

Quarterly Activity Statement

27th April 2018

Summary

Whitebark Energy Ltd (ASX : WBE) is pleased to report continued progress during the third quarter against the company's planned activities as it seeks to grow reserves and production. The acquisition of land and associated facilities through the Gilby acquisition¹ has increased daily production from its Canadian JV and almost doubled the 2P reserves. Planning continues for CY2018 3D seismic capture of the exciting Xanadu oil discovery in the Perth Basin.

Highlights

Canadian Operations – Point Loma JV (PLJV) (20% WI)

- Net production for the quarter of 22,763 boe (excluding Gilby – production offset against final acquisition payment) up from 19,970 boe in the previous quarter
- Gilby final payment of ~\$150k due on 30 April 2018.
- Whitebark net reserves as at 31 December 2017 increased by more than 32% since 30 June 2017:
 - 1P (proved) reserves increased by 34% to 875 mboe;
 - 2P (proved plus probable) reserves increased 32% to 1,113 mboe.
- Whitebark proforma net reserves including post period Gilby acquisition increased by more than 104% since 30 June 2017:
 - 1P reserves up 104% to 1,338 mboe;
 - 2P reserves up 184% to 2,360 mboe.
- Acquisition of oil and gas assets (Gilby) producing 450 boe/d in the PLJV's existing area of focus in Central Alberta for the gross amount of A\$1.9m (30% working interest for Whitebark).
- Adds 135 boe/d net to Whitebark, 30% oil and NGL's and 70% natural gas.
- Approximately 26,500 gross acres of land, including 1100 acres with Duvernay rights.
- Identified drilling locations with multizone opportunities.

Xanadu Oil Discovery – TP/15 (15%)

- 40 sq km 3D seismic survey contract awarded.
- Planning for H2 FY2018 data acquisition.
- Low cost, high impact follow-up program to fast-track future drilling locations, development planning, Original Oil in Place (OOIP) and recoverable volume calculations.
- Five-year permit renewal submitted.

Recent Activity

Canadian Operations – Point Loma JV (20% WI)

Reserves

On 26 March 2018, the Company announced an update on its reserves position for the PLJV in Canada as at 31 December 2017, independently assessed by McDaniel and Associates (McDaniel).

The 31 December 2017 reserves report show a 32% and 34% increase in 1P and 2P reserves to 875mboe and 1,113mboe respectively. When the reserves from the recently acquired Gilby Project¹ are added, the Company's 1P and 2P reserves more than doubled when compared to 30 June 2017 (Figure 1).

¹ Refer to ASX Announcement – 21 March 2018

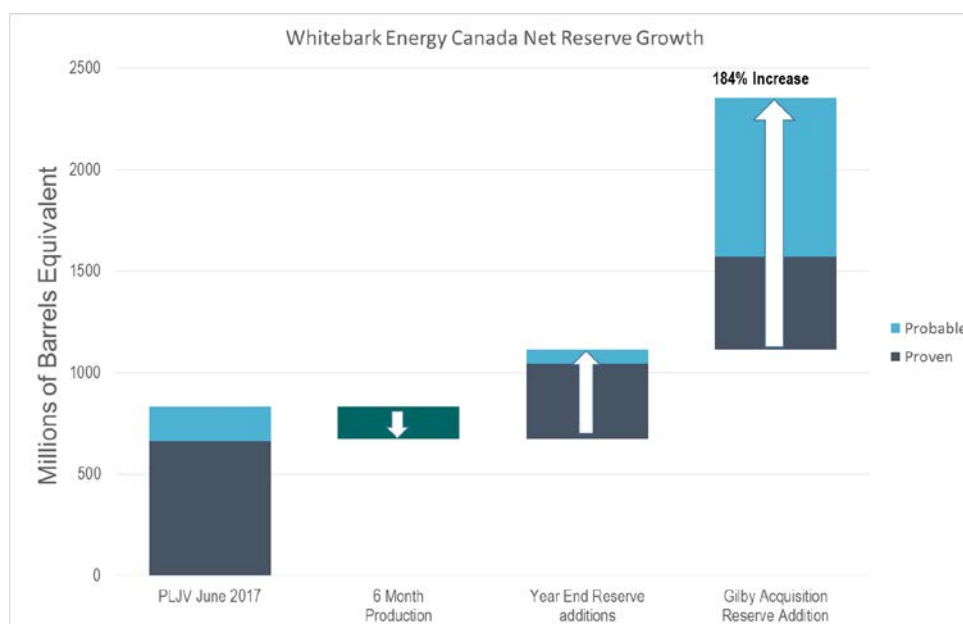


Figure 1 - WBE Canada Net Reserve Growth (including Gilby acquisition)

Table 1 shows the estimated net reserves to Whitebark as at December 31, 2017, based on the McDaniel reserve estimates of Dec 31 2017 PLJV properties (WBE 20%) plus Sproule reserve estimates of the Gilby properties (WBE 30%) - refer Gilby announcement 21st March 2018.

Table 1 - WBE reserves at 31 December 2017, including Gilby acquisition

Reserve Category	Light and Medium Oil (mbbl)	Conventional Natural Gas (mmcf)	Natural Gas Liquids (mbbl)	Barrels of Oil Equivalent (mboe)
Proved (1P) YE 2017 (20%)				
Producing	57	1615	28	355
Non-Producing	5	2007	39	379
Undeveloped	99	205	8	141
Total proved (1P) YE 2017 (20%)*	161	3827	75	875
Total proved (1P) Gilby (30%) **	55	1947	84	463
Total proved (1P) YE 2017 + Gilby	216	5774	159	1338
Probable 2017 YE (20%)*	67	908	21	239
Probable Gilby (30%)**	58	3269	180	783
Total proved plus probable (2P) - 2017 YE + Gilby	341	9951	360	2360

* McDaniels Reserve Estimates - 31 December 2017

** Sproule Associates Ltd Reserves Report - Refer ASX Announcement 21 March 2018

Whitebark previously published reserves as of June 30, 2017. Tables 2 and 3 set out changes by category over the last six months, net production and the impact of the Gilby acquisition.

Table 2 - Summary of Reserves Increases from 1 July to 31 December 2017

Boe				
	1-Jul-17	31-Dec-17	Increase	% Increase
Total Proven (mboe)	661	1338	678	103%
Proven + Probable (mboe)	831	2360	1529	184%

Table 3 - WBE Reserve comparison from 1st July to 31 December 2017 – including Gilby

Category	OIL (mbl)					GAS (mmcf)					NGL (mbl)				
	Jun-17	Reserve Revision*	Production	Year End 2017 + Gilby	Variation	Jun-17	*Reserve Revision	Production	Year End 2017 + Gilby	Variation	Jun-17	Reserve Revision*	Production	Year End 2017 + Gilby	Variation
Proved Producing	46	51	6	91	45	3041	2145	158	5028	1987	59	72	1	130	71
Proved Undeveloped	35	90	0	125	90	77	669	0	746	669	1	29	0	30	29
Total Proven (1P)	81	141	6	216	135	3118	2814	158	5774	2656	60	101	1	160	100
Probable	24	101	0	125	101	786	3391	0	4177	3391	15	185	0	200	185
Proven+Probable (2P)	105	242	6	341	236	3904	6205	158	9951	6047	75	286	1	360	285

*Reserve Revisions due to acquisitions, unlocking stranded production and reactivation of wells.

Gilby Acquisition

Announced on 21 March 2018 and comprising approximately 26,500 gross acres of land and associated facilities, the area of the acquisition (designated as Gilby area) is adjacent to the PLJV's existing landholdings and is currently producing approximately 450 boe/d with 30% being oil and NGLs. The assets include significant upside potential with booked Proved and Probable undeveloped reserves as well as numerous exploration locations with multi-zone potential across the Mannville, Cardium and Duvernay zones.

Xanadu Oil Discovery, TP/15 WA (15%)

On 26 February 2018, Norwest Energy (the Operator) announced the award of a contract for the acquisition of a 40 square kilometre seismic survey to Synterra Technologies, a leading global provider of geophysical services.

The Xanadu 3D seismic survey has been designed to define the extent of the Xanadu Discovery and will drive future development plans, including the selection of future well locations, field studies addressing oil-in-place (OOIP) and recoverable oil volume calculations.

The 40 km² survey area is designed to better delineate the Xanadu structure both up-dip and north of the discovery well and the southern and western flanks. Refer to Figure 2 for the survey acquisition envelope, highlighting the up-dip and down-dip areas of interest.

Once the survey data has been processed, interpreted and integrated with the existing dataset, a decision will be made on the drilling of an appraisal well on the Xanadu structure. The seismic will enable the well surface location and trajectory to be optimally designed and provide the best chance of establishing the commercial significance of the Xanadu discovery.

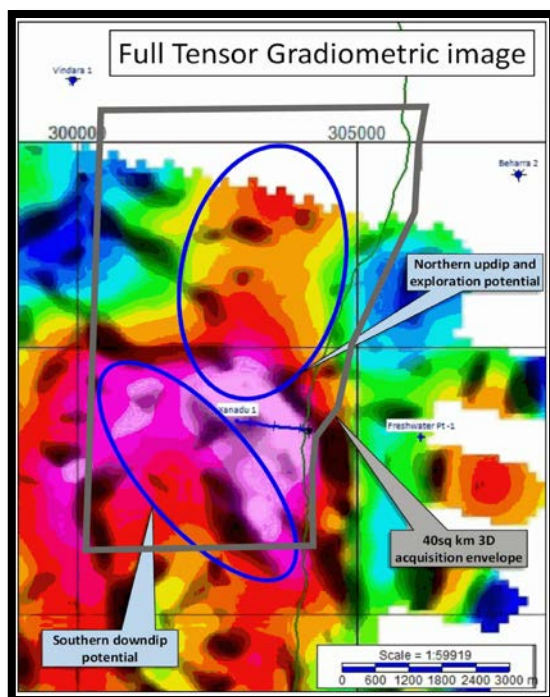
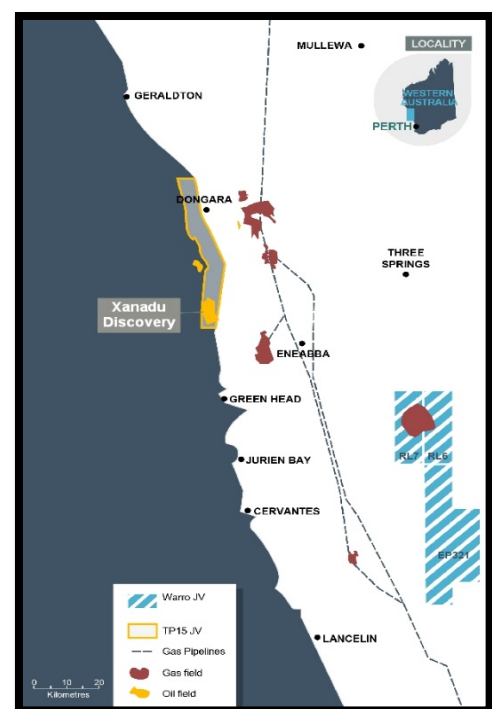


Figure 2 - Xanadu 40 KM2 3D Seismic Survey Acquisition area overlaying a full tensor gradiometric image, highlighting updip and downdip potential at Xanadu



Xanadu Location Map

This program is subject to regulatory approvals and survey acquisition planned for CY2018. The TP/15 Joint Venture remains fully committed to the development of the Xanadu Discovery and a five-year permit renewal application has been submitted to the Department of Mines, Industry Regulation and Safety (DMIRS) with the Xanadu 3D seismic survey fulfilling the Year One commitment of the five-year work program.

Warro Gas Project (57%)

In September 2017, the West Australian State Government implemented a moratorium on fracking onshore in the state. An independent scientific inquiry has been implemented and during the fourth quarter of 2017, the expected conclusion date was amended from 2018 to 2020. During this time, the Warro Project is in a shut in and suspended state under an approved environmental management plan.

The Warro Project, located northeast of Perth, has 8-10 trillion cubic feet (Tcf) in place and potentially 1.7 – 3.6 Tcf of recoverable gas (Refer ASX announcement 19 November 2015).

Planned Activities to June 30, 2018

- Final payment for Gilby Acquisition.
- Thornbury Reactivation Project completed and now pending regulatory approvals.
- LOI executed with Tidewater Paddle River Gas Plant to process gas through their 60mmcf/d deep cut facility.
 - Up to 15-20 wells to be brought back on stream over a six-month period as pipelines are recommissioned - gross production is expected to increase by around 2 mmcf/d and 100 bbl/d of liquids.

Corporate and Financial

Closing cash at the end of the quarter was AUD\$1.68 million.

Tenement Schedule

Canada (Net Acres)

Area	March Quarter	December Quarter	Acquired	Relinquished
Whitecourt	4869	4950	185	-266
Leaman	9454	10766	22	-1336
Paddle River	7202	7202	0	0
Niton	640	640	0	0
Thornbury	12800	12800	0	0
Thorsby	126	126	0	0
Other	1901	2016	143	-258
Totals	36992	38500		

Australia

Project	WBE (Net Acres)	Location	Change during the quarter
Warro JV – EP321	93,552	Western Australia	No change
Warro JV – RL6	36,480	Western Australia	No change
Warro JV – RL6	36,480	Western Australia	No change
Norwest JV – TP15	19,991	Western Australia	No change

The Qualified Reserves and Resources Evaluator Statement

The information in this report that relates to the oil and gas reserves of was compiled by technical employees of McDaniel and Associates Ltd, a leading independent Canadian Petroleum Consulting Firm, and subsequently reviewed by Mr Stephen Keenihan BSc (Hons) Geology/Geophysics, who have consented to the inclusion of such information in this report in the form and context in which it appears. Mr Keenihan is consulting to the Company and has more than 40 years' relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). The reserves included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE) / World Petroleum Council (WPC) / American Association of Petroleum Geologists (AAPG) / Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The sources of information included in this report are based on, and fairly represent, information and supporting documentation reviewed by Mr Keenihan. Mr Keenihan is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears. Mr Keenihan hold shares and options in, and is a Director of, Whitebark Energy Ltd.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of oil and gas reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

A Note Regarding Forward Looking Information

This announcement includes certain statements related to our future business and financial performance and future events or developments involving Whitebark Energy Limited ('WBE' or 'the Company') that may constitute forward-looking statements. All statements, other than statements of historical fact, that refer to any future oil and gas production, resources or reserves, exploration results and events that the Company expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes anticipated. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

WHITEBARK ENERGY LIMITED

ABN

68 079 432 796

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	239	609
1.2 Payments for		
(a) exploration & evaluation	-	(1,480)
(b) development	(493)	(1,534)
(c) production	(230)	(550)
(d) staff costs	(232)	(661)
(e) administration and corporate costs	(464)	(1,494)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	83
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other – Carnaby receivable settlement	-	62
1.9 Net cash from / (used in) operating activities	(1,170)	(4,965)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(192)	(192)
(b) tenements (see item 10)	(25)	(46)
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	14
	(b) tenements (see item 10)	-	-
	(c) investments	-	247
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(217)	23

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,862
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(126)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	7
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1,743

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,056	4,858
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,170)	(4,965)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(217)	23
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,743
4.5	Effect of movement in exchange rates on cash held	11	21
4.6	Cash and cash equivalents at end of period	1,680	1,680

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,640	1,997
5.2 Call deposits	40	1,059
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,680	3,056

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
164
-

Directors fees and consultant fees.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	200
9.3 Production (net of cost)	(250)
9.4 Staff costs	200
9.5 Administration and corporate costs	260
9.6 Other – asset acquisition	250
9.7 Total estimated cash outflows	660

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Alberta, Canada:	Net acres acquired		
	-Whitecourt	185	0%	100%
	-Leaman	22	0%	100%
	-Other	143	0%	100%
		Net acres relinquished		
	-Whitecourt	266	100%	0%
	-Leaman	1,336	100%	0%
	-Other	258	100%	0%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Date: 27 April 2018

Print name: Kevin Hart

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.