



Quarterly Activity Report to 31 December 2021  
31 January 2022

**Whitebark Energy Limited (ASX:WBE) (“Whitebark” or the “Company”) is an ASX-listed exploration and production company featuring low cost oil and gas production in Canada, and a substantial contingent gas resource in Western Australia. WBE has realigned its corporate strategy following a comprehensive management changeout and the landmark acquisition of a 100% interest in the Wizard Lake producing asset located in the prolific oil & gas province of Alberta, Canada.**

## Highlights

- Net production of 19,148 boe during the December 2021 Quarter, an increase of 3% compared to the September 2021 Quarter (18,610 boe)
- Revenue of A\$1.0 million received during the December 2021 Quarter, up 14% compared to the September 2021 Quarter (A\$0.9 million)
- The Company has completed its strategic review and is now working with the ASX to exit voluntary suspension and recommence trading on the Australian Securities Exchange as soon as possible
- Cash balance as at 31 December 2021 of A\$0.4 million

Key Performance Metrics	Dec-21 QTR	Sep-21 QTR	Change	2021	2020	Change
Net Production BOE*	19,148	18,610	3%	86,745	154,319	-44%
Sales Revenue AUD (millions)	\$1.028	\$0.902	14%	\$4.373	\$3.436	27%
Avg realised AUD price/BOE	\$53.7	\$48.5	11%	\$50.4	\$22.3	226%

Table 1. Key Performance Metrics. \*BOE = Barrels of oil equivalent (oil plus gas)

### Whitebark Interim CEO, Dr Simon Brealey, commented:

*“I am very impressed with the operational performance achieved at Wizard Lake during the quarter, given hostile conditions in the area and I believe our improved reservoir management practices have increased the longer term potential of the field. In addition, our strategic review outlined a number of additional opportunities that will be explored during this period of increased commodity prices and we look forward to completing our current primary focus: exiting voluntary suspension.”*

## Corporate

### Strategic Review

Whitebark continued its strategic review of the Wizard Lake Oil Field during the period. The Company has identified multiple opportunities to decrease costs, optimise production and increase cashflow in the short-medium term and is currently developing an implementation plan at Wizard Lake.

### ASX Relisting Process

Whitebark is working diligently with the Australian Securities Exchange ('ASX') and has received precise requirements for relisting on the Australian Securities Exchange. The Company expects to provide an update to its investors in the coming weeks.

### Financials

Receipts from customers during the December 2021 quarter were A\$1.028 million (a 14% increase on September Quarter) and the Company's cash balance as at 31 December 2021 was A\$0.422 million (an increase of 7% from 30 September 2021). Realised barrel of oil equivalent price was \$53.7 up 11% compared to the September 2021 Quarter (see Table 1).

Payments to related parties of the entity and their associates totalled \$28,000 during the period. This includes payment of \$8,000 to Adelaide Equity Partners Limited for providing Corporate Advisory and Investor Relations services to the Company, and \$20,000 to Business Initiatives in respect of financial control, administration and accounting services.

## Canadian Operations

### Wizard Lake – (Whitebark 100% WI)

#### Production

Whitebark continued to operate the Wizard Lake Oil Field in Alberta, Canada during the December quarter and receives 100% of all hydrocarbons produced from the Rex-1, Rex-2 and Rex-3 production wells. The Company holds a 100% working interest in all facilities, pipelines and infrastructure at the site.

During the Quarter the Company produced 5,863 barrels of oil and 79,714 mcf gas (19,148 barrels of oil equivalent), averaging 208 barrels of oil equivalent per day (a 3% increase on the September Quarter, see Table 1). Wizard Lake had excellent operational run-time during the Quarter, although extreme temperatures (with lows of < -40°C) did have a minor impact on production during December 2021.

During the Quarter, Canadian subsidiary Rex Energy has continued to return funds to the Australian parent.

Wizard Lake oil and gas production has averaged approximately 198 boepd since 31 December 2021. The Company continues to pursue opportunities to optimise the field through minimising overheads and stabilising production and evaluate the preferred projects for capital investment going forward.

## Western Australian Operations

### Warro Gas Project (Whitebark WI 100%)

The Whitebark Board of Directors is currently assessing the Warro Gas Project to determine whether it is to be retained or divested to focus on core projects.

### Planned Activities to 30 March 2022

- Gain approval from the ASX to exit voluntary suspension on Whitebark share trading
- Commence full permitting of Rex-4 location including landholder and utility company liaison

- Prepare implementation of low-cost, rapid-payback infrastructure projects designed to increase free cashflow, production levels and reserves

## Tenement Schedule

### Canada (Net Acres)

	June Quarter	Relinquishments	Acquisitions	Sept Quarter
Wizard Lake	6,400	0	0	6,400

### Australia (Net Acres)

Project	WBE	Location	Change during the quarter
Warro JV – RL7	54,360	Western Australia	No change

This ASX announcement was approved and authorised for release by the Board of Whitebark Energy Limited.

#### For further information:

Dr. Simon Brealey  
Interim Chief Executive Officer  
Whitebark Energy  
Ph: +61 402 110 405

## SUPPORTING INFORMATION

### 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 ('Whitebark' 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.

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 and resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Conversion of gas to Barrels of Oil Equivalent (BOE) is done on the basis of 6mcf = 1 BOE.

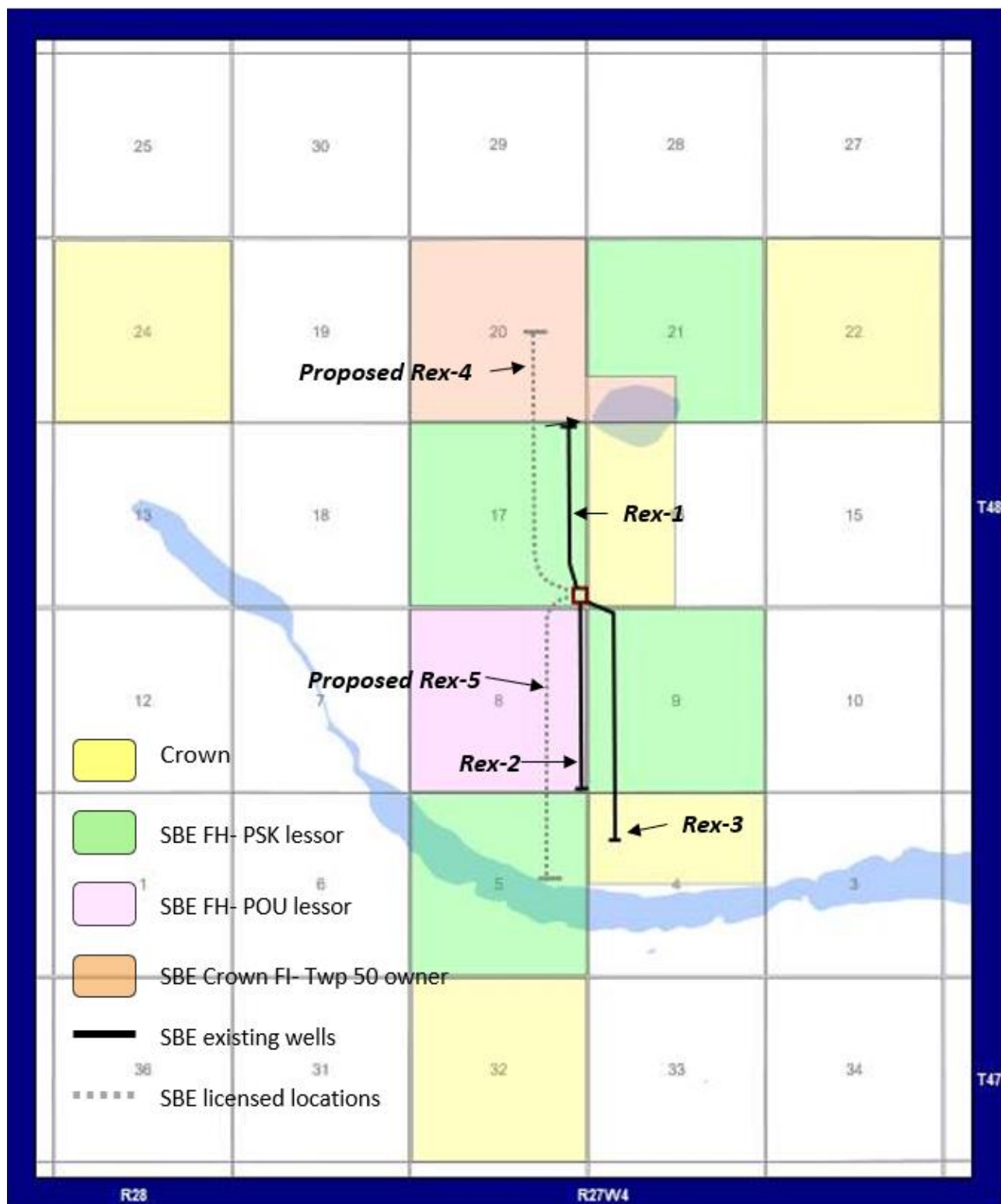


Figure 1 – Wizard Lake oil and gas field - location of existing and proposed wells

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

WHITEBARK ENERGY LIMITED

ABN

68 079 432 796

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	1,028	1,930
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	(52)
	(b) development	-	-
	(c) production	(476)	(882)
	(d) staff costs	-	-
	(e) administration and corporate costs <sup>1</sup>	(230)	(408)
	(f) production – royalties	(119)	(275)
	(g) field maintenance costs	(67)	(231)
	(h) costs of subsidiary restructure	-	-
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – Deposit paid for costs of restructure	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>139</b>	<b>85</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements – Wizard Lake	(111)	(111)
	(c) property, plant and equipment	-	-

<sup>1</sup> Includes \$195,000 Aged/Deferred Creditors

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other - non-current development expenditure	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	1
	(d) investments	-	-
	(e) 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	<b>Net cash from / (used in) investing activities</b>	<b>(111)</b>	<b>(110)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	394	447
4.2	Net cash from / (used in) operating activities (item 1.9 above)	139	85
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(111)	(110)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>422</b>	<b>422</b>

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	422	394
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>422</b>	<b>394</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments from related parties and their associates included in item 2

**Current quarter  
\$A'000**

28

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. <b>Financing facilities</b>		<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. <b>Estimated cash available for future operating activities</b>		<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	139
8.2	Capitalised development expenditure (Item 2.1(f))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	139
8.4	Cash and cash equivalents at quarter end (Item 4.6)	422
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	422
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	3.04
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	



**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.

Date: 31 January 2022

Authorised by: The Board of Directors of Whitebark Energy Limited  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.