



whitebark

ENERGY

ABN 68 079432 796

2018 Annual Report

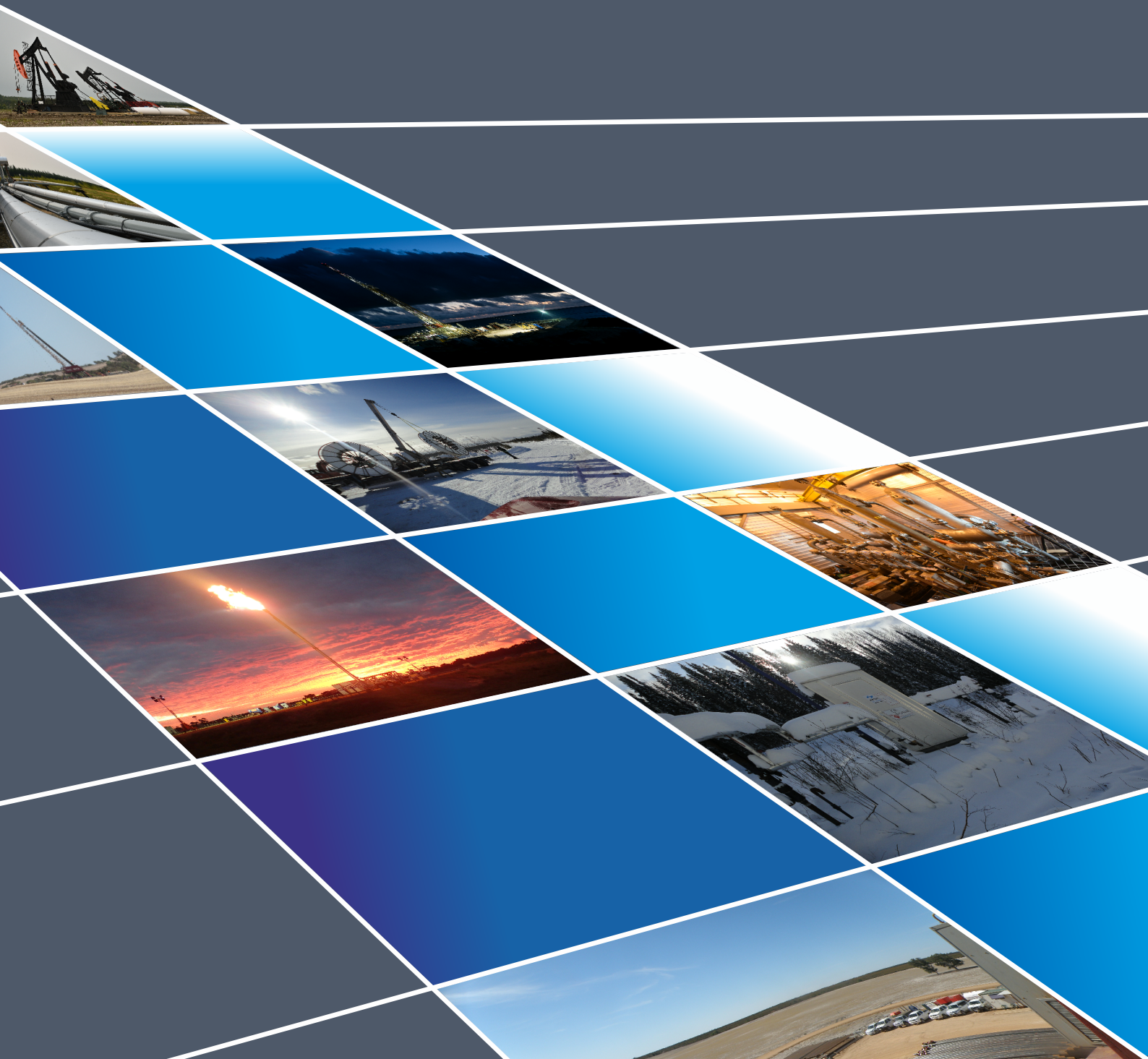


Table of Contents

Corporate Directory	3
Chairman's Letter	4
Review of Operations	5
Reserves and Resource Statement	11
Directors' Report	14
Auditors Independence Declaration	22
Independent Audit Report	23
Statement of Profit or Loss and Other Comprehensive Income	29
Statement of Financial Position	30
Statement of Changes in Equity	31
Statement of Cash Flows	32
Notes to the Financial Statements	33
Directors' Declaration	63
Shareholder Information	64
Permits	67

Directors	Charles Morgan (Non-executive Chairman) David Messina (Managing Director) Stephen Keenihan (Executive Director)
Company Secretary	Kevin Hart
Principal registered office in Australia	Level 2 6 Thelma Street West Perth WA 6005 Tel: +61 8 6555 6000 Fax: +61 8 6555 6099
Auditors	KPMG 235 St Georges Terrace Perth WA 6000
Solicitors to the Company	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street, Perth WA 6000
Share Registry	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace Perth WA 6000 Tel: +61 3 9415 5000
Banker	ANZ
Stock exchange	Whitebark Energy Limited shares and options are listed on the Australian Securities Exchange (ASX: WBE, WBEO)
Company website	www.whitebarkenergy.com

Dear Fellow Shareholders,

The 2017/2018 Financial Year has been one of transformation for Whitebark. On July 3rd, 2017 Transerv Energy became Whitebark Energy, in order to better reflect the Company's focus on Canada, following the acquisition of 20% of Point Loma Resources Ltd's assets in Alberta, Canada (the PLJV).

Whitebark acquired the interest in the PLJV because it saw that there were many opportunities for growth in this mostly Mannville play area. A lot of historical vertical well production from an area of limited porosity and permeability pointed to the viability of horizontal stimulated wells.

During the year the Company's share of the PLJV production was 90,238 barrels of oil equivalent (BOE). From acquisition until June 30 2018 net production has increased 100% to 361 BOE/D and net reserves 145% to 2036 MBOE via drilling and acquisition. Additionally, the PLJV has some 19,000 acres of Duvernay Rights which is a fast-developing oil play in and around the PLJV lands.

The PLJV has a solid plan to deliver additional growth for the current financial year and will keep shareholders informed as it progresses.

In Western Australia the Company also participated for 15% in the Xanadu discovery on/offshore WA and became the 100% owner of the Warro Gas Field which remains suspended under the WA Government fracking moratorium. Plans for shooting 3D seismic over Xanadu are progressing prior to drilling an appraisal well.

The Company raised \$1.85 million in November 2017 and post balance date has finalised a capital raising of \$2.33 million before costs to further its Canadian plans.

While the company's share price has not matched the asset growth your board believes that it has built a strong base for growth.

Thank you for your support during the year,

Yours sincerely,



Charles W Morgan
Chairman

Review Of Operations

1.1 Overview

During the 2018 financial year the Company produced 90,238 barrels of oil equivalent, increased 2P reserves by 145%, drilled an oil discovery well at Xanadu-1 in the offshore Perth Basin and identified an additional 40 million barrels of in place oil resources in a successful 3D seismic campaign in Canada.

Net production from the Point Loma Joint Venture (PLJV) for the 2018 financial year was 10,736 barrels of oil, 3,374 barrels of NGL's and 456 mmcf of gas with revenue of \$1.95 million dollars.

Activities were focussed on growing the Company's Canadian assets by increasing production and adding to the land and facilities. Operations became cash positive during the second half of the 2018 financial year.

In Western Australia, the Xanadu-1 well was drilled in the first half of the financial year, resulting in an oil discovery. A follow-up 3D seismic survey planned for the first half of 2018 has been delayed due to environmental approval constraints but approvals are now expected in time to enable acquisition in FY2019.

Other operations at Warro in Western Australia, have paused due to the State Government Fracking Inquiry. The company is ready to restart activities when the moratorium is lifted.

1.2 Canadian Operations

The PLJV assets held with Point Loma Resources have grown in the past 12 months as described below. The Company plans to continue to grow its Canadian assets during FY 2019 through a combination of acquisitions and an active drilling program which will commence in December 2018.

1.2.1 Acquisitions

The Gilby Acquisition was announced on 21 March 2018 and comprised approximately 26,500 gross acres of land and associated facilities. These assets are adjacent to the PLJV's existing landholdings and were producing approximately 450 boe/d with 30% being oil and NGLs. The assets included 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.

On 2nd May 2018, the Company announced the final payment of CAN\$143,965 for the Gilby acquisition on 30th April, taking WBE's total cost of the acquisition to CAN\$328,266 for a 30% share of the asset.

Smaller acquisitions were made in the first half of the financial year which expanded and consolidated the PLJV's core Paddle River Oil Project.

1.2.2 Development Activity

1.2.2.1 5-31 Nordegg Recompletion – West Cove

The 5-31 Nordegg well in the West Cove area was placed on production in October 2017 with initial production between 100-160boe/d. It should be noted that this production is only from a short lateral intersecting the upper Nordegg. It is expected that longer horizontal laterals would produce at higher rates. The well pad is configured for two additional wells, which would produce through the existing pipeline infrastructure enhancing the economics of future wells (Refer ASX release dated 24 October 2017).

In addition to the Nordegg pool, the area has an underlying Banff oil target. During the period, 3D seismic was acquired to delineate the Nordegg pool further and assist in evaluating the Banff and other deeper targets. A further 5,760 acres of leases over surrounding acreage were acquired to secure the Nordegg and Banff potential (see exploration section below).

1.2.2.2 Paddle River – Additional Wells and Drilling Locations

The 1-32 horizontal development well was drilled into the Ostracod A pool. As expected, the well encountered oil shows. The JV is planning to sidetrack the identified oil pay zone. (Refer ASX release dated 11 October 2017).

In addition, the previously announced, acquired horizontal well (drilled in 2014), was transferred and placed on production in November 2017. Two additional, potential horizontal drilling opportunities are also supported on the acquired land.

The PLJV has identified a means to significantly reduce operating costs of the field by converting a non-productive horizontal well on the periphery of the field to a water injector. The associated plant and equipment will be sourced from other facilities owned by the JV. This water injection project is expected to be completed in the first quarter of 2019 and result in an ~\$80,000/month reduction in field opex.

1.2.3 Exploration

1.2.3.1 Thorsby Area - 11-18 Glauconite and 9-18 Sparky Wells

The 11-18 Glauconite well was recompleted and is presently producing gas at an average rate of 800 mcf/day. WBE has an 80% interest in this well until payout of the cost of the associated pipeline. The neighbouring 9-18 horizontal Sparky exploration well which was drilled and completed, is presently shut in due to poor performance.

1.2.3.2 Westcove 3D

The PLJV undertook a 3D Seismic Program during the third quarter of the financial year in the Westcove area (Refer ASX Release 30 May 2018). The data were processed and tied to adjacent surveys and wells and interpretation of those results continues. The program identified significant new drilling targets with potential for over 40 million boe in place adjacent to the PLJV's Paddle River oil field.

The main objective of the 3D program was to define the extent of the Nordegg oil accumulation being produced by the PLJV's horizontal well 5-31 and provide guidance on the optimal location and direction for a planned Nordegg horizontal development well. A secondary objective was to delineate the extent of an underlying Banff Oil play in the surrounding area and in the NW portion of the survey around well 8-11.

The 3D delivered valuable information on these objectives and also identified a potential Ostracod oil pool which appears to be analogous to the adjacent PLJV Paddle River Ostracod oil field (Figure 1).

The 3D defined the areal extent of the Nordegg pool accumulation around well 5-31 to the north and west, and suggests the potential for further development wells.

In the NW part of the 3D (Figure 2), the data indicate a Banff level closure with a seismic amplitude anomaly which is usually associated with a thickening of the reservoir unit (Figure 2 and Figure 1). Importantly, well 8-11, which drilled through the feature, appears to contain by-passed pay at the Banff level with the unit yielding high gas readings, strong oil related fluorescence and indications of pay on the electric logs.

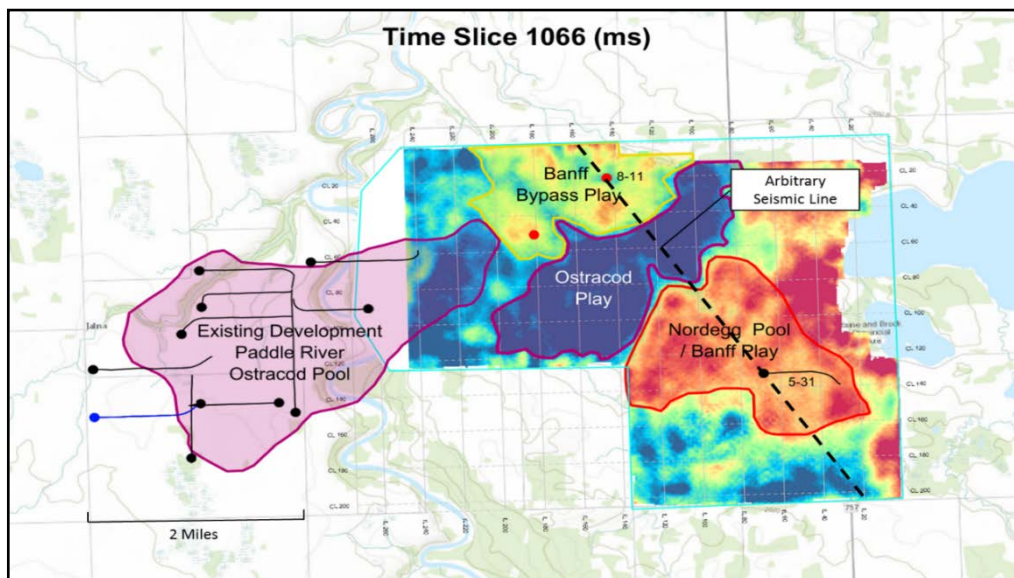


Figure 1 - Westcove 3D Timeslice showing location of prospects and Paddle River Pool

To the west of the Westcove 3D area, the PLJV operates the Paddle River Ostracod oil field which is held in a stratigraphic trap formed by the reservoir unit pinching out up-dip within a paleo valley. The 3D has identified an analogous configuration within the Westcove area (Figure 1) where the presence of a low with a seismic thickening at the Ostracod level suggests the potential for an oil accumulation akin to the Paddle River field.

The potential unrisks resources for all the features described above are set out in Table 1.

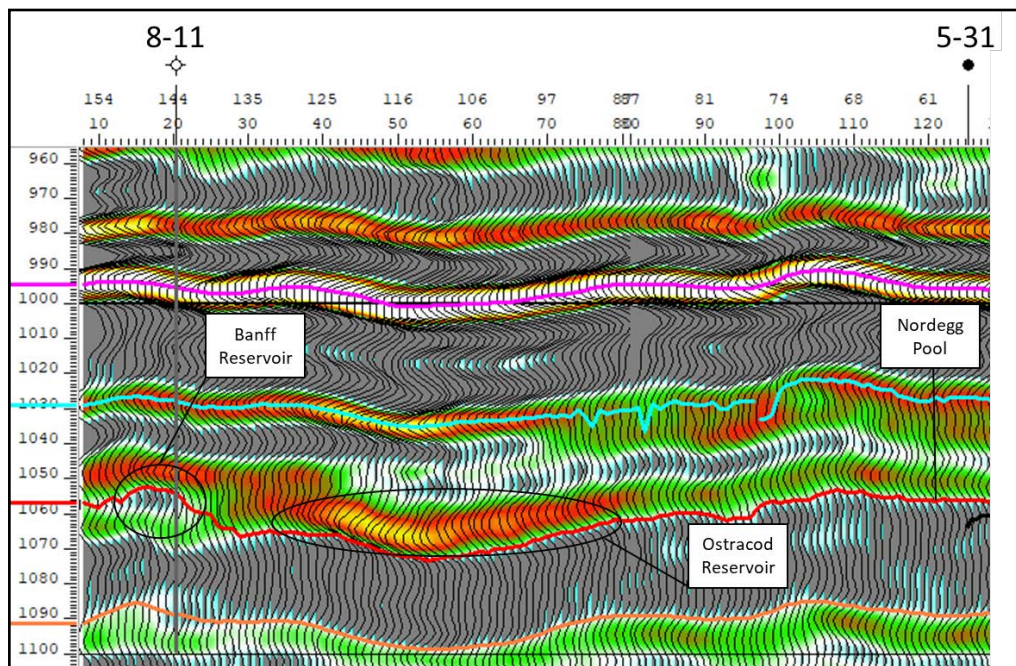


Figure 2- Westcove 3d Seismic Arbitrary Line through wells 8-11 and 5-31

Table 1 - Resource Estimation Approach Westcove 3D Drilling Opportunities

Category	Resource assessment approach	Stratigraphic Unit	Best Estimate OOIP mmbbl	Best Estimate OOIP Net to WBE (20% WI) mmbbl	Type of Trap	Reservoir Type
Ostracod Prospect	Deterministic GRV and bbls/ac-ft	Cretaceous	10	2	Stratigraphic	Fossiliferous Sandstone
Banff 8-11 by-passed pay	Deterministic GRV and bbls/ac-ft	Mississippian	15	3	Structural/Stratigraphic	Dolomite
5-31 Banff	Deterministic GRV and bbls/ac-ft	Mississippian	5	1	Structural/Stratigraphic	Dolomite
5-31 Nordegg	Deterministic	Jurassic	12	2.4	Structural/Stratigraphic	Limestone and Dolomite

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery, as well as a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a commercial quantity of potentially moveable hydrocarbons.

Gas to liquid conversion factor of 6 has been used in the resource estimates to deal with volumes of associated gas.

1.2.3.3 Duverney Shale Oil Acreage Surrounding Whitebark Lands

Whitebark currently has a 20% interest in approximately 19,000 gross acres (3,800 net acres or ~6 net sections) in the West Duverney Basin with Point Loma Resources as part of its PLJV holdings. The May 20th Alberta land sale by the Alberta Government recorded increased transaction activity attracting C\$42m of sales with the majority of the acreage posted within the West Duverney shale oil basin. Several large parcels of land, with combined acreage of 82,820 acres, and located just to the southeast of PLJV lands were bought for C\$33.3 million or an average price of C\$347/acre (Refer ASX Release 6 June 2018).

The Duverney shale is an emerging oil play which continues to attract increasing industry activity and attention, with an estimated 150 horizontal oil wells drilled mostly in the East Duverney Basin. An analysis by Point Loma of technical data from the West Duverney Basin indicates similar reservoir characteristics to the East Duverney Basin, where contingent resources of 10 to 15 million barrels per section of original oil in place have been stated by other operators.

Point Loma’s analysis shows that the West Duvernay Basin shale has a thickness of approximately 10 to 15 metres, with porosities ranging from 3 to 10% and TOC’s in the range of 2 to 10% which are parameters comparable to other successful North American shale plays and those seen in the East Duvernay Basin.

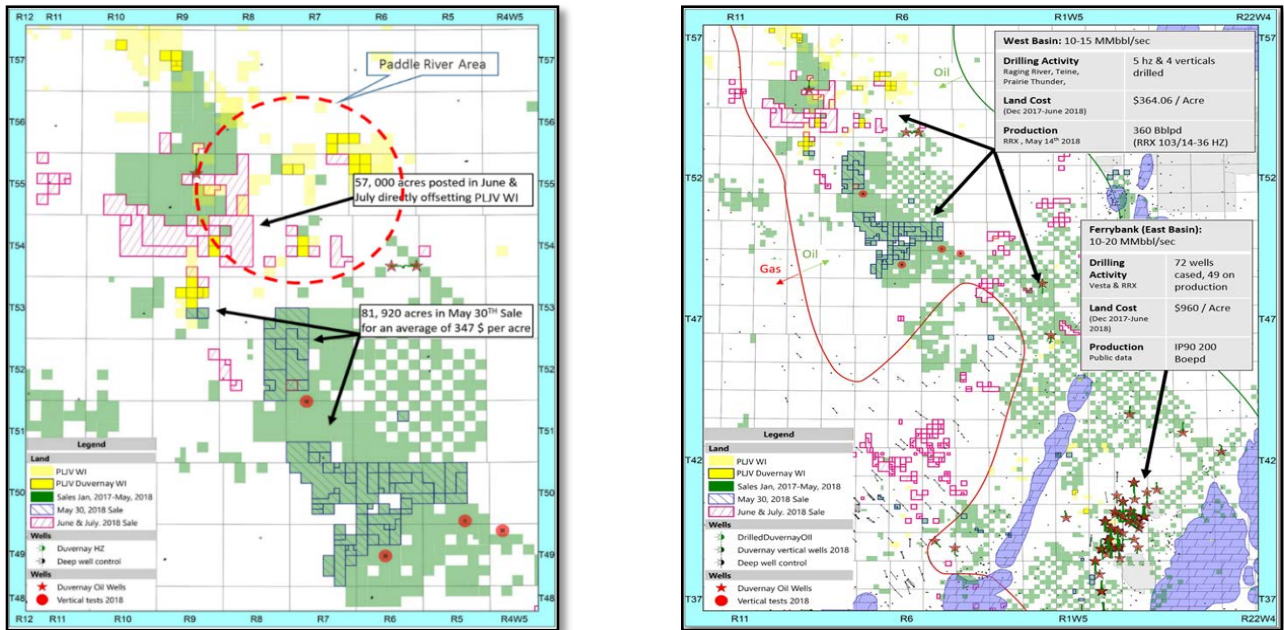


Figure 3 – Land Holding within the Duvernay Basin Oil Play (Left) and Duvernay Shale Oil Fairway Information (Right)

Three horizontal Duvernay shale oil wells have been drilled by other operators to date in 2018 within Whitebark’s core area of operations at Paddle River. The results of these wells have not yet been publicly disclosed.

1.2.4 Reserves Growth

The Reserve and Resources Statement below documents the Company’s Reserves to 30 June 2018 and represent a 70% and 145% increase in its Canadian 1P and 2P reserves to 1124 mboe and 2036 mboe respectively over the last 12 months.

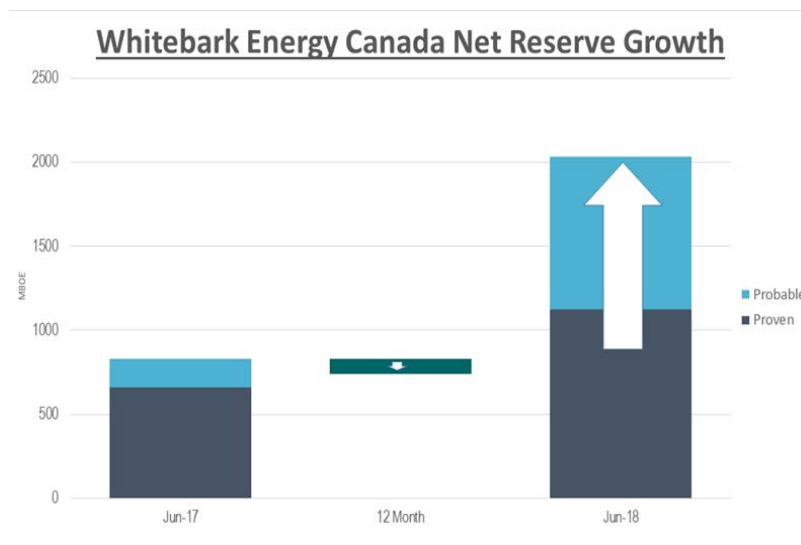


Figure 4 - WBE Canada Net Reserve Growth

1.3 Western Australia

The Company has interests in two areas in the Northern Perth Basin.

1.3.1 Xanadu Oil Discovery: TP/15: WBE- 15%

Norwest Energy Ltd (Operator) lodged the Xanadu Discovery Report with the DMIRS on 20th December 2017.

The Xanadu-1 discovery has confirmed the entrapment of oil in sands of the upper Irwin River Coal Measures (IRCM) in the structure, which lies immediately adjacent to the coastline in state waters, 40 km south of the township of Dongara. While analysis of the oil recovered from Xanadu-1 continues, initial results reveal the oil has an API gravity of 34.7° with no H₂S and extremely low levels of CO₂ (0.02%). The Xanadu crude is similar to the crude produced at the Cliff Head oil field and, upon development, is expected to receive similar pricing in the market. The minimal levels of CO₂ and no H₂S detected will enable the use of lower-cost and schedule efficient development options.

Reservoir quality sands were encountered throughout the IRCM with porosities generally ranging from 15% to 16%. Three discrete sand intervals (“A”, “B” and “C”) at the top of the IRCM have log-derived hydrocarbon saturations in excess of 40%. Fluorescence in rock cuttings observed while drilling and log-derived hydrocarbon saturations persist for 120m in sands below these upper zones but the lower intervals are water-bearing. MDT pressure sampling has established a high confidence water gradient and water was flowed and sampled via a wireline tool from the “B” sand despite the high oil saturation.

Reservoir Unit	Gross True Vertical Thickness (m)	Net Sand True Vertical Thickness (m)	Oil Saturation	Porosity	Net Pay (m)
“A”	7.7	4.6	66%	15%	4.6
“B”	6.0	2.8	46%	16%	N/A
“C”	4.3	2.7	41%	17%	N/A

Oil was pumped from the “A” sand utilising the Schlumberger Saturn pressure and fluid sampling tool and three downhole samples collected. Based on the log data, pressure points and recovered fluid samples, a lowest known oil depth of 871.8mTVDSS and a highest known water depth of 880.2mTVDSS have been established for the Xanadu Field.

Preliminary results at Xanadu-1 indicate that the assumption of the producing Cliff Head Oil Field being the primary analogue is correct.

All available data are currently being integrated to estimate the oil reserve potential of the Xanadu discovery. The data indicates that in addition to the potential up-dip, there is evidence that “down-dip” volumes may also be present (Refer ASX release dated 25 September 2017).

The JV is implementing a program to determine the best means to appraise the Xanadu discovery through the acquisition of 3D. The Xanadu 3D seismic survey covers 40km² and has been designed to define the extent of the Xanadu Discovery. It 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 area is already covered by modern aeromagnetic and gravity data, which, when integrated with new 3D seismic data, will provide a detailed understanding of the Xanadu oil field. Acquiring 3D seismic data will allow a new well to be optimally placed, with the expectation of completing this well as a commercial producer, and assist in the positioning of any subsequent development wells. The 3D seismic acquisition is now scheduled for H1 2019 following the award of a contract to Synterra Technologies, a leading global provider of geophysical services and subject to environmental approvals.

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.

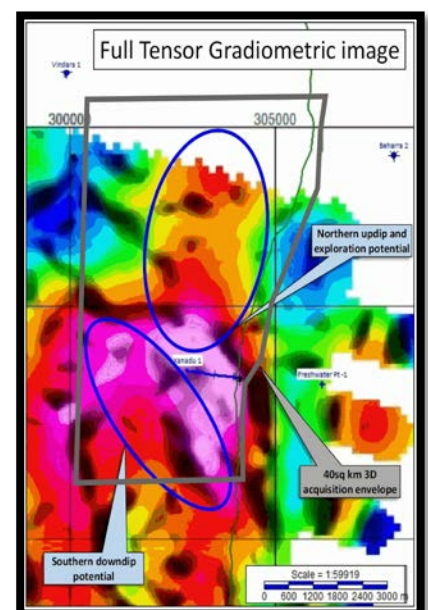


Figure 5 - Xanadu 40 km² 3D Seismic Survey Acquisition area overlying a full tensor gradiometric image, highlighting updip and downdip potential

1.3.2 Warro Gas Project: RL-7: WBE 100%

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).

On 26th June 2018, Whitebark announced the return to full ownership and control of the Warro Field after Alcoa agreed to relinquish its 43% interest earned in the asset. As part of the transfer, Alcoa has agreed to provide future funding to cover its share of plug and abandonment liabilities in the event any of the wells are not used in future development scenarios.

The Warro partnership between Whitebark (and its predecessors and subsidiaries) and Alcoa has spanned a decade including the drilling of four wells and the acquisition of 90km² of 3D seismic.

This will allow Whitebark greater ability and flexibility to progress the asset once the current fracking moratorium in WA is lifted, a prospect that the company is confident will be the outcome of the state imposed inquiry.

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 Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement 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.

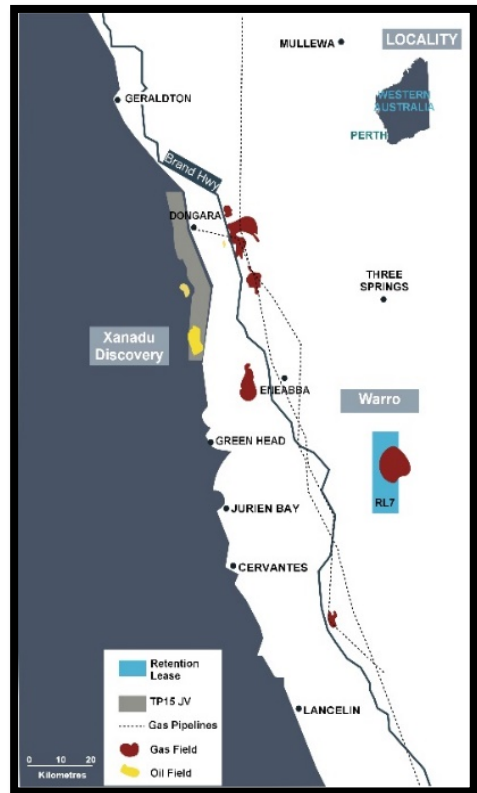


Figure 6 - Xanadu & Warro Location Map

2 Reserves and Resources Statement

The following summarises Whitebark Energy Limited's (WBE) Proved Reserves (1P), Proved plus Probable Reserves (2P) and contingent and prospective resources as of the evaluation date of 30 June 2018. Unless otherwise stated, all estimates are quoted as net WBE share.

Reserves at 30 June 2018

Alberta, Canada

Reserves at 30 June 2018 (Mbbbl)	Proved Crude Oil (1P) Mbbbl	Proved and Probable Crude Oil (2P) Mbbbl
Developed	81.7	103.1
Undeveloped	112.5	223.4
Total	194.2	326.5

Reserves Reconciliation (Mbbbl)	Proved Crude Oil (1P) Mbbbl	Proved and Probable Crude Oil (2P) Mbbbl
Reserves at 30 June 2017	80.7	104.4
Revisions and reclassifications	26.8	52.1
Additions through acquisitions	97.5	180.8
Production	-10.7	-10.7
Reserves at 30 June 2018	194.2	326.5

Reserves at 30 June 2018 (MMcf)	Proved Natural Gas (1P) MMcf	Proved and Probable Natural Gas (2P) MMcf
Developed	4369.7	5357.1
Undeveloped	397.4	3083.6
Total	4767.1	8440.7

Reserves Reconciliation (MMcf)	Proved Natural Gas (1P) MMcf	Proved and Probable Natural Gas (2P) MMcf
Reserves at 30 June 2017	3117.7	3903.5
Revisions and reclassifications	612.9	643.4
Additions through acquisitions	1493.1	4350.4
Production	-456.6	-456.6
Reserves at 30 June 2018	4767.1	8440.7

Reserves at 30 June 2018 (Mbbbl)	Proved Natural Gas Liquids (1P) Mbbbl	Proved and Probable Natural Gas Liquids (2P) Mbbbl
Developed	113	139.4
Undeveloped	22.4	163.5
Total	135.4	302.9

Reserves Reconciliation (Mbbbl)	Proved Natural Gas Liquids (1P) Mbbbl	Proved and Probable Natural Gas Liquids (2P) Mbbbl
Reserves at 30 June 2017	60.3	75.8
Revisions and reclassifications	6.4	8.7
Additions through acquisitions	72.1	221.8
Production	-3.4	-3.4
Reserves at 30 June 2018	135.4	302.9

The revisions and reclassifications to the 1P and 2P reserves is comprised primarily of revisions in forecast performance as a result of well recompletions, drilling of new wells and pipeline construction to add stranded production to the network.

Changes in forward price estimates, production costs and recovery rates will also dictate the need for revision and reclassification of reserves

Contingent and Prospective Resources at 30 June 2018 – Gas Initially In Place (TCF)

Warro Field, Western Australia			
Contingent (status unclarified and on hold)	1C	2C	3C
		2.4	3.2
Prospective	Low	Medium	High
	2.0	4.1	7.3
	4.4	7.3	11.6

Both deterministic and probabilistic methods at the field level have been used to estimate contingent resources.

Xanadu, Western Australia

At the time of writing, Xanadu-1 had been declared an oil discovery however, technical work in progress needs to be completed before a statement on Reserves and Resources can be made.

Reserves and Contingent Resource Estimates – Governance

The Company's reserves and contingent resources estimates are prepared in accordance with the SPE Petroleum Resources Management Guidelines.

Qualified Petroleum Reserves and Resources Evaluator Statement

The reserve and contingent resource estimate in this annual report (Reserves and Resources Statement) is based on, and fairly represents, information and supporting documentation prepared by a qualified petroleum reserves and resources evaluator. The Reserves and Resources Statement as a whole has been approved by Mr Stephen Keenihan. Mr Keenihan is a holder of shares and options in and is Executive Director of the Company. Mr Keenihan has sufficient experience that is relevant to the style and nature of hydrocarbon resources and to the activities discussed in this report, and is a member of the following professional organisations; Society of Petroleum Engineers, Petroleum Exploration

Society of Australia, American Association of Petroleum Geologists. Mr Keenihan has consented to the inclusion of information in this report in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement 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.

The Reserves and Resources Statement is based on, and fairly represents, information and supporting documentation prepared by the respective Competent Persons below.

Alberta, Canada

The information in this report that relates to the oil and gas reserves of Salt Bush Energy Limited (subsidiary of Whitebark Energy Limited) 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, whom 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). Their sources 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 matter based on this information in the form and context in which it appears.

Warro Field, Western Australia

The information in this Announcement is based on and fairly represents the information and supporting documentation prepared by Mr Stephen Keenihan, a Director of Whitebark Energy Ltd, who has consented to its inclusion in the form and context as it is presented. It has been produced for the Company, at its request, for adoption by the Directors. Mr Keenihan has sufficient experience that is relevant to the style and nature of hydrocarbon resources and to the activities discussed in this document, and is a member of the following professional organisations; Society of Petroleum Engineers, Petroleum Exploration Society of Australia, American Association of Petroleum Geologists and Australian Institute of Company Directors. His qualifications, experience and industry membership meet the requirements for a qualified petroleum reserves and resources evaluator as defined in Chapters 19 of the ASX Listing Rules. Terminology and standards adopted by the Society of Petroleum Engineers "Petroleum Resources Management System" have been applied in producing this document.

3 Directors' Report

3.1 Directors' Meetings

Board meetings held during the year and the number of meetings attended by each Director was as follows:

Board of Directors		
Director	Present	Held
Charles Morgan	3	4
David Messina	4	4
Stephen Keenihan	4	4

Board and Management Committees

In view of the current composition of the Board (which comprises a non-executive chairman and two executive directors) and the nature and scale of the Company's activities, the Board has considered that establishing formally constituted committees for audit, board nominations, remuneration and general management functions would contribute little to its effective management.

3.2 Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Whitebark Energy Limited support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that the Company is in compliance with those guidelines which are of importance to the commercial operation of a junior listed resource Company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company.

3.3 Directors' Information

Charles Morgan | Non-executive Chairman

Appointed 9 October 2015

Experience and expertise:

Mr Morgan has extensive experience in equity capital markets and has been involved with numerous projects over a 25 year period. The bulk of these were in the resources/oil & gas industries and in the technology sector.

Mr Morgan is an Executive Chairman of Grand Gulf Energy Limited.

David Messina | Managing Director

Appointed 20 April 2016

Experience and expertise:

Experienced international executive with proven entrepreneurial skills and solid track record in developing and managing a diverse range of businesses, raising finance, stakeholder engagement and delivering results to shareholders.

Mr Messina has over twenty years' multi-sector experience in the Energy and Agricultural industries, holding senior positions at the board and executive management level. Having lived and worked in numerous countries he has acquired global management experience with both start-up and mature businesses.

Stephen Keenihan BSc (Hons) | Executive Director

Appointed 23 March 2011 as Managing Director; Appointed 20 August 2013 as Executive Director; Appointed 9 October 2015 as Managing Director; Appointed 20 April 2016 as Executive Director

Experience and expertise:

Mr Keenihan has more than 45 years' experience in the energy industry, within and outside Australia. He has primarily been involved with oil and gas activities but also a broad range of experience in other energy and electricity projects including coal, gas, wind, biofuels and geothermal. He has previously held management roles with Apache Energy, Griffin Energy, Novus Petroleum, WMC Petroleum and LASMO. He has extensive expertise in oil and gas exploration activities and experience covering a broad range of disciplines including development, operations, commercial and marketing activities both operated and non-operated. Prior to March 2011, Mr Keenihan led a small team of oil and gas professionals who acquired the Warro Gas Field in Western Australia. The Warro operator, Latent Petroleum, merged in 2011 with Whitebark Energy, with Mr Keenihan leading the Company and extending its interests internationally in oil and gas in Canada since that date until 20 August 2013. Mr Keenihan is also a Non-Executive Director of Grand Gulf Energy Limited, which is an active oil and gas explorer and producer in the USA.

Kevin Ronald Hart FCA, BComm | Company Secretary

Appointed 30 November 2016

Experience and expertise:

Mr Hart was appointed to the position of Company Secretary on 30 November 2016.

He is a Chartered Accountant and holds a Bachelor of Commerce degree from the University of Western Australia. He has over 30 years' experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

Mr Hart is currently a partner in an advisory firm, Endeavour Corporate, which specialises in the provision of Company secretarial and accounting services to ASX listed entities.

4 Remuneration Report (Audited)

This Remuneration Report outlines the remuneration arrangements which were in place during the period, and remain in place as at the date of this report, for the key management personnel of Whitebark Energy Limited. For the purposes of this report, "key management personnel" is defined as persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

4.1 Remuneration Policy

Key management personnel remuneration is based on commercial rates and the existing level of activities in the Group at this point of time. Should the extent of those activities change, the remuneration of key management personnel would be amended to reflect that change.

4.2 Principles of Compensation

Remuneration is referred to as compensation throughout this report.

Under overall authority of the Board, key management personnel and other executives have authority and responsibility for planning, directing and controlling the activities of the Company and the consolidated entity. Key management personnel include the most highly remunerated executives for the Company and the consolidated entity.

Compensation levels for key management personnel of the Company and relevant key management personnel of the consolidated entity are competitively set to attract and retain appropriately qualified and experienced key management personnel. The Company from time to time obtains independent advice on the appropriateness of compensation packages of both the Company and consolidated entity given trends in comparative companies both locally and internationally and the objectives of the Company's compensation strategy.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- The capability and experience of the key management personnel;
- The key management personnel's ability to control the relevant assets' performance;

- The amount of incentives within each key management person's compensation.

Compensation packages may include a mix of fixed and variable compensation and short and long-term performance-based incentives.

In addition to their salaries, the consolidated entity also provides non-cash benefits to its key management personnel.

4.2.1.1 Fixed Compensation

Fixed compensation consists of base compensation, which is calculated on a total cost basis and includes any Fringe Benefit Tax charges related to employee benefits.

4.2.1.2 Performance-linked Compensation

The Company currently has no performance based remuneration built into key management personnel remuneration packages.

4.2.1.3 Long-term Incentive

Incentive options have been issued in the past to key management personnel and other employees of the Company. The ability to exercise the options is conditional upon the key management personnel and other employees achieving certain vesting conditions. These vesting conditions are set for each key management personnel and employee and are based primarily on the length of time spent providing their services to the Company.

4.2.1.4 Service Contracts

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the terms, including compensation, relevant to the office of the director.

Remuneration and other terms of employment for the executive directors and other non-director key management personnel are also formalised in service agreements. Each of these agreements provide for the provision of bonuses, other benefits including health and superannuation, and participation in the issuance of options. Other major provisions of the agreement relating to remuneration are set out below.

Directors and Key Personnel	Term of agreement	Base fee or salary including superannuation	Termination benefit
Directors			
Stephen Keenihan Executive Director	On-going commencing 1 January 2017	\$2,000 per day	Nil
Charles Morgan Non-Executive Chairman	On-going commencing 9 October 2015	\$75,000pa	Nil
David Messina Managing Director	Term is for 2 years from 1 July 2017	\$430,000pa	Nil

Non-Executive Directors

Total compensation for all non-executive Directors is to be approved by the Company in general meeting as detailed in the Company's Constitution.

5 Directors and Executive Officers' Remuneration (Consolidated Entity)

The following table sets out remuneration paid to Directors and key executive personnel of the Company and the consolidated entity during the reporting period:

Remuneration 2018	Salary and Fees AUD	Cash Bonus AUD	Superannuation AUD	Share based payments AUD	Total AUD	Value of options as a proportion of remuneration
Executive directors						
Stephen Keenihan*	174,400	-	-	171,418	345,818	50%
David Messina	402,518	-	25,000	263,486	691,004	38%
Non-Executive Directors						
Charles Morgan**	91,000	-	-	122,442	213,442	57%
Total	667,918	-	25,000	557,346	1,250,264	

*Consists of \$36,000 directors fees and \$138,400 consultancy fees

**Consists of \$75,000 directors fees and \$16,000 consultancy fees

Remuneration 2017	Salary and Fees AUD	Cash Bonus AUD	Superannuation AUD	Share based payments AUD	Total AUD	Value of options as a proportion of remuneration
Executive directors						
Stephen Keenihan**	288,620	-	-	-	288,620	0%
David Messina***	373,025	-	-	-	373,025	
Non-Executive Directors						
Charles Morgan****	75,000	-	-	-	75,000	0%
Executive officers						
Jo-Ann Long*	280,816	-	15,000	-	295,816	0%
Total	1,017,461	-	15,000	-	1,032,461	

*Resigned 30 November 2016

**Consists of \$36,000 directors fees and \$252,620 consultancy fees

***Consists of \$36,000 directors fees and \$337,025 consultancy fees

****Consists of \$75,000 directors fees

6 Equity Instruments

6.1 Options Granted as Compensation

The following options were granted to key management personnel during the year ended 30 June 2018:

Grant date	Exercisable	Expiry date	Exercise price	Number of options	Value of Share Based Payments
24-Jul-17	24 July 2017 to 31 May 2021	31-May-21	\$0.015	100,000,000	\$ 633,019

These options vest over a period of 1 - 3 years.

6.2 Option Holdings of Key Management Personnel (Consolidated Entity)

Details of options and rights held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Options	Balance at beginning of year 01-Jul-17	Granted as Remuneration	Net Other Changes	Balance at end of year 30-Jun-18	Total	Not Exercisable
Executive directors						
Stephen Keenihan	-	28,000,000	-	28,000,000	28,000,000	14,000,000
David Messina	-	52,000,000	-	52,000,000	52,000,000	34,666,667
Non-Executive Directors						
Charles Morgan	-	20,000,000	-	20,000,000	20,000,000	10,000,000
Total	-	100,000,000	-	100,000,000	100,000,000	58,666,667

6.3 Other Transactions of Key Management Personnel

Details of equity instruments (other than options and rights) held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Shares held in Whitebark Energy Ltd

Shares	Balance at beginning of year				Balance at end of year	
	01-Jul-17	Granted as Remuneration	On Exercise of Options	Net Other Changes	30-Jun-18	
Executive directors						
Stephen Keenihan	72,947,334	-	-	-	72,947,334	
David Messina	10,362,000	-	-	-	10,362,000	
Non-Executive Directors						
Charles Morgan	62,100,294	-	-	-	62,100,294	
Total	145,409,628	-	-	-	145,409,628	

The aggregate amounts recognised during the year relating to directors' related parties (included in table at 5) were as follows:

	Transactions value year end		Balance outstanding as at	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
TB & S Consulting Pty Ltd (i)	174,400	288,620	70,933	125,867
Mtani Pty Ltd (ii)	-	373,025	-	66,187
	174,400	661,645	70,933	192,054

- TB & S Consulting Pty Ltd is a Company associated with Mr Stephen Keenihan. The charges from TB & S Consulting are for director's fees and consulting fees.
- Mtani Pty Ltd is a Company associated with Mr David Messina. The charges from Mtani Pty Ltd are for director's fees and consulting fees.

The terms and conditions of the transactions were no more favourable than those available, or which might be reasonably available, on similar transactions to non-director related entities on an arms-length basis.

7 Company Performance, Shareholder Wealth and Director and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between the shareholders, key management personnel, and other employees. However, the Company continues to investigate alternative means for achieving this goal to the benefit of all stakeholders. There is no direct relationship between the remuneration policy and Company performance.

8 Voting and Comments Made at the Company's 2017 Annual General Meeting

Whitebark Energy Ltd received 95% of "yes" votes on its remuneration report for the 2017 financial year. The Company did not receive any specific feedback at the AGM on its remuneration report.

9 Use of Remuneration Consultants

During the financial year ended 30 June 2018, the Company did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both the short-term incentives ('STI') program and long-term incentives ('LTI') program.

End of Audited Remuneration Report

10 Principal Activities

The principal activity of the consolidated entity during the course of the financial period was the evaluation of oil and gas exploration projects in Western Australia and production of oil and gas in Alberta, Canada.

11 Results and Dividends

The consolidated entity's loss after tax attributable to members of the Company for the financial year ending 30 June 2018 was \$5,664,449 (30 June 2017 loss: \$40,074,224). No dividends have been paid or declared by the Company during the period ended 30 June 2018.

12 Financial Position

The net assets of the consolidated entity at 30 June 2018 were \$3,699,732 (30 June 2017: \$7,119,635) of which \$1,090,415 (30 June 2017: \$4,856,883) represents cash and cash equivalents.

The Directors believe that the consolidated entity is in a stable financial position with sufficient cash to fund its current operations and commitments expected to occur in the next financial year.

13 Earnings / (Loss) Per Share

The basic earnings/(loss) per share for continuing operations of the consolidated entity for the financial year ending 30 June 2018 was (0.6101) cents per share (30 June 2017: 4.7966 cents loss per share).

14 Events Subsequent to Reporting Date

On 1 August 2018 Whitebark Energy announced a renounceable entitlement offer. The offer was made to eligible shareholders on the basis of one New Share for every two shares held on the record date. Each new share had an offer price of 0.4 cents. Eligible shareholders were also offered one free attaching new option for every one new share subscribed for and issued under the offer.

On 28 August 2018 the renounceable rights issue closed substantially over-subscribed. The company raised \$1,980,862 (before costs) and issued 495,215,367 shares and 515,215,367 options (including 20,000,000 options issued to CPS Capital Pty Ltd).

To accommodate some of the oversubscription the Company placed (on 31 August 2018) an additional 87,500,000 fully paid ordinary shares at \$0.004 and 87,500,000 attaching options to raise an additional \$350,000 (before costs).

Other than the above, no material matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results or state of affairs of the consolidated entity.

15 Likely Developments and Expected Results

There are no likely developments of which the directors are aware which could be expected to significantly affect the results of the Group's operations in subsequent financial years not otherwise disclosed in the Principal Activities and Operating and Financial Review or the Significant Events after the Balance Date sections of the Directors' Report.

The Company continues to look for acquisition opportunities as they arise.

16 Environmental Regulations

The operations of the Group are subject to environmental regulation from two government bodies.

The Australian assets are monitored under the laws of the State of Western Australia. The Group holds various environmental licenses issued under these laws, to regulate its exploration activities in Australia. These licenses include conditions and regulations in relation to specifying limits on discharges into the air, surface water and groundwater, rehabilitation of areas disturbed during the course of exploration activities and the storage of hazardous substances. All environmental performance obligations are monitored by the board of directors and subjected from time to time to Government agency audits and site inspections. There have been no material breaches of the Group's licenses and all mining and exploration activities have been undertaken in compliance with the relevant environmental regulations.

The Canadian assets are subject to regulation by the Alberta Energy Regulator (AER). The AER ensures companies are prepared to meet their obligations at the end of a project's life including environmental obligations.

17 Directors and Executives Interests

As at the date of this report, the interests of the Directors and Executives at any time during the financial year in the shares and options of Whitebark Energy Limited ("the Company") were:

	Shares	Options
Directors		
Charles Morgan	62,100,294	20,000,000
Stephen Keenihan*	72,947,334	28,000,000
David Messina	10,362,000	52,000,000

* Held in the name of Stephen Leslie Keenihan & Sheridan Jay Keenihan <SL & SJ Keenihan S/Fund A/C>.

18 Share Options

18.1 Options Granted to Officers of the Company

The following options have been granted to officers of the Company during the financial year:

Grant date	Exercisable	Expiry date	Exercise price	Number of options
24-Jul-17	24 July 2017 to 31 May 2021	31-May-21	\$0.015	100,000,000

No options have been granted to officers of the Company since the end of the financial year to the date of this Directors' report.

Unissued shares under options

As at the date of the report, there were 112,675,000 unlisted options on issue detailed as follows:

Grant Date	Exercisable	Expiry date	Exercise price	Number of options
17-Nov-15	17 November 2015	10-Jul-18	\$0.060	1,675,000
28-Apr-17	28 April 2017 to 1 April 2021	1-Apr-21	\$0.015	11,000,000
24-Jul-17	24 July 2017 to 31 May 2018	31-May-21	\$0.015	100,000,000

All options expire on the earlier of their expiry date or termination of employment. Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company.

18.2 Shares Issued on Exercise of Options

During the financial year there were no ordinary shares issued as a result of the exercise of options.

19 Indemnification and Insurance of Officers and Auditors

19.1 Indemnification

An indemnity agreement has been entered into with each of the Directors and Company Secretary of the Company named earlier in this report. Under the agreement, the Company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law. There is no monetary limit to the extent of this indemnity.

19.2 Insurance Premiums

During the financial year the Company has paid insurance premiums in respect of Directors' and officers' liability and legal expenses' insurance contracts, for current Directors and officers. The insurance premiums relate to costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome and other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The premiums were paid in respect of the following Directors and Officers: Stephen Keenihan, Charles Morgan, David Messina and Kevin Hart.

There were no legal proceedings entered into on behalf of the Company or the consolidated entity by any of the Directors or executive officers of the Company.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

20 Corporate Structure

Whitebark Energy Limited is a Company limited by shares that is incorporated and domiciled in Australia. The Company is listed on the Australian Securities Exchange under code WBE.

21 Non-Audit Services

During the year KPMG, the Company's auditor, performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Directors to ensure they do not impact upon the impartiality and objectivity of the auditor; and

The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

22 Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 22 and forms part of the Directors' report for the financial year ended 30 June 2018.

Signed in accordance with a resolution of the Directors.

Perth, 26 September 2018



David Messina
Managing Director



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Whitebark Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Whitebark Energy Limited for the financial year ended 30 June 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Graham Hogg
Partner

Perth
28 September 2018



Independent Auditor's Report

To the shareholders of Whitebark Energy Limited

Report on the audit of the Financial Report

Opinion

We have audited the *Financial Report* of Whitebark Energy Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the *Group's* financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The *Financial Report* comprises:

- Consolidated Statement of financial position as at 30 June 2018
- Consolidated Statement of profit or loss and other comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The *Group* consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters (Extract)

The *Key Audit Matters* we identified are:

- Property, plant and equipment value
- Provision for rehabilitation and abandonment and decommission liabilities
- Business combinations

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Property, plant and equipment value (\$8,252,319)	
Refer to Note 23 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>The Group performed impairment testing on its Canadian assets due to the decline in natural gas prices in Canada. We focused on the impairment testing for the Group's Canadian Property, plant and equipment ("PPE") due to the size of the Canadian PPE being 68% of total assets. In addition, the impairment models use forward-looking assumptions that tend to be prone to greater risk of potential bias, error and inconsistent application.</p> <p>The Group uses discounted cash flow models to perform their impairment testing. The models are largely developed in-house, and use life of operation plans, Board approved budgets, and reports prepared by external experts, such as reserve reports, as inputs.</p> <p>These conditions necessitate additional scrutiny by us, in particular to address the objectivity of sources used for assumptions where applicable, and their consistent application.</p> <p>We focused on the significant assumptions the Group applied in their fair value less cost of disposal models, including:</p> <ul style="list-style-type: none"> • Oil and gas reserve estimates. • Forecast operating cash flows, production and sales volumes, and capital expenditure, which are determined based on historical performance adjusted for expected changes. This drives additional audit effort specific to the feasibility of the forecasts and consistency with the Group's strategy. • Discount rates, which are complicated in nature and vary according to the conditions and environment the Cash Generating Units are subject to from time to time. <p>We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Comparing the forecast revenue and production levels contained in the models, to the forecast information as per the reserve reports compiled by external experts. • Assessing the historical accuracy of the Group's forecasts to inform our assessment of current year forecasts. • Assessing and challenging the key forecast assumptions included in the models, including: <ul style="list-style-type: none"> • oil and gas volumes by comparing to the proved plus probable reserves estimates prepared by the Group's external expert. • the production profile of the oil field by comparing it to actual performance achieved to date. • operational and capital costs by comparing to actual production costs incurred, existing supplier agreements and capital expenditure cost budget. • comparing the oil prices and discount rates to publicly available data for comparable entities or published views of market commentators on future trends. • Considering the sensitivity of the models by varying key assumptions, such as discount rates, within a reasonable possible range. This is to identify those assumptions at higher risk of bias or inconsistency in application. • Assessing the scope, objectivity and competence of the Group's external expert. • Assessing the disclosures in the Financial Report against the requirements of the accounting standards. We used our understanding of the business, obtained from our work performed.



Decommission liabilities (\$7,558,403)	
Refer to note 28 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>Decommission liabilities is a key audit matter due to the size of the provision and the level of judgement we used in our procedures across the multiple sites at which the Group operates. The provision determination is sensitive to changes in cost estimates, inflation rates and discount rates.</p> <p>Due to its mining and extracting operations, the Group has obligations to restore and rehabilitate the environment disturbed by these operations. Closure and rehabilitation activities are governed by group policies based on legislative requirements, which differ across multiple jurisdictions.</p> <p>We focused on the following assumptions and estimates the Group applied in determining the provisions in accordance with the rehabilitation and abandonment and decommissioning plans:</p> <ul style="list-style-type: none"> • The nature and extent of closure and rehabilitation activities required, • The timing of when closure and rehabilitation will take place. • The forecast costs associated with closure and rehabilitation activities. The Group uses an external expert in compiling this data. • Economic assumptions, including country specific discount rates. 	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Assessing the scope, objectivity and competence of the Group's external experts engaged to provide rehabilitation cost estimates. • Obtaining the Group's external experts' reports as well as internal and external underlying documentation for their determination of future required activities, their timing, and associated cost estimations. We compared a sample of these documents, across multiple sites, to the Group's strategy, including the nature and quantum of costs contained in the provision balance. • Obtaining external prescribed estimates of abandonment and reclamation costs for a sample of wells, across multiple sites, as published by the government agencies (energy regulators) in Canada and comparing to the nature and quantum of costs contained in the provision determination. • Comparing the expected timing of rehabilitation and abandonment and decommission liabilities to life of operation plans. • Testing the accuracy of historical rehabilitation provisions by comparing a sample across multiple sites to actual expenditure incurred. • Working with our valuation specialists we analysed inflation rate and discount rate assumptions in the provision determination against current market data and economic forecasts specific to the country conditions of the sites. • Evaluating the completeness of the provisions to the Group's analysis of each operating location and our understanding of the Group to identify where disturbance requires rehabilitation.



Business combinations	
Refer to Note 22 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>During the year, the Group acquired an interest in certain Canadian oil and gas producing assets and liabilities, through its Joint Venture partner Point Loma. The Group assessed this acquisition as a business combination under AASB 3 Business Combinations.</p> <p>The business combination is a key audit matter due to the level of judgement required by us in evaluating the Group's fair value determination of developed and producing assets acquired and decommissioning obligations assumed.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Evaluating the model developed by the Group to determine the fair value of the assets and liabilities acquired. This included: <ul style="list-style-type: none"> - Working with our valuation specialists, we cross checked the fair value determinations of proved plus probable reserves to valuation metrics commonly used in the oil and gas industry, such as reserve (\$/boe) and flowing barrel (\$/boe/day) metrics. - Together with our valuation specialists, researching recent publicly announced oil and gas transactions, industry publications and analyst reports and determined the range of implied discount rates for the respective reserve categories acquired. We compared this range to the discount rates used in the fair value determination. - Comparing the fair values for land to recent comparable land sales. - Assessing the rehabilitation obligations assumed in the acquisition by performing the same procedures as noted in the key audit matter "Provision for rehabilitation and abandonment and decommission liabilities" above. The acquisition date was 30 April 2018 and the inputs used in the fair value determination of the rehabilitation provision were the same inputs used in the year-end calculation. • Assessing the competence, scope and objectivity of the Group's external experts used in the determination of proved plus probable reserves • Assessing the related disclosures within the financial statements against the requirements of the accounting standards.



Other Information

Other Information is financial and non-financial information in Whitebark Energy Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Chairman's Letter, Review of Operations, Reserves and Resources Statement, Directors' Report, Remuneration Report, and Shareholder Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Whitebark Energy Limited for the year ended 30 June 2018, complies with Section 300A of the Corporations Act 2001.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the Corporations Act 2001.

Our responsibilities

We have audited the Remuneration Report included in sections 4 to 9 of the Directors' report for the year ended 30 June 2018.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

KPMG

Graham Hogg
Partner
Perth
28 September 2018

	Notes	30-Jun-18 AUD	30-Jun-17 AUD
Revenue	5	1,630,809	101,436
Cost of goods sold	6	(1,613,293)	(105,886)
Gross Profit		17,517	(4,450)
Other income	7	4,364	16,836
Finance income	8	59,823	106,079
Gain/(loss) on disposal of available-for-sale financial assets	9	246,660	(13,242)
Profit/(loss) on disposal of assets	10	(741)	(31,223)
Gain on bargain purchase	22	911,367	1,289,406
Expenses			
Administrative expenses	11	(2,479,469)	(1,758,750)
Finance costs	12	(109,055)	(74,466)
Impairment expense	13	(1,330,642)	(52,055,432)
Share based payment expense	33	(588,403)	(29,455)
Other operating expenses	14	(2,395,869)	(744,418)
Loss before income tax expense from continuing operations		(5,664,449)	(53,299,115)
Income tax benefit	16	-	9,348,766
Loss after income tax expense for the period		(5,664,449)	(43,950,349)
Discontinued operations			
Profit/(loss) for the year from discontinued operations	17	-	3,876,125
Profit/(loss) for the year		(5,664,449)	(40,074,224)
Loss attributable to:			
Members of the parent entity		(5,664,449)	(40,064,362)
Non-controlling interest		-	(9,862)
		(5,664,449)	(40,074,224)
Other comprehensive income, net of tax			
Items reclassified through profit and loss:			
Unrealised gain on marketable securities		(200,000)	200,000
Foreign currency translation		120,254	(48,484)
Total other comprehensive income for the period		(79,746)	151,516
Total comprehensive loss for the period		(5,744,195)	(39,922,708)
Total comprehensive loss attributable to:			
Members of the parent entity		(5,744,195)	(39,912,846)
Non-controlling interest		-	(9,862)
		(5,744,195)	(39,922,708)
Loss per share			
Basic and diluted (cents per share)			
Continuing operations		(0.6101)	(4.7966)
Discontinued operations		-	(0.0012)
	18	(0.6101)	(4.7978)

The accompanying notes form part of these financial statements.

		30-Jun-18 AUD	30-Jun-17 AUD
Assets			
<i>Current Assets</i>			
Cash and cash equivalents	19	1,090,415	4,856,883
Trade and other receivables	20	125,060	280,574
Other current assets	21	97,989	240,886
Assets classified as available-for-sale	25	-	400,000
Total current assets		<u>1,313,464</u>	<u>5,778,343</u>
<i>Non-current Assets</i>			
Property, plant and equipment	23	8,152,319	5,225,806
Exploration and evaluation assets	24	2,556,696	2,077,749
Total non-current assets		<u>10,709,015</u>	<u>7,303,555</u>
Total assets		<u>12,022,479</u>	<u>13,081,898</u>
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables	26	658,007	651,783
Provisions	27	102,342	65,480
Total current liabilities		<u>760,349</u>	<u>717,263</u>
<i>Non-current liabilities</i>			
Provisions	27	3,995	37,132
Decommissioning liabilities	28	7,558,403	5,207,868
Total non-current liabilities		<u>7,562,398</u>	<u>5,245,000</u>
Total liabilities		<u>8,322,747</u>	<u>5,962,263</u>
Net assets		<u>3,699,732</u>	<u>7,119,635</u>
Equity			
Issued capital	29	54,382,657	52,646,771
Reserves	30	756,926	1,629,955
Accumulated losses		(51,439,851)	(47,157,091)
Total equity attributable to equity holders of the Consolidated Entity		<u>3,699,732</u>	<u>7,119,635</u>

The accompanying notes form part of these financial statements.

WHITEBARK ENERGY LTD *Statement of Changes in Equity
for the year ended 30 June 2018*

<i>For the year ended 30 June 2018</i>	Share Capital	Foreign currency translation reserve	Share based payments reserve	Available-for- sale reserve	Accumulated Losses	Non- controlling interest	Total Equity
	AUD	AUD	AUD	AUD	AUD	AUD	AUD
Balance at 1 July 2017	52,646,771	1,333,133	96,822	200,000	(47,157,091)	-	7,119,635
Total comprehensive income for the period							
Loss attributable to members of the parent entity	-	-	-	-	(5,664,449)	-	(5,664,449)
Revaluation of marketable securities	-	-	-	46,600	-	-	46,600
Gain on marketable securities	-	-	-	(246,600)	-	-	(246,600)
Foreign currency translation differences	-	120,255	-	-	-	-	120,255
Total other comprehensive income	-	120,255	-	(200,000)	-	-	120,255
Total comprehensive income for period	-	120,255	-	(200,000)	(5,664,449)	-	(5,744,195)
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfer relating to disposal of subsidiaries	-	(1,381,687)	-	-	1,381,687	-	-
Net proceeds from share issue	1,735,886	-	-	-	-	-	1,735,886
Share option expense	-	-	588,403	-	-	-	588,403
Total contributions by and distributions to owners	1,735,886	(1,381,687)	588,403	-	1,381,687	-	2,324,289
Balance at 30 June 2018	54,382,657	71,702	685,224	-	(51,439,851)	-	3,699,732

<i>For the year ended 30 June 2017</i>	Share Capital	Foreign currency translation reserve	Share based payments reserve	Available-for- sale reserve	Accumulated Losses	Non- controlling interest	Total Equity
	AUD	AUD	AUD	AUD	AUD	AUD	AUD
Balance at 1 July 2016	52,646,771	1,381,617	67,367	-	(7,092,729)	3,957,445	50,960,471
Total comprehensive income for the period							-
Loss attributable to members of the parent entity	-	-	-	-	(40,064,362)	-	(40,064,362)
Loss attributable to non-controlling interests	-	-	-	-	-	(9,862)	(9,862)
Other comprehensive income							
Foreign currency translation differences	-	(48,484)	-	-	-	-	(48,484)
Total other comprehensive income	-	(48,484)	-	-	-	-	(48,484)
Total comprehensive income for period	-	(48,484)	-	-	(40,064,362)	(9,862)	(40,122,708)
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Disposal of Non-controlling interest	-	-	-	-	-	(3,947,583)	(3,947,583)
Share options vested	-	-	29,455	-	-	-	29,455
Gain on marketable securities	-	-	-	200,000	-	-	200,000
Total contributions by and distributions to owners	-	-	29,455	200,000	-	(3,947,583)	(3,718,128)
Balance at 30 June 2017	52,646,771	1,333,133	96,822	200,000	(47,157,091)	-	7,119,635

The accompanying notes form part of these financial statements.

	Note	30-Jun-18 AUD	30-Jun-17 AUD
<i>Cash flows from operating activities</i>			
Receipts from customers		1,372,923	5,351
Interest received		86,670	57,347
Receipt for Research and Development Rebate		-	9,348,766
Payment for production		(1,176,230)	-
Payment to suppliers and employees		(2,789,387)	(2,809,286)
Net cash (used in)/provided by operating activities	31	(2,506,024)	6,602,178
<i>Cash flows from investing activities</i>			
Proceeds from sale of plant and equipment		13,832	-
Proceeds from sale of undeveloped land		197,393	-
Proceeds from sale of securities		446,660	-
Proceeds from deed of termination (Warro JV)		48,692	-
Payment for securites		-	(200,000)
Cash disposed of on loss of control of subsidiary		-	(125,538)
Acquisition of interest in joint operation	22	(341,997)	(4,024,287)
Payment for plant and equipment		(85,969)	-
Payment for development		(1,786,073)	-
Payment for exploration assets		(1,538,888)	(717,284)
Net cash used in investing activities		(3,046,350)	(5,067,109)
<i>Cash flows from financing activities</i>			
Proceeds from share placement		1,735,886	-
Proceeds from repayment of borrowings		7,000	-
Net cash from financing activities		1,742,886	-
Net increase/ (decrease) in cash and cash equivalents		(3,809,488)	1,535,069
Cash and cash equivalents at beginning of year		4,856,883	3,321,814
Effect of movement in exchange rates on cash held		43,020	-
Cash and cash equivalents at 30 June 2018		1,090,415	4,856,883

The accompanying notes form part of these financial statements.

1 Reporting entity

Whitebark Energy Limited (the 'Company') is domiciled and incorporated in Australia. The address of the Company's registered office is Level 2, 6 Thelma Street, West Perth WA 6005. The consolidated financial report of the consolidated entity for the period ended 30 June 2018 comprises the Company and its subsidiaries. The consolidated entity is involved in oil and gas exploration and production in Western Australia and Alberta, Canada.

The financial report was authorised for issue by the directors on 26 September 2018.

2 Basis of preparation

(a) Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with the International Financial Reporting Standards (IFRS).

Whitebark Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

(b) Going concern

The accounts have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

The Consolidated Entity reported a loss after tax of \$5,664,449 for the year ended 30 June 2018 (2017: loss of \$40,074,224). Included within this loss was the exploration and development expenditure write off or impairment of \$1,157,845 (2017 \$48,670,684) and the property, plant and equipment write off or impairment of \$172,797 (2017: \$3,384,748). The net working capital surplus of the Consolidated Entity at 30 June 2018 was \$553,115 (2017: surplus of \$5,061,080) and the net decrease in cash held during the year was \$3,766,468 (2017: increase of \$1,535,069).

The Group has raised \$2.1m in August 2018. The funds will be used to continue the Group's growth strategy in Canada, including new well and facility upgrades.

Whilst not immediately required, the Group may need to raise additional funds to meet its ongoing obligations and subject to the results of its ongoing exploration activities, expand or accelerate its work programs. Additional sources of funding available to the Group include capital raising from new or existing shareholders, or through farm-in or similar arrangements.

If necessary the Group can delay exploration expenditures and directors can also institute cost saving measures to further reduce corporate and administrative costs or explore divestment opportunities.

The Directors have reviewed the Group's overall financial position and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group has sufficient funds available for at least 12 months and when required will be able to raise further funding.

(c) Basis of measurement

The financial report is prepared on the historical costs basis except for the following assets and liabilities that are stated at their fair value: financial instruments held for trading and financial instruments classified as available-for-sale.

(d) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Company. The functional currency of the Company's United States of American subsidiary is USD and CAD for the Canadian subsidiary.

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates.

(e) Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the consolidated group.

The Company's accounting policy for the recognition of rehabilitation provisions requires significant estimates including the magnitude of possible works for removal or treatment of waste materials and the extent of work required and the associated costs of rehabilitation work. These uncertainties may result in future actual expenditure, different from the amounts currently provided.

The provision recognised for each production well is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for operating sites are recognised in the balance sheet by adjusting the rehabilitation asset and provision.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 23 and 24 – Impairment expense (see note 3(k))

Note 27 – Provisions (see note 3(r))

Note 33 – Share-based payment (see note 3(q)(iii))

Note 24 – Exploration and evaluation expenditure (see note 3(d))

(f) New and revised standards that are effective for these financial statements

A number of new and revised standards were effective for the annual period beginning on or after 1 July 2017.

When these Standards were first adopted for the year ending 30 June 2018, there was no material impact on the financial statements.

3 Summary of accounting policies

(a) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2018. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

(b) Business combination

The Group applies the acquisition method in accounting for business combinations in accordance with AASB 3. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

(c) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

(ii) Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Australian dollars at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Australian dollars at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income in a separate component of equity.

(d) Exploration and evaluation expenditure

Exploration and evaluation costs, including the costs of acquiring licences and the costs of acquiring the rights to explore, are capitalised as exploration and evaluation assets on an area of interest basis.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment of non-financial assets note 3(k)). For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of petroleum resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to property plant and equipment assets.

(e) Determination of recoverability of asset carrying values

The recoverability of development and production asset carrying values are assessed at a cash-generating unit ("CGU") level. Determination of what constitutes a CGU is subject to management judgements. The asset composition of a CGU can directly impact the recoverability of the assets included therein. The key estimates used in the determination of cash flows from oil and natural gas reserves include the following:

- Reserves – Assumptions that are valid at the time of reserve estimation may change significantly when new information becomes available. Changes in forward price estimates, production costs or recovery rates may change the economic status of reserves and may ultimately result in reserves being restated.

- Oil and natural gas prices – Forward price estimates are used in the cash flow model. Commodity prices can fluctuate for a variety of reasons including supply and demand fundamentals, inventory levels, exchange rates, weather, and economic and geopolitical factors.
- Discount rate – The discount rate used to calculate the net present value of cash flows is based on estimates of an approximate industry peer group weighted average cost of capital. Changes in the general economic environment could result in significant changes to this estimate.

(f) Reserve estimates

Proved plus probable reserves are defined as the “best estimate” of quantities of oil, natural gas and related substances estimated to be commercially recoverable from known accumulations, from a given date forward based on drilling, geological, geophysical and engineering data, the use of established technology and specified economic conditions. It is equally likely that the actual remaining quantities recovered will be greater than or less than the sum of the estimated proved plus probable reserves. The estimates are made using all available geological and reservoir data as well as historical production data. Estimates are reviewed as appropriate. Revisions occur as a result of changes in prices, costs, fiscal regimes and reservoir performance or changes in the Company’s plans with respect to future development or operating practices.

(g) Restoration, rehabilitation and environmental costs and decommissioning obligations

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are accrued at the time of those activities and treated as exploration and evaluation expenditure.

Restoration, rehabilitation and environmental obligations recognised include the costs of reclamation and subsequent monitoring of the environment.

Costs are estimated on the basis of future assessed costs, current legal requirements and current technology, which are discounted to their present value. The present value of the costs is included as part of the cost of the exploration and evaluation asset or the Property plant and equipment asset. Estimates are reassessed at least annually. Changes in estimates are dealt with prospectively, with any amounts that would have been written off or provided against under accounting policy for exploration and evaluation immediately written off.

Amounts recorded for decommissioning obligations and the related accretion expense requires the use of estimates with respect to the amount and timing of decommissioning expenditures. Actual costs and cash outflows can differ from estimates because of changes in laws and regulations, public expectations, market conditions, discovery and analysis of site conditions and changes in technology. Other provisions are recognized in the period when it becomes probable that there will be future cash outflow.

(h) Development expenditure

Development expenditure represents the accumulated exploration, evaluation, land and development expenditure incurred by or on behalf of the Group in relation to areas of interest in which mining of hydrocarbon resource has commenced.

When further development expenditure is incurred in respect of an asset after commencement of production, such expenditure is carried forward as part of the asset only when substantial future economic benefits are thereby established, otherwise such expenditure is classified as part of the cost of production.

Amortisation of costs is provided on the unit-of-production method with separate calculations being made for each hydrocarbon resource. The unit-of-production basis results in an amortisation charge proportional to the depletion of the estimated recoverable reserves. In some circumstances, where conversion of resources into reserves is expected, some elements of resources may be included. Development and land expenditure still to be incurred in relation to the current reserves are included in the amortisation calculation. Where the life of the assets are shorter than the reserves life their costs are amortised based on the useful life of the assets.

The estimated recoverable reserves and life of the development and the remaining useful life of each class of asset are reassessed at least annually. Where there is a change in the reserves/resources amortisation rates are correspondingly adjusted.

(i) Trade and other receivables

Other receivables are recorded at amounts due less any allowance for doubtful debts.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits. Cash equivalents include deposits and other highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the consolidated entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flow.

(k) Impairment of non-financial assets (excluding exploration and evaluation assets)

The carrying amounts of the consolidated entity's non-financial assets, other than deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss.

Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

Reversals of impairment

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Share capital

(i) Dividends

Dividends are recognised as a liability in the period in which they are declared.

(ii) Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

(m) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by weighted average number of ordinary shares outstanding during the financial year, adjusted for the bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(n) Property, plant and equipment

Buildings, IT equipment and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management. Buildings and IT equipment also include leasehold property held under a finance lease (see note 38). Buildings, IT equipment and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Developed and producing assets are measured at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of property, plant and equipment are recognized as oil and natural gas interests when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other costs are recognised in expenses as incurred. Such capitalised oil and gas interests generally represent

costs incurred in developing proven and/or probable reserves and bringing on or enhancing production from such reserves. The carrying amount of any replaced or sold component is derecognised. The costs of periodic servicing of property plant and equipment is recognised as an expense.

(o) Depletion and depreciation

The net carrying value of developed and producing assets are depleted using the unit of production method by reference to the ratio of production in the period to the related proven and probable reserves, taking into account estimated future development costs necessary to bring those reserves into production. Future development costs are estimated taking into account the level of development required to produce the reserves. These estimates are reviewed by independent reserve engineers on an annual basis.

Proven and probable reserves are estimated using independent reserve engineer reports and represent the estimated quantities of oil, natural gas and natural gas liquids which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible.

In determining reserves for use in the depletion and impairment calculations, a boe conversion ratio of six thousand cubic feet of natural gas (“mcf”) to one barrel of oil (“bbl”) is used as an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in the reserve reports are derived by converting natural gas to oil in the ratio of six mcf of gas to one barrel of oil.

For other assets, depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of buildings, IT equipment and other equipment. The following useful lives are applied:

- IT equipment: 4 years
- Other equipment: 4-5 years

In the case of leasehold property, expected useful lives are determined by reference to the lesser of comparable owned assets useful lives and the lease term.

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit and loss.

(p) Fair value measurement

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant’s ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use

The fair value of liabilities and the entity’s own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this

information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1 – Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) If a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) If significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (ie transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

(q) Employee benefits

- (i) Long term employee benefits

The Company's liabilities for long service leave are included in both short term employee benefits and other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related services. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Company presents employee benefit obligations as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

- (ii) Short term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

- (iii) Share-based payment transactions

The share option program allows the consolidated entity's employees and consultants to acquire shares of the Company. The fair value of options granted is recognised as an employee benefit or consultant expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Binomial and Black Scholes option-pricing models, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

(r) Provisions

A provision is recognised in the statement of financial position when the consolidated entity has a present, legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

(s) Trade and other payables

Trade and other payables are non-interest bearing liabilities stated at cost and settled within 30 days.

(t) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade allowances and duties and taxes paid.

(i) Net financial income

Net financial income comprises interest on borrowings calculated using the effective interest method, interest receivable on funds invested and dividend income.

Interest income is recognised in the profit and loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss on the date the entity's right to receive payments is established which in the case of quoted securities is the ex-dividend date.

(ii) Sales revenue

Revenue from the sale of oil and natural gas will be recorded when the significant risks and rewards of ownership of the product is transferred to the buyer, which is usually when legal title passes to the external party and when collection is reasonably assured.

Royalty income is recognised in petroleum and natural gas revenues as it accrues in accordance with the terms of the overriding royalty agreements.

(u) Income tax

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Whitebark Energy Ltd.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Included in the income tax benefit are research and development grants provided during the year.

Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Amounts receivable from the Australian Tax Office in respect of research and development tax concession claims are recognised in the income statement at the time the claim is lodged and received with the Australian Tax Office.

(v) Segment reporting

An operating segment is a component of the consolidated entity that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the consolidated entity's other components. Based on the information used for internal reporting purposes by the chief operating decision maker, being the executive management that makes strategic decisions, at 30 June 2018 the group's assets are in two reportable geographical segments being Australia and Canada.

(w) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(x) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the consolidated entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the consolidated entity's contractual rights to the cash flows from the financial assets expire or if the consolidated entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. They arise when the consolidated entity provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

Financial Liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost.

(iii) Available-for-sale (AFS) financial assets

Available-for-sale (AFS) financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's AFS financial assets include listed securities. Available-for-sale (AFS) financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest is calculated using the effective interest method and dividends are recognised in profit or loss within 'finance income'.

(iv) Impairment

The consolidated entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the profit and loss. Impairment losses recognised in the profit and loss on equity instruments classified as available-for-sale are not reversed through the profit and loss.

If there is evidence of impairment for any of the consolidated entity's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the profit and loss.

(v) De-recognition

Financial assets are de-recognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Accounting for net finance income is discussed in note 3(t)(i).

(y) Interest in other entities

Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint operation is a joint arrangement in which the parties with joint control have rights to the assets and obligations for the liabilities relating to that arrangement.

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

(z) Adoption of new and revised accounting standards

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(i) New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2018, but have not been applied in preparing this financial report.

- AASB 9 Financial Instruments and the relevant amending standards (December 2014) (applicable for annual reporting periods commencing on or after 1 July 2018).

This standard introduces a single approach to determine whether a financial asset is measured at amortized cost or fair value and replaces the multiple rules in IAS 39. The approach is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. For financial liabilities, AASB 9 retains most of the IAS 39 requirements; however, where the fair value option is applied to financial liabilities, the change in fair value resulting from an entity's own credit risk is recorded in other comprehensive income instead of net earnings, unless this creates an accounting mismatch. In addition, a new expected credit loss model for calculating impairment on financial assets replaces the incurred loss impairment model used in IAS 39. The new model results in more timely recognition of expected credit losses. AASB 9 also includes a simplified hedge accounting model, aligning hedge accounting more closely with risk management. Whitebark Energy does not currently apply hedge accounting. The adoption of AASB 9 will not require any material adjustments to the Company's financial statements.

- AASB 16 Leases (applicable for annual reporting periods commencing on or after 1 July 2019).

This standard requires entities to recognize lease assets and lease obligations on the statement of financial position. For lessees, AASB 16 removes the classification of leases as either operating leases or finance leases, effectively treating all leases as finance leases. Certain short-term leases (less than 12 months) and leases of low value assets are exempt from the requirements, and may continue to be treated as operating leases. Classification will determine how and when a lessor will recognize lease revenue, and what assets would be recorded. The company is currently party to only short term leases. Based on this fact the amendments are not expected to have an impact on the transactions and balances recognised in the financial statements on first adoption.

- AASB 15 Revenue from Contracts with Customers (applicable for annual reporting periods commencing on or after 1 July 2018).

This standard establishes a single revenue recognition framework that applies to contracts with customers. The standard requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. Expanded disclosure requirements are also part of the standard. The standard is required to be either adopted retrospectively in full or using a modified approach where prior numbers remain and the retrospective effect is an adjustment to retained earnings. It is expected that the standard will have no impact on the opening retained earnings/(accumulated loss), however there will be additional disclosures required in the Revenue note. The standard will result in a change in presentation between processing income and operating expenses with no impact on earnings.

4 Segment reporting

During the period the group operated in two business segments (two geographical areas) – exploration, development and production of oil and gas – Australia and Canada.

The group has identified its operating segment based on the internal report that is reviewed and used by the Board of directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

2018

	Australia 30-Jun-18	Canada 30-Jun-18	Total Segment 30-Jun-18	Unallocated 30-Jun-18	Consolidated 30-Jun-18
Revenue					
Sales to external customers	-	1,630,809	1,630,809	-	1,630,809
Total Sales Revenue	-	1,630,809	1,630,809	-	1,630,809
Financial income	38,290	21,533	59,823	-	59,823
Other income	4,364	-	4,364	-	4,364
Total Revenue	42,654	1,652,343	1,694,997	-	1,694,997
Segment result	(3,467,409)	(82,028)	(3,549,437)	(2,753)	(3,552,190)
Depletion, depreciation and amortisation	(17,156)	(764,462)	(781,618)	-	(781,618)
Impairment of assets	-	(1,330,642)	(1,330,642)	-	(1,330,642)
Profit before income tax expense	(3,484,565)	(2,177,131)	(5,661,696)	(2,753)	(5,664,449)
Income tax					-
Profit after income tax expense					(5,664,449)
Assets					
Total current assets	1,076,805	236,659	1,313,464	-	1,313,464
Total non-current assets	1,660,290	9,048,725	10,709,015	-	10,709,015
Total assets	2,737,095	9,285,384	12,022,479	-	12,022,479
Liabilities					
Total current liabilities	(335,802)	(424,547)	(760,349)	-	(760,349)
Total non-current liabilities	(1,298,753)	(6,263,645)	(7,562,398)	-	(7,562,398)
Total liabilities	(1,634,555)	(6,688,192)	(8,322,747)	-	(8,322,747)

2017

	Australia 30-Jun-17	Canada 30-Jun-17	Discontinued 30-Jun-17	Total Segment 30-Jun-17	Unallocated 30-Jun-17	Consolidated 30-Jun-17
Revenue						
Sales to external customers	-	101,436	-	101,436	-	101,436
Total Sales Revenue	-	101,436	-	101,436	-	101,436
Financial income	103,312	-	2,406	105,718	-	105,718
Other income	16,836	-	-	16,836	-	16,836
Total Revenue	120,148	101,436	-	223,990	-	223,990
Segment result	1,089,877	(2,235,670)	3,876,125	2,730,332	(4,523)	2,725,809
Depletion, depreciation and amortisation	(24,917)	-	-	(24,917)	-	(24,917)
Impairment of assets	(52,123,882)	-	-	(52,123,882)	-	(52,123,882)
Profit before income tax expense	(51,058,922)	(2,235,670)	3,876,125	(49,418,467)	(4,523)	(49,422,990)
Income tax						9,348,766
Profit after income tax expense						(40,074,224)
Assets						
Total current assets	5,582,943	195,400	-	5,778,343	-	5,778,343
Total non-current assets	1,350,288	5,953,267	-	7,303,555	-	7,303,555
Total assets	6,933,231	6,148,667	-	13,081,898	-	13,081,898
Liabilities						
Total current liabilities	(448,185)	(269,078)	-	(717,263)	-	(717,263)
Total non-current liabilities	(42,445)	(5,202,555)	-	(5,245,000)	-	(5,245,000)
Total liabilities	(490,630)	(5,471,633)	-	(5,962,263)	-	(5,962,263)

The Canada column discloses the companies proportionate share of all assets and liabilities held in the unincorporated PLJV.

5 Revenue from continuing operations

	30-Jun-18 AUD	30-Jun-17 AUD
Product sales	(1,950,312)	101,436
Royalties	319,502	-
	(1,630,809)	101,436

6 Cost of goods and services sold

	30-Jun-18 AUD	30-Jun-17 AUD
Production expenditure	(1,613,293)	(105,886)
	<u>(1,613,293)</u>	<u>(105,886)</u>

7 Other income

	30-Jun-18 AUD	30-Jun-17 AUD
Indirect overhead	4,364	16,836
	<u>4,364</u>	<u>16,836</u>

8 Finance income

	30-Jun-18 AUD	30-Jun-17 AUD
Interest income	38,299	105,718
Unrealised commodity gain	11,907	-
Foreign currency gain	9,617	361
	<u>59,823</u>	<u>106,079</u>

9 Loss on disposal of available-for-sale financial assets

	30-Jun-18 AUD	30-Jun-17 AUD
Loss on disposal of financial assets - Carnaby Energy Limited	-	(13,242)
Gain on disposal of financial assets - Norwest Energy Limited	246,660	-
	<u>246,660</u>	<u>(13,242)</u>

10 Profit/ (loss) on disposal of assets

	30-Jun-18 AUD	30-Jun-17 AUD
Loss on write off of depreciable assets - Latent Petroleum Pty Ltd	-	(31,223)
Loss on disposal of motor vehicle - Latent Petroleum Pty Ltd	(741)	-
	<u>(741)</u>	<u>(31,223)</u>

11 Administration expenses

	30-Jun-18 AUD	30-Jun-17 AUD
Directors' fees	(111,000)	(148,184)
Administration and finance support	(819,407)	(415,942)
General and administration	(1,549,062)	(1,194,624)
	<u>(2,479,469)</u>	<u>(1,758,750)</u>

12 Finance costs

	30-Jun-18 AUD	30-Jun-17 AUD
Interest expense	(71)	(403)
Decommissioning liabilities - accretion	(108,984)	-
Establishment fee - facility	-	(74,063)
	<u>(109,055)</u>	<u>(74,466)</u>

13 Impairment expenses

	30-Jun-18 AUD	30-Jun-17 AUD
Impairment - Warro Joint Venture	-	(48,670,684)
Impairment - Canadian assets	(1,330,642)	(3,384,748)
	<u>(1,330,642)</u>	<u>(52,055,432)</u>

In determining our impairment position of the Canadian assets the Company evaluated its developed and producing CGUs and its exploration and evaluation assets for indicators of impairment. The developed and producing CGUs consist of production facilities, wells, land and associated reserves. The recoverable amount of the CGU's has been established by reference to an independently prepared Reserve Report. An impairment amount of \$172,797 has been charged in relation to the developed and producing assets. The exploration and evaluation assets recoverability is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. An impairment amount of \$1,157,845 has been charged in relation to exploration and evaluation assets. This amount is in relation to capital costs associated with leases that expired or were relinquished up to 30 June 2018 where no future exploration or development was anticipated (Refer notes 23 and 24).

For the year ended 30 June 2017 the Company determined its impairment position and the appropriateness of continuing to carry forward costs in relation to the Warro Project by considering the then current market conditions for junior mining exploration companies, the Company's market capitalisation along with the announcement made by the Company's JV partner, Alcoa Corporation in early January 2017 that it had recorded an impairment charge against the carrying value of the Warro project recorded in Alcoa's accounts. As a result of this review of the Warro project, it was considered prudent that the Company make an impairment charge of \$48,670,684 in the 30 June 2017 year.

In determining the impairment position of the Canadian assets for the year ended 30 June 2017 the Company evaluated its developed and producing CGU for indicators of impairment. The developed and producing CGU consisted of production facilities, wells, land and associated reserves. The recoverable amount of the CGU's had been established by reference to an independently prepared Reserve Report. An impairment amount of \$3,384,748 was charged in relation to the developed and producing assets for the year ended 30 June 2017.

14 Other expenses

	30-Jun-18 AUD	30-Jun-17 AUD
Depletion, depreciation and amortisation	(781,618)	(24,917)
Project costs	(485)	(340,430)
Legal fees	(91,137)	(26,504)
Tax advisory services	(11,030)	(254,050)
Consultancy fees	(163,532)	(74,574)
Bad debt expense	-	(23,943)
Revision of Rehab and Abandonment provision	(1,244,767)	-
Workover expense	(103,300)	-
	<u>(2,395,869)</u>	<u>(744,418)</u>

15 Auditor remuneration

	30-Jun-18 AUD	30-Jun-17 AUD
Audit and review of financial statements		
-auditors of Whitebark Energy Limited - Grant Thornton Australia Remuneration for audit and review of financial statements	(42,025)	(72,773)
-auditors of Whitebark Energy Limited - KPMG Remuneration for audit and review of financial statements	(50,738)	-
Other services		
-auditors of Whitebark Energy Limited - Grant Thornton Australia Taxation compliance	-	(9,550)
Taxation advice	-	(1,950)
Due diligence services	-	(2,000)
-auditors of Whitebark Energy Limited - KPMG -Legal advice	(60,000)	-
	<u>(152,763)</u>	<u>(86,273)</u>

16 Income tax benefit

	30-Jun-18 AUD	30-Jun-17 AUD
Current income tax expense/(benefit)	-	(9,348,766)
Aggregate income tax expense/(benefit)	-	<u>(9,348,766)</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax from continuing operations	(5,664,448)	(49,422,991)
Tax at the statutory rate of 27.5%	(1,557,723)	(13,591,322)
Adjustment for tax rate difference (Canada 25%)	54,428	56,623
	<u>(1,503,295)</u>	<u>(13,534,699)</u>
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	161,811	8,100
Gain on deconsolidation	-	(1,075,721)
Impairment	-	12,754,570
Sundry items	1,827	67,831
	<u>(1,339,657)</u>	<u>(1,779,919)</u>
Deferred tax asset on losses/(recouped) not recognised - Australia	862,849	809,302
Deferred tax asset on losses not recognised - Canada	648,219	176,585
Deferred tax asset on temporary differences not recognised - Australia	(67,475)	361,247
Deferred tax asset on temporary differences not recognised - Canada	(103,936)	432,785
Research and development tax offset	-	(9,348,766)
Income tax benefit	-	<u>(9,348,766)</u>

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. It is in the opinion of management of the Company that there will be no taxable profits generated in the near future and the deferred tax asset is not to be recognised.

Closing balance of unrecognised Deferred Tax Assets on tax losses carried forward and temporary differences:

Australian Operations		
Deferred tax assets - temporary differences	503,234	120,892
Deferred tax assets - tax losses	6,902,177	6,643,676
Deferred tax assets - capital losses	3,642	
Deferred tax liabilities - temporary differences	(423,087)	(70,958)
Net deferred tax asset	6,985,966	6,693,610
Overseas Operations		
Deferred tax assets - temporary differences	1,566,236	1,301,967
Deferred tax assets - tax losses	815,907	167,688
Deferred tax assets - capital losses	-	-
Deferred tax liabilities - temporary differences	(958,785)	(868,998)
Net deferred tax asset	1,423,358	600,657

During the year ended 30 June 2017, a Research and Development tax incentive of \$9.3 million was recorded in relation to the Warro Project.

17 Discontinued operations

Whitebark Energy disposed of its shareholding in Carnaby Energy Limited (13,750,000 ordinary shares) on the 26th June 2017 for nil consideration.

The results of the discontinued operations included in the statement of profit and loss and other comprehensive income are set out below.

Results of the discontinued operations for the period:

	30-Jun-18	30-Jun-17
Revenue	-	8,728
Expenses	-	(38,224)
Loss before tax	-	(29,496)
Attributable income tax benefit	-	-
	-	(29,496)
Gain on sale of discontinued operations	-	3,905,621
Profit for the year from discontinued operations	-	3,876,125
Cash flows from discontinued operations		
Net cash flows from operating activities	-	68,599
Net cash flows from investing activities	-	-
Net cash flows	-	68,599
Effects on disposal on the financial position of the group		
Current assets		
Cash and cash equivalents	-	(125,851)
Trade and other receivables	-	(292)
Current Liabilities		
Trade and other payables	-	90,561
Net assets and liabilities disposed of	-	(35,582)
Non-controlling interest of Carnaby Energy Limited	-	3,941,203
Gain on sale of discontinued operation	-	3,905,621

18 Earnings/(loss) per share

The calculation of basic loss per share at 30 June 2018 of 0.6101 cents per share (30 June 2017 basic loss: 4.7978 cents per share) was based on the loss attributable to the ordinary shareholders of \$5,664,449 (30 June 2017 loss: \$40,074,224) and a weighted average number of ordinary shares outstanding during the year ended 30 June 2018 of 928,383,515 (30 June 2017: 835,264,337 shares) being calculated as follows:

	30-Jun-18 AUD	30-Jun-17 AUD
Earnings per share		
Loss attributable to the ordinary shareholders		
Profit/(loss) for the period	(5,664,449)	(40,074,224)
Attributed to:		
Members of the parent entity	(5,664,449)	(40,064,362)
Non-controlling interests	-	(9,862)
Weighted average number of ordinary shares		
Opening balance	835,264,337	835,264,337
Movement during the year	93,119,178	-
	<u>928,383,515</u>	<u>835,264,337</u>
Earnings/(loss) - cents per share	<u>(0.6101)</u>	<u>(4.7978)</u>
Continuing operations	(0.6101)	(4.7966)
Discontinued operations	-	(0.0012)
	<u>(0.6101)</u>	<u>(4.7978)</u>

112,675,000 options (refer Note 33) are not included in calculating diluted EPS because the effect is anti-dilutive.

19 Cash and cash equivalents

	30-Jun-18 AUD	30-Jun-17 AUD
Cash at bank	1,030,142	816,883
Term deposits	60,273	4,040,000
	<u>1,090,415</u>	<u>4,856,883</u>

Effective interest rates were 2.5% - 2.75% and average maturity was 45 days.

20 Trade and other receivables

	30-Jun-18 AUD	30-Jun-17 AUD
Trade and other receivables	125,060	280,574
	<u>125,060</u>	<u>280,574</u>

All amounts are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

21 Other current assets

	30-Jun-18 AUD	30-Jun-17 AUD
Prepayments	97,989	240,886
	<u>97,989</u>	<u>240,886</u>

22 Business Combination

On 30th April 2018 Whitebark Energy Ltd acquired a 30% working interest in certain oil and gas properties located in Alberta, Canada, for cash consideration of \$328,266CAD. The purchase was accounted for using the acquisition method of accounting under IFRS 3 – Business Combinations, whereby, the net assets acquired and the liabilities assumed are recorded at fair value as follows:

Costs associated with the acquisition of the 30% working interest have been included in the Statement of Profit or Loss.

The estimated fair values of the assets and liabilities acquired is as follows:

		30-Jun-18 AUD
Property, plant and equipment including production facilities and producing wells	23	1,621,004
Exploration and evaluation	24	57,476
Decommissioning obligations assumed	28	<u>(425,116)</u>
		<u>1,253,364</u>
		<u>341,997</u>
Cash paid to Vendor by Whitebark Energy Limited		<u>341,997</u>
		<u>911,367</u>
Gain on bargain purchase		<u>911,367</u>

The above amounts of identifiable assets acquired and liabilities assumed have been determined from information currently available to management of the Company and incorporates estimates, which may be subject to adjustment. The discount rate used to calculate the decommissioning obligations assumed at acquisition date is the market rate of 14%.

The acquired net assets contributed petroleum and natural gas revenues of \$150,000 and operating profit of \$19,000 since 30 April 2018. Had the acquisition closed on 1 July 2017 Whitebark's estimated petroleum revenue would have increased by approximately \$770,000 and operating income would have increased by approximately \$340,000.

On 23rd May 2017 Whitebark Energy Ltd completed the acquisition of 20% working interest in the assets of Point Loma Resources Ltd in Alberta, Canada.

The property plant and equipment fair value is based on the discounted proved plus probable reserves acquired as determined by an independent reserves evaluation. The exploration and evaluation assets, comprising undeveloped land, is based on internal estimates with reference to recent Crown sales. The decommissioning obligations assumed are based on the Alberta Energy Regulator's estimated abandonment liability amount discounted by the credit adjusted interest rate of 10%.

Costs associated with the acquisition of the 20% working interest have been included in the Statement of Profit or Loss.

The estimated fair values of the assets and liabilities acquired is as follows:

		30-Jun-17 AUD
Property, plant and equipment including land, production facilities and producing wells	23	5,638,548
Exploration and evaluation	24	1,900,117
Decommissioning obligations assumed	28	<u>(2,224,972)</u>
		<u>5,313,693</u>
		<u>4,024,287</u>
Cash paid to Vendor by Whitebark Energy Limited		<u>4,024,287</u>
		<u>1,289,406</u>
Gain on bargain purchase		<u>1,289,406</u>

Other costs amounting to \$63,836 are included as part of the fair value of assets acquired.

The gain on bargain purchase has arisen primarily due to the variation in the accounting treatment of decommissioning liabilities being measured at their acquisition date fair value in accordance with IFRS 13 for business combinations and then subsequent to initial measurement (ie. Day 2), these provisions are measured using the principles in IAS 37. The acquired net assets contributed petroleum and natural gas revenues of \$101,436 and operating loss of \$4,450 since 23 May 2017. Had the acquisition closed on 1 July 2016 Whitebark's estimated petroleum revenue for the year to 30 June 2017 would have been approximately \$1,370,000 and operating income would have increased by approximately \$305,000.

23 Property, plant and equipment

	30-Jun-18 AUD	30-Jun-17 AUD
Plant and equipment at cost	12,541,168	8,765,220
Less: accumulated depletion and depreciation Impairment	(835,619)	(64,078)
	<u>(3,553,230)</u>	<u>(3,475,336)</u>
	<u>8,152,319</u>	<u>5,225,806</u>

Property, plant and equipment

Reconciliation of carrying amounts

Developed and Producing

Opening balance	5,177,307	-
Acquisition through business combination	1,621,004	5,638,548
Asset retirement obligation asset	450,566	2,982,896
Additions	1,795,901	35,542
Foreign exchange	214,804	(767)
Disposal	(183,188)	-
Impairment	(173,984)	(3,475,336)
Depletion	(766,944)	(3,576)
	<u>8,135,465</u>	<u>5,177,307</u>

Land and buildings

Opening balance	-	21,283
Disposal	-	(21,237)
Depreciation expense	-	(46)
	<u>-</u>	<u>-</u>

Furniture and Fixtures

Opening balance	301	5,892
Disposal	-	(5,516)
Additions	1,377	-
Depreciation expense	(60)	(75)
	<u>1,618</u>	<u>301</u>

Office equipment

Opening balance	10,116	13,759
Additions	816	4,377
Disposal	-	(3,738)
Depreciation expense	(3,872)	(4,282)
	<u>7,060</u>	<u>10,116</u>

Software Assets

Opening balance	22,612	37,048
Depreciation expense	(14,436)	(14,436)
	<u>8,176</u>	<u>22,612</u>

Motor vehicles

Opening balance	15,470	22,022
Disposal	(13,832)	-
Depreciation expense	(1,638)	(6,552)
	<u>-</u>	<u>15,470</u>

	<u>8,152,319</u>	<u>5,225,806</u>
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Impairment test of property, plant and equipment

The recoverable amount of property, plant and equipment is determined as the fair value less costs of disposal using a discounted cash flow method and is assessed at the CGU level. Key input estimates used in the determination of cash flows from oil and gas reserves include estimates regarding recoverable reserves, forward price estimates of crude oil and natural gas prices, royalties forward price estimates of production costs and required capital expenditures and discount rate. The company used a discount rate of 25% for the Thornbury CGU and 20% for the Mannville CGU. The following table outlines the forecast benchmark commodity prices used in the impairment calculation of property, plant and equipment at 30 June 2018. Forecast benchmark commodity price assumptions tend to be stable because short-term increases or decreases in prices are not considered indicative of long-term price levels, but are nonetheless subject to change.

	2018 (6 months)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Edmonton Light Crude Oil (\$C/bbl)	84.80	79.30	79.30	80.60	82.90	84.50	86.20	87.90	89.70	91.60	93.40	95.20
Edmonton Cond & Natural Gasolines (\$/bbl)	88.80	82.40	82.40	83.80	86.10	87.80	89.60	91.30	93.20	95.20	97.10	98.90
Alberta AECO Spot Price (\$C/MMBtu)	1.90	2.30	2.75	3.10	3.25	3.30	3.35	3.45	3.45	3.55	3.60	3.70

The impairment test of property, plant and equipment at 30 June 2018 concluded that the estimated recoverable amount was lower than the carrying amount of the Thornbury/Portage CGU. As such, property, plant and equipment impairment existed for this CGU only.

	Mannville	Thornbury/Portage
Carrying value at 30 June 2018	6,863,047	1,463,255
Less: Impairment	-	(173,984)
Recoverable amount at 30 June 2018	6,863,047	1,289,271

The fair value less costs of disposal values used to determine the recoverable amounts of the impaired property, plant and equipment assets are categorized as Level 3 on the fair value hierarchy as the key assumptions are not based on observable market data.

The impairment tests completed during the year ended 30 June 2018 are sensitive to changes in any of the key judgements such as a revision in reserves, a change in forecast benchmark commodity prices, changes in expected royalties, change in operating costs, which could increase or decrease the recoverable amount of the assets and result in additional impairment expense or recovery of the impairment expense.

24 Exploration and evaluation expenditure

	30-Jun-18 AUD	30-Jun-17 AUD
Exploration and evaluation assets	2,556,696	2,077,749
Movement in exploration and evaluation expenditure		
Opening Balance	2,077,749	48,012,854
Acquisition through business combination	57,476	1,900,117
Additions - Canada	199,946	-
Additions - Warro Joint Venture	-	665,660
Expenditure incurred during the period	1,338,779	177,632
Depreciation/amortisation for exploration assets	-	(7,830)
Impairment for exploration and evaluation assets	(1,157,496)	(48,670,684)
Disposal during the year	(14,205)	-
Transfer to Property plant and equipment	(9,828)	-
Foreign currency movement	64,275	-
	2,556,696	2,077,749

The ultimate recoverability of the value of exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale, of the underlying areas of interest.

The Group undertakes at each reporting date, a review for indicators of impairment of these assets. Should an indicator of impairment exist, there is significant estimation and judgments in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of estimation and judgement that are considered in this review included:

- Recent drilling results and reserves/resource estimates;
- Environmental issues that may impact the underlying tenements;
- The estimated market value of assets at the review date;
- Independent valuations of underlying assets that may be available;
- Fundamental economic factors such as prices, exchange rates and current and anticipated operating cost in the industry; and
- The group's market capitalisation compared to its net assets.

Information used in the review process is rigorously tested to externally available information as appropriate.

Changes in these estimates and assumptions as new information about the presence or recoverability of a reserve becomes available, may impact the assessment of the recoverable amount of exploration and evaluation assets. If, after having capitalised the expenditure a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the profit or loss in accordance with accounting policy 3(d).

Warro Joint Venture

During the year ended 30 June 2017 the company underwent a review of the impairment position of the Warro Project. As a result of this review the Company made an impairment charge of \$48,670,684 in June 2017.

25 Assets classified as available-for-sale

	30-Jun-18 AUD	30-Jun-17 AUD
Available-for-sale financial assets:		
Listed equity securities	-	400,000
	-	400,000

26 Trade and other payables

	30-Jun-18 AUD	30-Jun-17 AUD
Current:		
Trade creditors	404,937	93,136
Other payables	253,070	558,647
Total trade and other payables	<u>658,007</u>	<u>651,783</u>

All amounts are short-term. The carrying value of trade payables and other payables are considered to be a reasonable approximation of fair value.

27 Provisions

	30-Jun-18 AUD	30-Jun-17 AUD
Current Provisions:		
Annual leave	61,824	44,856
Long service leave	40,518	20,624
	<u>102,342</u>	<u>65,480</u>
Non-Current Provisions:		
Annual leave	-	24,114
Long service leave	3,995	13,018
	<u>3,995</u>	<u>37,132</u>
	<u>106,337</u>	<u>102,612</u>

28 Decommissioning liabilities

	30-Jun-18 AUD	30-Jun-17 AUD
Balance at the beginning of the year	5,207,868	-
Liabilities acquired - Canada	425,116	2,224,972
Change in discount rate of liabilities acquired - Canada	534,734	2,982,896
Liability acquired - Warro Project	1,293,459	-
Change in discount rate of liabilities to 2.1% (2017 2%)	(56,188)	-
Revision of estimates	(27,981)	-
Accretion expense	109,305	-
Expenditure	(100,436)	-
Foreign currency movement	172,525	-
Balance at the end of the year	<u>7,558,403</u>	<u>5,207,868</u>

The Company's decommissioning obligations result from its ownership interest in oil and natural gas well sites and facilities. The total decommissioning obligation is estimated based on the estimated costs to reclaim and abandon these wells and facilities and the estimated timing of costs to be incurred in future years. The Company has estimated the net present value of the decommissioning obligations to be \$7,558,403 as at 30 June 2018 (2017: \$5,207,868) based on an undiscounted total future liability of \$9,841,593 (2017: \$6,631,025). Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as a finance cost whereas increases/decreases due to changes in the estimated future cash flows are capitalized where there is a future economic benefit associated with the asset. Actual costs incurred upon settlement of the decommissioning liabilities are charged against the provision to the extent the provision had been established. The weighted average time in which these payments are expected to be made is approximately 10 years. The discount factor, being the risk free interest rate of 2.1% for the Canadian obligation and 3.0% for the Australian obligation (2017: 2.0%) and the inflation rate is 2.0% for both Canadian and Australian obligations (2017: 2.0%) per annum.

The liability acquired in relation to the Warro Project comprises amounts related to the Warro field. The provision arose in the 2018 financial year as a result of Alcoa withdrawing from the Joint Venture under which they were to satisfy the full obligation. The provision represents the present value of the Directors' best estimate of the future sacrifice of economic benefits that will be required to restore and abandon the site. The estimated future obligation includes the costs of abandoning wells and restoring the affected areas.

29 Issued capital

	30-Jun-18 AUD	30-Jun-17 AUD
Ordinary Shares	54,382,657	52,646,771

The Company does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to one vote per share at meetings of the Company.

Reconciliation of movement in issued capital

For the year ended 30 June 2018

Ordinary shares	Number of shares	Issue price	AUD
Opening balance	835,264,337		53,757,488
Issue of shares for cash	155,166,667		1,862,000
Closing balance	<u>990,431,004</u>		<u>55,619,488</u>
Less share issue costs:			
Opening balance			(1,110,717)
Current period costs			<u>(126,114)</u>
Share issue costs at the end of the year			<u>(1,236,831)</u>
			<u>54,382,657</u>

For the year ended 30 June 2017

Ordinary shares	Number of shares	Issue price	AUD
Opening balance	<u>835,264,337</u>		<u>53,757,488</u>
Closing balance	<u>835,264,337</u>		<u>53,757,488</u>
Less share issue costs:			
Opening balance			(1,110,717)
Share issue costs at the end of the year			<u>(1,110,717)</u>
			<u>52,646,771</u>

30 Reserves

	30-Jun-18 AUD	30-Jun-17 AUD
Share based payments reserve	685,224	96,822
Available for sale reserve	-	200,000
Foreign currency translation reserve	71,702	1,333,133
	<u>756,926</u>	<u>1,629,955</u>

	Foreign currency translation reserve AUD	Share based payments reserve AUD	Available for sale reserve AUD
Balance at 1 July 2017	1,333,133	96,822	200,000
Exchange differences on translating foreign operations	120,256	-	-
Transfer relating to disposal of subsidiaries	(1,381,687)	-	-
Revaluation of marketable securities	-	-	46,600
Gain on marketable securities	-	-	(246,600)
Share options vested	-	588,402	-
Balance at 30 June 2018	<u>71,702</u>	<u>685,224</u>	<u>-</u>

Share based payments reserve

The reserve represents the value of options issued under the compensation arrangement that the consolidated entity is required to include in the consolidated financial statements.

This reserve will be reversed against share capital when the underlying options are exercised by the employee or consultant or expire. No gain or loss is recognised in the profit or loss on the purchase, sale, issue or cancellation of the consolidated entity's own equity instruments.

Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

31 Reconciliation of cash flow from operating activities

	30-Jun-18 AUD	30-Jun-17 AUD
Cash flows used in operating activities		
Profit/(loss) for the period	(5,664,449)	(40,074,224)
Adjustments for:		
Depreciation, depletion and amortisation expense	781,618	24,917
Accretion expense	108,984	-
Gain on disposal of available for sale financial assets	(246,660)	13,242
Profit on disposal of assets	741	31,223
Gain on discount purchase	(911,757)	(1,289,406)
Profit from discontinued operations (refer note 31)	-	(3,947,585)
Impairment expense	1,331,480	52,146,021
Revision of provision for rehabilitation and abandonment - Warro	1,244,767	-
Bad debt expense	-	23,943
Unrealised commodity gain	(11,907)	-
Cash disposed of on loss of control of subsidiary	-	(125,538)
Foreign exchange gain	(31,880)	(38,047)
Equity settled share-based payment expenses	588,403	29,455
Operating profit before changes in working capital and provision:	(2,810,660)	6,794,001
(Increase)/Decrease in other receivables and prepayments	298,411	(289,569)
Increase in trade and other payables	6,225	97,746
Net cash provided/(used in) operating activities	(2,506,024)	6,602,178

32 Related Party Transactions

Detailed disclosures relating to Directors and Key Management Personnel are set out in the Directors' Report under the section entitled Remuneration Report.

The totals of remunerations paid to Key Management Personnel of the Company and the consolidated entity during the year are as follows:

	30-Jun-17 AUD	30-Jun-17 AUD
Short-term employee benefits	(667,918)	(1,017,461)
Post-employment benefits	(25,000)	(15,000)
Share based payments	(557,346)	-
	(1,250,264)	(1,032,461)

The aggregate amounts recognised during the year relating to directors' related parties and other related parties were as follows:

	Transactions value year end		Balance outstanding as at	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
TB & S Consulting Pty Ltd (i)	174,400	288,620	70,933	125,867
Mtani Pty Ltd (ii)	-	373,025	-	66,187
Westranch Holdings Pty Ltd (iii)	1,338,120	152,632	-	-
Point Loma Resources Limited (iv)	2,499,158	164,870	153,608	(5,300)
	<u>4,011,678</u>	<u>979,147</u>	<u>224,541</u>	<u>186,754</u>

- TB & S Consulting Pty Ltd is a Company associated with Mr Stephen Keenihan. The charges from TB & S Consulting were for directors' fees and consultancy fees.
- Mtani Pty Ltd is a Company associated with Mr David Messina. The charges from Mtani Pty Ltd were for directors' fees and consultancy fees.
- Westranch Holdings Pty Ltd is the operator of the TP15 Joint Venture
- Point Loma Resources Limited is the operator of the PLJV (Canada)

The terms and conditions of the transactions were no more favourable than those available, or which might be reasonably available, on similar transactions to non-director related entities on an arms-length basis.

33 Share –based payments

Options are granted and approved by the directors and shareholders.

Options are granted to directors, employees, consultants and others. Entitlements to the options are exercisable as soon as they have vested and performance conditions have been met. There are no cash settlement alternatives. Options granted carry no dividend or voting rights.

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of any movements in share options issued during the year:

	No. 2018	WAEP 2018	No. 2017	WAEP 2017
Outstanding at the beginning of the year	12,675,000	0.015	1,675,000	0.06
Granted during the year	100,000,000	0.015	11,000,000	0.015
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
	<u>112,675,000</u>	<u>0.015</u>	<u>12,675,000</u>	<u>0.021</u>

The number of options vested and exercisable as at 30 June 2018 was 50,341,669 (2017: 5,341,668).

The related party options granted during the year vest over a 3 year period. During the year 41,333,333 of the 100,000,000 options granted have vested.

The outstanding balance of options over ordinary shares as at 30 June 2018 represented by:

Grant Date	Exercisable	Expiry date	Exercise price	Number of options	Value of share based payments
17-Nov-15	17 November 2015	10-Jul-18	\$0.060	1,675,000	67,367
28-Apr-17	28 April 2017 to 1 April 2021	1-Apr-21	\$0.015	11,000,000	70,191
24-Jul-17	24 July 2017 to 31 May 2021	31-May-21	\$0.015	100,000,000	633,019

The outstanding balance of options over ordinary shares as at 30 June 2017 represented by:

Grant date	Exercisable	Expiry date	Exercise price	Number of options	Value of share based payments
17-Nov-15	17 November 2015	10-Jul-18	\$0.060	1,675,000	67,367
28-Apr-17	28 April 2017 to 1 April 2021	1-Apr-21	\$0.015	11,000,000	70,191

The weighted average remaining contractual life for the share options outstanding as at 30 June 2018 is three years. The exercise price for options outstanding at the end of the year is 1,675,000 at A\$0.060 (2017: A\$0.06) and 111,000,000 at A\$0.015 (2017: 11,000,000 at A\$0.015).

Fair value of options granted

Options granted during the year ended 30 June 2018; the fair value per option of options granted during the financial year was \$0.015 with a weighted average of \$0.015. The fair value at grant date is determined using the binomial and Black Scholes method of valuing options that takes into account the exercise price, the term of the option, the impact

of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The following table lists the inputs to the model used for valuation of options:

Inputs to the model used for valuation of options:

	1.5c Options
Dividend yield (%)	Nil
Expected volatility (%)	119%
Risk-free interest rate (%)	1.96%
Expected life of option (year)	3.85
Option exercise price (\$)	\$0.015
Underlying share price	\$0.009

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The expense recognised in profit or loss in relation to share-based payments is \$588,403 (2017: \$29,455).

34 Parent Company disclosures

	30-Jun-18 AUD	30-Jun-17 AUD
Current Assets	908,926	4,563,918
Non-Current Assets	2,981,625	425,000
Total Assets	3,890,551	4,988,918
Current Liabilities	190,819	335,063
Non-Current Liabilities	-	-
Total Liabilities	190,819	335,063
Net Assets	3,699,732	4,653,855
Contributed Equity	54,382,657	52,646,771
Share based payments reserve	685,224	96,822
Available for sale reserve	-	200,000
Accumulated losses	(51,368,149)	(48,289,738)
Total Equity	3,699,732	4,653,855
Results of Parent Entity for the year ended 30 June 2018		
Profit/(Loss) for the year	(1,270,651)	(38,840,077)
Other comprehensive income	(200,000)	200,000
Total comprehensive income	(1,470,651)	(38,640,077)

The Company has no contingent liabilities or commitments and no guarantees due to subsidiaries at 30 June 2018.

35 Financial instruments

Financial Risk Management

Overview

The consolidated entity has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The consolidated entity's management of financial risk is aimed at ensuring net cash flows are sufficient to:

- Meet all its financial commitments; and
- Maintain the capacity to fund the consolidated entity's operating activities.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the consolidated entity through regular reviews of the risks.

Market, liquidity and credit risk (including foreign exchange, commodity price and interest rate risk) arise in the normal course of business. These risks are managed under Board approved directives which underpin treasury practices and processes.

This note presents information about the Company's and consolidated entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

Credit risk

Credit risk is the risk of financial loss to the consolidated entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the consolidated entity's receivables from customers.

Trade and other receivables

The consolidated entity operates in the mining exploration and production sector. As at 30 June 2018 there were no significant concentrations of credit risk on the statement of financial position.

Impairment losses

None of the Company's other receivables are past due (2017: nil). As at 30 June 2018 there is no allowance for impairment in respect to other receivables for the consolidated entity (2017: nil).

Exposure to credit risk

The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure. The consolidated entity's maximum exposure to credit risk at the reporting date was:

Financial Instruments

	30-Jun-18 AUD	30-Jun-17 AUD
Trade and other receivables	125,060	280,574
Cash and cash equivalents	1,090,415	4,856,883
	<u>1,215,477</u>	<u>5,137,457</u>

	Carrying Amount					Total	Level 1
	Non-current assets		Current assets				
	Trade and other receivables	Other investments including	Trade and other receivables	Other investments including	Cash and cash equivalents		
30-Jun-2018							
Financial assets measured at fair value							
Assets held for sale	-	-	-	-	-	-	-
Financial assets not measured at fair value							
Trade and other receivables	-	-	125,060	-	-	125,060	-
Cash and cash equivalents	-	-	-	-	1,090,415	1,090,415	-
	-	-	125,060	-	1,090,415	1,215,477	-

	Carrying Amount					Total	Level 1
	Non-current assets		Current assets				
	Trade and other receivables	Other investments including derivatives	Trade and other receivables	Other investments including derivatives	Cash and cash equivalents		
30-Jun-2017							
Financial assets measured at fair value							
Assets held for sale	-	-	-	400,000	-	-	400,000
Financial assets not measured at fair value							
Trade and other receivables	-	-	280,574	-	-	280,574	-
Cash and cash equivalents	-	-	-	-	4,856,883	4,856,883	-
	-	-	280,574	400,000	4,856,883	5,137,457	400,000

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the consolidated entity's reputation.

The consolidated entity manages liquidity risks by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying Amount					Total	Level 1
	Non-current liabilities		Current liabilities				
	Trade and other payables	Loans and borrowings	Bank overdraft	Trade and other	Loans and borrowings		
30-Jun-2018							
Financial liabilities measured at fair value							
Financial liabilities not measured at fair value							
Trade and other payables	-	-	-	658,008	-	658,008	-
	-	-	-	658,008	-	658,008	-

	Carrying Amount					Total	Level 1
	Non-current liabilities		Current liabilities				
	Trade and other payables	Loans and borrowings	Bank overdraft	Trade and other	Loans and borrowings		
30-Jun-2017							
Financial assets measured at fair value							
Financial assets not measured at fair value							
Trade and other payables	-	-	-	651,783	-	651,783	-
	-	-	-	651,783	-	651,783	-

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the consolidated entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Commodity Risk

The consolidated entity is exposed to commodity price risk through its revenue from the sale of hydrocarbons – gas, crude oil, condensate and LPG – which are priced against world benchmark commodity prices.

Currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The parent company loans funds to a Canadian based subsidiary. The funds are loaned in Australian dollars and are subject to exchange rate fluctuations.

Interest rate risk

At the reporting date the interest rate profile of the Company's and the consolidated entity's interest-bearing financial instruments was:

	2018	2017
Variable rate instruments		
Financial assets	1,090,415	4,856,883
	<u>1,090,415</u>	<u>4,856,883</u>

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2017.

	Profit or loss		Equity	
	100bp increase	100bp decrease	100bp increase	100bp decrease
	AUD	AUD	AUD	AUD
30 June 2018				
Variable rate instruments	10,904	(10,904)	10,904	(10,904)
Cash flow sensitivity	10,904	(10,904)	10,904	(10,904)
30 June 2017				
Variable rate instruments	48,569	(48,569)	48,569	(48,569)
	<u>48,569</u>	<u>(48,569)</u>	<u>48,569</u>	<u>(48,569)</u>

Fair values

There is little or no difference between carrying amounts and fair values of financial assets and liabilities.

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the consolidated entity defines as net operating income divided by total shareholders' equity.

	2018	2017
Equity attributable to shareholders of the Company	54,382,657	52,646,771
Equity	54,382,657	52,646,771
Total assets	12,022,479	13,081,898
Equity ratio	22%	25%

There were no changes in the consolidated entity's approach to capital management during the year. As at 30 June 2018, neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

36 Consolidated entities

(a) Parent entity

The parent entity of the group is Whitebark Energy Limited, incorporated in Australia.

Registered office:

Level 2, 6 Thelma Street

West Perth WA 6005

(b) Subsidiaries

The consolidated financial statements incorporate assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described under 1(a).

Name of Entity	Country of incorporation	2018 Equity holding %	2017 Equity holding %
Subsidiaries of Whitebark Energy Ltd			
Tejon Energy Pty Ltd	Australia	100	100
Tejon Energy Inc (100% subsidiary of Tejon Energy Pty Ltd)	USA	100	100
Latent Petroleum Pty Ltd	Australia	100	100
Calor Energy Pty Ltd	Australia	100	100
Kubla Oil Pty Ltd	Australia	100	100
Salt Bush Energy Ltd	Canada	100	100

37 Contingent Liabilities

There are no contingent liabilities at 30 June 2018.

38 Commitments

The Group leases a photocopier/printer under operating leases and is lessee to the premises situated at Level 2, 6 Thelma Street West Perth. The future minimum lease payments are as follows;

	Minimum Lease Payments Due			
	Within 1 year	1 to 5 years	After 5 years	Total
30-Jun-18	15,013	-	-	15,012
30-Jun-17	59,583	5,829	-	65,412

Lease expense during the period amounted to \$74,542 (2016: \$98,450) representing the minimum lease payments.

The rental agreement for the photocopier/printer is for a term of 36 months and will expire in June 2019.

39 Subsequent events

On 1 August 2018 Whitebark Energy announced a renounceable entitlement offer. The offer was made to eligible shareholders on the basis of one new share for every two shares held on the record date. Each new share had an offer price of 0.4 cents. Eligible shareholders were also offered one free attaching new option for every one new share subscribed for and issued under the offer.

On 28 August 2018 the renounceable rights issue closed substantially over-subscribed. The company raised \$1,980,862 (before costs) and issued 495,215,367 shares and 515,215,367 options (including 20,000,000 options issued to CPS Capital Pty Ltd).

To accommodate some of the oversubscription the Company placed (on 31 August 2018) an additional 87,500,000 fully paid ordinary shares at \$0.004 and 87,500,000 attaching options to raise an additional \$350,000 (before costs).

Other than the above, no material matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results or state of affairs of the consolidated entity.

1. In the opinion of the Directors of Whitebark Energy Ltd ("the Company"):
 - a. The financial statements and notes set out on pages 29 to 62, are in accordance with the Corporations Act 2001, including:
 - iii. Giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
 - iv. Complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - b. the financial report also complies with International Financial Reporting standards as disclosed in note 2(a);
 - c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 by the chief executive officer and chief financial officer for the financial year ended 30 June 2018.

Dated at Perth this 26th day of September 2018.

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



David Messina
Managing Director

EXCHANGE LISTING

Whitebark Energy Ltd shares are listed on the Australian Securities Exchange. The Company's ASX code is WBE.

SUBSTANTIAL SHAREHOLDERS (HOLDING NOT LESS THAN 5%)

As at 25 September 2018

Rank	Name	Units	% of Units
1.	MR CHARLES WAITE MORGAN	93,150,441	5.92
2.	MR STEPHEN LESLIE KEENIHAN + MRS SHERIDAN JAY KEENIHAN <SL & SJ KEENIHAN S/F A/C>	82,999,999	5.28

CLASS OF SHARES AND VOTING RIGHTS

At 25 September 2018 there were 1,982 holders of 1,573,146,371 ordinary fully paid shares of the Company. The voting rights attaching to the ordinary shares are in accordance with the Company's Constitution being that:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative;
- 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
- 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 the Share, but in respect of partly paid Shares, shall, have such number of votes as bears the proportion which the paid amount (not credited) is of the total amounts paid and payable (excluding amounts credited).

DISTRIBUTION OF SHAREHOLDERS

Spread of Holdings	Ordinary Shares
1 - 1,000	10,349
1,001 - 5,000	130,219
5,001 - 10,000	545,983
10,001 - 100,000	42,975,982
100,001 - 9,999,999,999	1,529,483,838
Total	1,573,146,371

The number of shareholders holding less than a marketable parcel is 1216.

DISTRIBUTION OF LISTED OPTION HOLDERS

Spread of Holdings	Listed Options
1 - 1,000	1,801
1,001 - 5,000	42,603
5,001 - 10,000	112,407
10,001 - 100,000	7,987,747
100,001 - over	594,570,809
Total	602,715,367

The number of listed option holders holding less than a marketable parcel is 297.

UNLISTED OPTIONS

Securities	Number of Securities on issue	Number of Holders
Options exercisable at 1.5 cents on or before 1 April 2021	11,000,000	4
Options exercisable at 1.5 cents on or before 31 May 2021	100,000,000	3

ESCROWED SECURITIES

The Company does not have any securities on issue that are subject to escrow restrictions.

LISTING OF 20 LARGEST SHAREHOLDERS AS AT 25 SEPTEMBER 2018

Rank	Name	Units	% of Units
	MR CHARLES WAITE MORGAN	93,150,441	5.92
2	MR STEPHEN LESLIE KEENIHAN + MRS SHERIDAN JAY KEENIHAN <SL & SJ KEENIHAN S/F A/C>	82,999,999	5.28
3	RUSSELL STEPHENSON + PAMELA STEPHENSON <STEPHENSON SUPER FUND A/C>	56,451,538	3.59
4	VILLEMARETTE NOMINEES PTY LTD <VILLAMARETTE FAMILY A/C>	46,856,085	2.98
5	ORABANT PTY LTD <C MEULENGRAAF SUPER A/C>	40,000,000	2.54
6	MR DARREN JOHN HALL	28,000,000	1.78
7	J & B SMITH SUPERANNUATION PTY LTD <LOCH M FRASER CU TRA SF A/C>	27,000,000	1.72
8	MR DAVID DUNCAN MESSINA <THE DAVID MESSINA A/C>	25,362,000	1.61
9	PROSPERION WEALTH MANAGEMENT PTY LTD <INVESTMENT A/C>	25,000,000	1.59
10	MS CHUNYAN NIU	24,690,864	1.57
11	BART SUPERANNUATION PTY LIMITED <4F INVESTMENTS SUPERFUND A/C>	23,865,026	1.52
12	ARGONAUT INVESTMENTS PTY LTD <ARGONAUT INVESTMENT A/C>	18,932,000	1.20
13	RBO PTY LTD <BLACK SUPER FUND A/C>	15,500,000	0.99
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	14,701,445	0.93
15	MR DONATO IACOVANTUONO	13,205,292	0.84
16	MORITZ INVESTMENTS PTY LTD <THE MORITZ FAMILY A/C>	13,200,000	0.84
17	AET CT PTY LIMITED <VP CAPITAL FUND I>	11,750,000	0.75
18	ONE MANAGED INVESTMENT FUNDS LIMITED <TECHNICAL INVESTING ABSOLUTE RETURN A/C>	11,529,713	0.73
19	CATPAR PTY LTD	11,250,000	0.72
20	MR MICHAEL DAVENPORT JONES	11,120,787	0.71
	TOTAL	594,565,190	37.79

LISTING OF 20 LARGEST LISTED OPTION HOLDERS AS AT 25 SEPTEMBER 2018

Rank	Name	Units	% Units
1	MR BIN LIU	60,000,000	9.95
2	MS CHUNYAN NIU	35,240,000	5.85
3	MR CHARLES WAITE MORGAN	31,050,147	5.15
4	MR DAVID DUNCAN MESSINA <THE DAVID MESSINA A/C>	25,000,000	4.15
4	PROSPERION WEALTH MANAGEMENT PTY LTD <INVESTMENT A/C>	25,000,000	4.15
4	SCINTILLA STRATEGIC INVESTMENTS LIMITED	25,000,000	4.15
7	TANGO88 PTY LTD <TANGO88 A/C>	15,000,000	2.49
8	ORABANT PTY LTD <C MEULENGRAAF SUPER A/C>	13,000,000	2.16
9	AET CT PTY LIMITED <VP CAPITAL FUND I>	11,750,000	1.95
10	RUSSELL STEPHENSON + PAMELA STEPHENSON <STEPHENSON SUPER FUND A/C>	11,290,307	1.87
11	J & B SMITH SUPERANNUATION PTY LTD <LOCH M FRASER CU TRA SF A/C>	11,000,000	1.83
12	MR STEPHEN LESLIE KEENIHAN + MRS SHERIDAN JAY KEENIHAN <SL & SJ KEENIHAN S/F A/C>	10,052,665	1.67
13	MR JOHN PHILIP DANIELS	10,000,000	1.66
13	MR MICHAEL FAULKNER	10,000,000	1.66
13	MANDOLIN NOMINEES PTY LTD <MANDOLIN S/F A/C>	10,000,000	1.66
13	TOLTEC HOLDINGS PTY LTD <NO 2 A/C>	10,000,000	1.66
17	MRS YAN WANG <AUST WEST COAST TRAVEL A/C>	7,500,000	1.24
18	MR DONATO IACOVANTUONO	7,000,000	1.16
19	YEOH SUPER PTY LTD <YEOH SUPER A/C>	6,900,000	1.14
20	MR DARREN JOHN HALL	6,500,000	1.08
TOTAL		341,283,119	56.63

PERMITS

AUSTRALIAN LAND INTERESTS				
Lease or Project	Legal Description	Interest	Location	Rights
Warro JV	RL7	100%	Western Australia	100%
Xanadu JV	TP15	15%	Western Australia	100%

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
Gilby	0400050335	TWP 42-RGE 3-W5M 6 PNG from top ELLERSLIE to base ELLERSLIE	16.00
Gilby	0401030226	TWP 40-RGE 28-W4M 12 PNG from surface to base MANNVILLE Excluding WELLBORE PROD	3.00
Gilby	0401120262	TWP 42-RGE 2-W5M E19 WELLBORE PROD	2.85
Gilby	0402040090	TWP 43-RGE 1-W5M 4 PNG from top LEA PARK to base MANNVILLE	18.00
Gilby	0402080131	TWP 46-RGE 1-W5M W30 PNG from surface to top BELLY RIVER	30.00
Gilby	0402100167	TWP 46-RGE 2-W5M 36(LSD 1,2) PNG from surface to base BELLY RIVER Excluding PNG from top BELLY RIVER to base BELLY RIVER	30.00
Gilby	0403030271	TWP 40-RGE 28-W4M 11 PNG from base EDMONTON to base MANNVILLE Excluding WELLBORE PROD	19.50
Gilby	0403090140	TWP 46-RGE 2-W5M 10 PNG from surface to base MANNVILLE Excluding PNG from top CARDIUM to base CARDIUM	15.00
Gilby	0404010098	TWP 41-RGE 28-W4M E8 TWP 41-RGE 28-W4M W8 PNG from top GLAUCONITIC to base MANNVILLE WELLBORE PROD	10.20
Gilby	0404050581	TWP 43-RGE 28-W4M E1 NG from base BELLY RIVER to base MANNVILLE Excluding NG from top CARDIUM to base CARDIUM	4.80
Gilby	0404080460	TWP 45-RGE 2-W5M 4 NG from top LOWER MANNVILLE to base LOWER MANNVILLE	30.00
Gilby	0405010150	TWP 41-RGE 28-W4M 3 PNG from surface to base MANNVILLE	30.00
Gilby	0405120574	TWP 39-RGE 28-W4M 24 PNG from base EDMONTON to base MANNVILLE Excluding CBM	30.00
Gilby	0405120589	TWP 40-RGE 27-W4M SW18,NE18 PNG from base BELLY RIVER to base MANNVILLE Excluding CBM from top MANNVILLE to base MANNVILLE Excluding WELLBORE	21.00
Gilby	0406060794	TWP 40-RGE 1-W5M SE36 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	0406060795	TWP 40-RGE 1-W5M SW36 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	0406060796	TWP 40-RGE 1-W5M NE36	30.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PNG from base EDMONTON to base MANNVILLE	
Gilby	0407110687	TWP 46-RGE 1-W5M 30 PNG from base BELLY RIVER to base MANNVILLE Excluding PNG from top CARDIUM to base CARDIUM Excluding WELLBORE	15.00
Gilby	0408020332	TWP 40-RGE 1-W5M NE25 PNG from surface to base MANNVILLE	30.00
Gilby	0408030204	TWP 43-RGE 1-W5M NW3 PET from top ELLERSLIE to base ELLERSLIE	10.53
Gilby	0408030204	TWP 43-RGE 1-W5M SW3 PET from top ELLERSLIE to base ELLERSLIE	11.51
Gilby	0411020053	TWP 46-RGE 2-W5M 36 PNG from top MANNVILLE to base MANNVILLE	30.00
Gilby	0483070174	TWP 46-RGE 1-W5M E30 NG from surface to top BELLY RIVER	30.00
Gilby	0487020215	TWP 41-RGE 1-W5M 10 PNG from surface to base MANNVILLE	15.00
Gilby	0495110259	TWP 41-RGE 1-W5M 12 PNG from surface to base MANNVILLE	11.25
Gilby	0497080281	TWP 42-RGE 3-W5M 24 PNG from base GLAUCONITIC to base MANNVILLE	7.50
Gilby	0498040208	TWP 46-RGE 2-W5M S24,NW24 NG from surface to base BEARPAW	26.06
Gilby	0498040209	TWP 46-RGE 2-W5M S24,NW24 NG from base BELLY RIVER to base MANNVILLE Excluding NG from top CARDIUM to base CARDIUM	29.55
Gilby	0499040098	TWP 46-RGE 2-W5M NE24 NG from base BELLY RIVER to base MANNVILLE Excluding NG from top CARDIUM to base CARDIUM	29.55
Gilby	0500100413	TWP 39-RGE 6-W5M NW17 PNG from top VIKING to base VIKING Excluding WELLBORE PROD	23.25
Gilby	0500100414	TWP 39-RGE 6-W5M 20 PNG from surface to base MANNVILLE	30.00
Gilby	0505080447	TWP 40-RGE 6-W5M 21 PNG from base VIKING to base MANNVILLE	30.00
Gilby	0508080372	TWP 46-RGE 6-W5M SE22,N22 PNG from base BELLY RIVER to base CARDIUM	10.00
Gilby	0513110047	TWP 39-RGE 6-W5M 19 PNG from base CARDIUM to base MANNVILLE	30.00
Gilby	0576080013	TWP 39-RGE 6-W5M 34 PNG from surface to base MANNVILLE	2.49

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
Gilby	0589080419	TWP 41-RGE 6-W5M 22 PNG from base VIKING to base MANNVILLE	15.00
Gilby	0799030408	TWP 45-RGE 1-W5M 14(LSD 1, 8),N14 PNG from surface to base MANNVILLE	POOLED 30
Gilby	122791	TWP 41-RGE 2-W5M 31 PNG from top GLAUCONITIC to base MANNVILLE	3.47
Gilby	1450462 AB	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	1506168	TWP 40-RGE 28-W4M NW13 NG from surface to basement	30.00
Gilby	21614	TWP 46-RGE 2-W5M 24(LSD 16) NG from surface to base BEARPAW	26.06
Gilby	21614	TWP 46-RGE 2-W5M 24(LSD 9,10,15) NG from surface to base BEARPAW	26.06
Gilby	26889	TWP 45-RGE 1-W5M SW14 TWP 45-RGE 1-W5M 14(LSD 2,7) PNG from surface to base MANNVILLE	15.00
Gilby	33854	TWP 41-RGE 3-W5M 36 WELLBORE PROD	1.14
Gilby	5499110041	TWP 39-RGE 6-W5M 20 PNG from base MANNVILLE to base ROCK CREEK	30.00
Gilby	754283 AB	TWP 41-RGE 1-W5M NW15 PNG from surface to basement	30.00
Gilby	754283 AB	TWP 41-RGE 1-W5M NE15 PNG from surface to basement	30.00
Gilby	Freehold	TWP 42-RGE 2-W5M SE19 WELLBORE PROD	2.85
Gilby	Freehold	TWP 42-RGE 2-W5M NE19 WELLBORE PROD	2.85
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SE26 ASSOC GAS from surface to base BANFF	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SE26 ASSOC GAS from surface to base BANFF	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M NW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M NW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M NE25 PNG from surface to base MANNVILLE Excluding PET from top MANNVILLE to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M NE25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		base MANNVILLE	
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 42-RGE 28-W4M NE35 NG from top MANNVILLE to base MANNVILLE	7.50
Gilby	Freehold	TWP 42-RGE 28-W4M NE35 NG from top MANNVILLE to base MANNVILLE	7.50
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 42-RGE 2-W5M W19 WELLBORE PROD	2.85
Gilby	Freehold	TWP 43-RGE 28-W4M NE1,SW1 NG from top ELLERSLIE to base ELLERSLIE NG from top GLAUCONITIC to base GLAUCONITIC	4.80
Gilby	Freehold	TWP 42-RGE 28-W4M NW35 TWP 42-RGE 28-W4M S35 NG from top MANNVILLE to base MANNVILLE	7.50
Gilby	Freehold	TWP 43-RGE 1-W5M 3 NG from top ELLERSLIE to base ELLERSLIE Excluding CBM	10.50
Gilby	Freehold	TWP 43-RGE 1-W5M NW3 PET from top ELLERSLIE to base ELLERSLIE	10.53
Gilby	Freehold	TWP 43-RGE 1-W5M SE3 PET from top ELLERSLIE to base ELLERSLIE	10.50
Gilby	Freehold	TWP 43-RGE 1-W5M SW3 PET from top ELLERSLIE to base ELLERSLIE	11.51
Gilby	Freehold	TWP 42-RGE 1-W5M 33 NG from top ELLERSLIE to base ELLERSLIE Excluding CBM	21.00
Gilby	Freehold	TWP 42-RGE 1-W5M NE33 PET from top ELLERSLIE to base ELLERSLIE	21.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 42-RGE 2-W5M SE19 WELLBORE PROD	2.85
Gilby	Freehold	TWP 42-RGE 2-W5M NE19 WELLBORE	2.85
Gilby	Freehold	TWP 43-RGE 28-W4M SE1 NG from base BELLY RIVER to base BANFF	4.80

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		Excluding NG from top CARDIUM to base CARDIUM	
Gilby	Freehold	TWP 43-RGE 28-W4M SE1 NG from base BELLY RIVER to base BANFF Excluding NG from top CARDIUM to base CARDIUM	4.80
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SE25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE Excluding PET from top ELLERSLIE to base ELLERSLIE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 43-RGE 28-W4M SE1 NG from base BELLY RIVER to base BANFF Excluding NG from top CARDIUM to base CARDIUM	4.80
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE Excluding PET from top ELLERSLIE to base ELLERSLIE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SE25 PNG from surface to base	30.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		MANNVILLE	
Gilby	Freehold	TWP 40-RGE 1-W5M SE25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M NW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SE26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SE26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SE26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 40-RGE 1-W5M SW26 ASSOC GAS from top MANNVILLE to base MANNVILLE	13.60
Gilby	Freehold	TWP 43-RGE 28-W4M 1(LSD 11,14) NG from base BELLY RIVER to base BANFF Excluding NG from top CARDIUM to base CARDIUM	4.80
Gilby	Freehold	TWP 42-RGE 3-W5M SE7 PET from top ELLERSLIE to base ELLERSLIE PET from top NORDEGG to base NORDEGG	1.13
Gilby	Freehold	TWP 42-RGE 3-W5M 7 NG from top ELLERSLIE to base ELLERSLIE NG from top NORDEGG to base NORDEGG	1.13
Gilby	Freehold	TWP 41-RGE 1-W5M SE15 NG from surface to base HORSESHOE CANYON	30.00
Gilby	Freehold	TWP 40-RGE 28-W4M SE13 PET from top MANNVILLE to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 28-W4M SW13 PET from top MANNVILLE to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 28-W4M S13,NE13,NW13 NG from top MANNVILLE to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG to base MANNVILLE Excluding PET from top ELLERSLIE to base ELLERSLIE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 43-RGE 28-W4M 1(LSD 12,13)	4.80

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		NG from base BELLY RIVER to base BANFF Excluding NG from top CARDIUM to base CARDIUM	
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M NW25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SE25 PNG from base EDMONTON to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 39-RGE 28-W4M SW25 PNG from base EDMONTON to base MANNVILLE PET from top ELLERSLIE to base ELLERSLIE	30.00
Gilby	Freehold	TWP 40-RGE 1-W5M SW25 PNG from surface to base MANNVILLE	30.00
Gilby	Freehold	TWP 41-RGE 1-W5M SW15 PNG from surface to basement	30.00
Gilby	0501020179	TWP 55-RGE 17-W5M S7 PNG from base FISH SCALE to base ROCK CREEK	7.50
Gilby	0502080498	TWP 55-RGE 17-W5M 5 PNG from surface to base CARDIUM	18.75
Gilby	0505070276	TWP 55-RGE 17-W5M S7 PNG from surface to base CARDIUM	30.00
Gilby	0505070277	TWP 55-RGE 17-W5M N7 PNG from base FISH SCALE to base ROCK CREEK	7.50
Gilby	0505080141	TWP 55-RGE 17-W5M S6,NE6 PNG from surface to base CARDIUM	30.00
Gilby	0507050333	TWP 54-RGE 18-W5M NE35 PNG from top CARDIUM to base CARDIUM	6
Gilby	0507050333	TWP 54-RGE 18-W5M W35 PNG from top CARDIUM to base CARDIUM	12.00
Gilby	0507050333	TWP 54-RGE 18-W5M 35 PNG from base CARDIUM to base SPIRIT RIVER PNG from base BLUESKY to base BLUESKY-BULLHEAD	30.00
Gilby	0507050334	TWP 54-RGE 18-W5M 36 PNG from top CARDIUM to base CARDIUM	12.00
Gilby	5406060285	TWP 55-RGE 17-W5M 8 PNG from base BLUESKY-BULLHEAD to base ROCK CREEK	30.00
Gilby	5496050091	TWP 54-RGE 18-W5M SE35 PNG from top CARDIUM to base CARDIUM	6
Leaman	0502110177	TWP 55-RGE 9-W5M 11 PNG from surface to base NORDEGG	20.00
Leaman	0504030792	TWP 55-RGE 9-W5M 36 PNG from surface to base NORDEGG	6.67
Leaman	0504040482	TWP 55-RGE 9-W5M 35 PNG from surface to base	13.33

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		NORDEGG	
Leaman	0504100171	TWP 55-RGE 9-W5M 14 PNG from base VIKING to base NORDEGG	20.00
Leaman	0506070654	TWP 55-RGE 8-W5M NW18 PNG from surface to base NORDEGG	13.00
Leaman	0506070655	TWP 55-RGE 9-W5M NE13 PNG from base MANNVILLE to base NORDEGG	20.00
Leaman	0513020072	TWP 55-RGE 8-W5M S18,NE18 PNG from surface to base NORDEGG	20.00
Leaman	0513040053	TWP 55-RGE 9-W5M S13,NW13 PNG from base MANNVILLE to base NORDEGG	20.00
Leaman	0513080054	TWP 54-RGE 9-W5M 15 PNG from surface to base NORDEGG	20.00
Leaman	0517090172	TWP 53-RGE 9-W5M E26 PNG from surface to base BASEMENT	20.00
Leaman	0578080076	TWP 57-RGE 9-W5M 31 PNG from surface to base NORDEGG Excluding WELLBORE PROD	7.42
Leaman	0578080077	TWP 57-RGE 10-W5M 35 PNG from top NORDEGG to base NORDEGG	7.42
Leaman	0578080078	TWP 57-RGE 10-W5M N36 PNG from surface to base NORDEGG	3.71
Leaman	0578100052	TWP 58-RGE 9-W5M S32 PNG from surface to base NORDEGG	7.00
Leaman	0578120073	TWP 57-RGE 9-W5M S7,NE7 PNG from surface to base NORDEGG	7.42
Leaman	0578120074	TWP 57-RGE 9-W5M 18 PNG from surface to base NORDEGG	2.60
Leaman	0578120076	TWP 58-RGE 10-W5M SE1,N1 NG from surface to top NORDEGG	2.22
Leaman	0578120076	TWP 58-RGE 10-W5M SE1,N1 NG from top NORDEGG to base NORDEGG	2.22
Leaman	057812A073	TWP 57-RGE 9-W5M NW7 PNG from surface to base NORDEGG	7.42
Leaman	0579120177	TWP 57-RGE 10-W5M 34 WELLBORE ONLY	10.00
Leaman	0579120178	TWP 58-RGE 10-W5M 4 PNG from surface to base NORDEGG	4.64
Leaman	0580020159	TWP 56-RGE 10-W5M 22 PNG from surface to base MANNVILLE	20.00
Leaman	0582010223	TWP 58-RGE 9-W5M N20 PNG from surface to base NORDEGG Excluding WELLBORE	3.50
Leaman	0582010223	TWP 58-RGE 9-W5M 29 PNG from surface to base NORDEGG	20.00
Leaman	0584080106	TWP 53-RGE 8-W5M 27 PNG from surface to base EDMONTON	10.00
Leaman	0585080381	TWP 57-RGE 9-W5M NW16 PNG from surface to base NORDEGG	8.00
Leaman	0585080381	TWP 57-RGE 9-W5M 28 PNG from top NORDEGG to base NORDEGG Excluding CBM	20.00
Leaman	0585090107	TWP 57-RGE 9-W5M 17 PNG from top NORDEGG to	12.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		base NORDEGG	
Leaman	0585090109	TWP 57-RGE 9-W5M 29 PNG from surface to base NORDEGG Excluding WELLBORE	17.00
Leaman	0585090110	TWP 57-RGE 9-W5M 32 PNG from top NORDEGG to base NORDEGG	16.6
Leaman	0585100503	TWP 58-RGE 9-W5M 5 PNG from top NORDEGG to base NORDEGG	10.00
Leaman	0586020328	TWP 57-RGE 9-W5M 10 PNG from surface to base NORDEGG	8.00
Leaman	0590020438	TWP 57-RGE 9-W5M 33 PNG from surface to base NORDEGG	10.00
Leaman	0590020438	TWP 58-RGE 9-W5M 4 PNG from surface to base NORDEGG	20.00
Leaman	0591050577	TWP 58-RGE 10-W5M 13 PNG to base NORDEGG	7.50
Leaman	0591050578	TWP 58-RGE 10-W5M SE15,N15 PNG from surface to base NORDEGG	4.00
Leaman	0593100167	TWP 53-RGE 9-W5M 10 CBM from surface to base PEKISKO	5.20
Leaman	0593100169	TWP 53-RGE 9-W5M 16 PNG from base VIKING to base PEKISKO Excluding CBM	10.00
Leaman	0594030698	TWP 55-RGE 8-W5M 22 PNG from surface to base NORDEGG	20.00
Leaman	0594030701	TWP 56-RGE 10-W5M 24 PNG from surface to base NORDEGG	20.00
Leaman	0594100562	TWP 53-RGE 9-W5M N21,SE21 PNG from surface to base PEKISKO Excluding CBM from surface to base MANNVILLE	3.50
Leaman	0594110221	TWP 54-RGE 9-W5M 10 PNG from top SURFACE to base MANNVILLE Excluding CBM	20.00
Leaman	0595030610	TWP 55-RGE 8-W5M 9 PNG from surface to base NORDEGG	13.00
Leaman	0595030612	TWP 55-RGE 8-W5M 15 PNG from surface to base NORDEGG	20.00
Leaman	0595080624	TWP 55-RGE 8-W5M 4 PNG from surface to base NORDEGG Excluding WELLBORE	13.00
Leaman	0595110324	TWP 55-RGE 8-W5M 23 PNG from surface to base NORDEGG	20.00
Leaman	0596050319	TWP 54-RGE 8-W5M 2 PNG from surface to base MANNVILLE Excluding PNG from top NOTIKEWIN to base NOTIKEWIN	12.00
Leaman	0596080466	TWP 58-RGE 9-W5M S22 TWP 58-RGE 9-W5M NE22 TWP 58-RGE 9-W5M NW22 NG from surface to base MANNVILLE	4.80
Leaman	0597030415	TWP 54-RGE 9-W5M NE35 PNG from surface to base EDMONTON	20.00
Leaman	0597030415	TWP 54-RGE 9-W5M NW35,S35 PNG from surface to base	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		EDMONTON	
Leaman	0597090712	TWP 57-RGE 11-W5M SE4 PNG from surface to base MANNVILLE	6.00
Leaman	0597100806	TWP 55-RGE 9-W5M 14 PNG from surface to base VIKING	20.00
Leaman	0597100807	TWP 58-RGE 11-W5M 4 PNG from base EDMONTON to base VIKING	5.00
Leaman	0597100906	TWP 55-RGE 9-W5M 13 PNG from surface to base MANNVILLE	20.00
Leaman	0597100906	TWP 55-RGE 9-W5M 12 CBM from surface to base MANNVILLE WELLBORE ONLY	20.00
		Tract 3 WELLBORE ONLY	
Leaman	0597120230	TWP 57-RGE 9-W5M 3 PNG from surface to base NORDEGG	8.00
Leaman	0599050113	TWP 56-RGE 8-W5M 11 CBM from surface to base EDMONTON	20.00
Leaman	1043	TWP 57-RGE 8-W5M N22,SE22 NG from top JURASSIC to base JURASSIC	14.67
Leaman	1043	TWP 57-RGE 8-W5M 15 NG from top JURASSIC to base JURASSIC Excluding WELLBORE ONLY	14.67
Leaman	112437	TWP 56-RGE 8-W5M W34 PNG from top SURFACE to base PEKISKO Excluding NG from top VIKING to base VIKING Excluding NG from top DETRITAL SANDSTONE to base DETRITAL SANDSTONE	13.33
Leaman	112438	TWP 57-RGE 8-W5M SW3 PNG from surface to base PEKISKO Excluding NG from top DETRITAL to base DETRITAL Excluding NG from top VIKING to base VIKING	13.33
Leaman	12670	TWP 58-RGE 9-W5M S20 PNG from surface to base NORDEGG Excluding WELLBORE	3.50
Leaman	1304B	TWP 58-RGE 8-W5M SE10 NG from top NORDEGG to base NORDEGG	20.00
Leaman	1304B	TWP 58-RGE 8-W5M 4 NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO	20.00
Leaman	21631	TWP 54-RGE 8-W5M 12 PNG from surface to base NORDEGG	20.00
Leaman	21810	TWP 58-RGE 8-W5M SW10 PNG from surface to base NORDEGG	20.00
Leaman	21811	TWP 58-RGE 8-W5M N10 PNG from surface to base NORDEGG	20.00
Leaman	26266	TWP 54-RGE 9-W5M 3 PNG from surface to base MANNVILLE Excluding PNG from top VIKING to base VIKING	19.30
Leaman	31639	TWP 57-RGE 9-W5M 4 PNG from surface to base NORDEGG	3.33
Leaman	31640	TWP 57-RGE 10-W5M NW13	5.96

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PNG from top NORDEGG to base NORDEGG	
Leaman	31640	TWP 57-RGE 10-W5M E23,SW23 PNG from top NORDEGG to base NORDEGG	2.82
Leaman	31640	TWP 57-RGE 10-W5M SW24 TWP 57-RGE 10-W5M N24 PNG from surface to base NORDEGG	3.76
Leaman	31640	TWP 57-RGE 10-W5M S13 PNG from top NORDEGG to base NORDEGG	5.96
Leaman	31640	TWP 57-RGE 10-W5M E14 PNG from surface to base NORDEGG	7.42
Leaman	31640	TWP 57-RGE 10-W5M 25 PNG from surface to base NORDEGG	9.08
Leaman	31640	TWP 57-RGE 9-W5M 30 TWP 57-RGE 10-W5M 26 PNG from surface to base NORDEGG	7.42
Leaman	31640A	TWP 57-RGE 9-W5M 19 PNG from surface to base NORDEGG	7.42
Leaman	360	TWP 56-RGE 8-W5M N34,SW34 TWP 57-RGE 8-W5M S3 NG from top DETRITAL SANDSTONE to base DETRITAL SANDSTONE	13.33
Leaman	37585	TWP 57-RGE 10-W5M S36 PNG from surface to base NORDEGG	3.71
Leaman	37586	TWP 58-RGE 10-W5M 3 PNG from surface to base NORDEGG	4.64
Leaman	37586	TWP 58-RGE 10-W5M 10 PNG from surface to base NORDEGG	4.64
Leaman	38527	TWP 56-RGE 8-W5M SE34 PNG from surface to base PEKISKO	13.33
Leaman	5404040707	TWP 56-RGE 9-W5M N2,SW2 PNG from surface to base NORDEGG	13.33
Leaman	5417030079	TWP 53-RGE 9-W5M W26 PNG from surface to base PEKISKO	20.00
Leaman	5417030079	TWP 53-RGE 9-W5M 27,34 PNG from surface to basement	20.00
		Tract 2 TWP 53-RGE 9-W5M 28 PNG from base EDMONTON to base BASEMENT	
Leaman	5417030207	TWP 57-RGE 9-W5M NE16,S16,20,21 PNG from surface to base BASEMENT Excluding WELLBORE	20.00
		Tract 2 TWP 57-RGE 9-W5M NW16 PNG from base NORDEGG to base BASEMENT	
Leaman	5417090210	TWP 53-RGE 9-W5M 22 PNG from surface to base BASEMENT	20.00
Leaman	5417110139	TWP 54-RGE 9-W5M 13,24 PNG from surface to base BASEMENT	20.00
Leaman	5417120215	TWP 57-RGE 10-W5M 27 PNG from surface to base BASEMENT	20.00
Leaman	5497020047	TWP 57-RGE 11-W5M 35	10.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		CBM from surface to base MANNVILLE	
Leaman	5497040081	TWP 56-RGE 10-W5M 23 PNG from base MANNVILLE to base NORDEGG	20.00
Leaman	815	TWP 57-RGE 8-W5M S9 NG from top JURASSIC to base JURASSIC NG from top PEKISKO to base PEKISKO Excluding WELLBORE ONLY	13.33
Leaman	816	TWP 57-RGE 8-W5M N9,16 NG from top JURASSIC to base JURASSIC	13.33
Leaman	Freehold	TWP 57-RGE 10-W5M NW23 PNG from surface to top NORDEGG Excluding NG from surface to base EDMONTON	2.82
Leaman	Freehold	TWP 58-RGE 9-W5M NW22 NG from surface to base NORDEGG	4.8
Niton	0504030331	TWP 56-RGE 12-W5M E23 PNG from base VIKING to base NOTIKEWIN	20.00
Niton	0597040239	TWP 56-RGE 12-W5M 14 PNG from surface to base ROCK CREEK Excluding CBM	20.00
Niton	5497010208	TWP 56-RGE 12-W5M 27 PNG from surface to base MANNVILLE Excluding WELLBORE	14.00
Niton	5497010208	TWP 56-RGE 12-W5M 26 PNG from surface to base NOTIKEWIN	20.00
Niton	5497020042	TWP 56-RGE 12-W5M 28 PNG from surface to base NOTIKEWIN	7.00
Niton	5497040009	TWP 56-RGE 12-W5M N22 PNG from surface to base MANNVILLE	20.00
Niton	Freehold	TWP 56-RGE 12-W5M S22 PNG from surface to base MANNVILLE Excluding CBM	20.00
Niton	Freehold	TWP 56-RGE 12-W5M W23 PNG from base VIKING to base NOTIKEWIN	20.00
Other	0486010407	TWP 56-RGE 1-W5M E17 PNG from surface to base MANNVILLE	0.75
Other	0486010407	TWP 56-RGE 1-W5M W17 PNG from surface to base MANNVILLE	0.75
Other	29953	TWP 41-RGE 21-W4M NW24 PNG from top VIKING to base MANNVILLE Excluding WELLBORE	20.00
Other	3932	TWP 41-RGE 21-W4M S24,NE24 PNG from top VIKING to base MANNVILLE Excluding WELLBORE	20.00
Other	0416050054	TWP 26-RGE 14-W4M 1 PNG from surface to base BASEMENT	10.00
Other	0486030221	TWP 25-RGE 14-W4M E36 NG from top VIKING to base VIKING NG from top BASAL COLORADO to base BASAL COLORADO NG from top BASAL BLAIRMORE to base BASAL BLAIRMORE	9.08
Other	049012A258	TWP 25-RGE 14-W4M W36 PNG from surface to base MANNVILLE	9.08

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
Other	0497050619	TWP 25-RGE 14-W4M NE36 PNG from surface to base BANFF Excluding NG from top BASAL COLORADO to base BASAL COLORADO Excluding NG from top BASAL BLAIRMORE to base BASAL BLAIRMORE Excluding NG from top VIKING to base VIKING	9.08
Other	0510060146	TWP 89-RGE 5-W6M 1 PNG from top BLUESKY- BULLHEAD to base BLUESKY- BULLHEAD	20.00
Other	0514110057	TWP 73-RGE 10-W6M W24 PNG from surface to base BLUESKY-BULLHEAD	20.00
Other	0591040348	TWP 73-RGE 10-W6M E24 PNG from surface to base CHARLIE LAKE	20.00
Other	0481100014	TWP 36-RGE 3-W5M SE29 PET from top BASAL QUARTZ to base BASAL QUARTZ PET from top OSTRACOD to base OSTRACOD	19.25
Other	0484090377	TWP 35-RGE 3-W5M SW21 PNG from surface to base CARDIUM	20.00
Other	Freehold	TWP 36-RGE 3-W5M SE5 PET from top CARDIUM to base CARDIUM	5.00
Other	Freehold	TWP 36-RGE 3-W5M NE5 PET from top CARDIUM to base CARDIUM Excluding WELLBORE PROD	5
Other	Freehold	TWP 36-RGE 3-W5M NW5 PET from surface to base CARDIUM	10 9.5191
Other	Freehold	TWP 36-RGE 3-W5M SW5 PET from top CARDIUM to base CARDIUM	20.00
Other	Freehold	TWP 36-RGE 3-W5M SE5 PET from top CARDIUM to base CARDIUM	5.00
Other	Freehold	TWP 36-RGE 3-W5M SE5 PET from top CARDIUM to base CARDIUM	5.00
Other	018012A014	TWP 56-RGE 15-W5M NW22 PNG from surface to top CARDIUM	5.83
Other	0502030291	TWP 54-RGE 16-W5M NW33 PNG from surface to base BLUESKY-BULLHEAD	7.00
Other	5405120248	TWP 62-RGE 25-W5M 35 PNG from surface to base PEACE RIVER Excluding WELLBORE	5.00
Other	0178100001	TWP 62-RGE 4-W5M 3 PNG from surface to base VIKING	5.00
Other	0178100008	TWP 62-RGE 4-W5M 14 PNG from surface to base VIKING	2.50
Other	0276080004	TWP 61-RGE 5-W5M S30,NW30 NG from top BANFF to base BANFF	5.00
Other	0417020121	TWP 65-RGE 26-W4M 17 PNG from surface to base BASEMENT	20.00
Other	0417020122	TWP 65-RGE 26-W4M 18 PNG from surface to base BASEMENT	20.00
Other	0514080070	TWP 67-RGE 26-W4M 22 PNG from surface to base BASEMENT	20.00
Other	0516050022	TWP 67-RGE 26-W4M SE28	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PNG from surface to base BASEMENT	
Other	0582080144	TWP 61-RGE 4-W5M 31 PNG from surface to base MANNVILLE	1.54
Other	058208A144	TWP 61-RGE 4-W5M 30 PNG from surface to base MANNVILLE	4.87
Other	13198	TWP 61-RGE 5-W5M NE30 PNG from base UPPER MANNVILLE to base BANFF	5.00
Other	13533	TWP 68-RGE 2-W5M NE19 PNG from surface to base MANNVILLE Excluding WELLBORE	0.625
Other	14445	TWP 68-RGE 3-W5M SE36 PNG from surface to top GILWOOD Excluding PNG from surface to base MANNVILLE	10.00
Other	22178	TWP 68-RGE 2-W5M NW19,SE19 PNG from surface to base MANNVILLE Excluding WELLBORE	0.625
Other	22178	TWP 68-RGE 2-W5M NW17 PNG from top GRAND RAPIDS to base BLUESKY-BULLHEAD	2.50
Other	22178	TWP 68-RGE 2-W5M 30 PNG from surface to base MANNVILLE	10.00
Other	22178A	TWP 68-RGE 3-W5M SW36 PNG from surface to top GILWOOD Excluding PNG from surface to base MANNVILLE	10.00
Other	29397	TWP 68-RGE 2-W5M S17,NE17 PNG from top GRAND RAPIDS to base BLUESKY-BULLHEAD	2.5
Other	34937	TWP 68-RGE 2-W5M SW19 PNG from surface to base MANNVILLE Excluding WELLBORE	0.625
Other	38215	TWP 61-RGE 4-W5M N36,SE36 PNG from surface to base VIKING	6.67
Other	5414070312	TWP 61-RGE 7-W5M 19 TWP 61-RGE 8-W5M 24,N25,SE25 PNG from surface to base BASEMENT	20.00
Other	Freehold	TWP 51-RGE 14-W4M NW27 WELLBORE	20.00
Other	0418020147	TWP 48-RGE 27-W4M W16 PNG from surface to base NISKU	20.00
Paddle River	0182030004	TWP 57-RGE 6-W5M SE21 PNG from surface to base BELLY RIVER Excluding NG from top BELLY RIVER to base BELLY RIVER	0.83
Paddle River	0182030004	TWP 57-RGE 6-W5M N21,SW21 PNG from surface to base BELLY RIVER Excluding NG from top BELLY RIVER to base BELLY RIVER	0.83
Paddle River	0182030004	TWP 57-RGE 6-W5M 22 PNG from top NORDEGG to base NORDEGG	0.83
Paddle River	0182030004	TWP 57-RGE 6-W5M N15 NG from top NORDEGG to base NORDEGG	1.88
Paddle River	0182030006	TWP 58-RGE 6-W5M 3 PNG from surface to base BANFF	11.23
Paddle River	018203A006	TWP 58-RGE 6-W5M SW10 PNG from surface to base	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		BANFF	
Paddle River	0401080193	TWP 54-RGE 4-W5M 17 PNG from surface to base MANNVILLE Excluding PNG from top NOTIKEWIN to base NOTIKEWIN	4.00
Paddle River	0500080482	TWP 55-RGE 6-W5M 9 PNG from surface to base BELLY RIVER	4.00
Paddle River	0507070449	TWP 56-RGE 7-W5M 4 PNG from surface to base MANNVILLE	20.00
Paddle River	0509010131	TWP 55-RGE 7-W5M NE30 PNG from top MANNVILLE to base MANNVILLE Excluding WELLBORE PROD	20.00
Paddle River	0511030353	TWP 55-RGE 7-W5M 33 PNG from top MANNVILLE to base MANNVILLE	20.00
Paddle River	0511030676	TWP 55-RGE 7-W5M N28 PNG from top MANNVILLE to base MANNVILLE	20.00
Paddle River	0511050342	TWP 56-RGE 7-W5M N5 PNG from top MANNVILLE to base MANNVILLE	20.00
Paddle River	0577030155	TWP 57-RGE 6-W5M S15 NG from top NORDEGG to base NORDEGG	1.88
Paddle River	0579080256	TWP 58-RGE 6-W5M 20 PNG from surface to base NORDEGG Excluding CBM	20.00
Paddle River	0580060165	TWP 58-RGE 6-W5M N10,SE10 PNG from surface to base BANFF	20.00
Paddle River	0581020085	TWP 58-RGE 6-W5M N13,SW13 PNG from surface to base NORDEGG	20.00
Paddle River	0581020085	TWP 58-RGE 6-W5M 24 PNG from surface to base NORDEGG	20.00
Paddle River	0581090185	TWP 55-RGE 6-W5M 18,19 PNG from base BELLY RIVER to base NORDEGG CBM from surface to base NORDEGG	5.30
Paddle River	0581090214	TWP 55-RGE 7-W5M 21 PNG from surface to top NORDEGG	5.10
Paddle River	0581100188	TWP 55-RGE 6-W5M 20 PNG from surface to base NORDEGG	11.78
Paddle River	0581100188	TWP 55-RGE 6-W5M 17 PNG from base BELLY RIVER to base NORDEGG Excluding CBM	11.78
Paddle River	058407A286	TWP 59-RGE 6-W5M N4,SW4 PNG from surface to base NORDEGG	15
Paddle River	058407A286	TWP 58-RGE 6-W5M 33 PNG from surface to base NORDEGG	20.00
Paddle River	0587090394	TWP 58-RGE 6-W5M 15 PNG from surface to base NORDEGG Excluding CBM	20.00
Paddle River	0588020179	TWP 56-RGE 7-W5M 27 PNG from surface to base NORDEGG	20.00
Paddle River	0589060122	TWP 58-RGE 6-W5M E21 PNG from surface to base NORDEGG	20.00
Paddle River	0589060123	TWP 58-RGE 6-W5M 22 PNG from surface to base BANFF Excluding CBM	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
Paddle River	0589110368	TWP 58-RGE 6-W5M W21 PNG from surface to base NORDEGG	20.00
Paddle River	0597040236	TWP 55-RGE 7-W5M 32 PNG from top GLAUCONITIC to base GLAUCONITIC Excluding CBM	20.00
Paddle River	0598080338	TWP 58-RGE 6-W5M E16 PNG from surface to base NORDEGG	20.00
Paddle River	26248	TWP 58-RGE 6-W5M 17 PNG from surface to base NORDEGG	20.00
Paddle River	35970	TWP 58-RGE 6-W5M 18 PNG from surface to base NORDEGG	15.00
Paddle River	5409100375	TWP 55-RGE 7-W5M 31 PNG from surface to base MANNVILLE Excluding WELLBORE PROD	20.00
Paddle River	5411110203	TWP 55-RGE 6-W5M 34 PNG from base BELLY RIVER to base MANNVILLE	20.00
Paddle River	5411110203	TWP 55-RGE 6-W5M 27,28 PNG from surface to base MANNVILLE	20.00
Paddle River	5411110204	TWP 55-RGE 6-W5M 21,22,23,27,28,29,30,31,32,33 ,34,36 PNG from base MANNVILLE to base NORDEGG	20.00
Paddle River	5411110210	TWP 56-RGE 6-W5M 4 PNG from surface to base BANFF	20.00
Paddle River	5411110210	TWP 56-RGE 6-W5M 3,9,10 PNG from base BELLY RIVER to base BANFF	20.00
Paddle River	5411110211	TWP 56-RGE 6-W5M 5,6 PNG from surface to base BANFF	18.00
Paddle River	5414020096	TWP 56-RGE 7-W5M 1 PNG from surface to base NORDEGG	20.00
Paddle River	5414070308	TWP 54-RGE 7-W5M 21 PNG from surface to base BASEMENT	20.00
Paddle River	5414100229	TWP 55-RGE 7-W5M S29,NE29,S30,NW30 PNG from surface to base BASEMENT	20.00
Paddle River	5417090087	Tract 2 TWP 55-RGE 7-W5M NE30 PNG from surface to base BASEMENT Excluding PNG from top MANNVILLE to base MANNVILLE	20.00
Paddle River	5417090087	Tract 3 TWP 55-RGE 7-W5M NW29 PNG from base MANNVILLE to base BASEMENT	20.00
Paddle River	5417090087	TWP 55-RGE 6-W5M 29,30,31,32 PNG from surface to base MANNVILLE PNG from base NORDEGG to base BASEMENT	20.00
Paddle River	5417090088	TWP 56-RGE 6-W5M 7 TWP 56-RGE 7-W5M 2,11,12 PNG from surface to base BASEMENT	20.00
Paddle River	5417090211	TWP 54-RGE 7-W5M 17,20 PNG from surface to base BASEMENT	20.00
Paddle River	5495090111	TWP 56-RGE 7-W5M 31 PNG from surface to base	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		NORDEGG	
Paddle River	5497100192	TWP 55-RGE 7-W5M NW29 PNG from top SURFACE to base MANNVILLE Excluding CBM	20.00
Paddle River	Freehold	TWP 56-RGE 7-W5M SW5 PNG from top SURFACE to base OSTRACOD	20.00
Paddle River	Freehold	TWP 56-RGE 7-W5M SE5 PNG from top SURFACE to base OSTRACOD	20.00
Paddle River	Freehold	TWP 59-RGE 6-W5M SE4 PNG from surface to base NORDEGG	15
Thorsby	0494100828	TWP 50-RGE 3-W5M N17 TWP 50-RGE 3-W5M 17(LSD 5-8) PNG from surface to base BELLY RIVER	20.00
Thornbury	0178050155	TWP 78-RGE 13-W4M 25 PNG from surface to base MANNVILLE	20.00
Thornbury	0179040029	TWP 82-RGE 14-W4M NE17 PNG from surface to base MANNVILLE	10.00
Thornbury	0179040029	TWP 82-RGE 14-W4M 27 PNG from surface to base MANNVILLE	10.00
Thornbury	0179040029	TWP 82-RGE 14-W4M 15,16 PNG from surface to base MANNVILLE	10.00
Thornbury	0179040029	TWP 82-RGE 14-W4M NW17,S17,21,22,28 PNG from surface to base MANNVILLE	10.00
Thornbury	0500110212	TWP 79-RGE 13-W4M 25 PNG from surface to base MANNVILLE	16.00
Thornbury	0505060901	TWP 80-RGE 14-W4M 23 PNG from surface to base MANNVILLE	20.00
Thornbury	0505080596	TWP 78-RGE 14-W4M 33 PNG from surface to base MANNVILLE	20.00
Thornbury	0505080599	TWP 78-RGE 15-W4M 36 PNG from surface to base MANNVILLE	20.00
Thornbury	0506070714	TWP 77-RGE 14-W4M 20 PNG from surface to base MANNVILLE	20.00
Thornbury	0507010387	TWP 79-RGE 15-W4M 16 PNG from surface to base MANNVILLE	20.00
Thornbury	0507010388	TWP 79-RGE 15-W4M 17 PNG from surface to base MANNVILLE	20.00
Thornbury	0514120033	TWP 78-RGE 14-W4M 21,27 PNG from base MANNVILLE to base BASEMENT	20.00
Thornbury	0517110127	TWP 80-RGE 15-W4M 15 PNG from surface to base BASEMENT	20.00
Thornbury	0585050215	TWP 80-RGE 13-W4M 1 PNG from surface to base MANNVILLE	4.00
Thornbury	0585050217	TWP 80-RGE 13-W4M 12 PNG from surface to base MANNVILLE	4.00
Thornbury	0585050411	TWP 76-RGE 10-W4M 36 TWP 76-RGE 9-W4M S20 PNG from surface to base MANNVILLE	1.25
Thornbury	0586010365	TWP 80-RGE 13-W4M 16 PNG from surface to base MANNVILLE	2.00
Thornbury	0586010365	TWP 80-RGE 13-W4M 21 PNG from surface to base MANNVILLE	2.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
Thornbury	0586030342	TWP 80-RGE 14-W4M 2 PNG from surface to base MANNVILLE Excluding WELLBORE	4.50
Thornbury	0586030343	TWP 80-RGE 14-W4M 10,11 PNG from surface to base MANNVILLE Excluding WELLBORE	17.00
Thornbury	0586030344	TWP 80-RGE 14-W4M 13 PNG from surface to base MANNVILLE	14.75
Thornbury	0586030344	TWP 80-RGE 14-W4M 12 PNG from surface to base MANNVILLE	17.00
Thornbury	0587070166	TWP 79-RGE 14-W4M 27 PNG from surface to base MANNVILLE	20.00
Thornbury	0589050395	TWP 80-RGE 13-W4M 3 PNG from surface to base MANNVILLE	4.00
Thornbury	058905A395	TWP 80-RGE 13-W4M 9 PNG from surface to base MANNVILLE	4.00
Thornbury	058905A395	TWP 80-RGE 13-W4M 4,10 PNG from surface to base MANNVILLE	4.00
Thornbury	0589120202	TWP 80-RGE 14-W4M 19 PNG from surface to base MANNVILLE Excluding WELLBORE	6.75
Thornbury	0590010409	TWP 79-RGE 13-W4M 23 PNG from surface to base MANNVILLE	4.00
Thornbury	0590010419	TWP 80-RGE 14-W4M 30 PNG from surface to base MANNVILLE	6.75
Thornbury	0590060342	TWP 80-RGE 12-W4M 4 PNG from surface to base MANNVILLE	4.00
Thornbury	0590060343	TWP 80-RGE 12-W4M 5 PNG from surface to base MANNVILLE	4.00
Thornbury	0590100432	TWP 82-RGE 13-W4M 3 PNG from surface to base MANNVILLE	10.00
Thornbury	0591050533	TWP 80-RGE 15-W4M 24 PNG from surface to base MANNVILLE	20.00
Thornbury	0591050534	TWP 80-RGE 15-W4M 25 PNG from surface to base MANNVILLE	20.00
Thornbury	0591050535	TWP 80-RGE 15-W4M 36 PNG from surface to base MANNVILLE	20.00
Thornbury	0593030387	TWP 79-RGE 15-W4M 4 PNG from surface to base MANNVILLE	20.00
Thornbury	0593030387	TWP 79-RGE 15-W4M 3 PNG from surface to base MANNVILLE	20.00
Thornbury	0593030391	TWP 78-RGE 15-W4M 35 PNG from surface to base MANNVILLE	20.00
Thornbury	0593040701	TWP 78-RGE 15-W4M 27 PNG from surface to base MANNVILLE	20.00
Thornbury	0593040701	TWP 78-RGE 15-W4M 26,28,33,34 PNG from surface to base MANNVILLE	20.00
Thornbury	0593050473	TWP 78-RGE 15-W4M 22,23 PNG from surface to base MANNVILLE	20.00
Thornbury	0593060378	TWP 79-RGE 12-W4M 17 PNG from surface to base MANNVILLE	4.00
Thornbury	0593060380	TWP 79-RGE 12-W4M 27 PNG from surface to base	4.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		MANNVILLE	
Thornbury	0593060381	TWP 79-RGE 12-W4M 29 PNG from surface to base MANNVILLE	4.00
Thornbury	0593060383	TWP 79-RGE 13-W4M 26 PNG from surface to base MANNVILLE	4.00
Thornbury	0593070520	TWP 78-RGE 15-W4M 21 PNG from surface to base MANNVILLE	20.00
Thornbury	0593070520	TWP 78-RGE 15-W4M 29,32 PNG from surface to base MANNVILLE	20.00
Thornbury	0593090784	TWP 79-RGE 13-W4M 34 PNG from surface to base MANNVILLE	4.00
Thornbury	0593090784	TWP 79-RGE 13-W4M 27 PNG from surface to base MANNVILLE	4.00
Thornbury	0594060666	TWP 79-RGE 12-W4M 8 PNG from surface to base BASEMENT	4.00
Thornbury	0594110276	TWP 79-RGE 13-W4M 14 PNG from surface to base MANNVILLE	4.00
Thornbury	0595010782	TWP 79-RGE 15-W4M 9 PNG from top MCMURRAY to base MCMURRAY	20.00
Thornbury	0595010787	TWP 80-RGE 16-W4M 25 PNG from surface to base MANNVILLE	20.00
Thornbury	0595010787	TWP 80-RGE 15-W4M 30,31 TWP 80-RGE 16-W4M 36 TWP 81-RGE 15-W4M 6 PNG from surface to base MANNVILLE	20.00
Thornbury	0595060345	TWP 79-RGE 12-W4M 3 PNG from surface to base MCMURRAY	16.00
Thornbury	0595070450	TWP 79-RGE 15-W4M 20 PNG from surface to base MANNVILLE	20.00
Thornbury	0595090673	TWP 79-RGE 14-W4M 18 TWP 79-RGE 15-W4M 25 PNG from surface to base MANNVILLE	20.00
Thornbury	0595090673	TWP 79-RGE 14-W4M 15,19,28,29,30 TWP 79-RGE 15-W4M 14,23,24,26 PNG from surface to base MANNVILLE	20.00
Thornbury	0595110408	TWP 79-RGE 14-W4M 6,7 PNG from surface to base MANNVILLE	20.00
Thornbury	0595110411	TWP 80-RGE 14-W4M 7 PNG from surface to base MANNVILLE	20.00
Thornbury	0595110488	TWP 80-RGE 15-W4M 23,35 PNG from surface to base MANNVILLE	20.00
Thornbury	0596010191	TWP 79-RGE 12-W4M 30 PNG from surface to base MANNVILLE	16.00
Thornbury	0596060259	TWP 79-RGE 12-W4M 2 PNG from surface to base MCMURRAY	16.00
Thornbury	23015A	TWP 78-RGE 15-W4M 4 PNG from surface to base MANNVILLE	3.33
Thornbury	29993	TWP 79-RGE 15-W4M 9 PNG from surface to base MANNVILLE Excluding PNG from top MCMURRAY to base MCMURRAY	20.00
Thornbury	39567	TWP 77-RGE 9-W4M 6 PNG from surface to base	1.07

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		MANNVILLE	
Thornbury	39586	TWP 80-RGE 18-W4M 24 PNG from surface to base GROSMONT	1.60
Thornbury	39586	TWP 80-RGE 18-W4M 13,14,23 PNG from surface to base GROSMONT	1.60
Thornbury	5494100161	TWP 77-RGE 14-W4M 19 PNG from surface to base MCMURRAY Excluding CBM	20.00
Thornbury	5494100161	TWP 77-RGE 14-W4M 30 PNG from surface to base MCMURRAY Excluding CBM	20.00
Thornbury	5494100161	TWP 77-RGE 15-W4M 25 PNG from surface to base MANNVILLE	20.00
Thornbury	5495080116	TWP 80-RGE 16-W4M 35 PNG from surface to base MANNVILLE	20.00
Thornbury	5495090143	TWP 79-RGE 14-W4M 5 PNG from surface to base MANNVILLE	20.00
Thornbury	5495090143	TWP 79-RGE 15-W4M 1 TWP 79-RGE 14-W4M 3,4 PNG from surface to base MANNVILLE	20.00
Thornbury	5495090144	TWP 80-RGE 15-W4M 20 PNG from surface to base MANNVILLE	20.00
Thornbury	5495090144	TWP 80-RGE 15-W4M 19 PNG from surface to base MANNVILLE	20.00
Thornbury	5495090144	TWP 80-RGE 15-W4M 11 PNG from surface to base MANNVILLE	20.00
Thornbury	5495100048	TWP 77-RGE 14-W4M 9,17 PNG from surface to base MANNVILLE Excluding CBM	20.00
Thornbury	5495100049	TWP 77-RGE 14-W4M 18 PNG from surface to base MANNVILLE Excluding CBM	20.00
Thornbury	5495100050	TWP 77-RGE 14-W4M 35 PNG from surface to base MANNVILLE Excluding CBM	20.00
Thornbury	5495100052	TWP 78-RGE 14-W4M 16 PNG from surface to base MANNVILLE	20.00
Thornbury	5495100054	TWP 78-RGE 14-W4M 26 PNG from surface to base MCMURRAY Excluding CBM	20.00
Thornbury	5495100055	TWP 78-RGE 15-W4M 13,14 PNG from surface to base MANNVILLE Excluding CBM	20.00
Thornbury	5495100160	TWP 81-RGE 14-W4M 4,5,6,7,8,9,16,18 PNG from surface to base MANNVILLE	20.00
Thornbury	5495100161	TWP 81-RGE 15-W4M 12 PNG from surface to base MANNVILLE	20.00
Thornbury	5495100161	TWP 81-RGE 15-W4M 13 PNG from surface to base MANNVILLE	20.00
Thornbury	5495100161	TWP 81-RGE 15-W4M 10 PNG from surface to base MANNVILLE	20.00
Thornbury	5495110058	TWP 81-RGE 15-W4M 24 PNG from surface to base MANNVILLE	20.00
Thornbury	5498010077	TWP 80-RGE 14-W4M 31	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PNG from surface to base MANNVILLE	
Whitecourt	0500060518	TWP 60-RGE 11-W5M N10 NG from top PEKISKO to base PEKISKO NG from top JURASSIC to base JURASSIC	7.50
Whitecourt	0500110822	TWP 63-RGE 10-W5M 26 PNG from surface to base VIKING	10.00
Whitecourt	0501030376	TWP 60-RGE 11-W5M 24 PNG from surface to base PEKISKO	10.00
Whitecourt	0501060447	TWP 60-RGE 11-W5M S13,NE13 PNG from surface to base BELLY RIVER	5.00
Whitecourt	0501080238	TWP 60-RGE 10-W5M 7 PNG from base NORDEGG to base PEKISKO	10.00
Whitecourt	0506010361	TWP 63-RGE 20-W5M 5 PNG from base BLUESKY- BULLHEAD to top DOIG	10.00
Whitecourt	0507010723	TWP 60-RGE 11-W5M S13,NE13 PNG from base BELLY RIVER to base MANNVILLE	1.25
Whitecourt	0577020072	TWP 60-RGE 11-W5M S15 PNG from surface to base PEKISKO Excluding CBM from surface to base BASEMENT	2.45
Whitecourt	0577020073	TWP 60-RGE 11-W5M SE16 NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO CBM from surface to base PEKISKO	4.20
Whitecourt	0578080151	TWP 60-RGE 10-W5M SE7 PNG from surface to base NORDEGG	10.00
Whitecourt	0578090138	TWP 59-RGE 10-W5M SW15 PNG from surface to base NORDEGG Excluding PNG from top MANNVILLE to base MANNVILLE	10.00
Whitecourt	0578090138	TWP 59-RGE 10-W5M E15 PNG from surface to base NORDEGG Excluding PNG from top MANNVILLE to base MANNVILLE	10.00
Whitecourt	0588100423	TWP 58-RGE 21-W5M NW23 PNG from surface to base CARDIUM	16.00
Whitecourt	0589050108	TWP 59-RGE 10-W5M SE9 PNG from surface to base MANNVILLE Excluding CBM	1.20
Whitecourt	0590040492	TWP 59-RGE 10-W5M 1 PNG from surface to base NORDEGG	10.00
Whitecourt	0593110766	TWP 64-RGE 15-W5M 26,35 PNG from surface to base BLUESKY-BULLHEAD	10.00
Whitecourt	0594120281	TWP 59-RGE 10-W5M 3 PNG from surface to base PEKISKO Excluding WELLBORE	4.00
Whitecourt	0594120282	TWP 59-RGE 10-W5M 10 PNG from top JURASSIC to base JURASSIC CBM from surface to base PEKISKO WELLBORE ONLY	4.00
Whitecourt	0595040193	TWP 64-RGE 14-W5M 26	20.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PNG from surface to base BLUESKY-BULLHEAD Excluding CBM from top MANNVILLE to base MANNVILLE	
Whitecourt	0596010415	TWP 60-RGE 11-W5M NE32 PNG from base NORDEGG to base PEKISKO	2.25
Whitecourt	0597030792	TWP 60-RGE 11-W5M S10 NG from top PEKISKO to base PEKISKO NG from top JURASSIC to base JURASSIC	7.50
Whitecourt	0597040244	TWP 61-RGE 10-W5M 21 PNG from surface to base PEKISKO	2.00
Whitecourt	0597070666	TWP 58-RGE 11-W5M 32 PNG from surface to base PEKISKO	10.00
Whitecourt	111573	TWP 59-RGE 10-W5M NW15 PNG from surface to base NORDEGG Excluding PNG from top MANNVILLE to base MANNVILLE	10.00
Whitecourt	111573	TWP 59-RGE 10-W5M SW22 PNG from surface to base NORDEGG	10.00
Whitecourt	111573	TWP 59-RGE 10-W5M NE16,SE21 PNG from surface to base PEKISKO	10.00
Whitecourt	111574	TWP 59-RGE 10-W5M N20 PNG from surface to base PEKISKO Excluding CBM	4.00
Whitecourt	111575	TWP 59-RGE 10-W5M N21 PNG from surface to base PEKISKO	10.00
Whitecourt	1183	TWP 59-RGE 10-W5M NE9 NG from top JURASSIC to base JURASSIC	4.00
Whitecourt	1183	TWP 59-RGE 10-W5M S4,NE4 NG from top JURASSIC to base JURASSIC NG from top PEKISKO to base PEKISKO Excluding CBM from surface to base BASEMENT Excluding NG from top NORDEGG to base NORDEGG	4.00
Whitecourt	1183	TWP 60-RGE 11-W5M S13,NE13 NG from top PEKISKO to base PEKISKO NG from top JURASSIC to base JURASSIC	5.00
Whitecourt	1183	TWP 59-RGE 10-W5M S5 NG from top JURASSIC to base JURASSIC	10.00
Whitecourt	1183	TWP 59-RGE 10-W5M S6 NG from top JURASSIC to base JURASSIC	10.00
Whitecourt	1183	TWP 58-RGE 10-W5M N32,SE32 NG from top JURASSIC to base JURASSIC	10.00
Whitecourt	1184	TWP 59-RGE 10-W5M SE9 NG from top JURASSIC to base JURASSIC	4.00
Whitecourt	1184	TWP 60-RGE 11-W5M N34 NG from top JURASSIC to base JURASSIC	10.00
Whitecourt	1184	TWP 60-RGE 11-W5M N35 NG from top JURASSIC to base JURASSIC	10.00
Whitecourt	11916	TWP 58-RGE 11-W5M 35 PNG from surface to base	10.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PEKISKO	
Whitecourt	120105	TWP 60-RGE 11-W5M SW8 NG from top NORDEGG to base NORDEGG CBM from surface to base NORDEGG	4.20
Whitecourt	120106	TWP 60-RGE 11-W5M E17 PNG from top NORDEGG to base NORDEGG	4.2
Whitecourt	120106B	TWP 60-RGE 11-W5M E8 NG from top NORDEGG to base NORDEGG CBM from surface to base NORDEGG	4.20
Whitecourt	120106B	TWP 60-RGE 11-W5M W16 NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO CBM from surface to base PEKISKO	4.20
Whitecourt	120107	TWP 60-RGE 11-W5M E20 NG from top NORDEGG to base NORDEGG CBM from top PEKISKO to base PEKISKO Excluding WELLBORE	4
Whitecourt	120108	TWP 60-RGE 11-W5M SW21 PNG from surface to top BASAL QUARTZ Excluding CBM	7.42
Whitecourt	124127	TWP 59-RGE 12-W5M 26 NG from top NORDEGG to base NORDEGG	5.00
Whitecourt	1262	TWP 59-RGE 12-W5M SE10,NW22 TWP 59-RGE 11-W5M S28,NW28 NG from top LOWER MANNVILLE to base LOWER MANNVILLE NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO	8.49
Whitecourt	1263	TWP 59-RGE 12-W5M E22 NG from top NORDEGG to base NORDEGG	7.13
Whitecourt	1264	TWP 59-RGE 12-W5M S25 NG from top PEKISKO to base PEKISKO	8.54554 2
Whitecourt	1264	TWP 59-RGE 12-W5M N24 TWP 59-RGE 11-W5M SW30 NG from top PEKISKO to base PEKISKO	8.31
Whitecourt	127739	TWP 59-RGE 12-W5M 35 TWP 60-RGE 12-W5M 2 PNG from surface to base NORDEGG Excluding NG from top NORDEGG to base NORDEGG Excluding NG from top LOWER MANNVILLE to base LOWER MANNVILLE	4.44
Whitecourt	127754	Tract 2 TWP 60-RGE 12-W5M E3 PNG from surface to base NORDEGG	8.31
Whitecourt	127754	TWP 60-RGE 11-W5M S7 PNG from surface to base PEKISKO Excluding NG from top PEKISKO to base PEKISKO Excluding NG from top NORDEGG to base NORDEGG	8.31
Whitecourt	127754	TWP 60-RGE 11-W5M 6	8.31

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		TWP 59-RGE 11-W5M E31 NG from top PEKISKO to base PEKISKO NG from top NORDEGG to base NORDEGG	
Whitecourt	16143	TWP 60-RGE 11-W5M N11 PNG from surface to base PEKISKO	6.00
Whitecourt	16143	TWP 60-RGE 11-W5M N12,SE12,S14 PNG from surface to base PEKISKO	10.00
Whitecourt	16143A	TWP 60-RGE 10-W5M N7,SW7 PNG from surface to base NORDEGG	10.00
Whitecourt	18323	TWP 58-RGE 11-W5M S25,NW25 PNG from top SURFACE to base NORDEGG	10.00
Whitecourt	21400	TWP 59-RGE 12-W5M NE10 PNG from surface to base UPPER MANNVILLE	5.00
Whitecourt	21400	TWP 59-RGE 12-W5M E15 PNG from surface to base UPPER MANNVILLE	5.00
Whitecourt	21400	TWP 59-RGE 12-W5M W11 PNG from surface to base NORDEGG Excluding NG from top NORDEGG to base NORDEGG	10.00
Whitecourt	21400	TWP 59-RGE 12-W5M W14 CBM from top UPPER MANNVILLE to base UPPER MANNVILLE PNG from surface to base NORDEGG Excluding PNG from top UPPER MANNVILLE to base UPPER MANNVILLE Excluding NG from top NORDEGG to base NORDEGG	10.00
Whitecourt	21401	TWP 59-RGE 12-W5M N23,SW23 NG from top NORDEGG to base NORDEGG	10.00
Whitecourt	27886	TWP 59-RGE 10-W5M NW22 PNG from surface to base NORDEGG	10.00
Whitecourt	2985	TWP 60-RGE 11-W5M W28 PNG from top PEKISKO to base PEKISKO	5
Whitecourt	36939	TWP 59-RGE 10-W5M SE16 PNG from surface to base NORDEGG	10.00
Whitecourt	37822	TWP 60-RGE 11-W5M E1 PNG from surface to base PEKISKO Excluding NG from top JURASSIC to base JURASSIC	10.00
Whitecourt	38001	TWP 58-RGE 10-W5M SW32 PNG from surface to base NORDEGG	10.00
Whitecourt	38001	TWP 58-RGE 11-W5M NE25 PNG from top SURFACE to base NORDEGG	10.00
Whitecourt	38477	TWP 60-RGE 12-W5M S13 PNG from surface to base LOWER MANNVILLE	5.00
Whitecourt	38477	TWP 60-RGE 12-W5M NE11 PET from surface to base NORDEGG	10.00
Whitecourt	38477	TWP 60-RGE 12-W5M SE14 PNG from base LOWER MANNVILLE to base NORDEGG Excluding NG from top NORDEGG to base NORDEGG	10.00
Whitecourt	38477	TWP 60-RGE 12-W5M N12 NG from surface to base	10.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		SURFACE	
Whitecourt	38479	TWP 59-RGE 10-W5M 8 PNG from surface to base PEKISKO	4.00
Whitecourt	38479	TWP 59-RGE 10-W5M 8 TWP 59-RGE 10-W5M 7 CBM from surface to base PEKISKO NG from top NORDEGG to base NORDEGG	10.00
Whitecourt	38480	TWP 59-RGE 10-W5M NW4 PNG from base MANNVILLE to base PEKISKO Excluding NG from top NORDEGG to base NORDEGG Excluding CBM from surface to base BASEMENT	4.00
Whitecourt	38481	TWP 59-RGE 10-W5M E22 PNG from surface to base NORDEGG	10.00
Whitecourt	38482	TWP 59-RGE 10-W5M W9 NG from top PEKISKO to base PEKISKO	1.20
Whitecourt	38482	TWP 59-RGE 10-W5M S20 PNG from surface to base PEKISKO Excluding CBM from surface to base BASEMENT	4.00
Whitecourt	38482	TWP 59-RGE 10-W5M W16,17,SW21 PNG from surface to base PEKISKO	10.00
Whitecourt	38504	TWP 59-RGE 12-W5M N25 NG from top BELLY RIVER to base BELLY RIVER NG from top LOWER MANNVILLE to base LOWER MANNVILLE	8.54554 2
Whitecourt	38504	TWP 59-RGE 11-W5M NW30,W31 TWP 59-RGE 12-W5M 36 NG from top LOWER MANNVILLE to base LOWER MANNVILLE NG from top PEKISKO to base PEKISKO NG from top NORDEGG to base NORDEGG	10.00
Whitecourt	38505	TWP 59-RGE 12-W5M W10 PNG from surface to base UPPER MANNVILLE	5.00
Whitecourt	38505	TWP 59-RGE 12-W5M W15 PNG from surface to base UPPER MANNVILLE	5.00
Whitecourt	38505	TWP 59-RGE 12-W5M SW22 PNG from surface to base PEKISKO Excluding NG from top LOWER MANNVILLE to base LOWER MANNVILLE Excluding NG from top NORDEGG to base NORDEGG Excluding NG from top PEKISKO to base PEKISKO	10.00
Whitecourt	38507	TWP 59-RGE 10-W5M N5 PNG from top SURFACE to base PEKISKO	10.00
Whitecourt	38507	TWP 59-RGE 10-W5M N6 PNG from base EDMONTON SANDSTONE to base NORDEGG	10.00
Whitecourt	38508	TWP 60-RGE 11-W5M SW12 PNG from surface to base PEKISKO	10.00
Whitecourt	38508	TWP 60-RGE 11-W5M NW1 PNG from surface to base PEKISKO	10.00
Whitecourt	38508	TWP 60-RGE 11-W5M S11 PNG from surface to base	6.00

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		PEKISKO	
Whitecourt	38509	TWP 60-RGE 11-W5M NW8 NG from top NORDEGG to base NORDEGG CBM from surface to base NORDEGG	4.20
Whitecourt	38509	TWP 60-RGE 11-W5M W20 WELLBORE PROD	4
Whitecourt	38509	TWP 60-RGE 11-W5M W17 PNG from top NORDEGG to base NORDEGG	4.2
Whitecourt	38509	TWP 60-RGE 11-W5M SW29 CBM from base NORDEGG to base PEKISKO PNG from base NORDEGG to base PEKISKO	10.00
Whitecourt	38509	TWP 60-RGE 11-W5M N7 NG from top NORDEGG to base NORDEGG	9.12599 3
Whitecourt	38509	TWP 60-RGE 11-W5M 18 PNG from surface to base NORDEGG	10.00
Whitecourt	38510	TWP 60-RGE 11-W5M NW13 PNG from base BELLY RIVER to base MANNVILLE	1.2
Whitecourt	38510	TWP 60-RGE 11-W5M NE16 CBM from surface to base PEKISKO NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO	4.20
Whitecourt	38510	TWP 60-RGE 11-W5M N15 WELLBORE PROD	2.45
Whitecourt	38510	TWP 60-RGE 11-W5M E21 PNG from top BASAL QUARTZ to base PEKISKO Excluding CBM	2.78
Whitecourt	38510	TWP 60-RGE 11-W5M E28 PNG from top PEKISKO to base PEKISKO	5
Whitecourt	38510	TWP 60-RGE 11-W5M W26 PNG from surface to base PEKISKO Excluding PNG from top BELLY RIVER to base BELLY RIVER	10.00
Whitecourt	38510	TWP 60-RGE 11-W5M E26 PNG from surface to base PEKISKO Excluding PNG from top BELLY RIVER to base BELLY RIVER	10.00
Whitecourt	38510	TWP 60-RGE 11-W5M N14 PNG from surface to base PEKISKO	10.00
Whitecourt	38510	TWP 60-RGE 11-W5M 22 PNG from surface to base PEKISKO Tract 2 TWP 60-RGE 11-W5M S35 PNG from surface to base NORDEGG	10.00
Whitecourt	38510	TWP 60-RGE 11-W5M 23,27,SE33,S34 PNG from surface to base PEKISKO	10.00
Whitecourt	38511	TWP 60-RGE 11-W5M 19 PNG from base MANNVILLE to base PEKISKO	1.28
Whitecourt	38766	TWP 59-RGE 12-W5M NE14 PNG from surface to base NORDEGG Excluding NG from top NORDEGG to base NORDEGG Excluding PNG from top UPPER MANNVILLE to base UPPER MANNVILLE	7.50

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
		Excluding CBM from surface to base NORDEGG	
Whitecourt	38766	TWP 59-RGE 12-W5M NE12,E13,NW13,SE23,S24 TWP 59-RGE 11-W5M 7,18,S19 PNG from surface to base NORDEGG Excluding CBM from surface to base NORDEGG Excluding NG from top NORDEGG to base NORDEGG	7.50
Whitecourt	38767	TWP 59-RGE 11-W5M NE28,E33 NG from top PEKISKO to base PEKISKO	10.00
Whitecourt	38768	TWP 59-RGE 12-W5M SE14 PNG from top UPPER MANNVILLE to base UPPER MANNVILLE Excluding CBM	9.508925
Whitecourt	38768	TWP 59-RGE 12-W5M E11,NW12,S12,SW13,SE14 NG from top NORDEGG to base NORDEGG	8.57143
Whitecourt	5408090493	TWP 63-RGE 20-W5M 8 PNG from base BLUESKY-BULLHEAD to top DOIG	10.00
Whitecourt	5408090493	TWP 63-RGE 20-W5M 17,19,20 PNG from base BLUESKY-BULLHEAD to base TRIASSIC	20.00
Whitecourt	5414110077	TWP 65-RGE 15-W5M 9,16 PNG from base GILWOOD to base BASEMENT	20.00
Whitecourt	5496080102	TWP 60-RGE 10-W5M 16 PNG from surface to base MANNVILLE	1.60
Whitecourt	5496080102	TWP 60-RGE 10-W5M 9 PNG from surface to base MANNVILLE	1.60
Whitecourt	5496080102	TWP 60-RGE 10-W5M 10 PNG from surface to base MANNVILLE	3.33
Whitecourt	5496120022	TWP 61-RGE 10-W5M 16 PNG from surface to base PEKISKO Excluding WELLBORE PROD	4.00
Whitecourt	931	TWP 60-RGE 12-W5M SE12 NG from top PEKISKO to base PEKISKO	8.31

Area	Lessor/Crown #	CANADIAN LICENCES Rights Held	Active WI %
Whitecourt	931	TWP 59-RGE 11-W5M W32 NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO	8.31
Whitecourt	931	TWP 59-RGE 11-W5M 29,SE32 NG from top PEKISKO to base PEKISKO	8.31
Whitecourt	931	TWP 60-RGE 12-W5M 1,SW12 NG from top PEKISKO to base PEKISKO NG from top NORDEGG to base NORDEGG NG from top LOWER MANNVILLE to base LOWER MANNVILLE	8.31
Whitecourt	932	TWP 59-RGE 11-W5M N19 NG from top NORDEGG to base NORDEGG	8.31
Whitecourt	933	TWP 59-RGE 11-W5M E30 NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO	8.31
Whitecourt	934A	TWP 59-RGE 12-W5M S25 NG from top BELLY RIVER to base BELLY RIVER NG from top LOWER MANNVILLE to base LOWER MANNVILLE	8.545542
Whitecourt	934A	TWP 59-RGE 12-W5M N24 TWP 59-RGE 11-W5M SW30 NG from top NORDEGG to base NORDEGG	8.31
Whitecourt	935	TWP 59-RGE 11-W5M NE32,W33 TWP 60-RGE 11-W5M W4,5 NG from top PEKISKO to base PEKISKO	8.31
Whitecourt	Freehold	TWP 60-RGE 12-W5M SE2 NG from top LOWER MANNVILLE to base LOWER MANNVILLE NG from top NORDEGG to base NORDEGG NG from top PEKISKO to base PEKISKO	10.00

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