

WHITEBARK ENERGY LIMITED
ACN 079 432 796

PLACEMENT PROSPECTUS

For an offer of up to 87,500,000 Shares at \$0.004 per Share together with 1 new Option for every 1 Share issued to raise up to \$350,000 (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Charles Morgan
(Non-Executive Chairman)

David Messina
(Managing Director)

Stephen Keenihan
(Executive Director)

Company Secretary

Kevin Hart

Registered Office

Suite 8
2 The Esplanade
Mount Pleasant WA 6153

Principle place of business

Level 2
1 Thelma Street
West Perth WA 6005

Telephone: +61 8 6555 6000
Facsimile: +61 8 6555 6099
Email: info@whitebarkenergy.com
Website: www.whitebarkenergy.com

Share Registry*

Computershare Investor Services Pty
Limited
Level 11
172 St Georges Terrace
Perth WA 6000

Telephone: 1300 850 505
Facsimile: +(61) 3 9473 2500

Lawyers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

CPS Capital Group Pty Ltd
Level 45, 108 St Georges Terrace
PERTH WA 6000
AFSL: 294848

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	31 August 2018
Lodgement of Prospectus with ASX	31 August 2018
Opening of Offer	31 August 2018
Closing Date	3 September 2018
Securities issued & entered into Applicants' Security holdings	4 September 2018

*These dates are indicative only and may be subject to change at the absolute discretion of the Board.

3. IMPORTANT NOTES

This Prospectus is dated 31 August 2018 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained

in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 4 of this Prospectus.

4. BACKGROUND AND DETAILS OF THE OFFER

4.1 Background

On 1 August 2018, the Company lodged a prospectus with ASIC for a renounceable rights issue to raise approximately \$1.98 million (**Rights Issue Prospectus**). The offer under the Rights Issue Prospectus was partially underwritten by CPS Capital Group Pty Ltd.

On 28 August 2018, the Company announced that the offer under the Rights Issue Prospectus had been well supported and the Company had received oversubscriptions for the shortfall under that offer. Having received such a positive response, the Board decided that it is prudent to accept the additional funds and has therefore determined to make a new placement of Shares and New Options, on the same terms as the offer under the Rights Issue Prospectus, using the Company's available placement capacity under the ASX Listing Rules.

This Offer is therefore being made to enable the Company to accept those oversubscriptions and for the Shares and New Options issued to be able to be traded on the ASX after their issue.

4.2 The Offer

The Offer is an offer of up to 87,500,000 Shares at \$0.004 per Share together with 1 New Option for every 1 Share issued to raise up to \$350,000

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. All New Options will be issued on the terms set out in Section 7.2. Please refer to section 6 for further information regarding the rights and liabilities attaching to the Shares and terms of the New Options.

The purpose of the Offer and the intended use of funds raised are set out in section 5.1 of this Prospectus.

4.3 Applications

Applications for Securities must be made by investors at the direction of the Company and must be made using the relevant Application Form accompanying this Prospectus by following the instructions on the Application Form.

Payment for the Shares must be made in full at the issue price of \$0.004 per Share. There is no cash payment required for the New Options, which will be issued on the basis of 1 New Option for every 1 Share applied for and issued to each Applicant.

4.4 Minimum subscription

There is no minimum subscription.

4.5 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will

not issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

Application for Official Quotation of the New Options offered pursuant to this Prospectus will also be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus, or if the Company does not meet the minimum requirements to be granted Official Quotation of the New Options, then the New Options will still be listed, however will not be quoted on ASX.

The fact that ASX may grant Official Quotation to the Shares and/or the New Options is not to be taken in any way as an indication of the merits of the Company or the Shares and New Options now offered for subscription.

4.6 Issue

Shares and New Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Pending the issue of the Shares and new Options or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares and new Options issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

4.7 Lead Manager

CPS Capital Group Pty Ltd has been appointed as the lead manager of the Offer. The fees payable to CPS Capital Group Pty Ltd are set out in Section 8.4 below.

4.8 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or New Options or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

4.9 Enquiries

Any questions concerning the Offer should be directed to Kevin Hart, Company Secretary, on +61 8 9316 9100.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$350,000 in new funds (before expenses).

The funds raised from the Offer are intended to be added to the funds raised under the Rights Issue Prospectus. These new funds, after payment of new expenses, will be allocated pro-rata to the proposed use of funds in the Rights Issue Prospectus lodged with the ASX on 1 August 2018.

5.2 Effect of the Offer

The principal effect of the Offer, assuming all Shares are issued, will be to:

- (a) increase the cash reserves by \$317,138 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 1,485,646,506 as at the date of this Prospectus to 1,573,146,506 Shares; and
- (c) increase the number of Options on issue from 626,215,501 Options to 713,715,502 Options.

5.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2018 and the unaudited pro-forma balance sheet as at 30 June 2018 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming that the full subscription under the Rights Issue Prospectus has been received, and the estimated costs of that offer have been paid, and the full proceeds from the Placement Offer under this Prospectus are also received and estimated costs paid.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 30-Jun 2018	PROFORMA Adjustments 2018	UNAUDITED PROFORMA 30-Jun 2018
CURRENT ASSETS			
Cash ^{1,2}	1,053,189	1,977,305	3,030,494
Trade and other receivables	68,132		68,132
Other current assets	45,854		45,854
TOTAL CURRENT ASSETS	1,167,175	1,977,305	3,144,480
NON-CURRENT ASSETS			

	UNAUDITED 30-Jun 2018	PROFORMA Adjustments 2018	UNAUDITED PROFORMA 30-Jun 2018
Property, plant & equipment	7,910,288		7,910,288
Exploration and evaluation assets	3,980,506		3,980,506
TOTAL NON-CURRENT ASSETS	11,890,794		11,890,794
TOTAL ASSETS	13,057,969	1,977,305	15,035,274
CURRENT LIABILITIES			
Trade and other payables	433,951		433,951
Provisions	103,808		103,808
TOTAL CURRENT LIABILITIES	537,759		537,759
NON-CURRENT LIABILITIES			
Provisions	2,528		2,528
Provisions for rehabilitation	1,293,459		1,293,459
Decommissioning liabilities	6,253,248		6,253,248
TOTAL NON-CURRENT LIABILITIES	7,549,235		7,549,235
TOTAL LIABILITIES	8,086,994		8,086,994
NET ASSETS (LIABILITIES)	4,970,975	1,977,305	6,948,280
EQUITY			
Issued capital ^{1,2}	54,382,657	1,977,305	56,359,962
Reserves	2,074,544		2,074,544
Accumulated losses	-51,486,226		-51,486,226
TOTAL EQUITY	4,970,975	1,977,305	6,984,280

Notes to the proforma balance sheet:

1. Rights Issue amount

The recently completed Rights issue amount of \$1,980,862 from the issue of 495,215,502 shares at \$0.004 and 495,215,502 free attaching New options to raise \$1,880,862 cash before costs. Noting that \$100,000 (25,000,000 shares and new options) have been offset against outstanding salary together with salary for August and September for Mr David Messina.

The costs of the entitlement issue for the underwritten amount are estimated at \$220,695.

2. Placement Issue

The Placement amount of \$350,000 leading to the issue of 87,500,000 shares at \$0.004 and 87,500,000 free attaching new options to raise \$350,000 before costs. The estimated costs of the Placement is \$32,862.

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Shares are issued and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	1,485,646,371
Shares offered pursuant to the Offer	87,500,000
Total Shares on issue after completion of the Offer	1,573,146,371

Options

	Number
Options currently on issue:	
Listed exercisable at \$0.01 on or before 31 August 2020	515,215,367
Unlisted exercisable at \$0.015 on or before 1 April 2021	11,000,000
Unlisted exercisable at \$0.015 on or before 31 May 2021	100,000,000
New Options to be issued under this Offer	87,500,000
Total Options on issue after completion of the Offer	713,715,367

The capital structure on a fully diluted basis as at the date of this Prospectus would be 2,111,862,008 Shares and on completion of the Offer (assuming all placement shares are issued and no Options are exercised prior to the Record Date) would be 2,286,862,008 Shares.

6. RIGHTS AND LIABILITIES ATTACHING TO SHARES AND NEW OPTIONS

6.1 Rights and Liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.1.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

6.1.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

6.1.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

6.1.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

6.1.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

6.1.6 Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

6.1.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

6.1.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

6.1.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6.2 Terms and Conditions of New Options

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 31 August 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in

accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Contractual Risk

Oil and gas ventures are typically operated under "Joint Operating Agreements", which include provisions that often require certain decisions relating to the exploitation of the oil and gas properties to be passed with unanimous or majority approval of all participants. The Company has a 20% working interest in the Pt Loma Joint Venture in Alberta Canada and is earning a 15% interest in the Xanadu Joint Venture in Western Australia. Where a venture partner does not act in the best commercial interest of the project, it could have a material adverse effect on the interests of the Company.

The Directors are unable to predict the risk of:

- (i) financial failure, non-compliance with obligations or default by a participant in any venture to which the Company is, or may become, a party;
- (ii) insolvency or other managerial failure by any of the contractors used by the Company in its exploration, development and production activities; or
- (iii) insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(b) Exploration and development

The future value of the Company will depend on its ability to find and develop oil and gas resources that are economically recoverable within the Company's granted exploration and production permits.

Hydrocarbon exploration and development is inherently highly speculative and involves a significant degree of risk. There can be no assurance that the Company's planned exploration, appraisal and development activities will be successful. Even if oil and gas resources are identified, there is no guarantee that it will be economic to extract these resources or that there will be commercial opportunities available to monetise these resources. The proposed exploration and future drilling program could experience cost overruns that reduce the Company's ability to complete the planned exploration and future drilling program in the time expected.

Oil and gas exploration may involve drilling operations and exploration activities which do not generate a positive return on investment. This may arise from dry wells, but also from wells that are productive but do not produce sufficient revenues to return a profit after accounting for drilling, operating and other associated costs. The production from successful wells may also be impacted by various operating conditions, including insufficient storage or transportation capacity, or other geological and mechanical conditions. In addition, managing drilling hazards or environmental damage and pollution caused by exploration and development operations could greatly increase the associated cost and profitability of individual wells.

(c) **Hydraulic fracturing**

The Company uses horizontal drilling together with hydraulic fracturing stimulation technology in its exploration, production and development activities. The use of these technologies may be necessary for the production of commercial quantities of oil and gas from geological formations of the type that the Company is targeting. The enactment of any new laws, regulations or requirements by any relevant government authority in respect of hydraulic fracturing could result in operational delays, increased operational costs and potential claims from a third party or governmental authority. Investors should note that hydraulic fracturing has been the subject of increased media scrutiny, particularly in the United States and more recently Australia, due to its potential environmental impacts on land and underground water supply if not properly managed. On the 5th September 2017 the Western Australian (WA) government announced a moratorium on hydraulic fracturing for onshore gas activity in WA while it undertakes a scientific enquiry. This has halted further activity on the Company's Warro tight gas field until the results of the enquiry are announced.

Restrictions or prohibitions on the use of hydraulic fracturing may reduce the amount of oil and gas the Company can produce and may have a material impact on the Company's business.

(d) **Environmental regulations**

Oil and gas exploration, development and production generates potential environmental risks and is therefore subject to environmental regulation pursuant to a variety of State, Territory and Federal laws and regulations. In particular there are regulations in place with respect to potential spills, contamination, releases and emission of substances related, or incidental to, the production of oil and gas. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards. In certain circumstances, these laws and

regulations also create obligations to remediate current and former facilities and locations where operations are or were conducted.

Compliance with these regulations can require significant expenditure and a breach may result in substantial financial liability on the Company. These risks will be minimised by the Company conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage.

(e) **Operational**

Oil and gas exploration and development activities involve numerous operational risks, including encountering unusual or unexpected geological formations, mechanical breakdowns or failures, human errors and other unexpected events which occur in the process of drilling and operating oil and gas wells.

The occurrence of any of these risks could result in substantial financial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, environmental damage or pollution, clean-up responsibilities and regulatory investigation, amongst other factors. Damages occurring to third parties as a result of such risks may give rise to claims against the Company which may not be covered fully by insurance or at all.

(f) **Native Title**

The effect of the Native Title Act is that existing and new permits held by the Company may be affected by Native Title procedures. The requirement to comply with the Native Title Act has the potential to significantly delay the grant of exploration permits and other petroleum permits in Australian jurisdictions. This is because generally a proponent must negotiate with and obtain the consent to grant of any determined Native Title holders or groups with a registered claim overlapping the permit area.

Such procedures may take considerable time, involve the negotiation of significant agreements, may involve a requirement to negotiate for access rights, and require the payment of compensation to those persons holding or claiming Native Title in the land which is the subject of a permit. The administration and determination of Native Title issues may have a material adverse impact on the position of the Company and its business.

If the Company applies for additional rights such as a production lease, it will also need to comply with the procedures under the Native Title Act at this time, which will include negotiations with Native Title Parties.

(g) **Cultural Heritage and Aboriginal sites of significance**

Legislation in Australia and overseas typically allows for the protection of the cultural heritage of both indigenous peoples and later settlers. Permits and project areas may contain sites of significance, which would need to be avoided when carrying out field programs and project development. A failure to comply with this legislation may amount to a criminal offence carrying penalties of imprisonment and monetary fines.

One way to address Aboriginal cultural heritage is to enter into an agreement with the relevant Native Title Party (commonly called a Heritage Protection Agreement or a Petroleum Access & Heritage Agreement).

Any refusal or delay in obtaining the necessary approvals or clearance from the Native Titles Parties may result in a departure from the Company's proposed work program and may have a material impact on the Company's business.

Despite any measures put in place by the Company, there remains a risk that sites of cultural significance may exist that may contain an economic hydrocarbon resource, which would not be able to be accessed by the Company.

(h) **Reserves and resources**

Accumulations of hydrocarbons will be classified according to the system designed by the Society of Petroleum Engineers, through the Petroleum Resources Management System (SPE-PRMS) and in accordance with the Listing Rules.

The SPE-PRMS system classifies accumulations of hydrocarbons with respect to a matrix of uncertainty and chance of commerciality. Whilst there are a multitude of pathways through this matrix from Prospective Resources to Contingent Resources and then to reserves, the process is defined by the three stages of exploration, appraisal and development.

Prospective Resources are defined as those quantities of oil and gas which are estimated on a given date to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development however, are undiscovered and as such carry significant exploration risk.

There is a different process for the conversion of resources to reserves between conventional (high permeability) reservoirs and unconventional (low permeability) reservoirs. For conventional reservoirs this is done via relatively short term flow tests in the appraisal wells. For the unconventional reservoirs which often contain much larger accumulations covering large areas, a number of longer term production pilots may be required to demonstrate commerciality and quantification of reserves.

In general, estimates of economically recoverable oil and gas reserves and resources are based upon a number of variable factors and assumptions, such as comparisons with production from other producing areas, the assumed effects of regulation by governmental agencies, assumptions regarding future oil and gas prices and future operating costs, all of which may vary considerably from actual results. Actual production with respect to reserves may vary from such estimates and such variances could be material.

Reserve and resource estimates are estimates only and no assurance can be given that any particular level of recovery from hydrocarbon reserves will in fact be realised or that an identified hydrocarbon resource will ever qualify as commercially viable which can be legally and economically exploited.

(i) **Water**

The exploration for and production of oil and gas requires a reliable water source. The Company may need to secure water licenses for the taking and using of water. There is a risk that the water allocation for a particular area will be exhausted. Where this is the case, the Company will need to consider alternative options for obtaining water such as entering into an arrangement to lease a water entitlement from an existing water license holder. In addition to the amounts of water normally required in drilling activities, the use of hydraulic fracturing stimulation would require further volumes of water.

(j) **Operational authorisations**

The Company's gas and oil exploration and development activities and operations are focused on Western Australia and Canada and are subject to significant government oversight, regulation and control.

In Australia, these operational regulations may vary between the States and Commonwealth of Australia governing bodies. Various levels of government (both State and those of the Commonwealth of Australia) have imposed rules and regulations that the Company must comply with and from which the Company must obtain and maintain certain licenses, authorisations and permits in respect of its exploration and development activities (collectively, **Authorisations**). The Authorisations, which are required by the Company to carry out exploration and development, may not be granted or may be withdrawn or made subject to limitations.

Authorisations relate to, among other things, the protection of the environment, Aboriginal cultural heritage, native title rights, the protection of workers and the public. Changes in government, government policies and legislation could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Although the Authorisations may be renewed following expiry or granting, there can be no assurance that such Authorisations will be renewed or granted on the same terms. There are also risks that there could be delays in obtaining such Authorisations. If the Company does not meet its work and/or expenditure obligations under its Authorisations, this may lead to dilution of its interest in, or the loss of such interest. The Company cannot provide assurances that it will be able to obtain all necessary licenses, Authorisations and permits.

In Canada, there are a number of Federal and provincial policies and regulations that may have a material impact on the financial and operational performance of the company if modified. These include changes to the regulation and licensing system, changes to taxes and royalty structure, changes to legislation around drilling, completion and environmental approvals.

The Canadian oil and gas assets may be subject to claims by First Nations and indigenous/aboriginal people. A successful claim may negatively impact the Company's ability to conduct exploration and production which may have a material adverse effect on the Company's financial performance.

(k) **Availability of drilling and other service equipment**

The Company's oil and gas exploration and development activities are dependent on the availability of drilling rigs and related equipment in the area of its exploration permits. The Company continues to monitor rig availability for its planned drilling however it has not, at this time, secured the use of a drilling rig or hydraulic fracturing equipment for its operations.

(l) **Seasonality and weather**

Operations on a number of the Company's exploration permits are affected by seasonal weather conditions. The operations can occur during the less optimal seasons however the risk of reduced access, significant weather downtime and substantial cost overruns is increased during these times.

(m) **Commercialisation and infrastructure access**

The Company's potential future earnings, profitability, and growth are likely to be dependent upon the Company being able to successfully implement some or all of its commercialisation plans. The ability for the Company to do so is further dependent upon a number of factors, including matters which may be beyond the control of the Company. The Company may not be successful in securing identified customers or market opportunities.

The Company's ability to sell and market its production will be negatively impacted should it be unable to secure adequate transportation and processing. Access will depend on the proximity and capacity of pipelines and processing facilities. Furthermore, the Company may be required to develop its own pipeline infrastructure or secure access to third party pipeline infrastructure in order to deliver oil and gas to key markets or customers, or to directly deliver gas to key markets or customers. The development of its own pipeline infrastructure will be subject to the Company obtaining relevant approvals including pipeline licences.

(n) **Competition**

Oil and gas exploration is highly competitive in Australia and Canada. The Company competes with numerous other oil and gas companies in the search for oil and gas reserves and resources. Competitors include oil and gas companies that have substantially greater financial resources, staff and facilities than those of the Company. The Company is protected from competition on permits in which it holds exclusive exploration rights, however the Company may face competition for drilling equipment and skilled labour. The Company may also face competition from competitors on permits in which it currently holds exploration rights, in the event that, as a condition of any permit held, it is required to partially relinquish certain parts of the permit. If the Company elects to re-apply for these exploration rights, there is no guarantee that the Company will be successful in its application against other competing offers.

(o) **Reliance on key personnel**

The Company's future value will depend in part on the performance of its senior management and other key personnel. The Company's progress in pursuing its exploration and evaluation programs within the time frames

and within the costs structure as currently envisaged could be adversely influenced by the loss of existing key personnel. Whilst the Company has taken steps to secure appropriately qualified senior management, the competition for qualified personnel in the oil and gas industry is notable and there can be no assurance that the Company will be able to retain or hire all personnel necessary for the development and operation of its business. The impact of a loss of key staff would be dependent upon the quality and timing of the employee's replacement.

Although the Company's key personnel have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring and developing oil and gas projects, there is no guarantee or assurance that they will be successful in implementing the Company's objectives.

(p) **Stakeholder management**

Onshore oil and gas exploration is currently subject to increased public scrutiny. Community engagement, or the lack thereof, may have an impact on exploration and development and commercialisation opportunities for future discovered resources. The Company is placing significant focus on establishment of strong relations with the relevant Native Title Parties and Land Councils to mitigate risks in this area.

(q) **Petroleum Resources Rent Tax**

In 2012 the Australian Federal Government enacted legislation for the extension of the Petroleum Resources Rent Tax (PRRT) to onshore and offshore oil and gas projects, including Shale Gas projects.

The legislation applies a 40% tax on certain profits from oil and gas and liquids sales.

The operation of the PRRT could have a materially adverse effect on the Company to the extent that it will apply to oil and gas produced and sold by the Company from onshore production.

(r) **Land access**

The Company requires land access in order to perform exploration and development activities. Access to land can be affected by land ownership, including private (freehold) land, pastoral lease and native title land or in Western Australia claims under the Native Title Act. The Company (or its respective JV partner) will need to enter into compensation arrangements with private landowners or occupiers for the impact on private land by the proposed activities. The Company's operations may be adversely impacted or delayed in the event of a dispute with a land owner.

(s) **Exploration work program commitments**

In Western Australia, the terms of the Company's granted Exploration Permits include minimum work program expenditure requirements and the estimated indicative expenditure associated with that work program. The actual work may be insufficient to meet those requirements. There is a risk that where the terms of the permits are not complied with, the Minister may exercise his discretion to cancel the permit or not renew the permit. The Company intends to mitigate this risk by re-evaluating its

exploration program and budget and if necessary, seeking further funding, or considering other options including, where appropriate and allowed by the terms of their issue, surrendering parts of its permits or applying to the Minister for a variation and suspension of, and exemption from compliance with, the conditions of the permit, in order to manage its minimum work program and expenditure obligations.

In Alberta Canada new licenses or leases are awarded via a government auction system every two weeks. On award of a new lease or licence the Company must drill a well on that land within the prescribed period otherwise the lease or license will be returned to the crown at the end of the term. While the Company does not assume financial liability on award of the new lease or license its land holding may be reduced at the end of the term if it is not able to undertake the drilling program as prescribed by the government.

7.3 General Risks

(a) Funding Risk

The Company's ability to effectively implement its business and operational plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Share market price and liquidity risk

The price at which Shares trade cannot be accurately predicted. The trading price of Shares can be affected by general market conditions as well as factors specifically affecting the Australian resources sector. Factors that could impact the trading price that are unrelated to the Company's performance include domestic and global commodity prices and economic outlook, fiscal and monetary policies, currency movements, and market perceptions of the attractiveness of particular industries.

(c) Volatility of oil and gas prices

The Company's current and possible future revenues will be derived mainly from the sale of gas and/or liquids. Consequently, the Company's potential future earnings, profitability, and growth are likely to be closely related to the price of gas and liquids.

Historically, oil and gas prices have fluctuated in response to changes in the supply of and demand for gas and liquids, economic uncertainty, and a variety of additional factors beyond the control of the Company. Such influencing factors include economic conditions in Australia and abroad, government regulation and sanctions, the actions of the

Organization of the Petroleum Exporting Countries (OPEC), political stability in the Middle East and elsewhere and the availability of alternative fuel sources.

The Company could receive a lower price for the sale of condensate than the prevailing price for oil at the time of any future production, depending on the agreed pricing terms in relation to any that are produced.

Any substantial and extended decline in the market price of oil and gas and condensate could have an adverse effect on the Company's future revenues, profitability, cash flow from operations, carrying value of future reserves, and borrowing capacity amongst other factors. If the market price of oil and gas and condensate sold by the Company were to fall below the costs of production and remain at such a level for any sustained period, the Company would experience losses and could have to curtail or suspend some or all of its proposed activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower commodity prices on the recoverability of existing reserves.

(d) **Legislative change**

Oil and gas companies (exploration, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government that may be amended from time to time. Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of the Company.

Other than as set out in this Prospectus, the Company is not aware of any other current or proposed material changes in relevant regulations or policy.

(e) **Exchange rate**

The revenues, earnings, assets and liabilities of the Company may be exposed adversely to exchange rate fluctuations. If the Company achieves commercial production, the revenue from its products may be denominated in Australian dollars or a foreign currency. As a result, fluctuations in exchange rates could result in unanticipated and material fluctuations in the financial results of the Company.

(f) **Labour**

The Company will require skilled workers and engineers in order to operate its activities. The inability to secure the necessary labour resources, industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

(g) **Insurance arrangements**

Oil and gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fires, explosions, blowouts, gas releases and spills which could result in property or environmental damage and personal injury. The Company intends to ensure that

insurance is maintained in accordance with industry practice and having regard to the nature of activities being conducted. No assurance however, can be given that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any potential claims.

(h) **Unforeseen expenses**

Whilst the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses or increases to existing expenditure plans were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

7.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
31/08/2018	Change of Director's Interest Notice x3
31/08/2018	Entitlement Issue Shortfall Allotment and Top 20 Holders
28/08/2018	Rights Issue Closes Oversubscribed and Additional Placement
09/08/2018	Prospectus Dispatched to Shareholders
07/08/2018	Whitebark Investor Update
03/08/2018	Dispatch of Notice Letter to Shareholders
01/08/2018	\$1.98m Entitlement Issue Prospectus and Appendix 3B
23/07/2018	Quarterly Activities and Cashflow Report
26/06/2018	Whitebark Takes Control of Warro
20/06/2018	Gold Coast Investors Conference Presentation
6/06/2018	Duvernay Shale Update
30/05/2018	Whitebark Energy Operational Update
24/05/2018	Notice to WBE Shareholders - TSVM
2/05/2018	Gilby Acquisition Closed
27/04/2018	Quarterly Activities & Cashflow Report
3/04/2018	Whitebark Webinar Video
27/03/2018	Whitebark Webinar Presentation
26/03/2018	Reserves Update - 184% Increase in 2P Reserves
21/03/2018	Investor Webinar
21/03/2018	Acquisition Approved
13/03/2018	Half Yearly Report and Accounts
5/03/2018	First Acquisition for 2018
2/03/2018	Trading Halt
26/02/2018	NWE: NWE Xanadu 3D Seismic Survey

Date	Description of Announcement
26/02/2018	Xanadu 3D Seismic Survey to be Acquired in Q2
30/01/2018	Quarterly Activities and Cashflow Report
20/12/2017	First Half 2018 Work Program Finalised
19/12/2017	NWE: Jingemia Oil Field Restart
7/12/2017	Canadian Production Increases by 60%
28/11/2017	Appendix 3B
23/11/2017	Placement - Appendix 3B
23/11/2017	Issue of Cleansing Prospectus
16/11/2017	Results of Annual General Meeting
15/11/2017	Share Placement Raises \$1,850,000
14/11/2017	TEG: Xanadu Discovery Update
14/11/2017	NWE: Xanadu Discovery Update
13/11/2017	Trading Halt
9/11/2017	Canadian Acquisitions Consolidate Paddle River Area
6/11/2017	Change of Director's Interest Notice - Amended
1/11/2017	Warro Field would benefit from West-East Gas Pipeline
30/10/2017	WBE September 2017 Quarterly Activity Report & 5B
24/10/2017	Drilling Success Driving Production Growth
16/10/2017	WBE Notice of AGM - 16 November 2017
11/10/2017	Further Success from Drilling Program
10/10/2017	NWE: Xanadu Project Update
29/09/2017	WBE Corporate Governance Statement & 4G
29/09/2017	Whitebark Energy Ltd Annual Report 2017

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.whitebarkenergy.com

8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	\$0.0075	31 May 2018
Lowest	\$0.004	9 August - 30 August 2018
Last	\$0.004	30 August 2018

8.4 Lead Manager Mandate

The Company and CPS Capital Group Pty Ltd have entered into a lead manager mandate pursuant to which CPS will act as the lead manager to the Offer. The Lead Manager will receive a fee equal to 6% of the funds raised under the Offer.

The Mandate contains indemnities and warranties by the Company to CPS, otherwise the Mandate contains terms consistent with an engagement for the role being played by CPS under the Mandate.

8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, is set out in the table below.

Director	Shares	Options	New Options
Charles Morgan	93,150,440	20,000,000 ¹	93,150,440 ²
David Messina	35,632,000	52,000,000 ¹	25,000,000 ²
Stephen Keenihan	82,999,999	28,000,000 ¹	10,052,665 ²

¹ Unlisted options exercisable at 1.5 cents on or before 31 May 2021

² Listed options exercisable at 1.0 cent on or before 31 August 2020

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in

general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Proposed for year end 30 June 2019 ¹	Year end 30 June 2018 ²
Stephen Keenihan	\$120,000	\$174,400
Charles Morgan	\$75,000	\$91,000
David Messina	\$430,000	\$427,517

Notes:

1. Proposed remuneration for the financial year ending 30 June 2018 has been estimated based upon contractually agreed hourly rates and fees accrued as at the date of this Prospectus.
2. Comprising fees and salary.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offer; or
- the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$3,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$60,860 (excluding GST and disbursements) for legal services provided to the Company.

CPS Capital Group Pty Ltd has acted as the lead manager of the Offer. The Company estimates it will pay CPS Capital Group Pty Ltd approximately \$21,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital Group Pty Ltd has received fees from the Company of \$175,251^{insert} related to the recent rights issue offer.

8.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section;
- (c) Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC; and
- (d) CPS Capital Group Pty Ltd has given its written consent to being named as the lead manager of the Offer in this Prospectus. CPS Capital Group Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$32,862 (excluding GST) if fully subscribed and

\$112,420 (excluding GTS) if only the minimum underwritten amount is raised and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	4,656
Lead Manager	21,000
Legal and professional fees	3,000
Printing and distribution	1,000
Total	32,862

8.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9316 9100 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.whitebarkenergy.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.12 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The

Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



David Messina
Director
For and on behalf of
WHITEBARK ENERGY LIMITED

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a party who applies for Shares pursuant to the Placement.

Application means an application to subscribe for Shares under this Prospectus.

Application Form means an Acceptance Form the context requires.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Whitebark Energy Limited (ACN 079 432 796).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

New Options means the Options issued on the terms set out in Section 6.2.

Offer means the Placement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.