

Wizard Lake Rex-3 Drilling Update

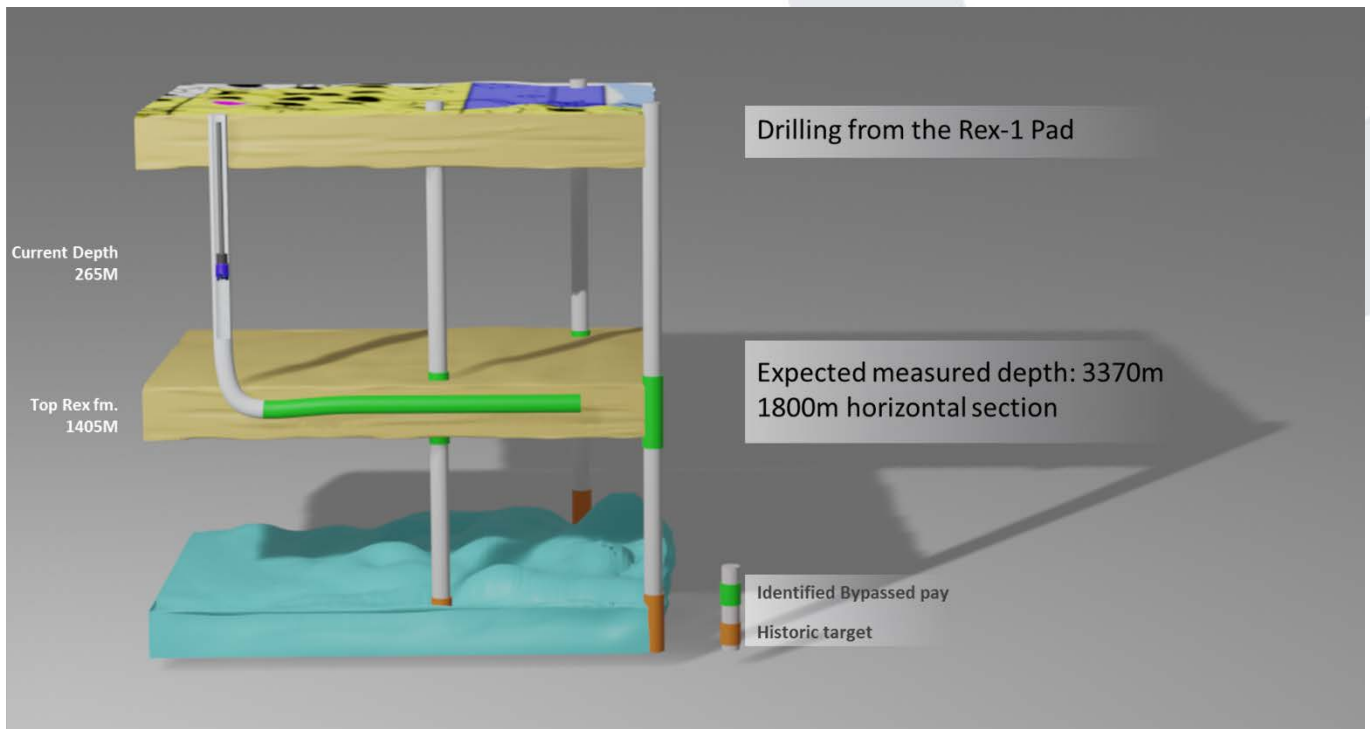
19 November 2019

Rex-3 lateral 1,800m – 50% longer than Rex-1

- The Precision Drilling Rig 186 commenced drilling on 17 November 2019 following installation of the top-hole and well conductor.
- As at 6am WST the well was at 265mRT and drilling ahead in a 222mm (~9 $\frac{1}{8}$ "") hole having run 311mm (~12") surface casing to 250m.
- The well is targeting the conventional Cretaceous Rex sands at approximately 1,405mTVD.
- The total measured length of the well is expected to be 3,521m and includes a planned horizontal leg through the Rex reservoir of approximately 1,800m, ~600m longer than Rex-1 and ~300m longer than Rex-2.

Whitebark Energy Ltd (ASX : WBE) is pleased to provide an update on the drilling of the Wizard Lake development oil well, Rex-3. The Precision Drilling Rig 186 arrived on site on 16 November and commenced drilling the next day.

Rex-3 is the third horizontal well to be drilled in the multi-well development program for the Wizard Lake Oilfield. Rex-3 is being drilled from the same pad as Rex-1 and Rex-2, and will follow a drill path parallel to and ~300m to the east of Rex-2.



Rex-3 will be drilled vertically to approximately 1,095 mTVD from where it will be angled to achieve a horizontal well 1,800m in length in the Rex sands at approximately 1,405mTVD. This horizontal length is approximately 600m longer than Rex-1 and approximately 300m longer than Rex-2.

Based on the experience and success of Rex-1 and Rex-2, Rex-3 will be fracture stimulated using 45, 35 tonne stages each focussed in turn through individual completion ports.

Drilling time estimated to take a total of two weeks. The Rex field has the potential for more than 20 follow up development wells.

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The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed.

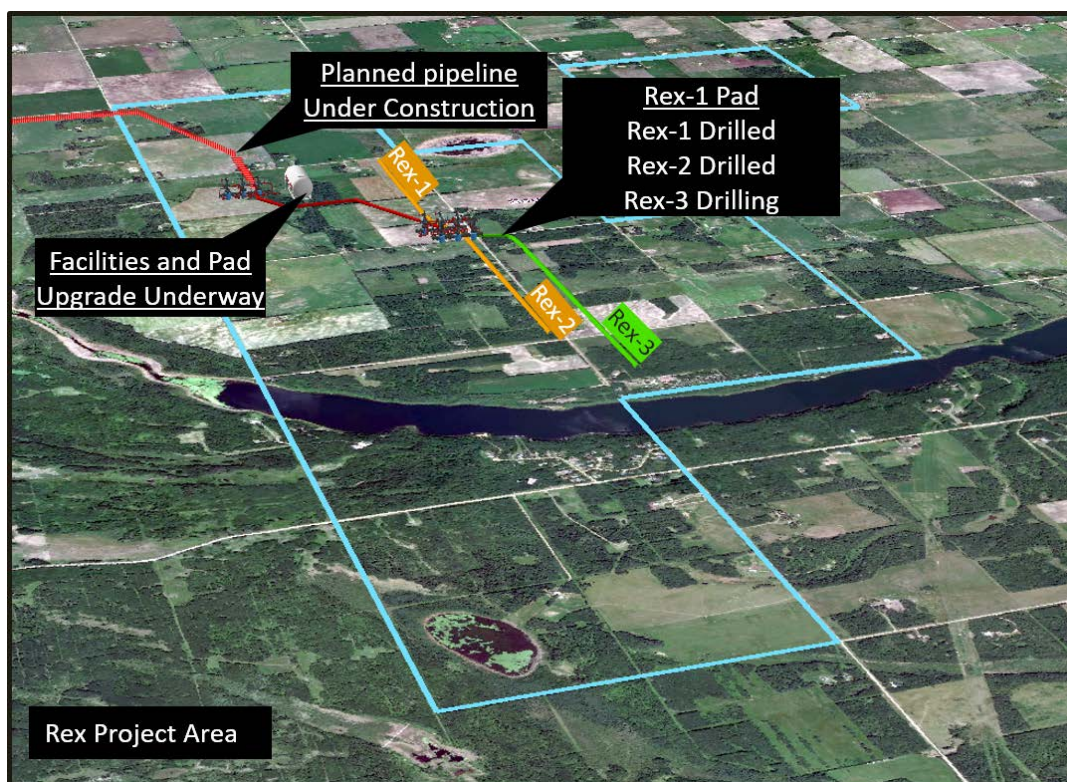


Figure 1 - Wizard Lake Development

Background

- The conventional Wizard Lake oil field was identified using well control and seismic together with geology.
- It has the potential to contain 24+ wells targeting 11mboe¹.
- The development program commenced with the spudding of the horizontal Rex-1 well on 24 November 2018².
- Initial flow testing of the Rex-1 well recorded rates of more than 300 barrels of oil per day. Total oil produced from the 16-day flow test was 2845 barrels – a 55% increase on initial estimates³.
- Production facilities and a pipeline were completed in early June 2019 and Rex-1 began producing on 5 June 2019⁴.
- Rex-2 was drilled and fraced in August and tested in September 2019, with peak production rate of 865 boe/d (540bbls of oil and 2 mscf of gas) before the well had to be constrained due to unexpected high gas production.⁵
- A 3km pipeline is under construction to connect to local gas networks to well Wizard gas and an upgrade of the modular facilities to ensure high gas and oil production rates can be managed.⁶
- Whitebark's working interest in the Wizard Lake oil development is now at 40% and will increase to 50% following the drilling and completion of Rex 3⁷
- The initial independent reserves assessment following the discovery at Rex-1 indicated the likelihood of 12 to 17 follow-up well locations.⁸ Whitebark has secured additional land at Wizard Lake that has increased this to a minimum of 20 well locations.

¹ ASX Release 22 August & 1 October 2019

² ASX Release 26 November 2019

³ ASX Release 20 February 2019

⁴ ASX Release 5 June 2019

⁵ ASX Release 6 September 2019

⁶ ASX Releases 4 & 6 November 2019

⁷ ASX Release 30 May 2019

⁸ Refer to ASX Release 15 March 2019