



Whitebark Energy Announces Completion of Hydraulic Fracture Stimulation at Rex-4

7 November 2022

Highlights

- **Hydraulic Fracture Stimulation operations have been completed at the Rex-4 well at Whitebark Energy's 100% owned Wizard Lake oil and gas field, on schedule and within budget**
- **50 stimulations were conducted at ~40m intervals along the horizontal section of the well within the target Rex Sandstone reservoir**
- **The Rex Sandstone reservoir demonstrated good oil fluorescence when drilled**
- **Well to be rested for up to one week while fracs heal naturally. Tie-in work to be performed during this period to ensure immediate, gradual production start-up**
- **The Rex-4 development well is targeting post-clean up production rates of 300 bopd and 1,400 mscfg/d in Q1 FY23**

Whitebark Energy Limited (ASX:WBE) ("**Whitebark**" or the "**Company**") is pleased to announce the completion of hydraulic fracture stimulation operations at the Rex-4 development well at the Company's 100% owned Wizard Lake Oil and Gas Field ("**Wizard Lake**") in Alberta, Canada.

The Company successfully ran 50 hydraulic fracture stimulation stages in the target Rex Sandstone reservoir at an approximate interval of 40m per the completion plan.

The Rex-4 development well achieved all of its objectives, landing the entire lateral section in the Rex Sandstone reservoir and demonstrating oil-saturation throughout the wellbore. 2,318 metres of the Rex Sandstone section was drilled at approximately 1,420 metres True Vertical Depth (TVD) per the drilling plan (see Figure 1), encountering 100% reservoir sand. The lithology of the Rex Sandstone is fine to upper-medium grained, moderately sorted sandstone with good intragranular porosity. Returned drill cuttings demonstrated dull yellow fluorescence with instant milky white slow streaming cut fluorescence, indicative of the presence of crude oil.

The fracture stimulation program was the most ambitious yet at Wizard Lake and was consistent with the strategic plan of increased horizontal length and a greater number of fracture stages than in previous wells. Each of the fifty 30 Tonne fracs consisted of 1 tonne of 50/140 sand followed by 29 tonnes of 16/30 sand with final concentrations of 600-800 kg/m³. A total of 1483.5 tonnes of proppant was pumped during the program.

As determined in the strategic development plan the Company plans to manage the Rex-4 wellbore carefully as it is brought into stabilised production, learning from previous experiences at Rex-1 through Rex-3. This will involve allowing the wellbore to "rest" for up to one week to allow the wellbore to heal naturally from the fracture stimulation program. This process will help ensure that the frac sand stays in zone and maximizes the well's reserve potential. Rex 4 will be brought online gradually, with initial production constrained to 75 bopd and slowly increased over the course of 6 weeks to the modelled stabilised initial production rate of 300 bopd plus associated gas. We believe that this strategy will contribute to greater well lifespan and increased ultimate productivity.

¹As per Whitebark Energy Limited ASX announcement "2022 Reserves and Contingent Resources Report", released 5 September 2022

Whitebark has modelled initial post-clean up production rates of approximately 300 barrels of oil and 1,400 mscf gas per day which will lift total Wizard Lake production to approximately ~750 boepd. The Company expects ultimate recovery of approximately 146,000 barrels of oil and 1.3 Bcf gas from Rex-4.

Whitebark Interim CEO, Dr Simon Brealey, commented:

"The successful completion of the hydraulic frac program at Rex-4 will significantly ramp up Wizard Lake production and corresponding cash flow. It is important that we put into effect the lessons learnt from the wellbore management practices of previous wells at Rex-4 and at subsequent wells. This means allowing the fracs to heal naturally which will maximize the eventual amount of proppant retained in the reservoir and optimize production and ultimate well longevity. I am excited to be part of this growth period for the Company."

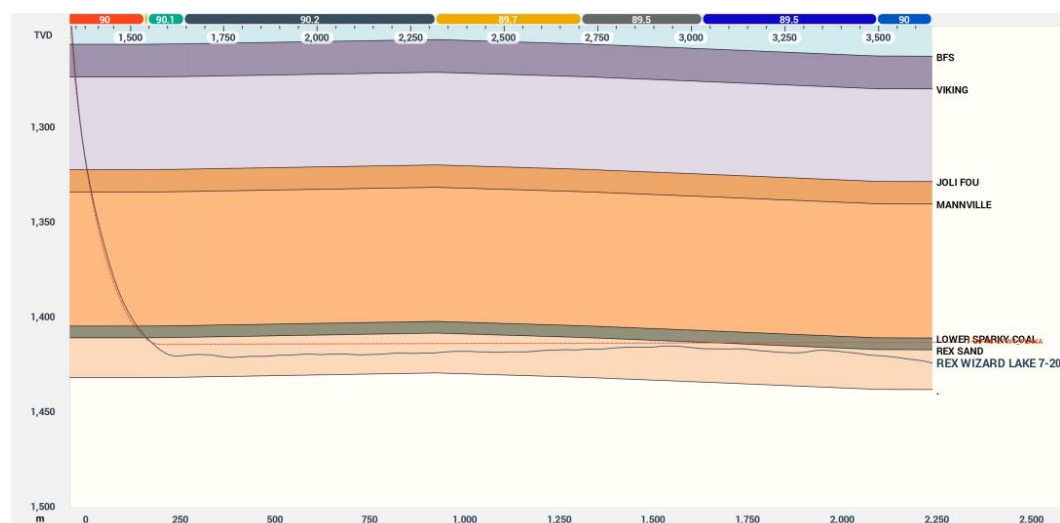


Figure 1. Rex-4 well trajectory as plotted from real-time Measurement While Drilling tools

Wizard Lake Oil and Gas Field – Immediate development potential

It is planned for the next four Wizard Lake wells (Rex-5 through Rex-8) to address existing Proved ("1P") Reserves which is calculated to be 2.3 million barrels of oil equivalent¹. Whitebark plans to drill and complete all four wells from the existing well pad without further infrastructure investment required. The Company has identified 20 additional development locations which will target the remainder of the Company's 2P reserves (5.12 million barrels of oil equivalent in total) and contingent resources (an additional 4.7 mmboe).

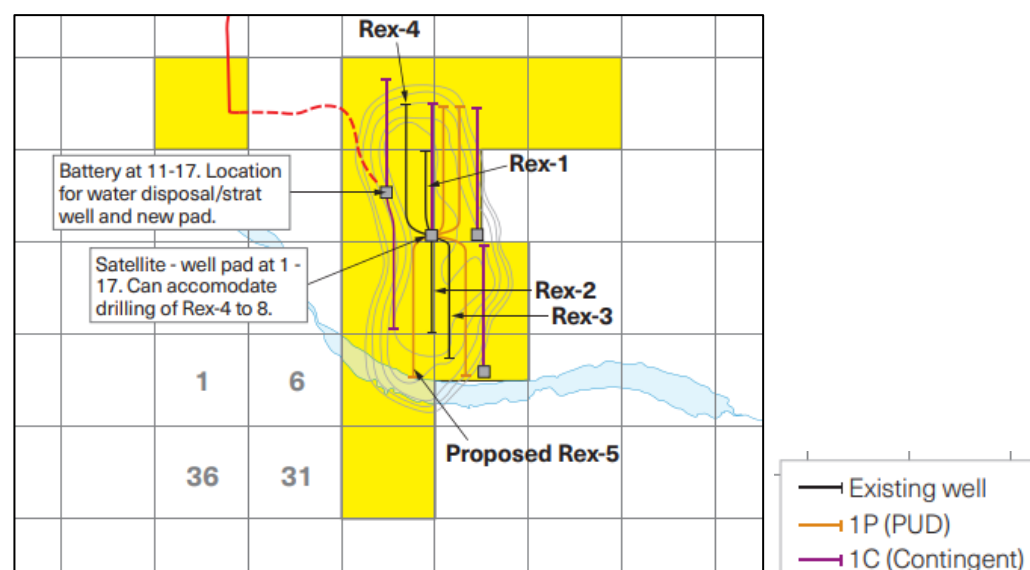


Figure 2 – existing wells and planned Proven Undeveloped well (PUD) locations

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This ASX announcement was approved 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
Simon.brealey@whitebarkenergy.com

About Whitebark Energy Limited

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, operated by its wholly-owned subsidiary Rex Energy (Rex); 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.

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.

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