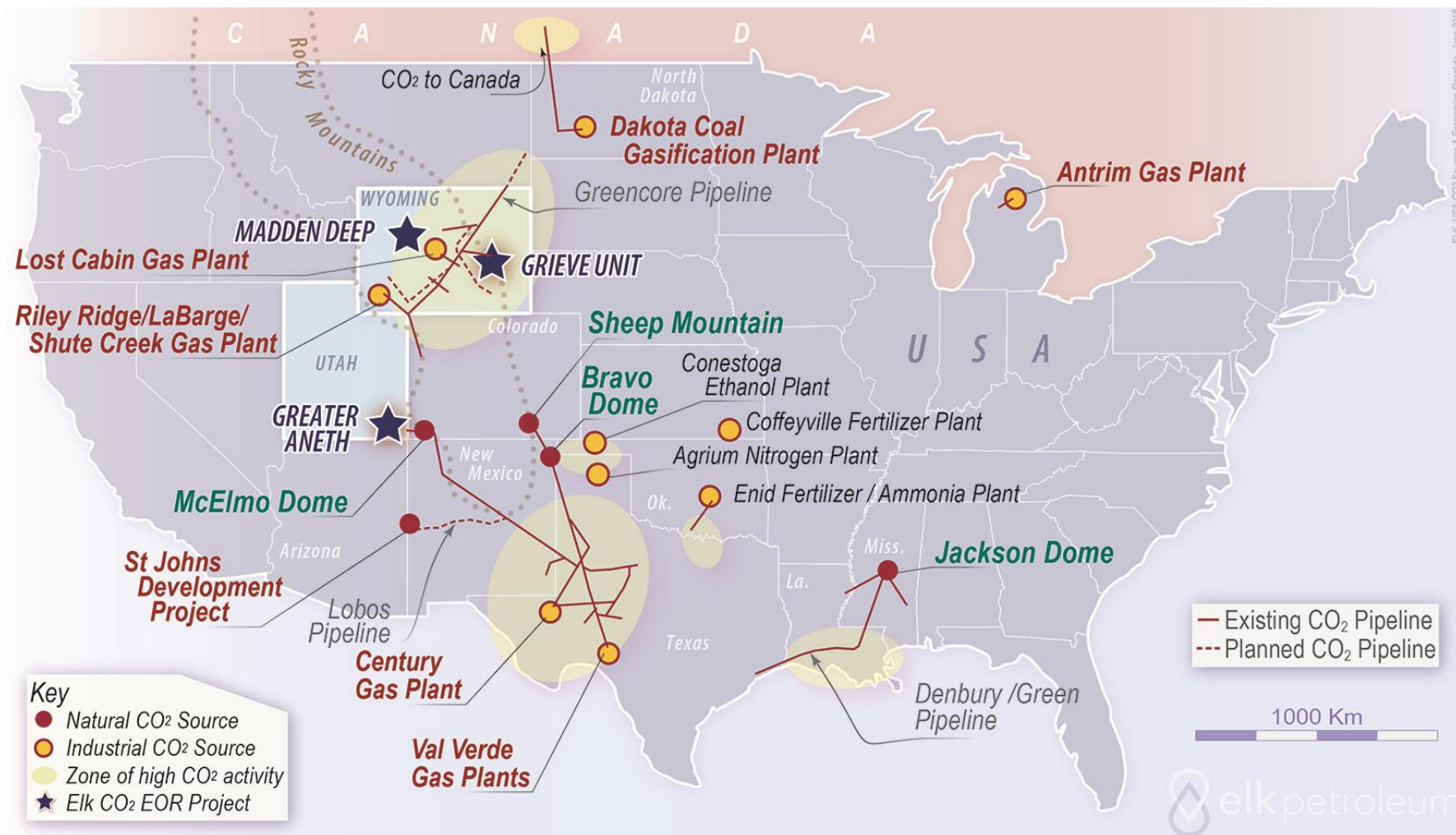
Proved & Technical Reserves



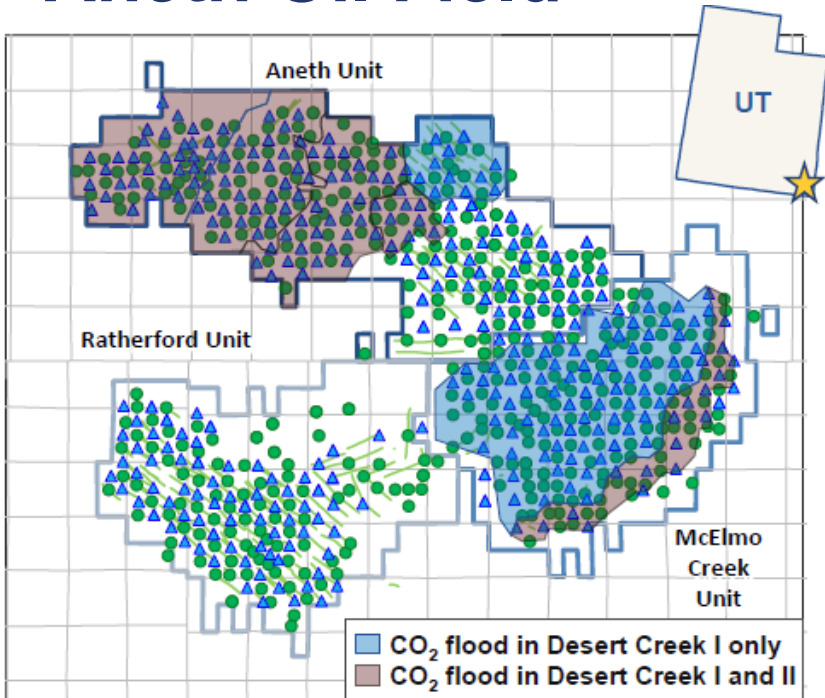
PDP Reserves - By Asset



Extensive CO₂ Supplies & Infrastructure



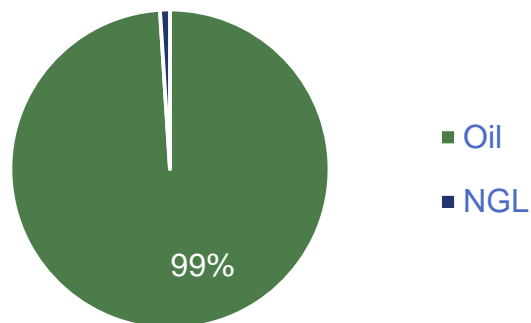
Aneth Oil Field



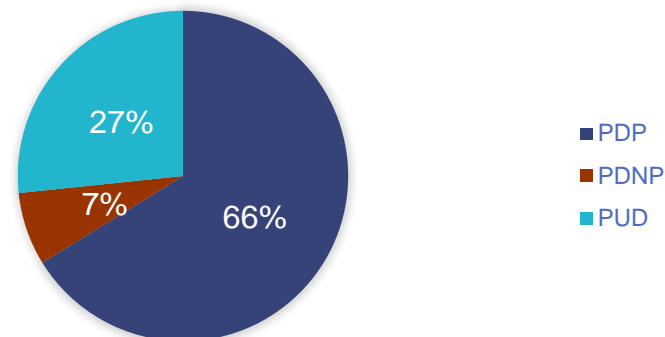
Aneth - Core Operated Asset

- Elk majority owned (63%) and operated
- 1.5 billion barrels original oil-in-place
- 450 mmbbls light, sweet crude produced to date
- 300 mmbbls remaining recoverable oil @ 50% recovery factor
- Proved Developed Producing reserves = 24.1 mmbbls*
- Total Proved reserves = 36.4 mmbbls*
- Technical PUD = 45.5 mmbbls*
- PDP NPV10 = US\$378m*
- FYE18 LOE = US\$22.30/bbl
- FYE18 CAPEX = US\$5.4 million

Proved Reserves - By Hydrocarbon

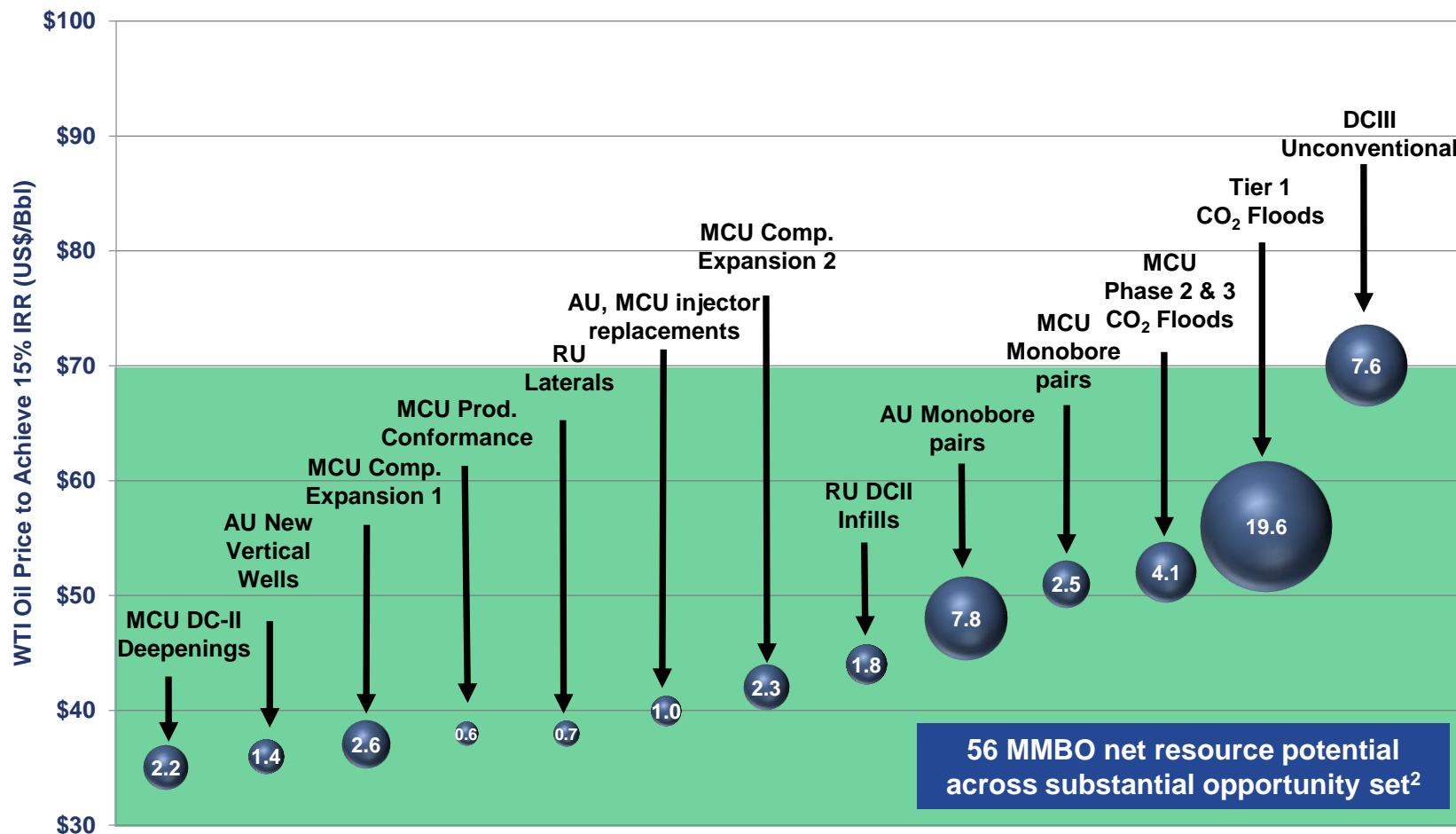


Proved Reserves - By Category



Aneth Development Projects – Organic Growth

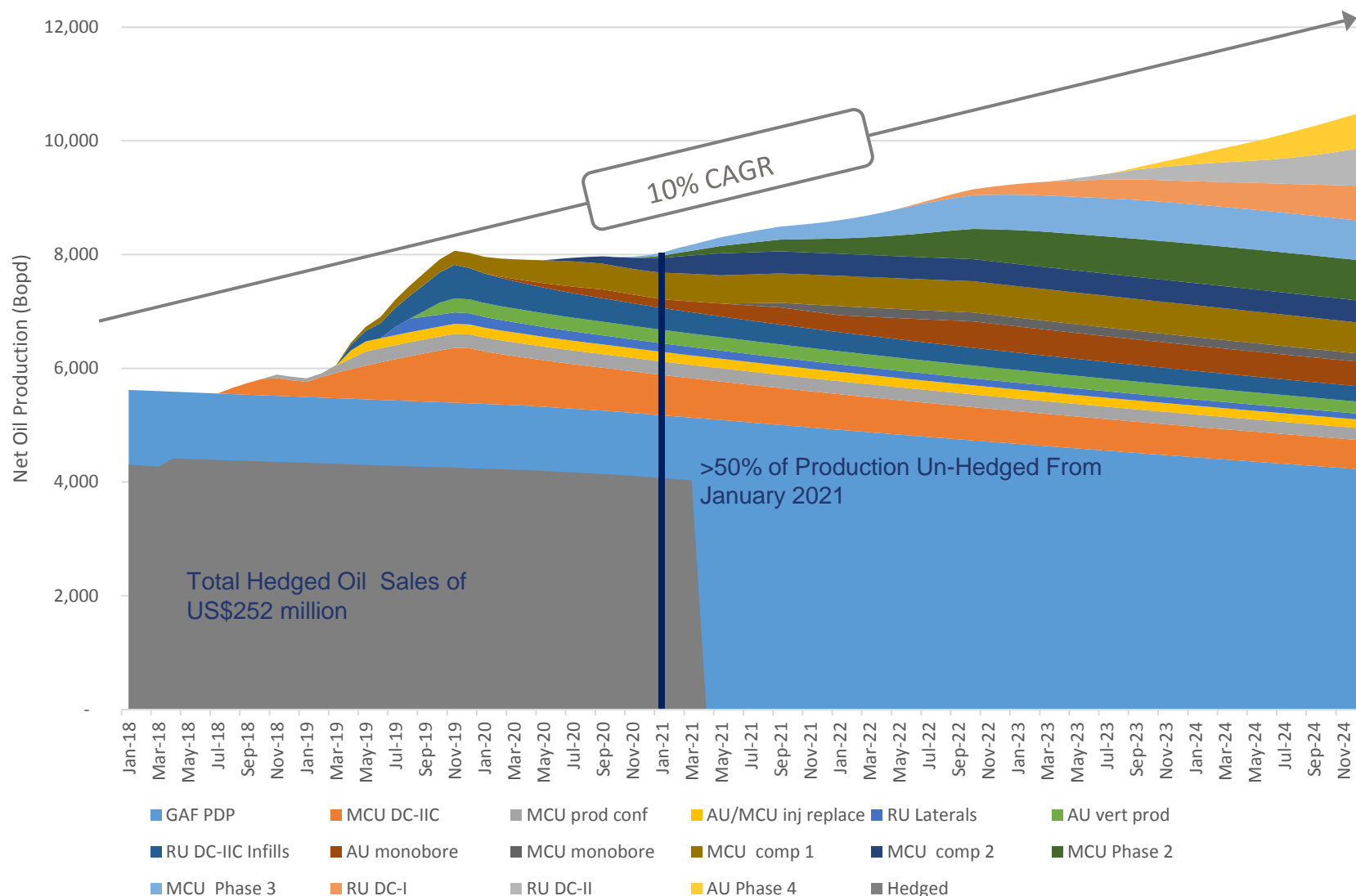
Aneth Infield Development Reserve Additions – By Project



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

*See June 2018 Investor Presentation Appendix slides 28-31 for detailed development project economics

Aneth Production Growth




*See June 2018 Investor Presentation Appendix slides 28-31 for detailed development project economics



- Elk working interest (14%) operated by ConocoPhillips (46%)
- 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
- Gross CO₂ production = ~30 MMscf/day
- Gross Sulphur production = ~930 long tonnes/day
- Total Proved reserves = 68 BCF*
- Recoverable CO₂ = 600 BCF (gross)

Resource	Value (Bcf)
Gas	1,100
CO2	600

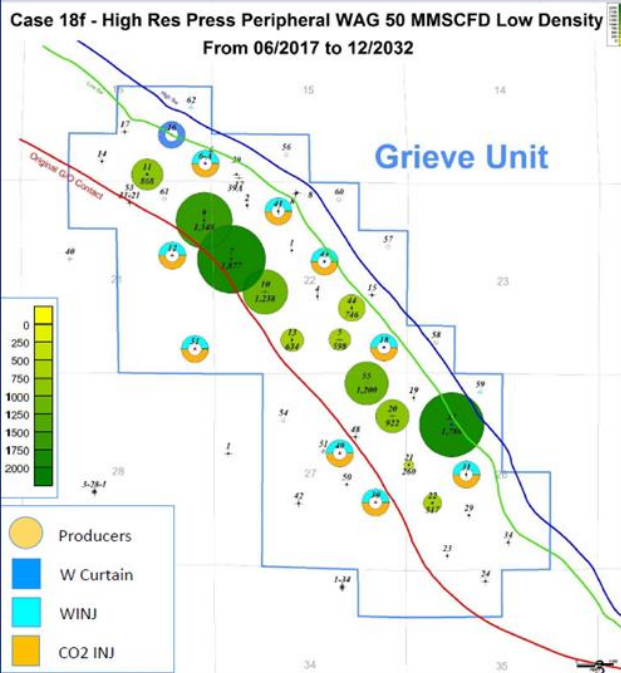


Category	Percentage
PDP	46%
PUD	54%

Grieve Oil Field

Production Plan

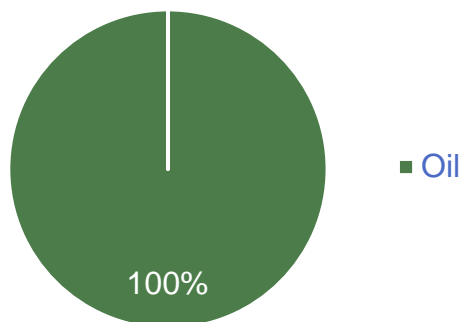
- 13 Production wells
- 9 WAG wells
- 1 Water Curtain well
- Reservoir pressure @ 3300 psi
- 50 MMcf/day CO₂ recycle rate
- 0.35 WAG ratio



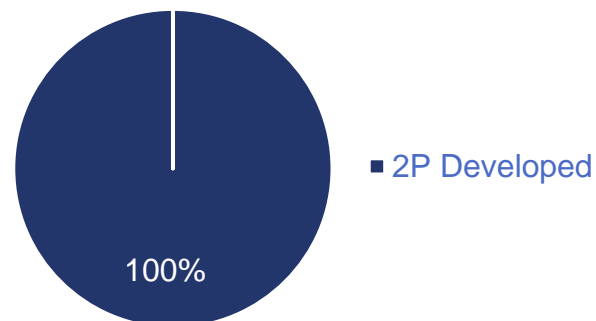
Grieve - Elk's Newest Production

- 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
- Probable reserves = 5.2 mmbbls*
- Probable reserves expected to be reclassified as PDP by CYE2018*
- NPV10 @ US\$60/bbl = US\$115.2m*

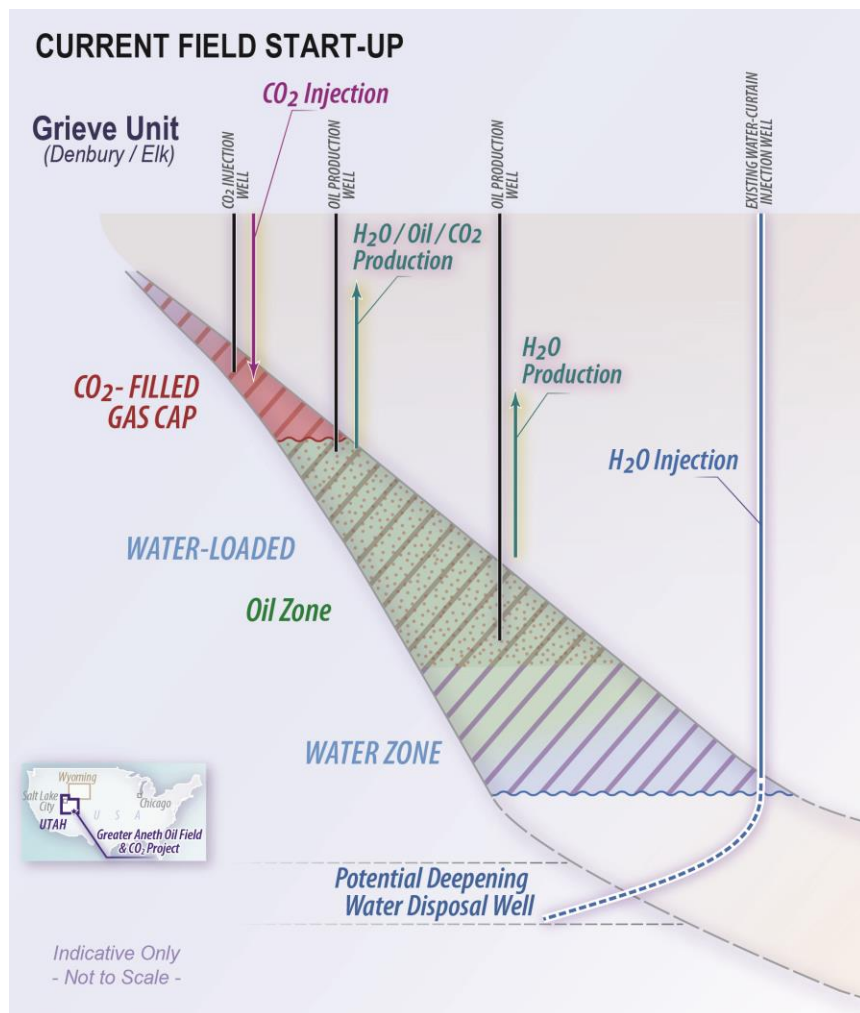
Proved Reserves - By Hydrocarbon



Proved Reserves - By Category



Grieve Oil Field



Field in start-up mode / production ramping up

- Wells free flowing
- Producing over 12,000 bbls fluid per day
- Continuous CO₂ injection of over 35 mmscf/day
- Seeing initial CO₂ EOR response as field dewateres
- Clear signs of CO₂ migration into residual oil zone (ROZ)
- Oil production rate expected to build in coming months
- Made first oil sales from field into Grieve Oil Pipeline

Elk remains confident in expected performance of the CO₂ flood production and ultimate oil recoveries with expected response and production ramp up in the near term

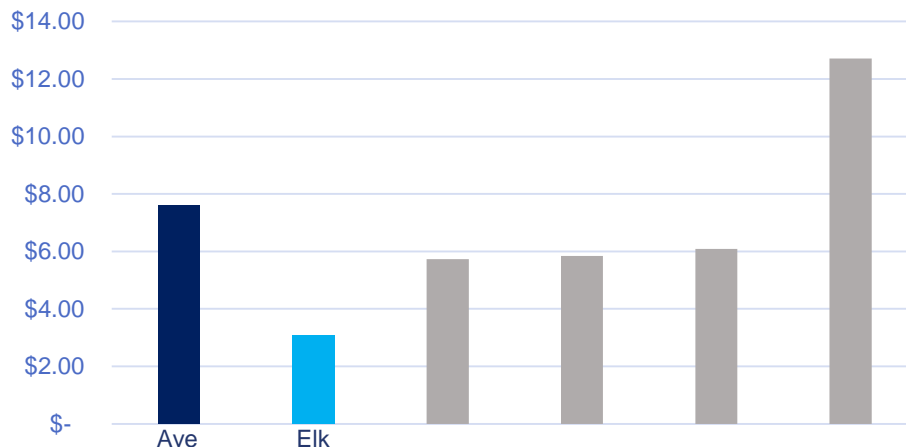
EOR delivers competitive economics

Average Break even Price

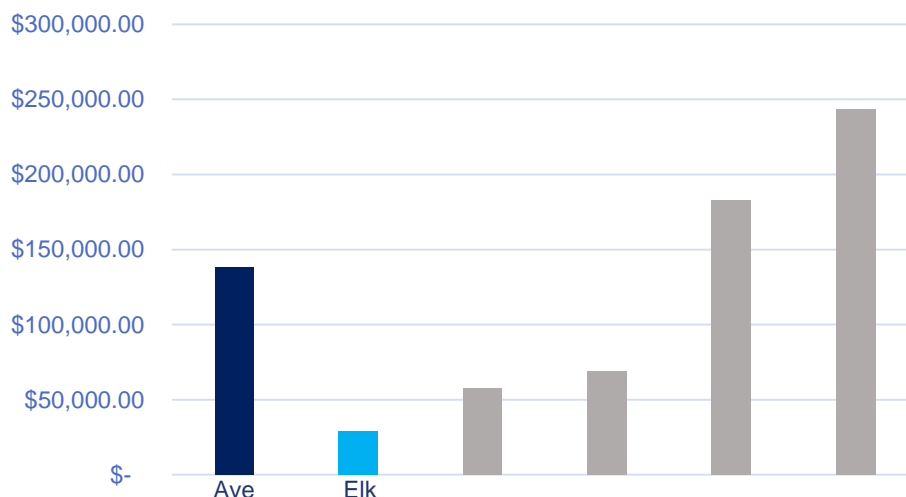


Elk Petroleum is Discounted to ASX Peers

EV to 2P Reserves



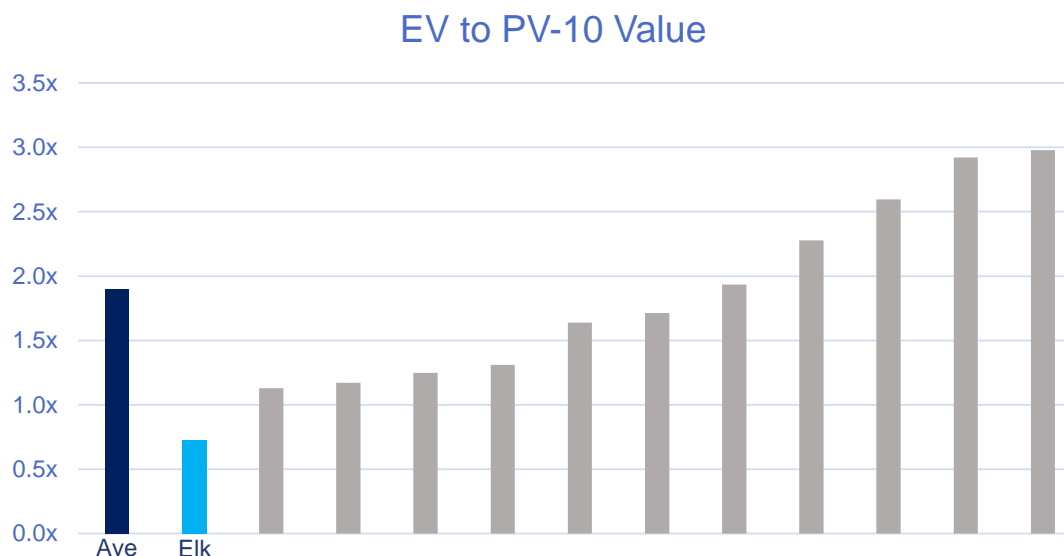
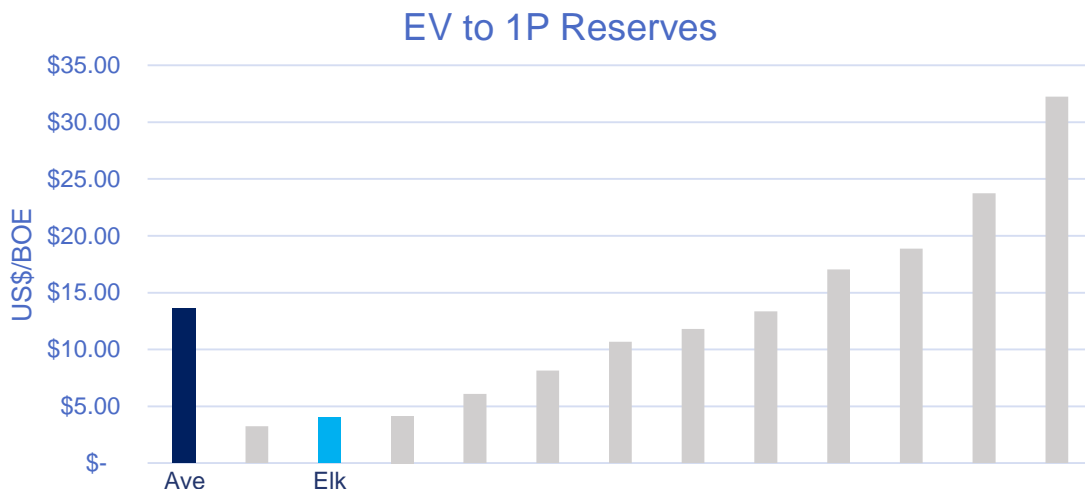
EV to Flowing Production



- 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\$774 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.

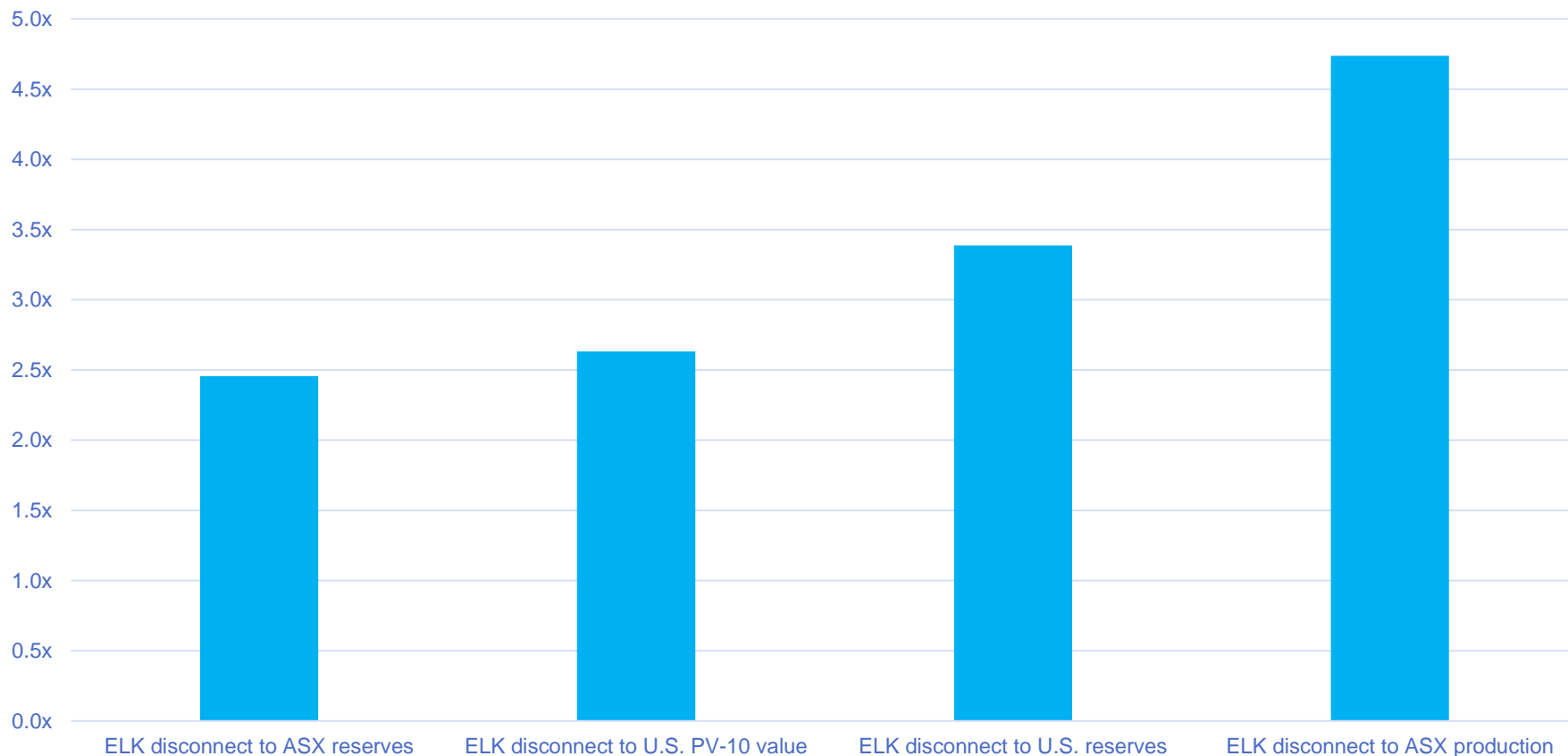
- Elk Petroleum is also undervalued compared to U.S. peers.
- If the Company received the average valuation for 1P reserves, ELK's enterprise value would be US\$1.1 billion.
- If the Company received the average valuation for the PV-10 value of its assets, the company would have an enterprise value of US\$829 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

- Actively proceeding with a comprehensive refinancing to simplify & right-size the balance sheet
- RBC Capital engaged to advise through debt refinancing process – expect to go to market mid-September
- Successful refinancing expected to significantly reduce cost of capital and free-up cash flows
- Increased free cash flow to support capital investment in Aneth growth projects

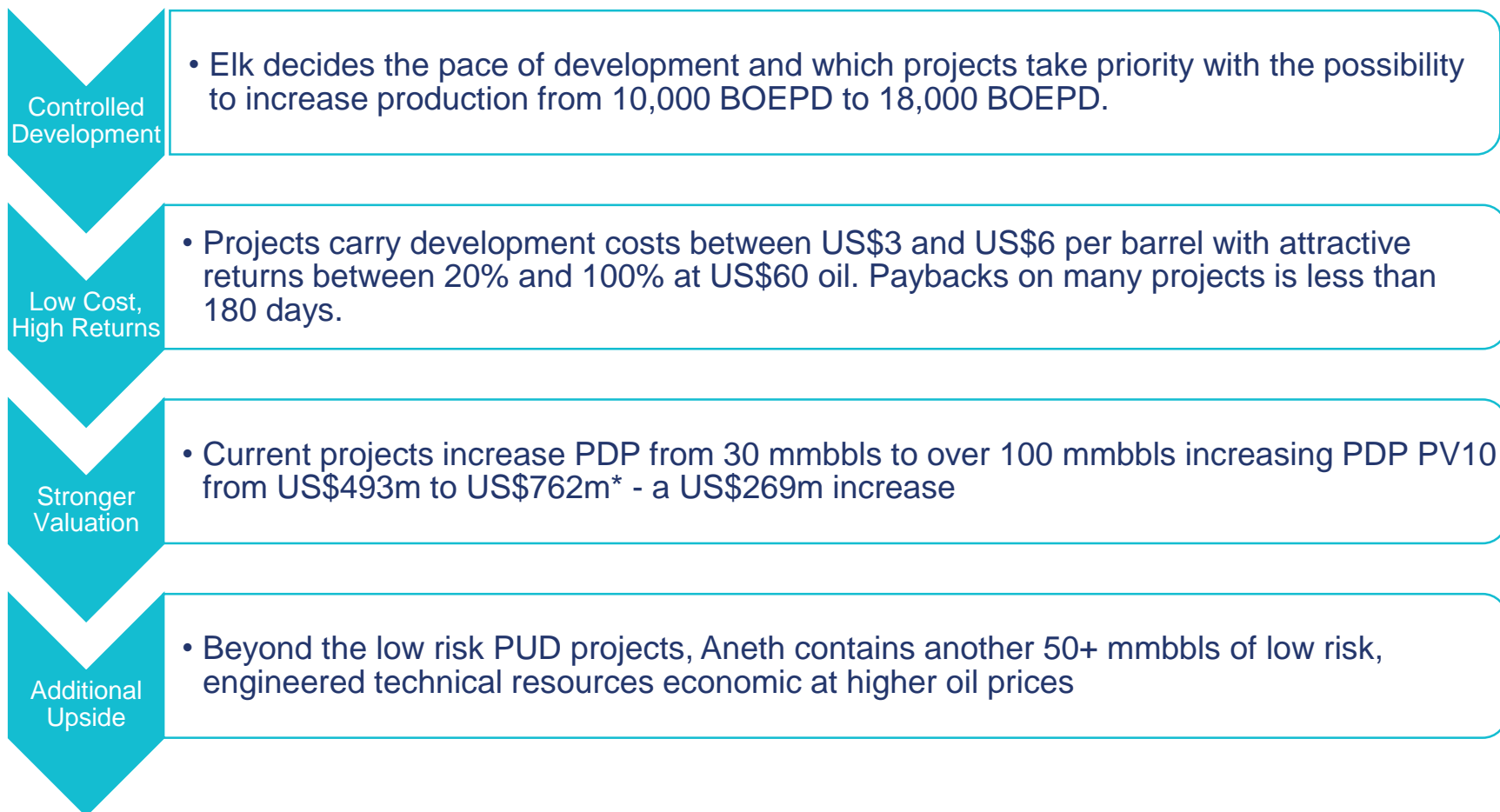
Deliver Aneth low risk development projects

- 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

Organic Growth - Roadmap to 100 mmbbls & Beyond



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

*See June 2018 Investor Presentation Appendix slides 28-31 for detailed development project economics



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