

25 August 2106

ELK PLACES \$11.14M ENTITLEMENT OFFER SHORTFALL

- Elk has received subscriptions for all remaining Entitlement Offer Shortfall shares
- Shortfall placement to raise \$11.14 million
- Funds to be used for corporate working capital and new production development projects

Elk Petroleum Ltd (ASX: ELK) ("Elk") is pleased to advise it has received subscriptions for all remaining Shortfall shares under the non-renounceable pro-rata entitlement offer ("Entitlement Offer") launched on 3 June 2016 and partially completed on 23 June 2016.

Elk will issue approximately 148.5 million shares priced at \$0.075 per share ("Shortfall Shares") to sophisticated investors and institutional investors new to the Elk register to raise an additional \$11.14 million, concluding the Entitlement Offer. The issue price for the Shortfall Shares is consistent with the price of shares offered in the Entitlement Offer. Taylor Collison Limited acted as partial underwriter of the Entitlement Offer and Lead Manager to the placement of Shortfall Shares.

Combined with the Shortfall placement, a total of 410,073,919 new shares will have been issued under the Entitlement Offer to raise A\$30,755,544.

As detailed in the Entitlement Offer booklet and Elk's recent investor presentations and announcements, the funds will be used:

- to fund fully Elk's Grieve CO₂ Enhanced Oil Recovery joint venture project in Casper, Wyoming;
- for development of Elk's existing and new oil redevelopment projects, including its 100% owned Singleton South oil redevelopment project in Nebraska; and
- for corporate working capital.

Elk Managing Director, Brad Lingo, commented "the successful placement of all remaining Shortfall Shares under the Entitlement Offer demonstrates strong institutional investor confidence in Elk resulting from the successful restructuring and funding of the Grieve CO₂ Enhanced Oil Recovery project in Wyoming. Elk is now fully funded and well placed to create shareholder value from the Grieve Project and its pipeline of other projects and initiatives".

The allotment is expected to occur on or around 30 August 2016, at which time an Appendix 3B will be released to the ASX, confirming that the allotment has been completed.

For further information, please contact:

Brad Lingo
Managing Director/CEO
P: +61 2 9093 5400
E: ir@elkpet.com

Alex Hunter
CFO
P: +61 2 9093 5400
E: ir@elkpet.com

ABOUT ELK PETROLEUM

Elk Petroleum Limited (ASX: ELK) is an oil and gas company specialising in Enhanced Oil Recovery (EOR), with assets located in one of the richest onshore oil regions of the USA, the Rocky Mountains. Listed on the ASX in 2005, Elk's strategy is focused on applying proven EOR technologies to mature oil fields, which significantly de-risks the Company's strategy of finding and exploiting oil field reserves. Leveraging proven EOR technology and Company expertise and experience, Elk is currently developing the Grieve oil field in Wyoming (Elk – 49% WI) and is planning for a CO₂-based EOR project at the Singleton oil field in Nebraska (Elk – 100% WI & operator).

ELK PETROLEUM LIMITED

Exchange House
Suite 101, Level 1
10 Bridge Street
Sydney NSW 2000

Tel +61 2 9093 5400
Email IR@elkpet.com
Website www.elkpet.com