

Wizard Lake Oil and Gas Field

Reserves and Contingent Resources – Year ending June 30 2021

Addendum pursuant LR 5.31 and 5.32

Whitebark Energy Ltd (ASX:WBE) announces further clarification under LR 5.31 and 5.32 to its Reserves and Resources assessment as at 30 June, 2021.

Whitebark Energy Ltd (“Whitebark”) is the Operator, through its wholly-owned Canadian subsidiary Rex Energy Ltd, and holds a 100% share of, the Wizard Lake Oil and Gas Field in Alberta, Canada. Permits are held as Alberta Energy Regulator Petroleum and Natural Gas Mineral Leases with standard Royalty agreements with various freehold lessors.

- **1P (Proved) Reserves of 0.981 MMbbls of oil, 7.55 bcf of gas and 151 Mbbbls NGLs: Total 2.39 MMboe with NPV10% AUD 26.06 million**
- **2P (Proved plus Probable) of 2.073 MMbbls of oil, 15.67 bcf of gas and 313 Mbbbls NGLs: Total 4.998 MMboe with NPV10% AUD 50.645 million**

<i>Resources & Reserves as at 30 June, 2021</i>		
100% Field Reserves (MMboe)		
Category	Proved 1P	Proved & Probable 2P
Developed & Undeveloped	2.39	4.998
100% Field Contingent Resources (MMboe)		
Category	1C	2C
Total	1.855	4.821

Table 1 – Reserves as reported at June 30 2021

Reserves Update to June 30 2021

2P Reserves include: 1P Proven Developed Producing Reserves (“PDP” – those remaining reserves attributed to existing wells Rex-1 through Rex-3); 1P Proven Undeveloped Reserves (“PUD” – those reserves accessible from existing infrastructure and requiring the drilling of Rex-4 through Rex-8); and 2P Probable Reserves (those accessible and requiring a new well-pad, new facilities and the drilling of Rex-9 through Rex-15). Contingent Resources (which show an increase over June 30 2020) are not addressed further in this Addendum.

The Reserves and Contingent Resources Report dated June 30 2021 reports a decrease of 16.6% to Proved 1P reserves and a decrease of 8.3% to Proved plus Probable 2P reserves against June 30 2020. These revisions are based on analysis of six months further production data (over the June 30 2020 Reserves estimate) from existing wells Rex-1 through Rex-3, and recalculated forecast decline curves to arrive at revised estimated ultimate recoverable (“EUR”) reserves per well (Figure 1).

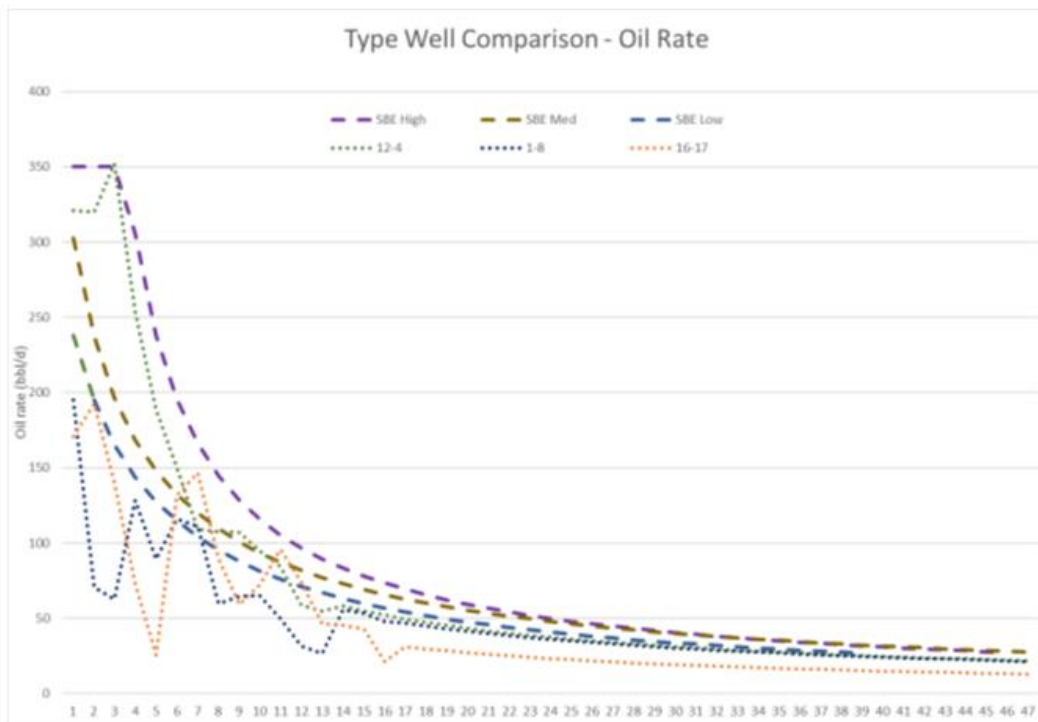


Figure 1 – Actual (dotted) vs. forecast (dashed) production Rex-1 to Rex-3 over first 18 months of respective production

Rex-1 (16/17) and Rex-2 (1/8) performed below the low-case forecast – these are not true extended reach (“ER”) wells and may have downhole restrictions. Rex-3 (12/4) was completed as a true ER well with a 1.5 mile (2100m) lateral section, and was subject to 46 fracture stimulation stages. It initially performed to the high case forecast expectations and is expected to outperform the original low case forecast. Expected Ultimate Recoverable (EUR) reserves from future wells have been modelled on the actual performance of Rex-3 and similar completion strategies are anticipated for each. Utilising the revised per well EUR forecasts (Figure 2) a more conservative, reliable reserves assessment for the Wizard Lake Field has been determined.

An EUR of 154 Mbbbls oil and 1,160 MMscf gas (347 Mboe) with associated natural gas liquids is calculated from this type curve for each future drilling location. This compares with expectations from neighbouring Calima-operated “Leo” wells at Thorseby Field (closest producing field geographically and stratigraphically) where expectations per well are 155 Mboe (ASX announcement August 21 2021).

As part of the detailed field review at Wizard Lake both revised Operating Costs (Opex) and pricing forecasts were applied. The forecast used to generate the Average price forecast was developed by taking the average of McDaniels, Sproule, GLJ, and Deloitte. The oil pricing was further adjusted to incorporate a quality discount set in US\$ (due to the “heavy” nature of Wizard Lake crude).

Revisions to Opex are detailed in Table 2 (below).

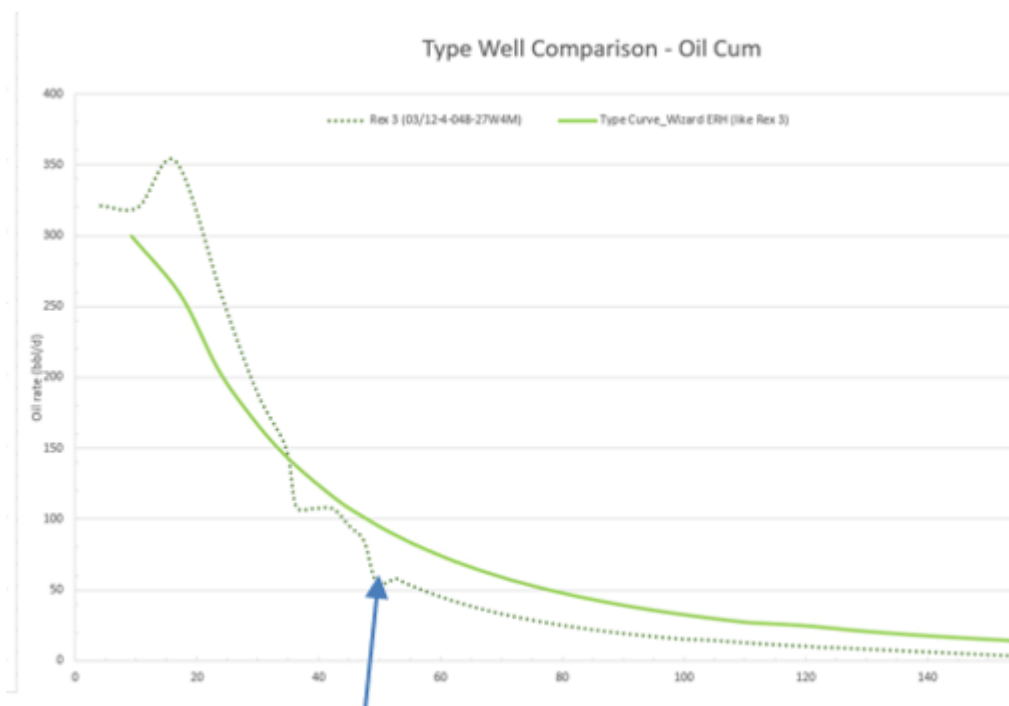


Figure 2. Rex-3 actual and forecast performance (dotted) vs. type future well completed similarly to Rex-3 (arrow marks present day)

May 2021				
	<u>Jun-20</u> <u>(Old)</u>	<u>Jan-21</u>	<u>(Update)</u>	<u>Effective</u>
Fixed	\$13,300	\$20,000	/well-month	
Fixed (w/o rental)	\$ 5,000	\$8,400	/well-month	Jan-21
Variable Oil	\$3.20/bbl	\$3.20	/bbl	
Variable H2O (trucked)	\$2.15/bbl	\$3.38	/bbl	
Variable H2O (w Tie-in)	\$0.79/bbl	\$0.79	/bbl	Oct-21
Variable Gas	\$0.78/mcf	\$0.92	/mcf	

Table 2 – Revisions to Opex utilised in field review and input to commerciality of resources determination

Notes on basis for calculation and booking of Reserves and Resources:

The evaluation was carried out under the standards contained in the Petroleum Resource Management System (PRMS) revised June 2018 version. All reserves and resources are estimated by deterministic estimation methodologies consistent with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2007 Petroleum Resources Management System (PRMS), methodologies as described above. Under the SPE PRMS guidelines, "Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions".

Estimated quantities by category and notes on PDP and PUD Project Status:

1P PDP Reserves, attributable to remaining reserves at existing wells Rex-1 through Rex-3, as at June 30 2021, are 547.1 Mboe, comprising 209.6 Mbbbls oil, 1,809.3 MMcf gas and 36 Mbbbls of associated Natural Gas Liquids ("NGLs"). Using the economic assumptions summarised in Appendix 1 the NPV10 Before Tax ("BT") is CAD 4.8617 million. At AUD 1.075 = CAD 1.0 this equates to AUD 5.228 million. All material economic assumptions used to calculate reserves and commerciality are shown in Appendix 1.

All three wells are currently on production and all product is sold directly to purchasers from the Battery. Produced water is trucked to the saltwater disposal well; crude is trucked off lease to the purchaser, with monthly nominations made to a preferred buyer. Gas is fed directly into the Petrus pipeline system; Petrus process the liquids out of the gas and supply the gas purchaser (BP). All relevant Environmental, Health and Safety regulation is observed and policy and procedure documentation maintained.

Through future investment, exploitation of PUD reserves (Rex-4 through Rex-8) is possible from the existing well pad. Economic analysis includes Capex for the drilling and completion of the wells and eventual abandonment. Development drilling commencing with Rex-4 is anticipated to commence in 2022. 1P PDP plus PUD reserves at June 30 2021 are 2390 Mboe comprising 981 Mbbbls oil, 7550 MMcf gas plus 151 Mbbbls NLGs. NPV10 is CAD 24,236 million (AUD 26.06 million).

2P reserves, including PDP, PUD and Probable reserves (Rex-9 through Rex-15) will require installation of a new well pad. Economic assessment includes Capex to provide for this along with drilling, completion and abandonment of the wells. 2P reserves are 4998 Mboe (Table 1) comprising 2,063.4 Mbbbls oil, 15,727 MMcf gas and 313 Mbbbls NGLs. NPV10 is CAD 47.1 million (AUD 50.6 million)

Qualified Petroleum Reserves and Resources Evaluator Statement:

The information contained in this report regarding the Whitebark Energy Ltd reserves and contingent resources is based on and fairly represents information and supporting documentation compiled by Dr. Simon Brealey who is an employee of Whitebark Energy Ltd and holds a PhD. in oilfield geology. All ValNav runs and decline analysis of the existing wells and future type curve wells were generated by Whitebark with input parameters reviewed and validated for the reserves report.

KD Angus Corp consents that the reserve and resource forecasts used in this report relating to the Wizard Lake Oil and Gas Field are based on an independent review conducted by KD Angus Corp and fairly represent the information and supporting documentation reviewed. The information was reviewed by Kevin Angus. Mr. Angus, P. Geoph., has an ICD.D designation from the Institute of Corporate Directors. He holds a Bachelor of Science in Geology from the University of Calgary and is registered as a Professional Geoscientist with the Alberta Professional Engineers and Geoscientists of Alberta (APEGA). Mr Angus was both the Chairmen and member of the reserve committee of Painted Pony Energy for 5+ years, a publicly traded Canadian company with over 3tcf of reserves.

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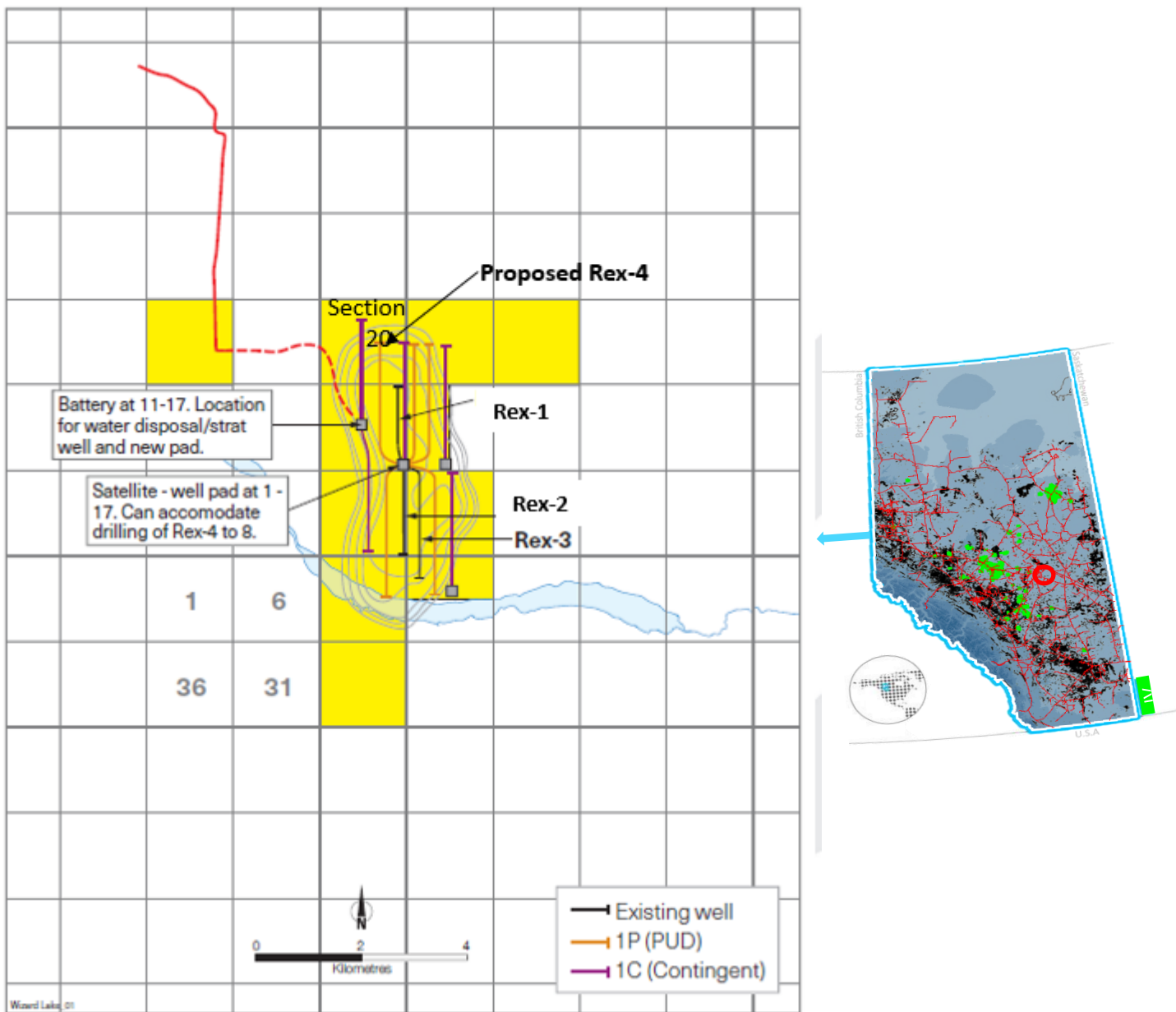
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This release is approved by the Board of Whitebark Energy Limited.

About Whitebark Energy Limited:

Whitebark Energy Limited (ASX:WBE) is an ASX-listed exploration and production company featuring low cost oil and gas production in Canada, a substantial gas resource in Western Australia, and a management and Board team with a proven track record in delivering shareholder value. 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. WBE intends to build a substantial oil & gas business through disciplined execution of strategic objectives.

Figure 3. Wizard Lake Oil Field: Location; Field reservoir map; Existing and planned wellbores



APPENDIX 1 Proved Producing Developed Reserves – Economic Summary

