



Canary Networks Investor Roadshow Presentation

30-31 August 2016

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- The reserves and resources assessment contained in this presentation 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 and in the Offer Booklet of which this presentation forms part, relating to the Grieve CO₂ EOR project, operated by Denbury Resources Inc, is based on an independent review and audit conducted by VSO Petroleum Consultants Inc, previously known as Pressler Petroleum Consultants, Inc. and fairly represents the information and supporting documentation prepared by, or under the supervision of the VSO Petroleum Consultants Inc. 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. (he is not an Elk employee) 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 Reserves and Resource Evaluators 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 presentation, and in the Offer Booklet of which this presentation forms part, that relates to Reserve and Contingent Resources estimates for the Grieve CO₂ EOR project and the Contingent Resource estimates for the Singleton CO₂ EOR project have been compiled or in the case of the Singleton CO₂ EOR project prepared by Mr. Brian Dolan, COO and VP-Engineering of Elk Petroleum USA who is a qualified person as defined under the ASX Listing Rule 19 and has consented to the use of the reserves and resources figures in the form and context in which they appear in this presentation. 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 and has more than 23 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.

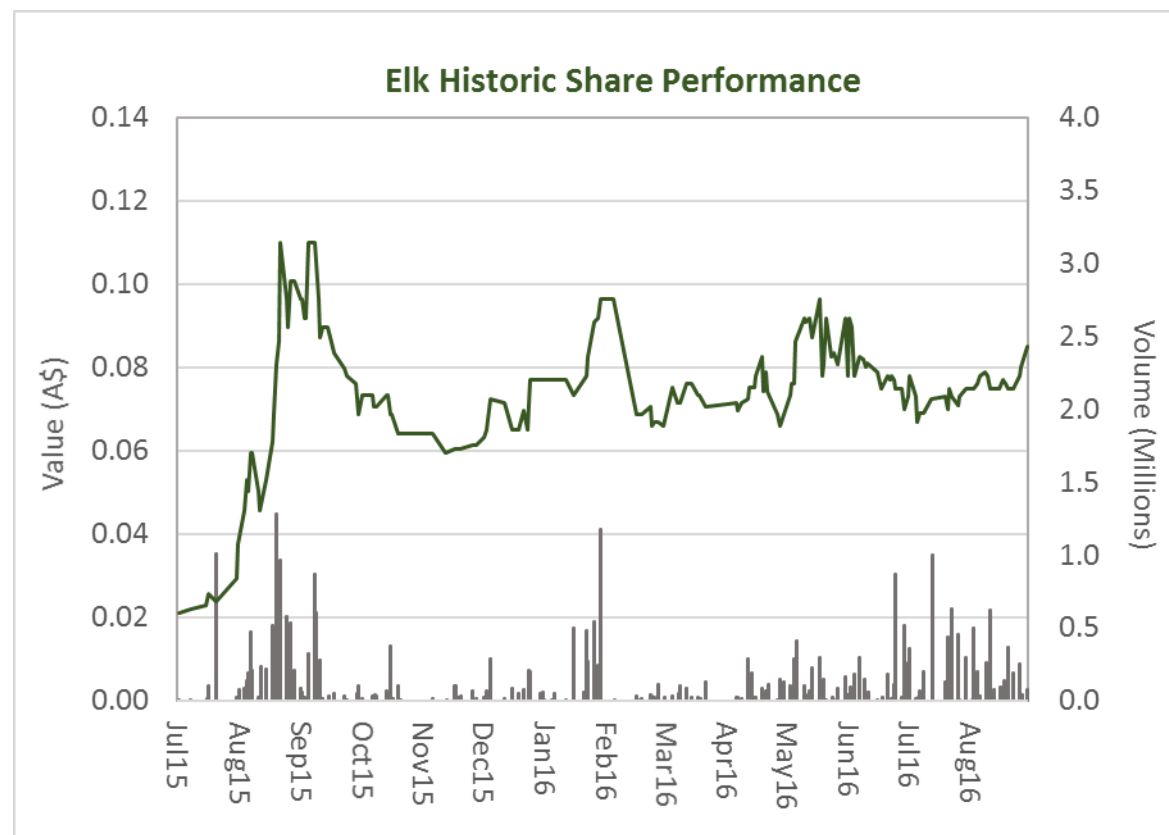


- **Elk Petroleum Limited (ASX:ELK): positioned for opportunity in current oil price environment**
- **Focused on low risk enhanced oil recovery (“EOR”) redeveloping proven, conventional oil fields**
- **EOR born from low oil prices to maintain reserves & production from existing assets**
- **Restructure of Grieve CO2 EOR Project JV (“Grieve Project”) completed and fully funded**
- **Grieve Project development well advanced with production expected late 2017 / early 2018**
- **Grieve Project expected to deliver net production to Elk of 2.4 to 3.1 mmbbls over first 5-years***
- **Grieve Project average annual net income⁺ of A\$25-A\$31 million p.a. over first 5-years***
- **Singleton South Project commencing production testing of by-passed oil pay**
- **Elk’s business leveraged to capture opportunities created by low oil prices**
- **Multiple organic and bolt-on acquisition opportunities**

** Based on 2P and 3P forecast production first 5Y from first oil / Futures curve & Bloomberg Consensus oil price forecasts / ^ 0.72 AUD:USD exchange rate*

Engineering - not exploration

ASX:ELK performance snapshot



Capital Structure[^] & reserves

Ordinary Shares (post shortfall) [^]	820 m
52-week Low-High (A\$/share)	0.02-0.13
Market cap @ \$0.085/share	A\$69.7m
Cash (30 June 2016)	A\$18.1m
2P Reserves	~5.3 mmbls
2C Resources	~3.9 mmbls

[^]Pro-forma capital structure assuming ~820m Elk shares outstanding following issue of fully committed shortfall placement shares (~672m Elk shares outstanding at 29 August 2016)

Major shareholders*

Republic Investment Management	18.9%
Cypresswood Capital	7.0%
Robert Healy	6.6%
Begley Superannuation	2.8%
Leanne Marshall	2.1%
Bradley Lingo	1.3%

*Pro forma ownership assuming ~820m Elk shares outstanding following issue of fully committed shortfall placement shares.

FY2016 share price appreciation over 182%

Experienced Growth-Focused Management Team



Brad Lingo. MD & CEO

- Appointed 1 August 2015
- Former MD & CEO of Drillsearch Energy
 - 15 x increase in market valuation / 8 x increase in share price
 - Became Australia's 3rd largest onshore oil producer
 - Finance - successfully raised ~A\$450m in equity and debt
 - Delivered 29 new conventional discoveries
 - Drilled 98 wells over 6-years with 73% success rate
 - Oversaw the production commencement of 12 new fields
- Expertise:
 - Upstream/midstream oil & gas company building track record
 - Business development, new ventures, M&A, corporate finance
- Experience:
 - Tenneco Energy
 - El Paso Corporation
 - Sunshine Gas
 - Commonwealth Bank of Australia (SVP & Head of Oil & Gas)



David Evans. COO

- Appointed 1 May 2016
- Former CTO and acting COO Drillsearch
- Geologist—29 years upstream global oil & gas development, production and exploration experience
- Significant exposure to Brownfield redevelopments and EOR projects
- Vegas Egypt, Burren Energy PLC, Petro-Canada International, Cairn Energy/Command Petroleum, Roxar Limited, Baker Hughes



Alex Hunter. CFO

- Appointed 14 April 2016
- 10y+ experience in resources/oil and gas M&A, capital raising and corporate finance
- Prior roles as General Manager BD-Drillsearch and Associate Director-RFC Corporate Finance
- Strong financial analytical & management skills
- Previous 10y experience in engineering, construction and infrastructure project management



Established Denver, Colorado based management team

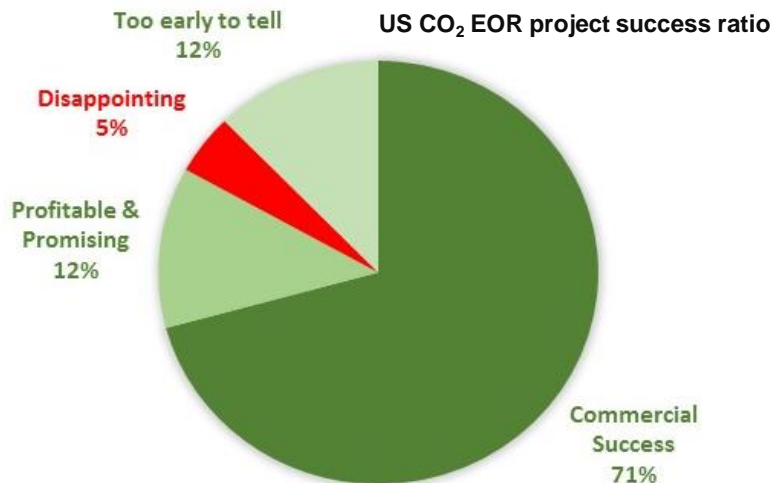
- Scott Hornafius, President, Elk Petroleum Inc (USA)
- Brian Nolan, Chief Operating Officer, Elk Petroleum Inc (USA)
- Over 10-years Northern Rockies EOR experience

Executive team & corporate
headquarters in Sydney, Australia

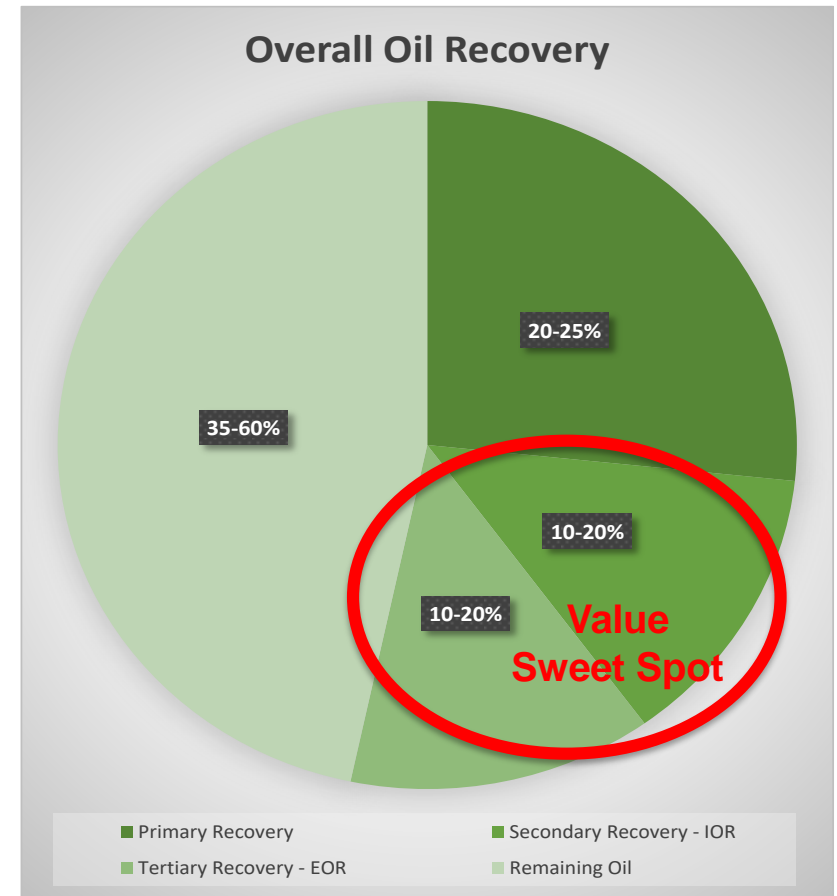


What is EOR?

- Specialist secondary & tertiary method of oil recovery
- Successfully deployed for nearly 50 years
- Can extract 20-40% more than primary recovery
- Substantially increase oil recovery & productive life
- Attractive economics even in low oil price markets
- Used extensively in North America & Middle East
- 136 CO₂ EOR projects in North America



Source: Oil & Gas Journal/Pennwell 2016 EOR Survey Report



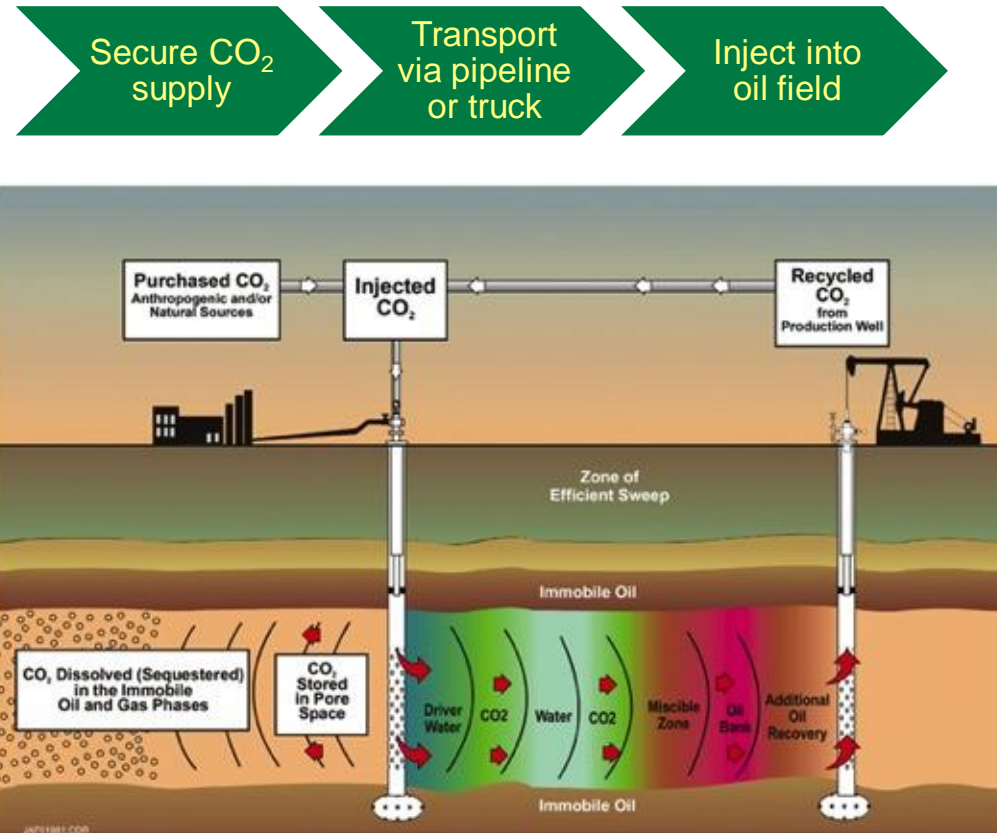
Source: Advances in Enhanced Oil Recovery Processes – Romero-Zeron – University of New Brunswick (2012)

For every barrel of oil extracted from oil fields in primary recovery phase, there remains 3-4 barrels of stranded oil left in the ground



How does CO₂ EOR work?

- CO₂ EOR answers the question “How do I profitably get more out of what I already own?”
- Proven production engineering technique
- Most commonly-used form of EOR
- Over 130 projects delivered in North America with 90%+ success rate
- Most efficient EOR approach recovering highest percentage of remaining oil
- Accounts for ~60% of US EOR production
- CO₂ sourced from natural accumulations and man-made sources
- Effectively “recycles” the entire oil field – wells, facilities & pipelines
- Only stand-alone profitable form of carbon capture & storage – no subsidies required



Source: Advanced Resources International and Melzer Consulting, Optimization of CO₂ Storage in CO₂ Enhanced Oil Recovery Projects, prepared for UK Department of Energy & Climate Change, November 2010.

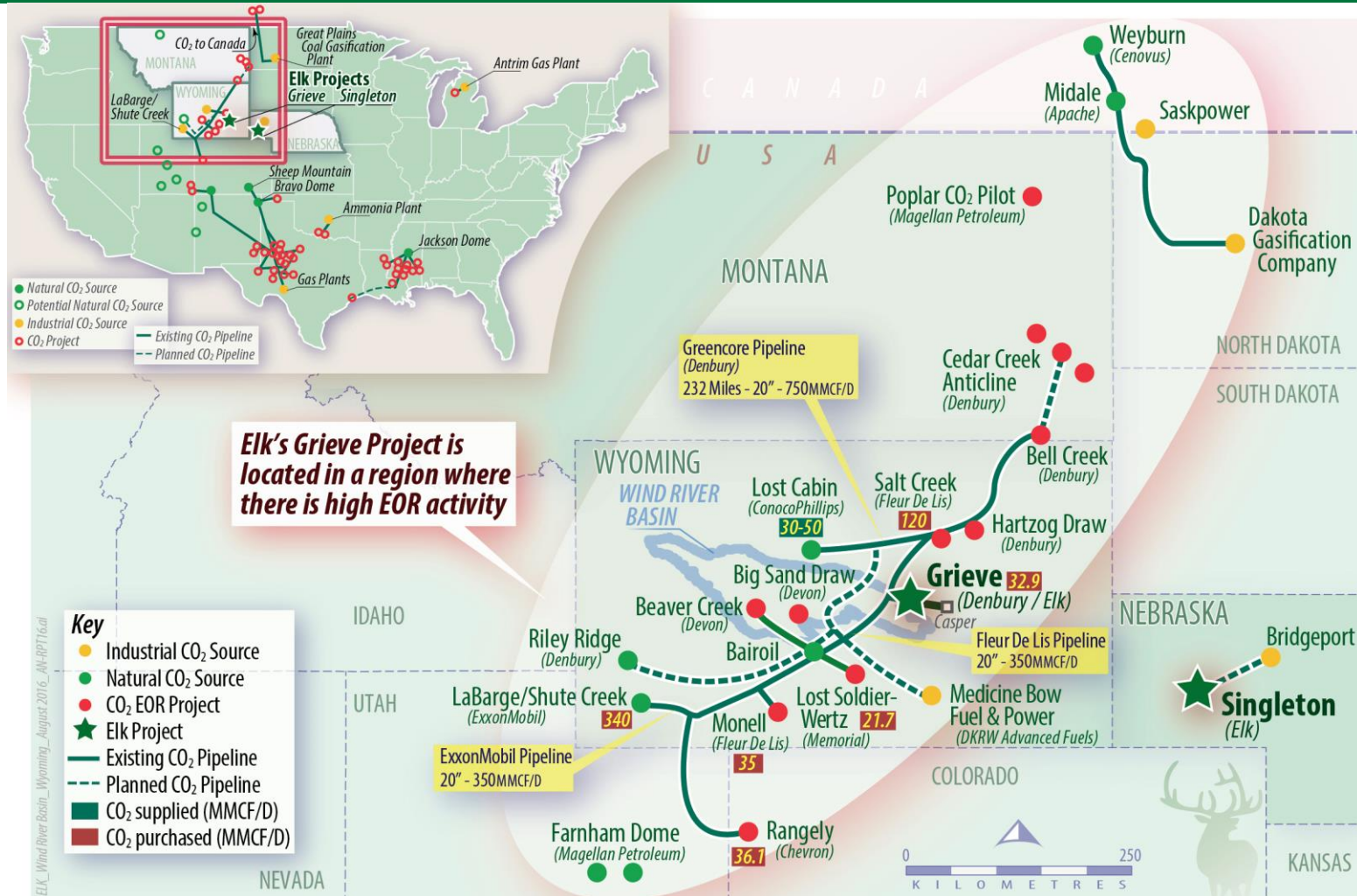
Known as “Green Oil” because stores underground more CO₂ than it generates



Grieve CO₂ EOR Project – Laying a solid foundation



Elk Country — Northern Rockies CO₂ EOR Fairway



Vast CO₂ reserves, extensive CO₂ infrastructure, multiple CO₂ EOR operating projects and numerous new projects for development

Grieve CO₂ EOR Project – High Quality Project with High Quality Operator



- Located in heart of Northern Rockies CO₂ EOR Production Fairway
- Elk 49% / Denbury Resources (NYSE:DNR) 51% (Operator)
- Denbury is North America's leading CO₂ EOR company
- Well-advanced development project over 75% complete
- New JV materially improves project value to Elk
- New JV delivers material increase in reserves with upside
- Project easily accessible served by existing infrastructure
- 100% Elk-owned export pipeline deliver significant income
- Outstanding low F&D and operating costs
- Robust and financeable economics
- First oil scheduled for late 2017 / early 2018



Grieve CO₂ EOR Project Reserves & Resources

Scenario	Post JV Restructure (MMbbl)*	
	Gross	Net to Elk
2P (Probable Reserves)	12.3	5.3
3P (Probable + Possible Reserves)	16.4	7.0
3C (Contingent Resources)	16.3	7.0

**Net volumes to Elk subject to finalisation of proposed Grieve JV restructure*

Attractive new JV arrangements locked in for advanced development project



Completed US\$58 million in senior debt funding

- Benefit Street Partners (BSP) providing US\$58 million conventional term loan oil field development financing
- BSP is credit unit of Providence Capital – a recognized global asset management firm
- Full amount available at financial close

Elk has completed A\$31m entitlement offer & shortfall placement

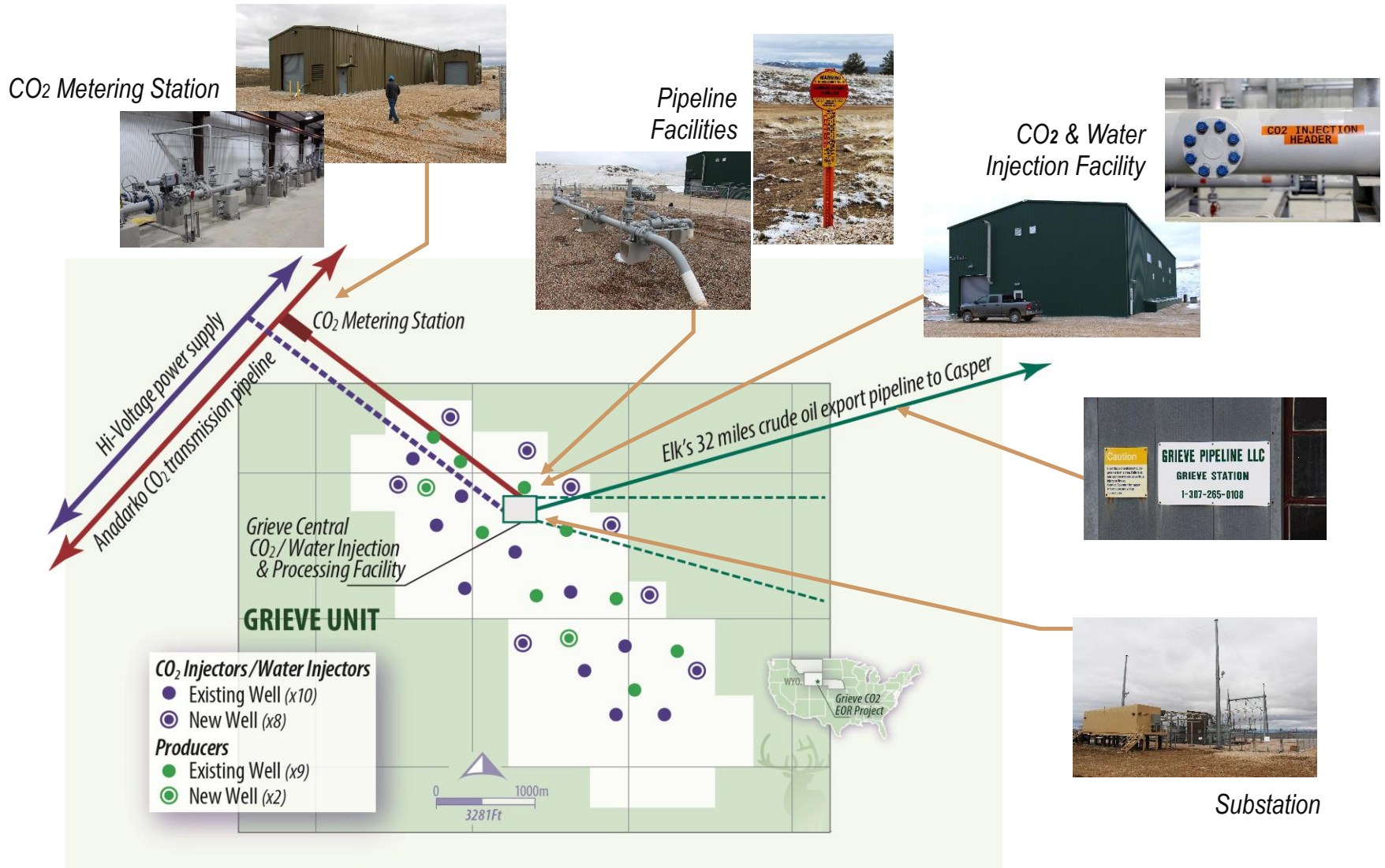
- 1 New share for every Elk share held @ A\$0.075 per New Elk Share
- Shares outstanding following completion of entitlement offer & placement = ~820 million
- Total raising = A\$30.8m (including shares issued for advisors success fees)

Debt and Equity funds to be used to fully fund completion of Grieve Project

- Direct Grieve Project & Grieve Oil Pipeline capital costs needed to complete field development
- Equity raising and bank financing transaction costs
- Project oil price hedging through purchased oil price put options
- Corporate working capital

Fully funded development – Not just bankable but banked!

Grieve CO₂ EOR Project – A Field-level View



Grieve Project – Driving to Completion - New Works Already Underway



- JV restructure & BSP debt financing closed 5 August 2016
- Elk has already commenced crude oil pipeline repairs to return it to service
- Pipeline repairs anticipated to be completed by end of Q3 2016
- Connection of Grieve Oil Pipeline to Spectra Oil terminal next phase of pipeline works

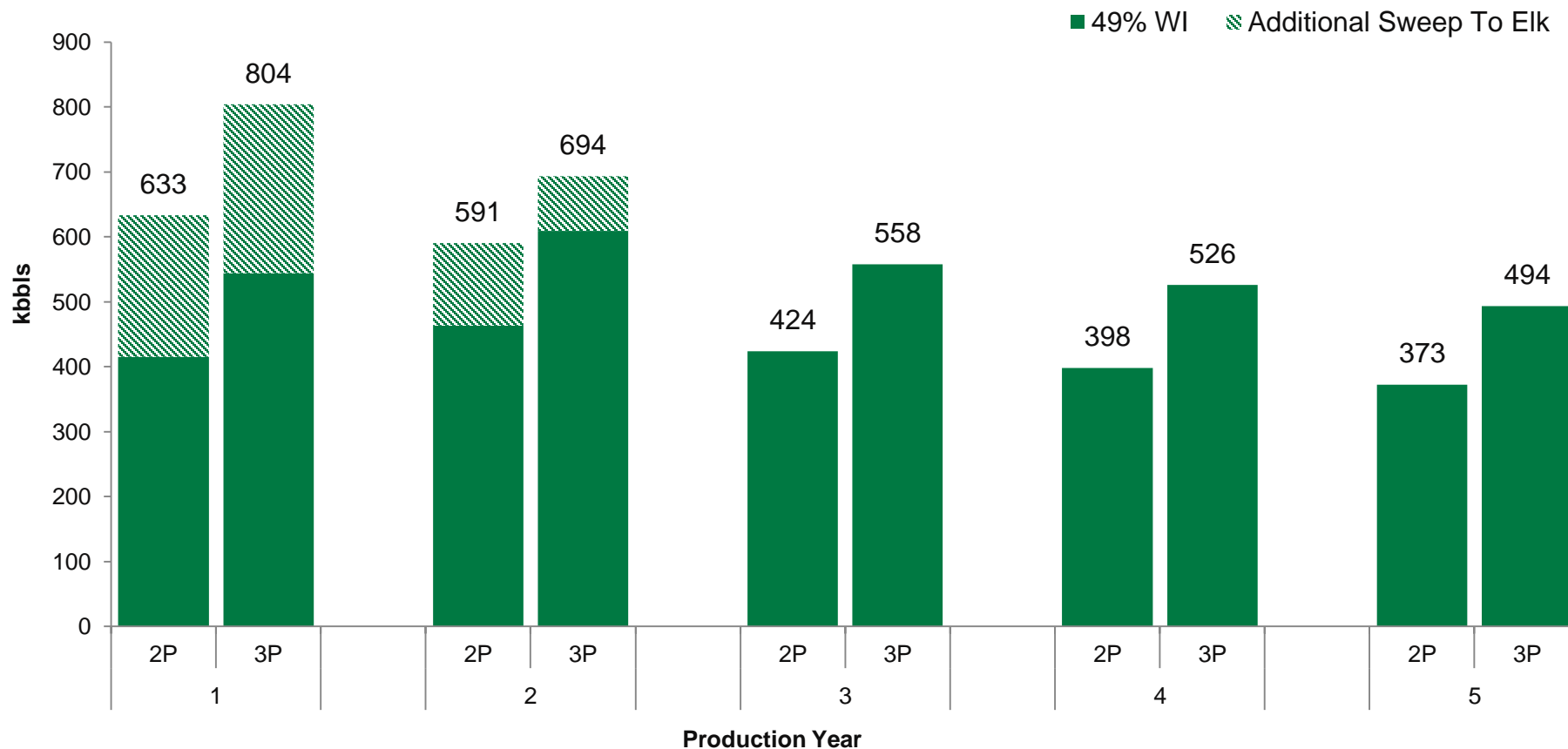


Grieve Production – Elk Net Share (Post Royalties)



Elk's net share of production is estimated to be between 2.4 and 3.1 MMbbls over the first 5 years from first oil

2P & 3P Production (Net to Elk, Post Royalties)

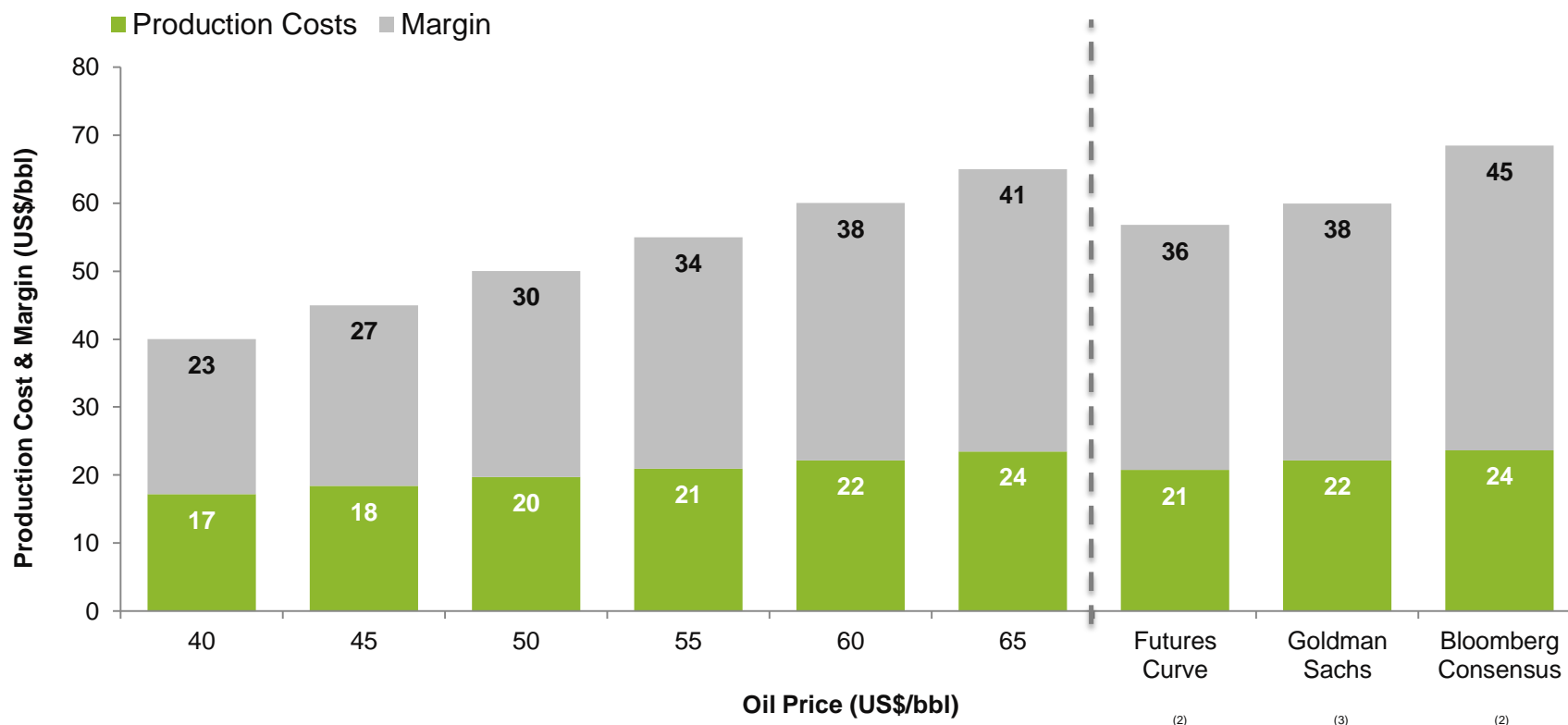


Project Economics: Production Cost & Margin



Production margins remain robust, even in low oil price conditions

Average Production Costs (Including Royalties)⁽¹⁾ of First 5 Years (US\$/bbl, Real)



(1) Includes all Elk's share of the Grieve Oil Pipeline cash flows

(2) Bloomberg (26 May 2016)

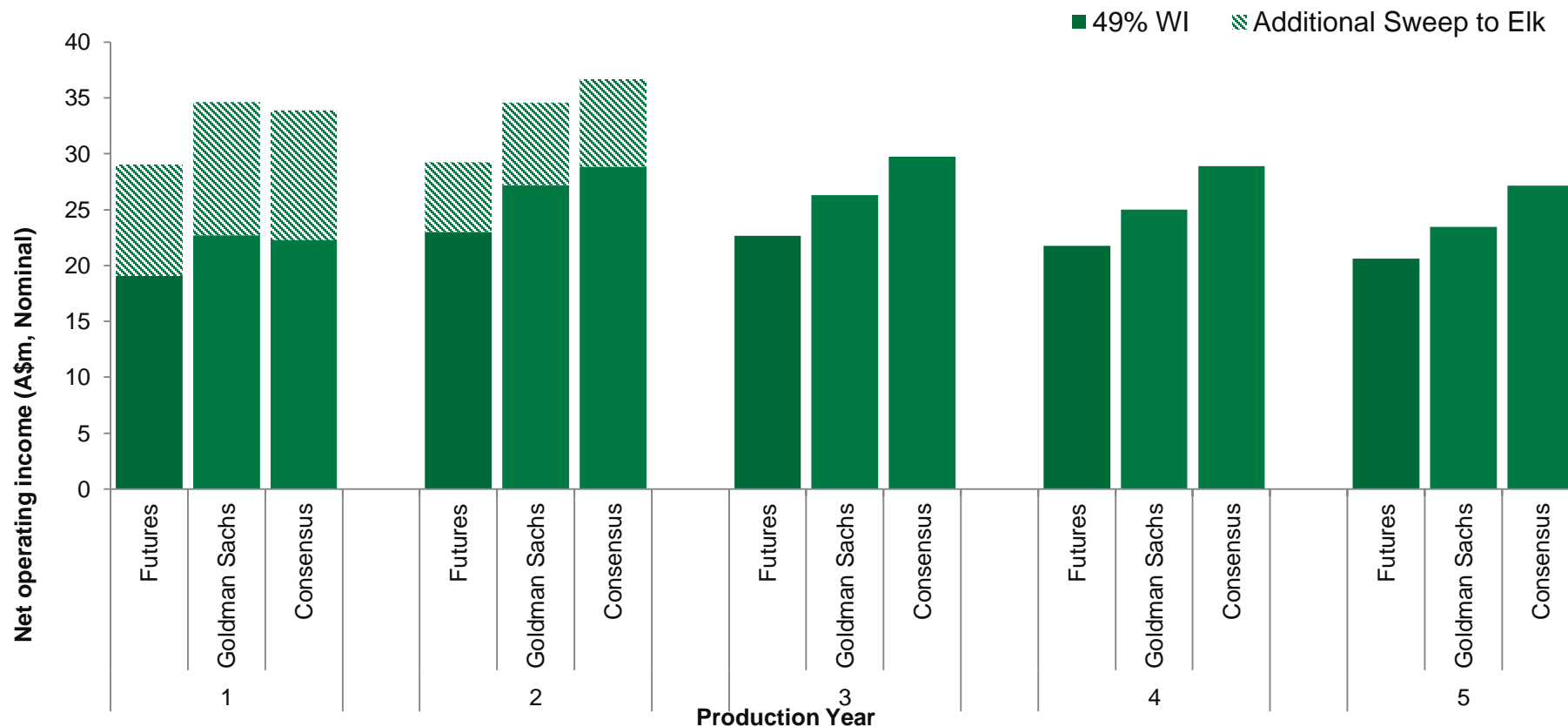
(3) Goldman Sachs Global Investment Research (13 May 16)

Profitability: Net Operating Income (Pre-Finance)



*The Project will generate strong and stable cash flows from first oil**

Elk Net operating income (A\$m, Nominal) ⁽¹⁾



(1) Assumes 0.72 AUD:USD exchange rate

Pricing sourced from Bloomberg (26 May 2016) and Goldman Sachs Global Investment Research (13 May 16)



Singleton South – Delivering Additional Value



Singleton South Project - Overview

- NE extension of Denver-Julesburg Basin - southern leg of Singleton CO₂ EOR Field redevelopment project
- Targeting by-passed oil pay in Muddy Formation sands – same pay intervals as Grieve Project
- Project based on 3-stage appraisal & development program
- Appraisal stage based on re-entering existing Devon Opis-1P and Opis-1H wells acquired from Devon Nov 2015
- Appraisal stage capital cost estimated at USD 3.8 million
- Following appraisal production test success commence horizontal in-fill drilling program Q1 2017
- Full field development based on 32-well horizontal well field development program
- Estimated EUR/well = 150,000 to 200,000 bbls
- Potential first oil late 2016 from production test appraisal wells
- Targeting peak production rate = ~2750 BOPD
- Further upside potential utilizing CO₂ intra-well EOR flood to increase EUR/well to 450,000 to 600,000

Singleton South Production Facility

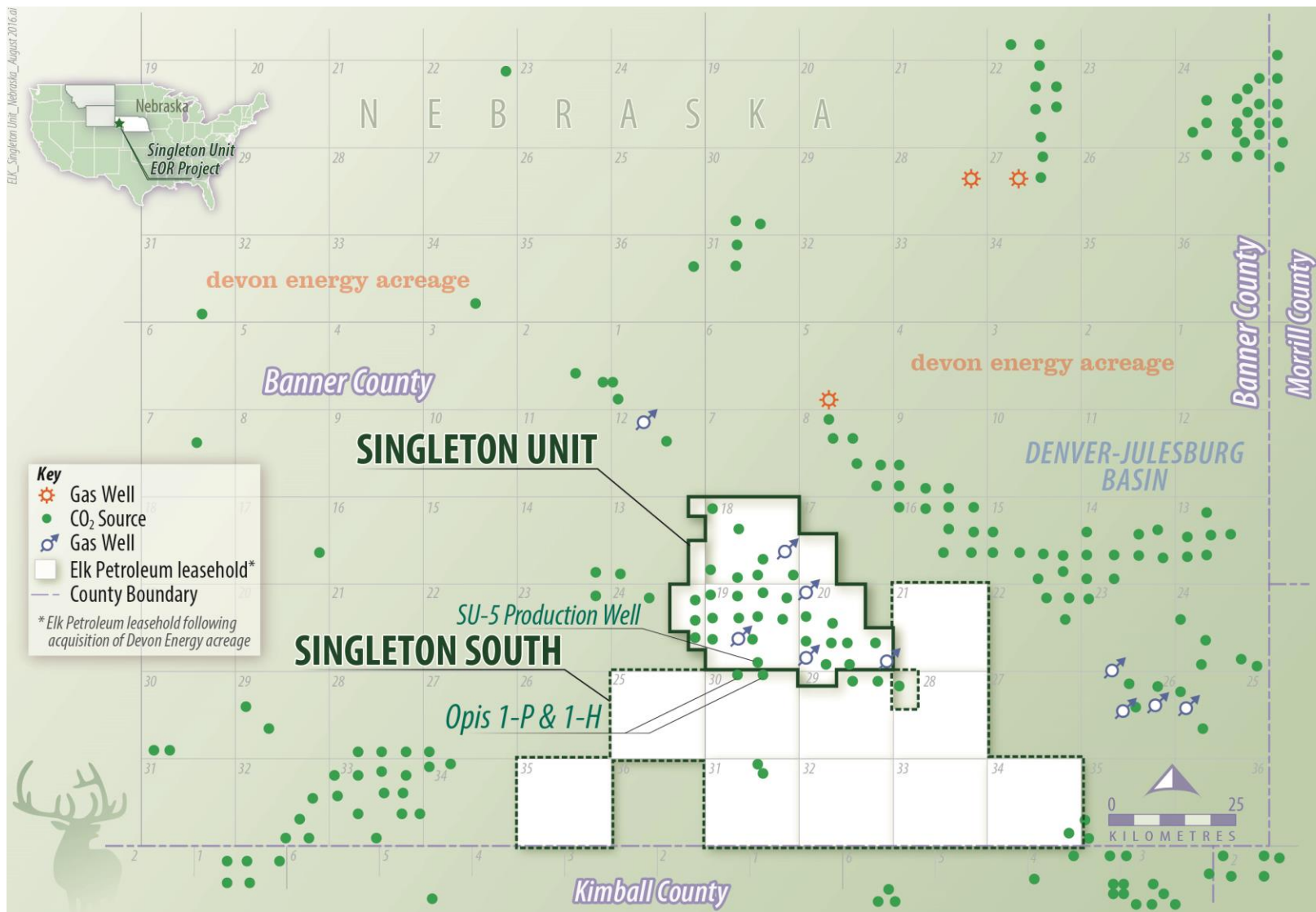


Opis-1P J3 by-passed pay recompletion



By-passed oil pay project with ~5 mmbbls Contingent Resource potential

Singleton & Singleton South Projects - Denver-Julesburg Basin

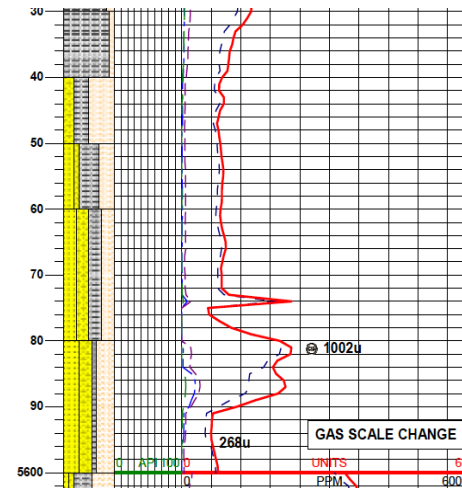


Singleton South Project – J3 Sand Production Test Appraisal

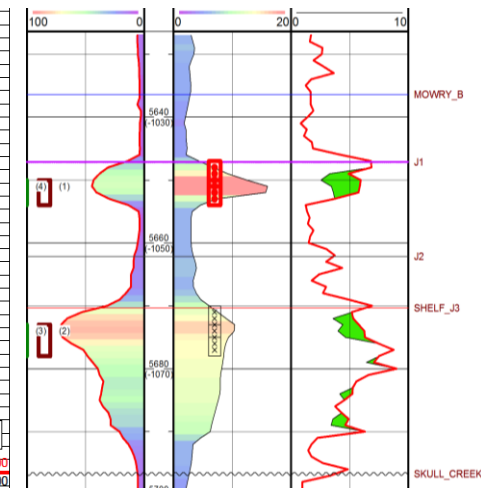


- Proposed work program
 - Recomplete Opis-1P in J3 by-passed pay zone
 - Repair Singleton 29-2 for Water Injection
 - Return Opis-1H to Production
 - Re-enter 2 D&A'd delineation wells 2 miles south of Opis wells
 - Drill 1 New Horizontal J3 Well
- Opis-1P production test = US\$280,000
- Chance of Success
 - Opis-1P production test = 70%
 - Opis-1H J3 sand horizontal = 60%
- Invest \$3.8 Million for initial well work.
- Estimated 30,000 bbls oil produced before Full Field Development Phase
- Project commencement mid-August 2016

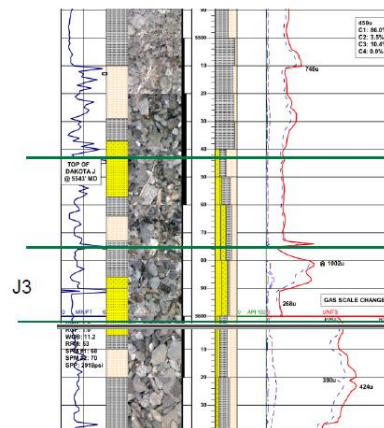
Opis-1P Mud Log Show through J3 Interval



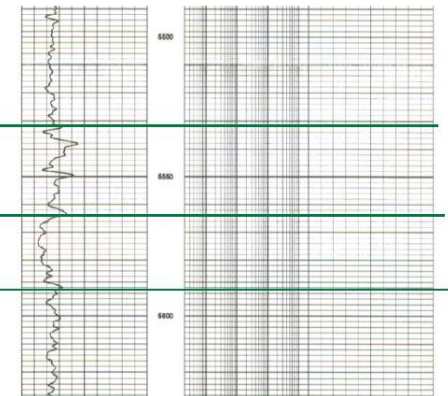
Singleton Unit #11 Electric Log



Opis-1P Mud Log Show through J3 Interval



Opis-1P Through Casing Gamma-Ray Log

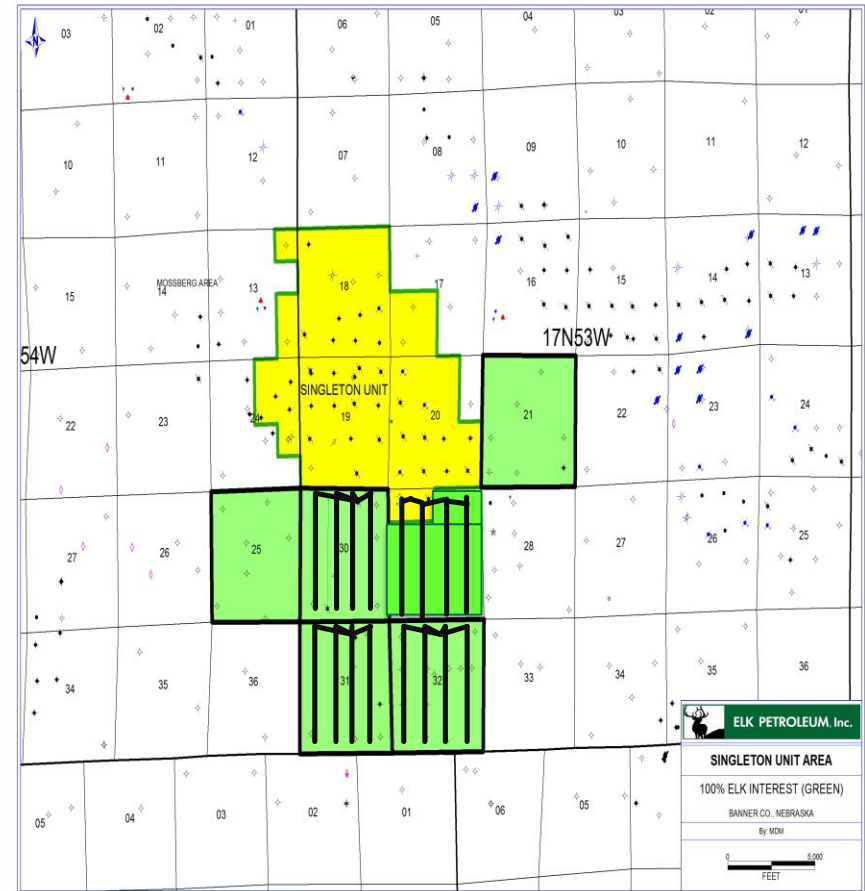


Singleton South Project – Success Case Full Field Development

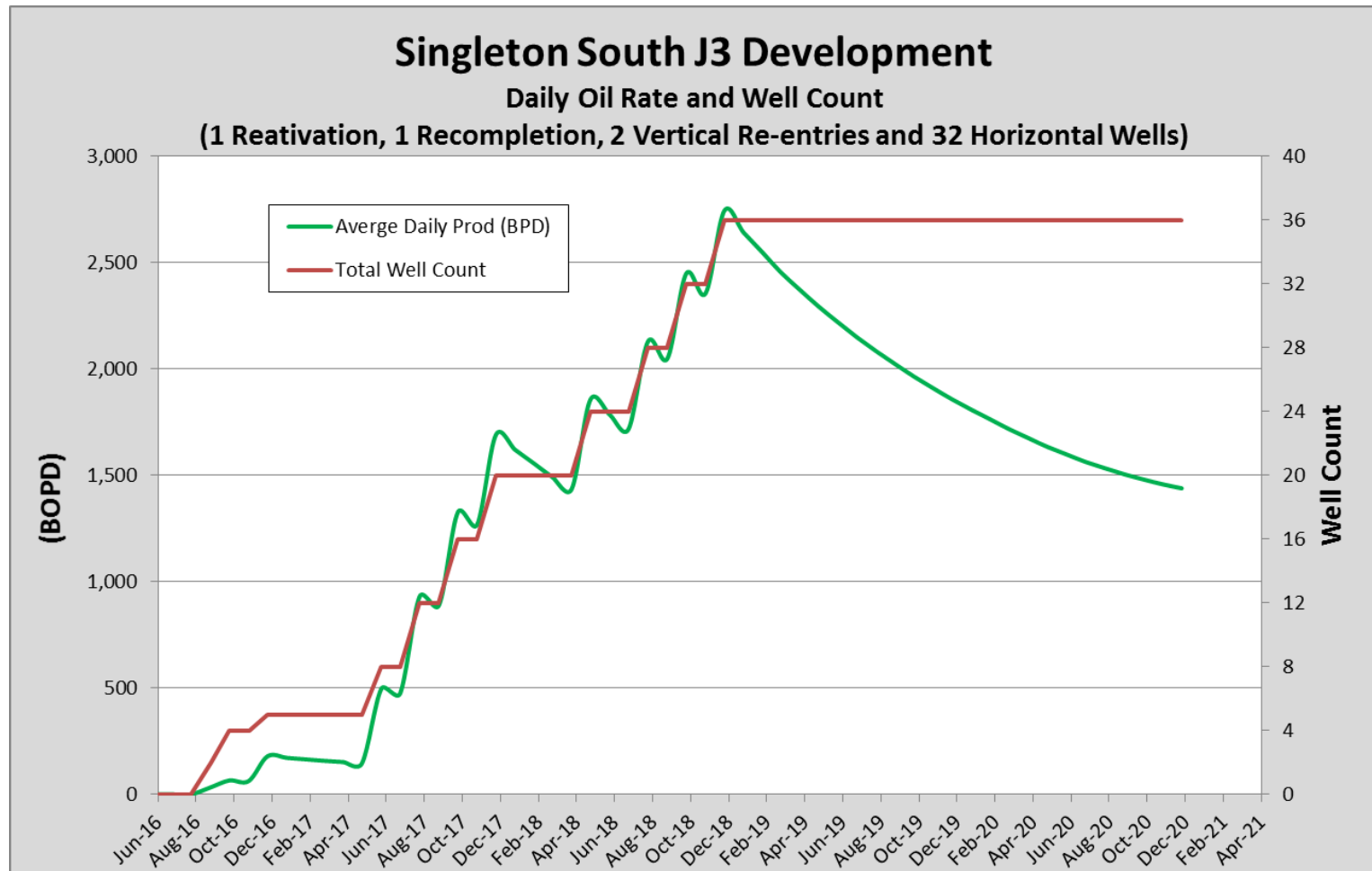


Full Field Development Phase 32 Horizontal Well Program

- Incremental Well Requirements
 - 32 New Horizontal J3 11-Stage Wells
- Estimated cost per well = US\$2.4m +/- 10%
- Total field development CAPEX = US\$34.6m
- Total developed reserves = 5 MMBO (3P)
- Proposed commencement Mid-2017



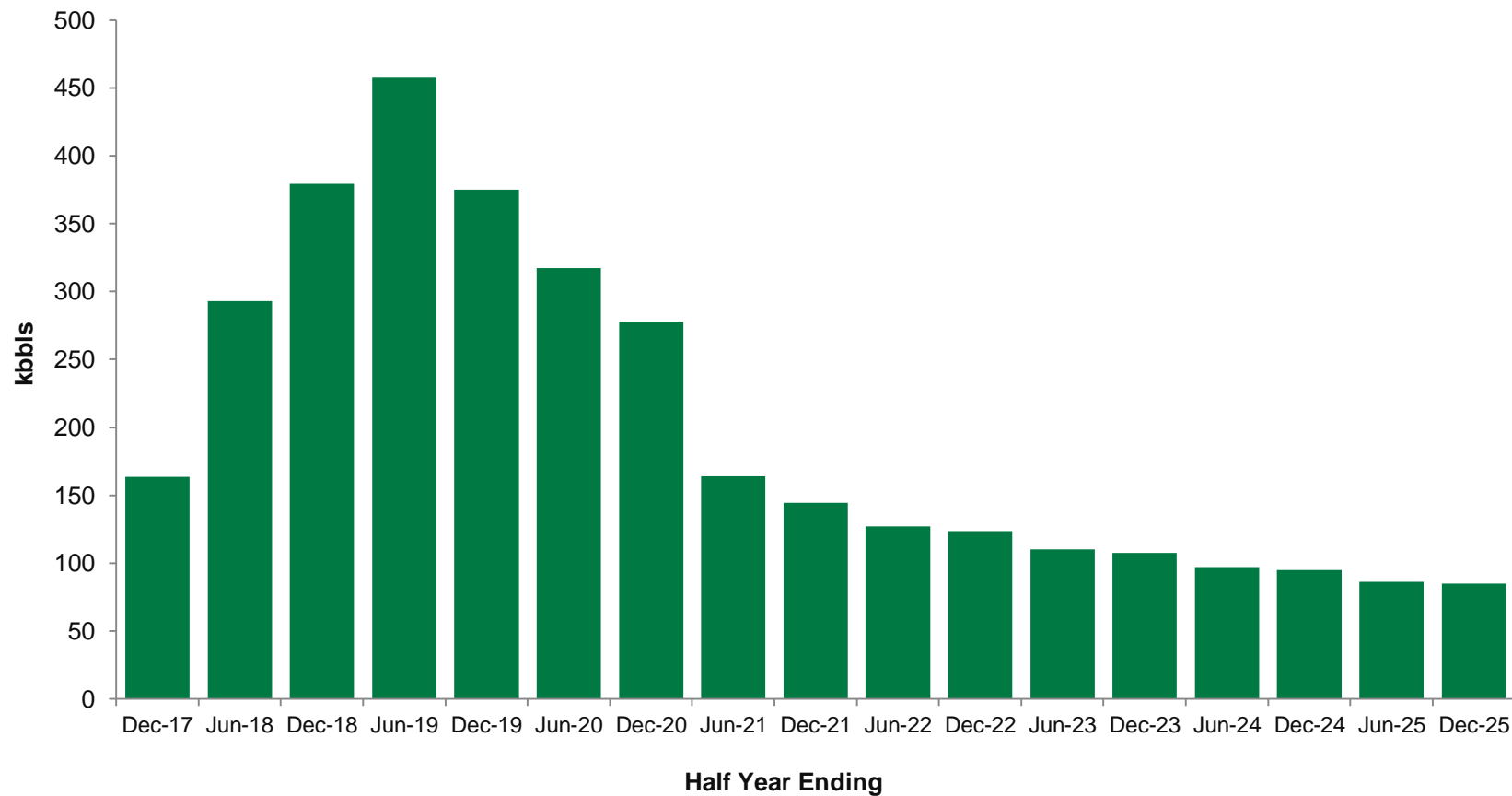
Singleton South – Success Case Daily Production Forecast



Consolidated Forecast – Singleton South Production



Production Forecast (Elk Net Share Post Royalties) ⁽¹⁾

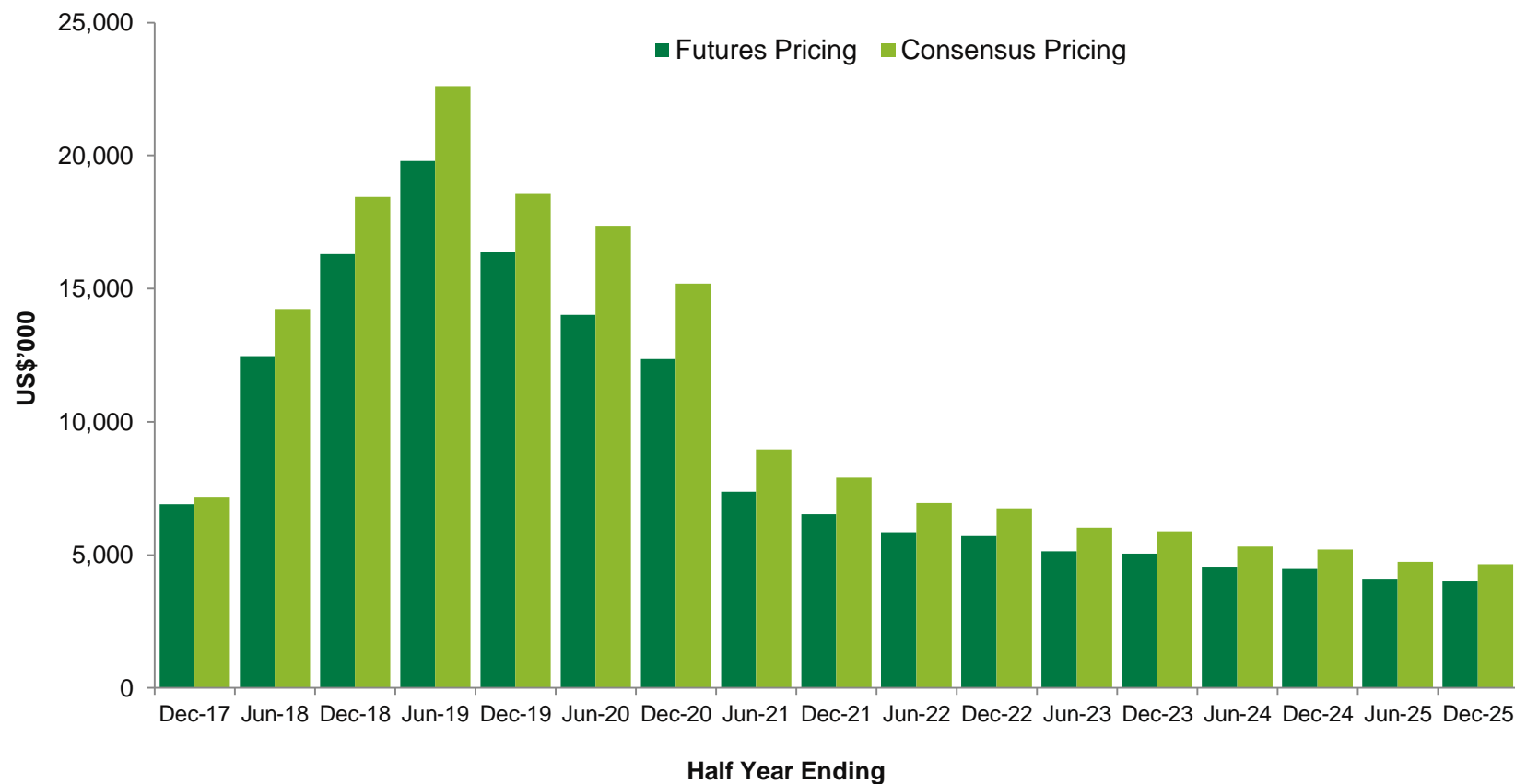


(1) Assumes Singleton South development commences expenditure in September 2016

Consolidated Forecast – Singleton South Net Revenue



Net Revenue (Real, Elk Net Share) ^(1,2)



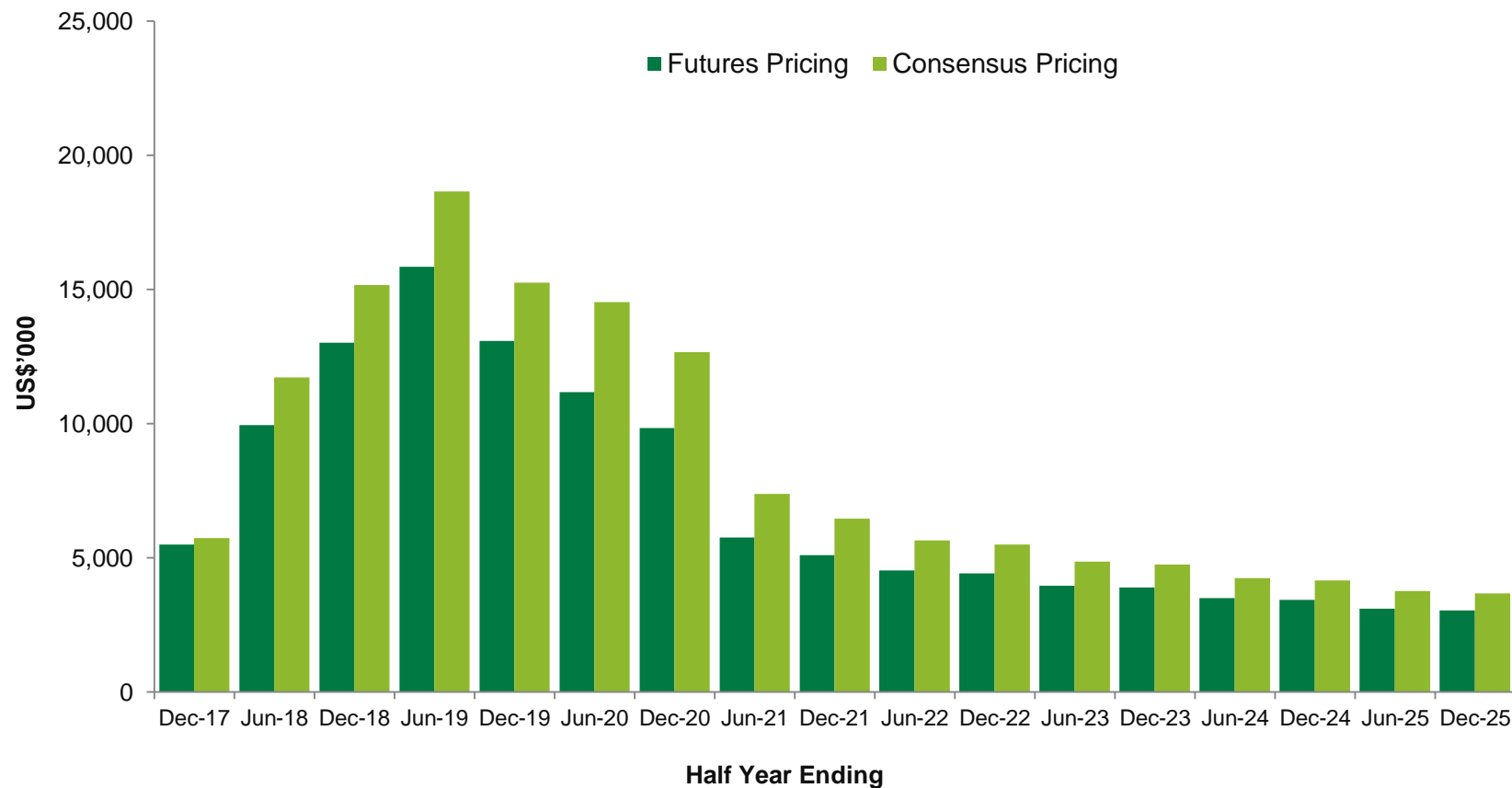
(1) Based on pricing sourced from Bloomberg (15 June 2016)

(2) Elk's net share of gross revenue less royalty oil and ad valorem taxes

Consolidated Forecast – Singleton South EBITDA



EBITDA (Real, Elk Net Share) ^(1,2)



(1) Based on pricing sourced from Bloomberg (15 June 2016)

(2) Net earnings, before all financing costs, tax, depreciation and amortisation

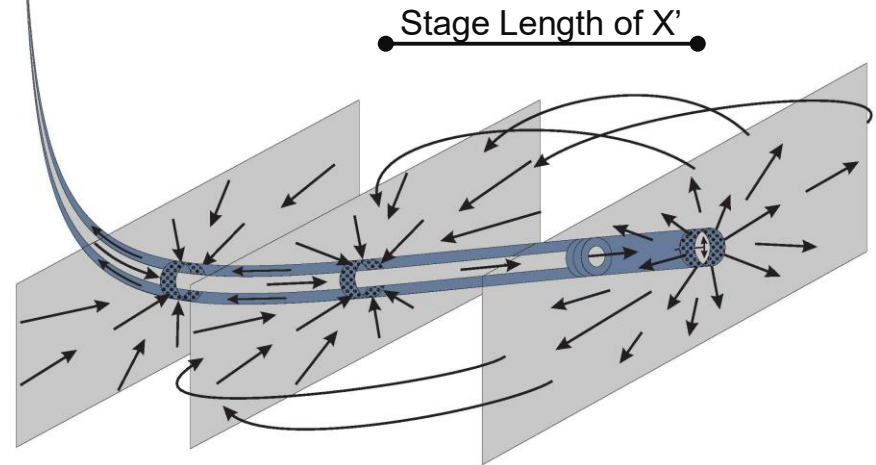
Singleton South – Intra-well CO₂ EOR Flood Concept

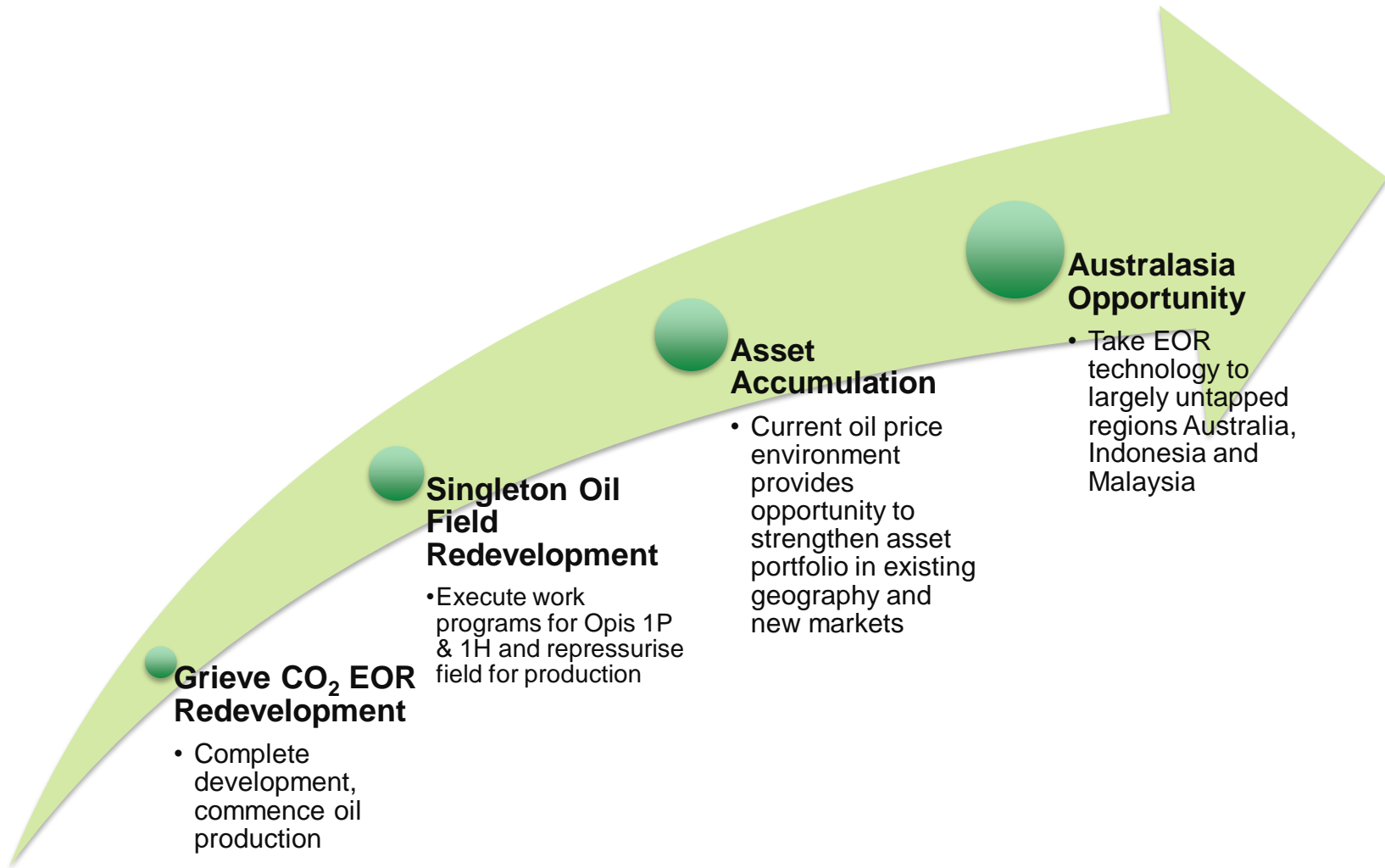


Intra-well CO₂ EOR Horizontal Development

- J3 Sand - Low Quality Conventional Pay
 - 4 to 5 MMBO per section
 - Verticals wells are inexpensive @ \$400k/well
 - Vertical wells only drain 10 -20 acres
 - Vertical well EUR of 10-15 MBO/well
 - Horizontal wells provide fair economics for \$2.5M
 - Requires 11 Planar fracs at 500' spacing
 - Horizontal EUR of 150 - 200 MBO/well
- Intra-well CO₂ EOR Flood Concept
 - Inject down tubing and through production packer
 - Produce from the backside
 - Can be configured with two tubing strings
 - Flood progression from Toe to Heal
 - Hz Intra-well EOR flood 450–600 MBO/well

Intra-well Flood Schematic

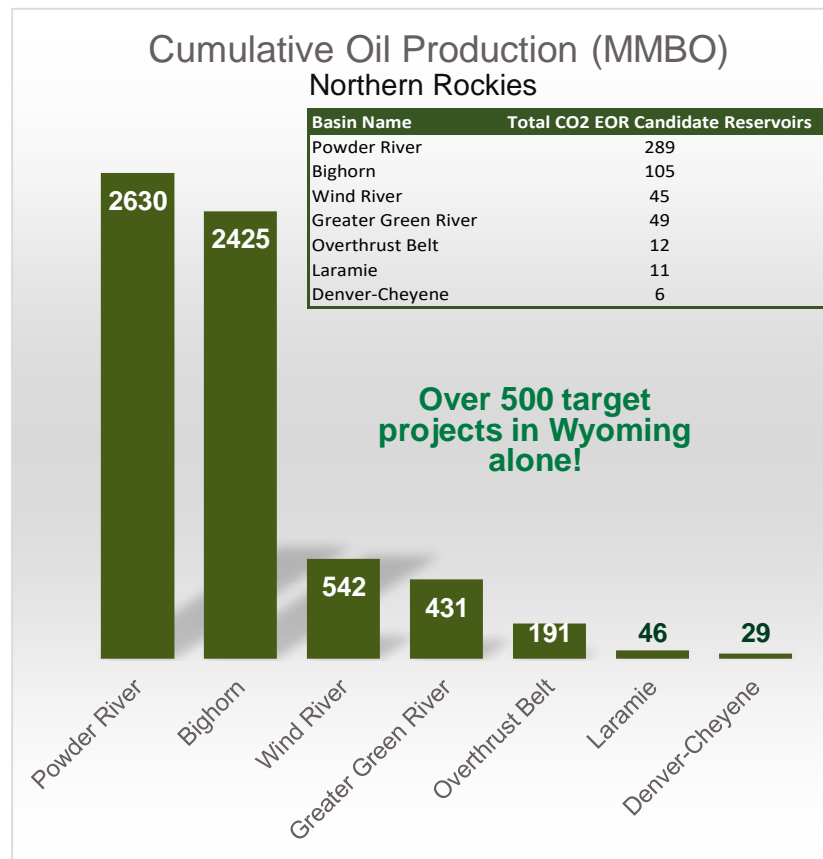




CO₂ EOR – Big Business in US, Big Business in Rocky Mountains



- Wyoming contains one of largest proven developed CO₂ reserves - 10 TCF - in US with resource potential of 100 TCF
- Over 500 target CO₂ EOR projects identified in Wyoming alone
- Elk well established in Northern Rockies CO₂ EOR Production Fairway
- Beyond Grieve Project, Elk has identified and is pursuing similar bolt-on CO₂ EOR production
- Market conditions also generating significant CO₂ EOR production project acquisition opportunities
- Regulatory environment also conducive to supporting CO₂ EOR – Open for business
- Plenty of scope for both organic and acquisition growth



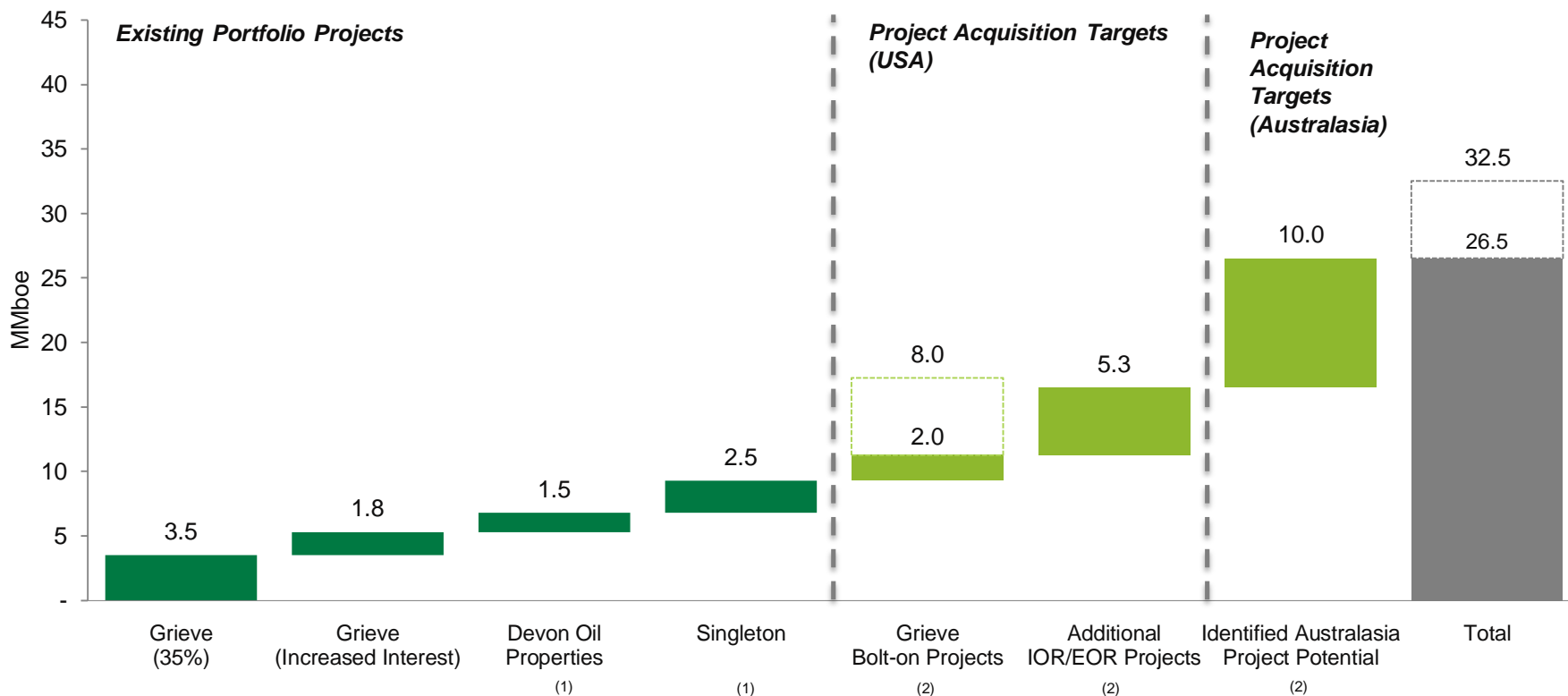
Source: SPE-122921-MS-Estimates of Potential CO₂ Demand for CO₂ EOR in Wyoming Basins

Significant growth potential with deep pipeline of attractive projects

Beyond Grieve: Elk Growth Potential



Potential 2P Volumes, Net to Elk



(1) Assuming conversion of 2C resources into 2P reserves

(2) On the basis of initial exploratory engagement

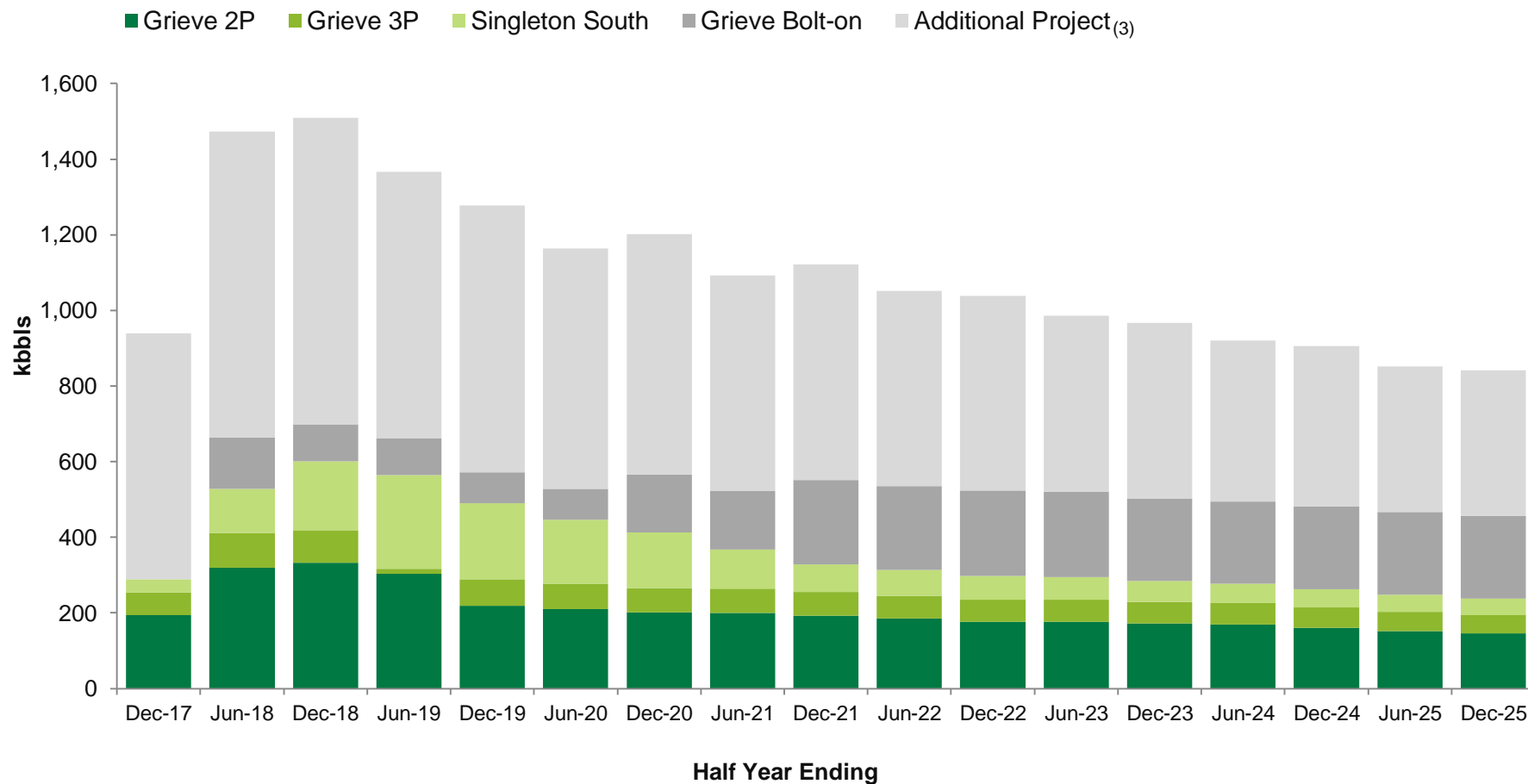
Note: Volumes shown are rounded to 1 decimal place

Elk has identified additional EOR opportunities that are achievable in the short to medium term

Consolidated Forecast – Production



Production Forecast (Elk Net Share Post Royalties) ^(1,2)



(1) Assumes Singleton South development commences expenditure in September 2016

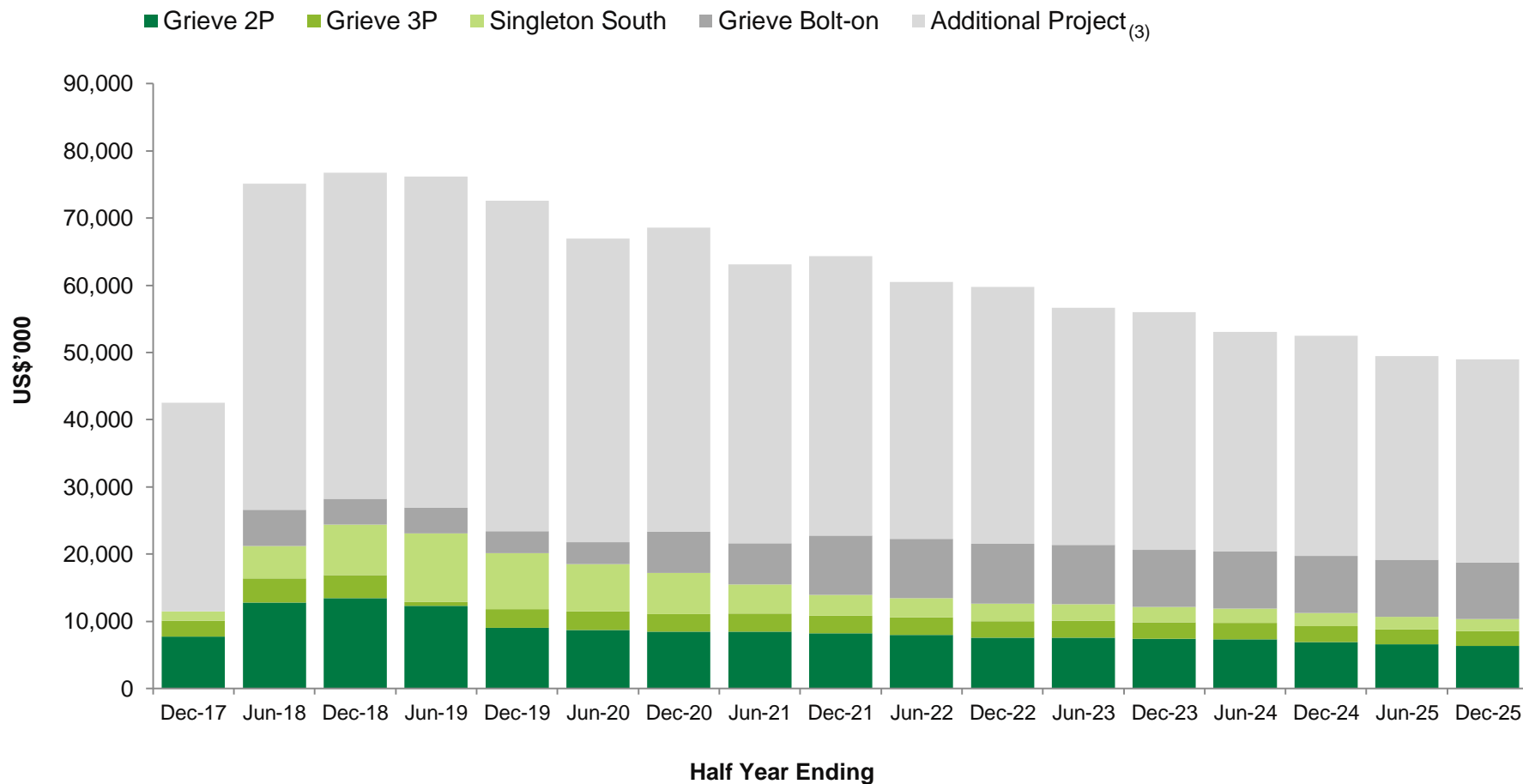
(2) Assumes successful acquisition of Grieve Bolt-on Projects with development expenditure commencing in June 2017

(3) Based on indicative 1P forecast

Consolidated Forecast – Net Revenue



Net Revenue (Elk Net Share) ^(1,2)



(1) Based on futures pricing, sourced from Bloomberg (15 June 2016). Elk's net share of gross revenue less royalty oil and ad valorem taxes

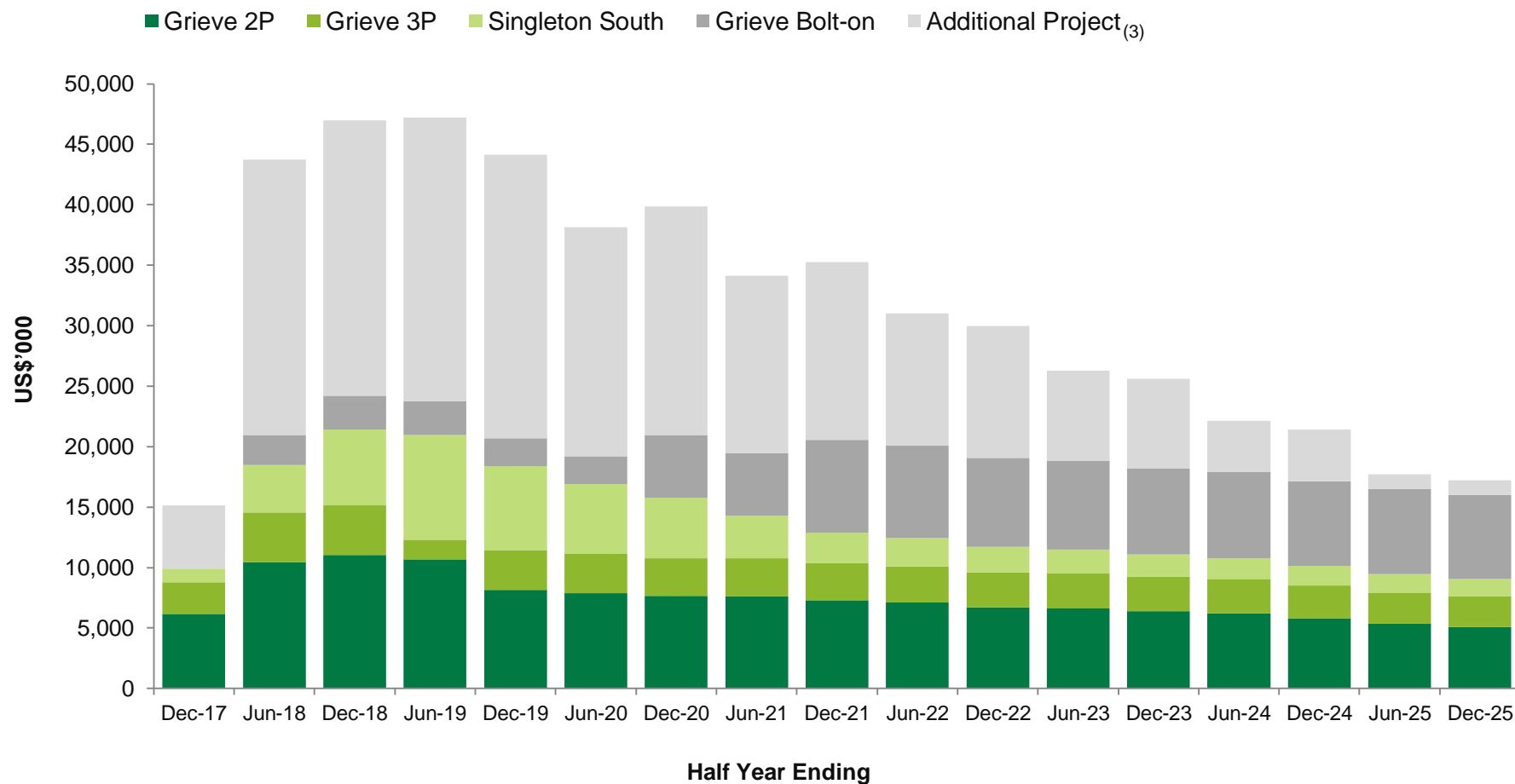
(2) Assumes successful acquisition of Grieve Bolt-on Projects with development expenditure commencing in June 2017

(3) Based on indicative 1P forecast

Consolidated Forecast – EBITDA



EBITDA (Elk Net Share) ^(1,2)



(1) Based on futures pricing, sourced from Bloomberg (15 June 2016). Net earnings, before all financing costs, tax, depreciation and amortisation

(2) Assumes successful acquisition of Grieve Bolt-on Projects with development expenditure commencing in June 2017

(3) Based on indicative 1P forecast



Key Takeaways – Investing in Elk

- Only ASX-listed oil company focussed on enhanced oil recovery (EOR)
- Main projects are in the prolific Northern Rocky Mountain Oil Fairway in USA
- Company's flagship – the Grieve Project – is over 75% complete and is anticipated to commence production late 2017/early 2018
- To deliver the Grieve Project, ELK has partnered with Denbury Resources, North America's leading EOR oil production company
- New partnership arrangements Denbury is guaranteeing both cost and time for completion, and project start-up
- ELK has agreed to fund US\$55m, the last 30% of Capex, and in return will increase interest in project from 35% to 49%
- Under new JV arrangements assets valued at US\$60 million transferred to Elk and US\$25 million of debt released
- For funding Grieve Project completion will also receive 75% of the operating profit from 1st million barrels and 65% from 2nd million
- Significant additional annuity revenue stream to Elk from 100%-owned Grieve Oil Pipeline
- Annual net operating income for first 5-years averages A\$25-31 million pa^(1,2)
- Grieve Project is repeatable and ELK has already identified additional projects with 20 miles of Grieve Project supporting additional growth
- Grieve Project fully funded from combination of senior debt and new equity capital funding

Grieve Project Economics

Project life	20 years
Capex invested to date	US\$120m
Remaining capex spend	US\$55m
Development cost (/bbl)	US\$7-10
Operating cost (/bbl) (Excluding royalties)	US\$12-16
Profit margin (/bbl) (first 5 years) ^(2,3)	US\$46-57
Total projected revenue (project life) ^(1,2,3)	A\$384-473m
First 5 years net operating income (annual)	A\$25-31 m/y

(1) Assumes 0.72 AUD:USD exchange rate

(2) Range: Futures to Bloomberg Consensus for 2P (12.3MMbbl) production profile
(Pricing source: Bloomberg 26 May 2016)

(3) Inclusive of Grieve Oil pipeline revenue



ELK PETROLEUM

*Elk Petroleum Limited
Exchange House
Level 1, Suite 101
10 Bridge Street
Sydney NSW AUSTRALIA*



Appendix Slides

CO2 EOR Focused Companies



Production > 7500 BOPD



Production > 2000 BOPD



Production < 2000 BOPD



Who is Denbury Resources?



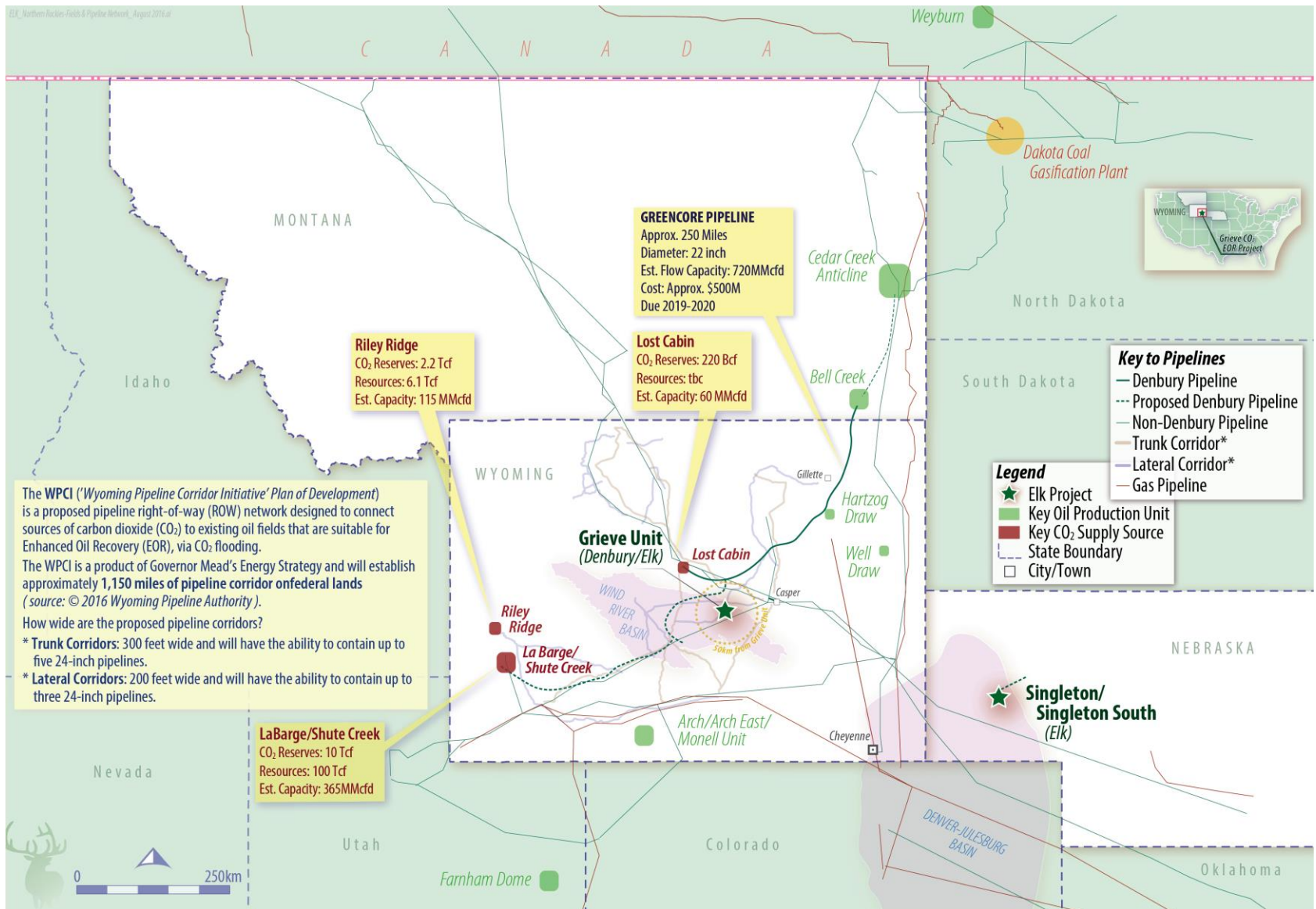
- Denbury is operator of Elk's Grieve EOR project
- Denbury Resources is a US independent energy company that specialises in enhanced oil recovery (EOR) operations using miscible carbon dioxide (CO2) floods of mature fields.
- Denbury is the leading pure play EOR operator in North America.
- Strategic focus is the acquisition and re-development of mature oil fields using carbon dioxide (CO2) injection to boost oil recovery.
- Has achieved incremental oil recovery rates of up to 23% of original-oil-in-place through application of CO2 EOR field redevelopment
- Accumulated a US Lower 48 EOR portfolio which is second only to Occidental Petroleum in terms of value.
- Focused in two key operating areas: the Gulf Coast and Rocky Mountain regions.
- At the core of Denbury's success to-date is its strategic ownership of CO2 supply and infrastructure



NYSE Trading Code:	DNR
Market Capitalization (USD million):	1,227
Tertiary Proved Reserves PV10 (USD million)	1,454
Tertiary Proved Reserves (mmbbls):	164.8
EOR Resource Potential (mmbbls):	890
2015 Tertiary Production-Avg Daily (BOPD)	41,602
2015 Tertiary Production-Total Annual (mmbbls):	26.594
CO2 EOR Production to Date (mmbbls)	135
Gulf Coast CO2 Proved Reserves (TCF)	4.4
Rocky Mountain CO2 Proved Reserves (TCF)	2.2
CO2 Pipeline Network Owned & Operated (km)	1,770
Commencement of First CO2 EOR Project	1999

Sources: Wood Mackenzie Company Focus Reports 2015, Denbury Resources FY 2015 10K Annual Report and Denbury Resources EnerCom Oil & Gas Conference Presentation August 2016

CO2 EOR Infrastructure – Northern Rockies – Current & Proposed





Grieve Restructure Overview

New Grieve unit/joint venture terms

- **Agreement:** completion of new agreement 5 August 2016
- **Ownership:** Elk 49%, Denbury Resources 51% (operator)
- **Funding:** Elk to fund US\$55m remaining capital works to first production
- **Construction:** Denbury to complete construction under a fixed price/fixed time US\$55m construction contract with liquidated damages applicable, Denbury to fund any cost overruns 100%
- **Independent project engineer:** to monitor construction progress and release escrow funds
- **CO₂:** Denbury to supply and cover full cost of CO₂ up to first production (75% of total project CO₂ requirements)
- **Elk enhanced production sweep:** 75% first 1 million bbl, 65% second million bbl
- **Balance sheet:** Following completion Elk owns 49% of Grieve unit surface facilities and infrastructure (construction cost US\$120m)
- **Production:** Production expected to commence end of CY2017

Previous joint venture terms (now redundant)

- *Ownership: ELK 35%, DNR 65%*
- *Funding: parties funding their working interest share of construction work*
- *Joint venture: stalled and in dispute due to construction delays by Denbury*



Grieve Senior Debt Facility Overview

Key Terms

- **Lender:** Benefit Street Partners*, credit subsidiary of Providence Capital (Rhode Is)
- **Facility:** US\$58m conventional 3 year partially amortising term loan
- **Funding application:** US\$55m to finalise Grieve unit construction, US\$2.5 for Grieve pipeline upgrade works
- **Minimum equity raise:** Initial US\$15m equity raise requirement (balance currently on deposit in debt service reserve account)
- **Interest rate:** LIBOR + 9.0% (subject to 1% LIBOR floor)
- **Facility fee:** 3% (US\$1.74m) paid up front from loan proceeds
- **Equity kicker:** Moderate ORRI (customary for pre-production finance) to apply during loan term, increasing after loan payout
- **Borrower:** Elk Grieve Project LLC, 100% subsidiary of Elk Petroleum Limited
- **Refinance:** at Elk's option at any time without penalty, Elk will consider refinancing with conventional reserve based bank loan post first 6 months production
- **Hedging:** Elk has implemented \$45 oil price put options for 75% of Grieve production (net) during 2018 and 2019 (see additional appendix slide)
- **Financial covenants:** covenant light—subject to minimum liquidity of US\$2m, total leverage and interest coverage tests

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Grieve Project Oil Hedging overview

ELK has purchased US\$45/bbl WTI oil price put options for 75% of its net profit share of forecast CY18 & CY19 prod'n

- Up front premium put options create a \$US45/bbl (WTI) oil price floor for 75% of Elk's net profit share of Grieve production
- Elk is fully exposed to potential future oil price upside
- Put option premium of US\$4.4m has been paid in full
- Elk continues to monitor the oil futures market and may implement further downside protection if suitable opportunity arises
- Hedged production volumes detailed in the table below:

Quarter	MarQ18	JunQ18	SepQ18	DecQ18	MarQ19	JunQ19	SepQ19*	DecQ19*	Total
BBL^	111,271	128,266	132,331	117,533	115,064	112,444	83,135*	81,389*	881,433

** Lower production due to end of Elk's Grieve unit enhanced oil recovery sweep, reverting back to 49% share*

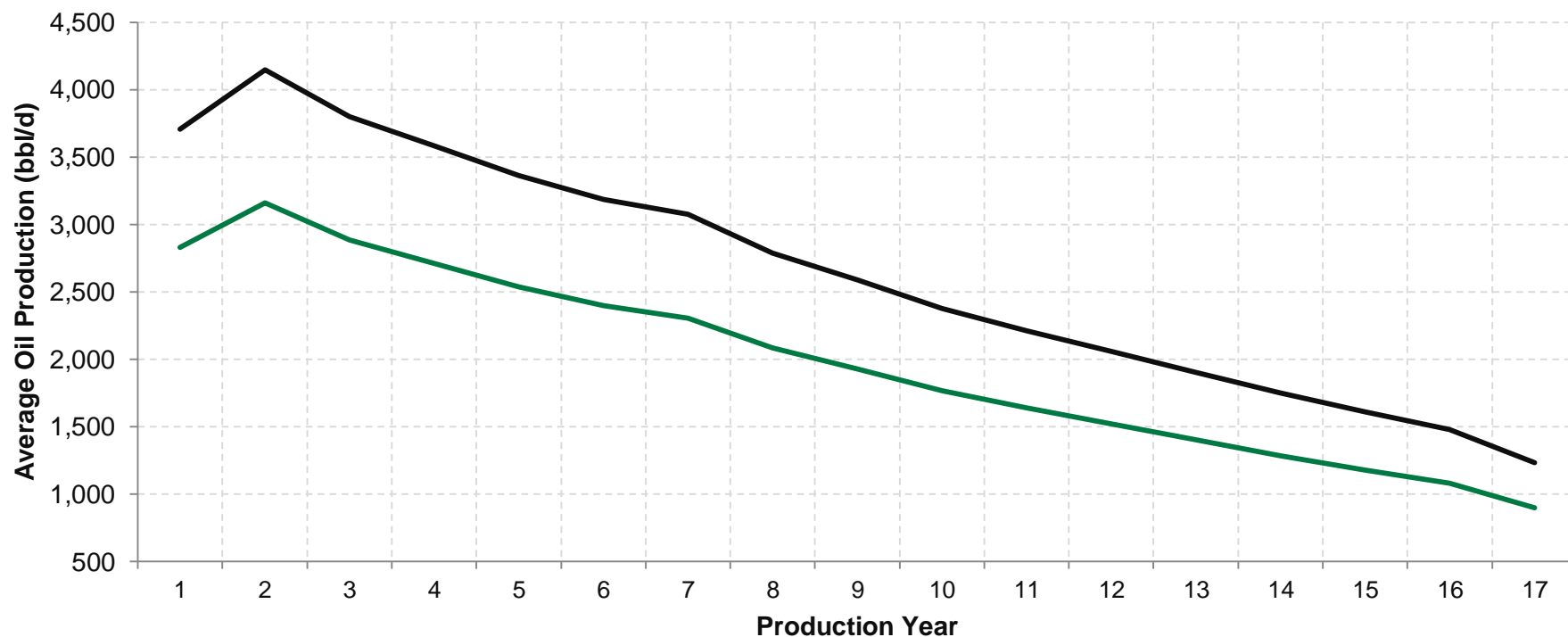
^ 75% of Elk net profit share of production

Grieve Project – Life of Field Production Profiles



Grieve 2P and 3P Production Forecast by Production Year (Gross)⁽¹⁾

— VSO 2P - 12.3MMbbl — VSO 3P - 16.4MMbbl



Total Production Per Year⁽¹⁾

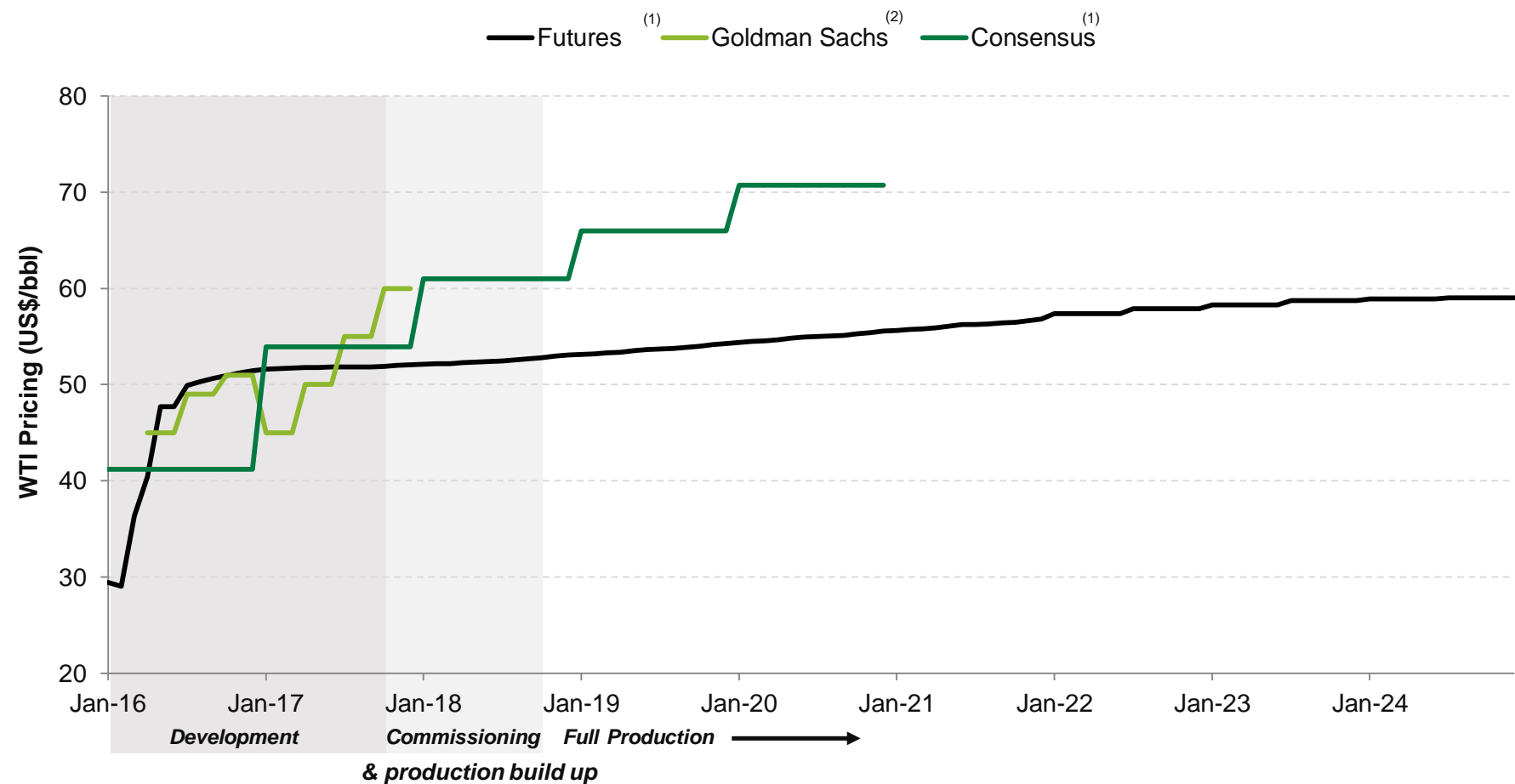
VSO 2P (kbb)	1,033	1,153	1,053	991	927	875	842	761	705	645	599	556	512	469	430	395	329
VSO 3P (kbb)	1,353	1,514	1,387	1,309	1,228	1,163	1,123	1,018	945	867	808	752	694	639	587	541	451

(1) Gross production, pre-royalties and JV production sweep (Source: VSO 2016)

Oil Price Scenarios



WTI Pricing Assumptions (US\$/bbl, Nominal)



(1) Source: Bloomberg (26 May 2016)

(2) Source: Goldman Sachs Global Investment Research (13 May 16)