

21 September 2017

ASX Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

SHARE PLACEMENT: ASX LISTING RULE 7.1A.4(b) & 3.10.5A NOTICE

Elk Petroleum Limited (ASX: ELK) ("Company") hereby provides notice to the ASX for the purposes of ASX Listing Rule 3.10.5A and ASX Listing Rule 7.1A.4(b) that on 21 September 2017 it issued 195,285,129 fully paid ordinary shares in the Company to Sophisticated and Professional Investors under a Private Placement (the "Private Placement"), of which 85,670,311 of those shares (the "7.1A Placement Shares") were issued in accordance with ASX Listing Rule 7.1A.

The issue price for the 7.1A Placement Shares was the same as all other shares under the Private Placement, being A\$0.062 per share, with a total of A\$5,311,559.28 in funds raised before costs from the 7.1A Placement Shares (and A\$12,107,678.00 before costs raised in total under the total Private Placement).

In relation to the 7.1A Placement Shares, the shares were issued for cash consideration, to be used for the purposes approved by shareholders at the 2016 Annual General Meeting, being for screenings and assessments, feasibility studies, appraisal and testing activities, development and production expenditure on the Company's current assets or acquired assets or any aspects related to the financing thereof and/or general working capital. The consideration from the capital raising is specifically being used for the financing and acquisition of the Aneth Project, an oil and gas asset, and additional working capital.

Pursuant to ASX Listing Rule 3.10.5A, the Company states that:

- The dilutive effect of the New Shares on existing shareholders as a result of the Private Placement is approximately 18.56% of which 10.42% is as a result of the shares issued under ASX Listing Rule 7.1 and 8.14% as a result of the shares issued under ASX Listing Rule 7.1A. Following completion, pre-Private Placement security holders will hold approximately 81.44% of fully paid ordinary shares on issue;
- The Company considered the Private Placement as the most efficient and expedient method for raising the funds required by the Company;
- No other fees or costs were incurred in connection with the issue, apart from a Brokers' fee of 5.0% + GST (where applicable) of the total placement amount; and
- The Private Placement was not underwritten.

For and on behalf of the Board,
Yours faithfully,



David Franks
Company Secretary
Elk Petroleum Limited

ABOUT ELK PETROLEUM

Elk Petroleum Limited (ASX: ELK) is an oil and gas company specialising in Enhanced Oil Recovery (EOR), with assets located in one of the richest onshore oil regions of the USA, the Rocky Mountains. Elk's strategy is focused on applying proven EOR technologies to mature oil fields, which significantly de-risks the Company's strategy of finding and exploiting oil field reserves.