



EXTRAORDINARY GENERAL MEETING

Managing Director Presentation

27 October 2017



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The reserves and resources assessment follows the guidelines set forth by the Society of Petroleum Engineers – Petroleum Resource Management System (SPE-PRMS).

The Reserves and Contingent Resources in this announcement relating to the Madden Gas Field and Madden Deep Unit to be acquired from Freeport McMoRan Inc. is based on an independent review and audit conducted by Netherland, Sewell & Associates, Inc. and fairly represents the information and supporting documentation reviewed. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Shane M. Howell and Mr. John R. Cliver, both Vice Presidents of Netherland, Sewell & Associates, Inc., an independent petroleum advisory firm. Mr. Howell is a Registered Professional Geologist in the State of Texas and Mr. Cliver is a Registered Professional Engineer in the State of Texas. Mr. Howell’s qualifications include Master of Science in Geological Sciences, San Diego State University and a Bachelor of Science in Geological Sciences, San Diego State University. Mr. Howell has more than 10 years of relevant experience. Mr. Cliver’s qualifications include a Masters of Business Administration from the University of Texas, Austin and a Bachelor of Science in Chemical Engineering from Rice University. Mr. Cliver has more than 10 years of relevant experience. Mr. Howell and Mr. Cliver meet the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules.

The Reserves and Contingent Resources in this announcement relating to the Grieve CO₂ EOR project, operated by Denbury Resources, is based on an independent review and audit conducted by VSO Petroleum Consultants, Inc. and fairly represents the information and supporting documentation reviewed. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Grant Olsen, a Director of VSO Petroleum Consultants, Inc., an independent petroleum advisory firm. Mr. Olsen is a Registered Professional Engineer in the State of Texas and his qualifications include a Bachelor of Science and Master of Science (both in Petroleum Engineering) from Texas A&M University. He has more than 10 years of relevant experience. Mr. Olsen is a member of the Society of Petroleum Engineers (SPE) and an Associate Member of the Society of Petroleum Evaluation Engineers. Mr. Olsen meets the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules and consents to the inclusion of this information in this report.

The information in this ASX release or presentation that relates to Reserve and Contingent Resources estimates for the Grieve CO₂ EOR project and the Reserve and Contingent Resource estimates for the newly acquired Madden Deep Gas Field and the Madden Deep Unit Singleton CO₂ EOR project have been compiled and prepared by Mr. David Evans, COO and Mr. Brian Dolan, COO-USA and VP-Engineering of Elk Petroleum Inc. who are both qualified persons as defined under the ASX Listing Rule 5.11 and both have consented to the use of the reserves figures in the form and context in which they appear in this presentation.

Mr. Evans is a full-time employee of the company. Mr. Evans earned a Bachelor of Science with Honours in Geology from the University of London, United Kingdom, a Post Graduate Diploma, Petroleum Exploration from Oxford Brookes University, United Kingdom and a Master of Applied Science, Geology from the University of Canberra and Australian National University in Canberra, ACT. Mr. Evans has more than 30 years of relevant experience. Mr. Evans has sufficient experience that is relevant to the company’s Reserves and Resources to qualify as a Reserves and Resources Evaluator as defined in the ASX Listing Rules. Mr. Evans consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

Mr. Dolan is a full-time employee of the company. Mr. Dolan earned a degree in Mechanical Engineering from the University of Colorado at Boulder. Mr. Dolan has more than 24 years of relevant experience. Mr. Dolan has sufficient experience that is relevant to the company’s Reserves and Resources to qualify as a Reserves and Resources Evaluator as defined in the ASX Listing Rules. Mr. Dolan consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

Corporate Overview

Conventional Oil

- Elk is focused on redevelopment of conventional oil fields through enhanced oil recovery (“EOR”)
- With Aneth acquisition, Elk becomes the 2nd biggest ASX Mid-Tier Oil & Gas company by reserves & production

Proven Practices

- EOR is a well established, low risk production methodology - ~90% success rate
- Engineering not exploration and candidate selection is critical

Production Focused

- CO₂ EOR focus provides opportunity for low risk, long-term production growth
- Abundance of large mature conventional oil fields suitable for CO₂ EOR redevelopment

Long term Profits

- EOR can deliver competitive, low cost, high margin production & annuity style cash flows
- Main assets have forecast 40-50 year production lives & significant growth potential

Cash Flow Positive

- Forecast 2018 EBITDA of ~US\$50 million and free cash flow of US\$17 million⁽¹⁾

Foundations For Growth



CO₂ Sources

- Direct investment in CO₂ supplies
- Control of CO₂ essential
- Competitive advantage
- Potential profit as 3rd party supplier
- Core focus moving forward



EOR Project Fields

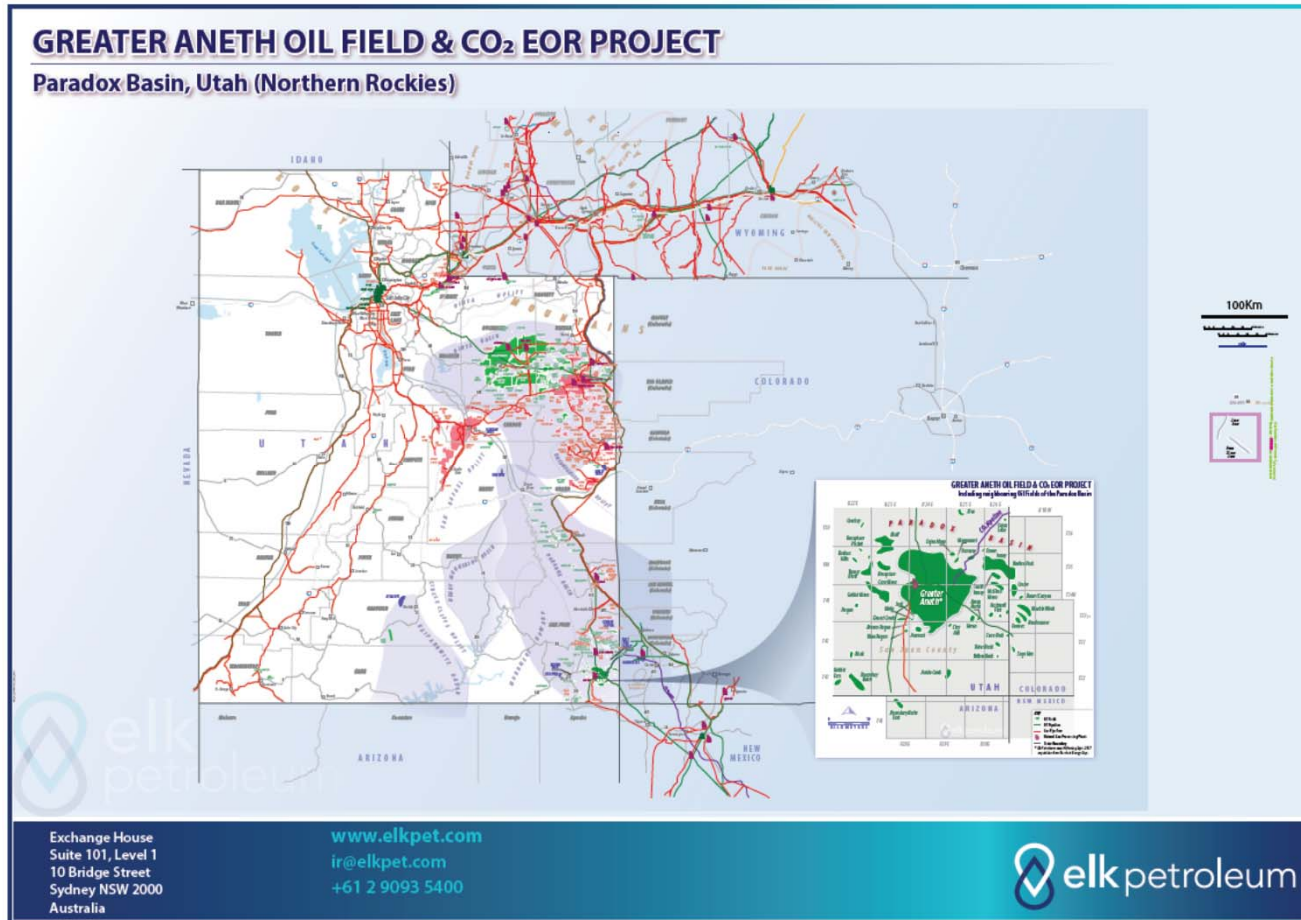
- Ownership & development of CO₂ EOR Projects
- Main financial engine room
- Small club of competitors
- Already a recognized player
- Long-term, low risk cash flows



CO₂ & Production Infrastructure

- Oil & CO₂ pipelines, gas processing
- Grieve Oil Pipeline shows value of 3rd party revenues
- Potential additional value in CCS

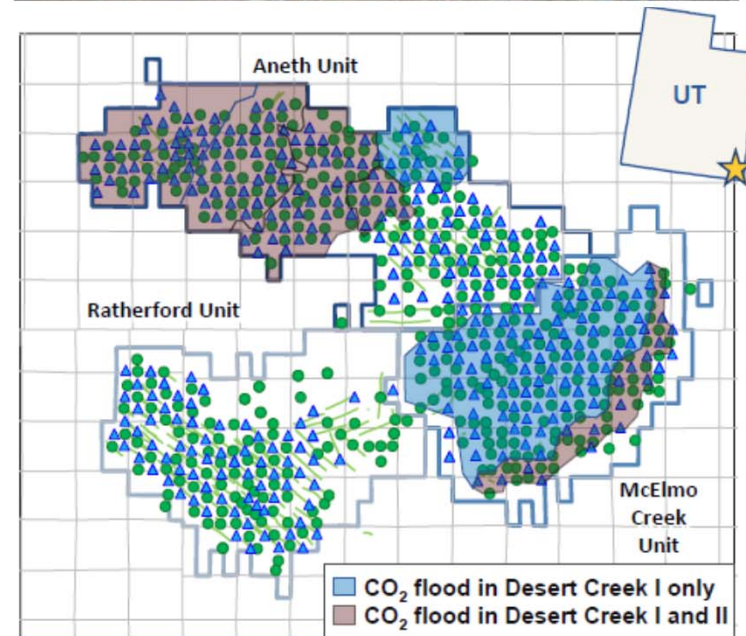
Our newest asset - Utah



Vast CO₂ reserves, extensive CO₂ infrastructure, multiple CO₂ EOR operating projects and numerous new projects for development

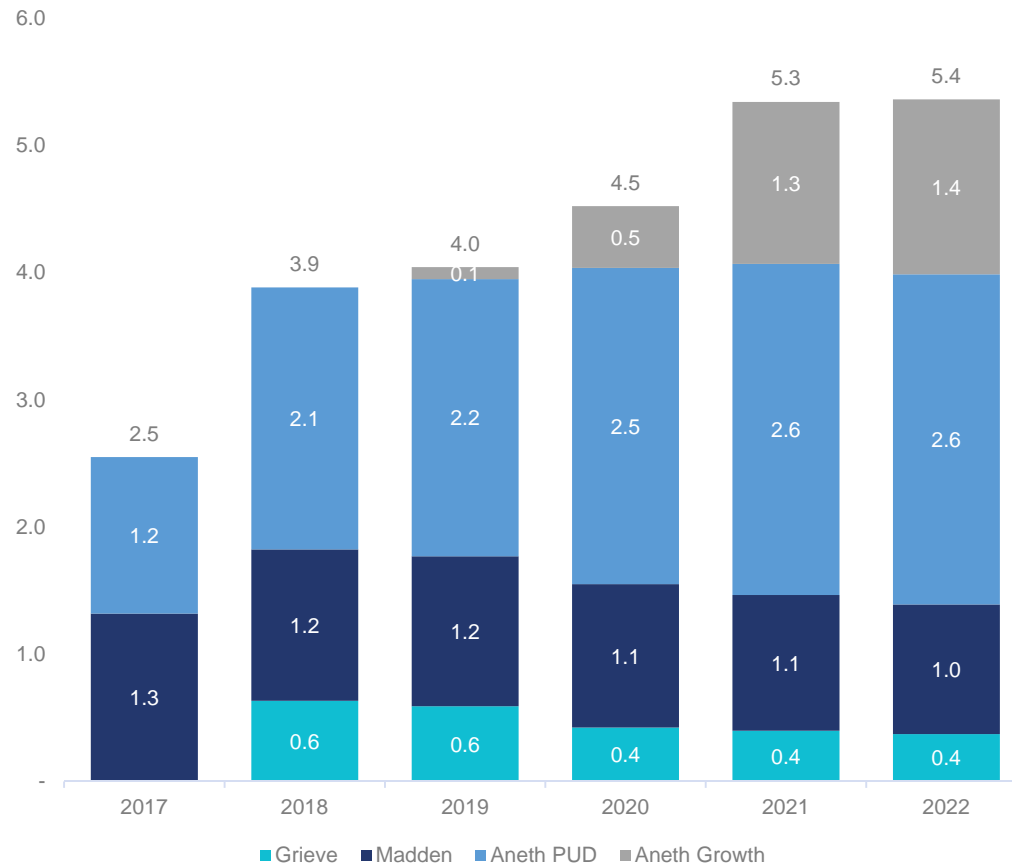
Greater Aneth Oil Field Overview

- Greater Aneth Oil Field is a world class giant oil field ranked by EIA as the 86th biggest oil field in US
- Elk acquiring 63% WI and operatorship from Resolute Energy for upfront consideration of USD 160 million
- One of 3 biggest CO₂ EOR projects in Rocky Mountains
- Productive partnership with Navajo Nation Oil & Gas Corporation (~37%) JV interest partner
- Long-term CO₂ supply from McElmo Dome CO₂ Field - one of world's largest CO₂ sources
- Potential for new CO₂ supply to be sourced from reservoir discovered deeper within Greater Aneth Field
- Further contingent oil price payments up to USD 35 million



Aneth delivers Significant Production Growth

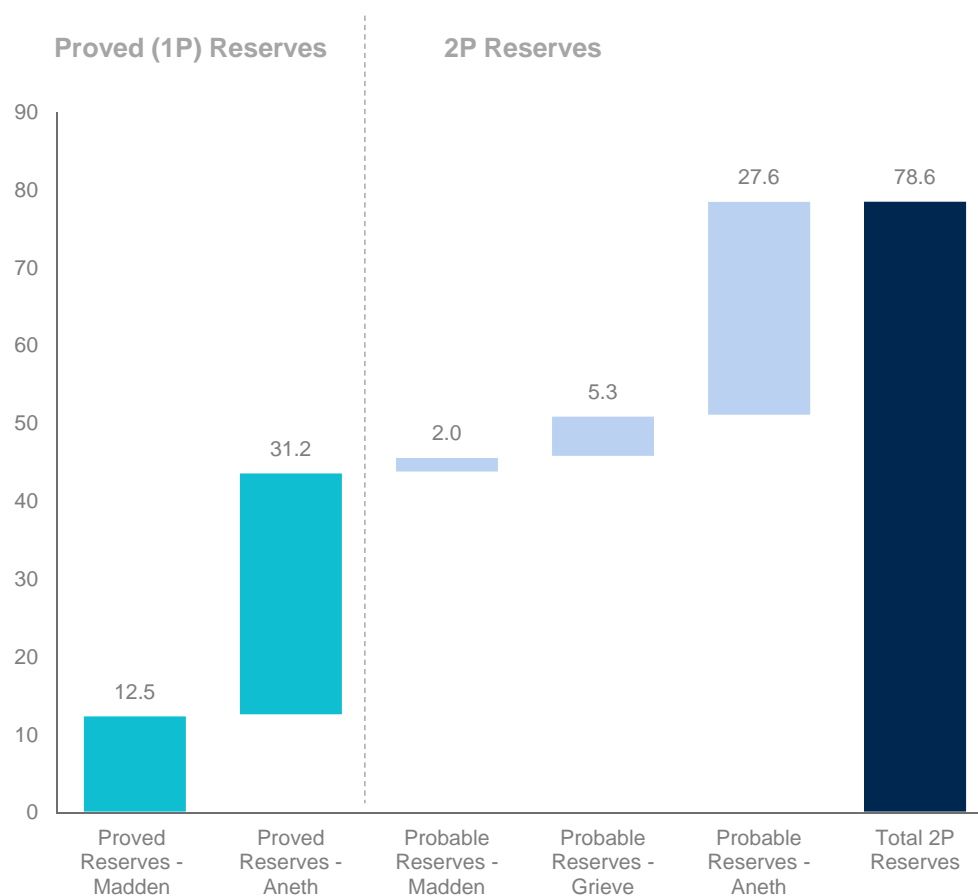
Pro-forma Production by Asset (mmboe)



- Production supported by high quality, low decline assets
- Strong base line production established of ~10,000 BOEPD in 2017
- Growth delivered through expanded Greater Aneth field development
- Production rate increases by 40% from 2017 to over 14,000 BOEPD in 2022
- Incremental production growth is entirely made up of high value liquids

Aneth delivers significant Reserves growth

Pro-forma Reserves by Asset (mmboe)



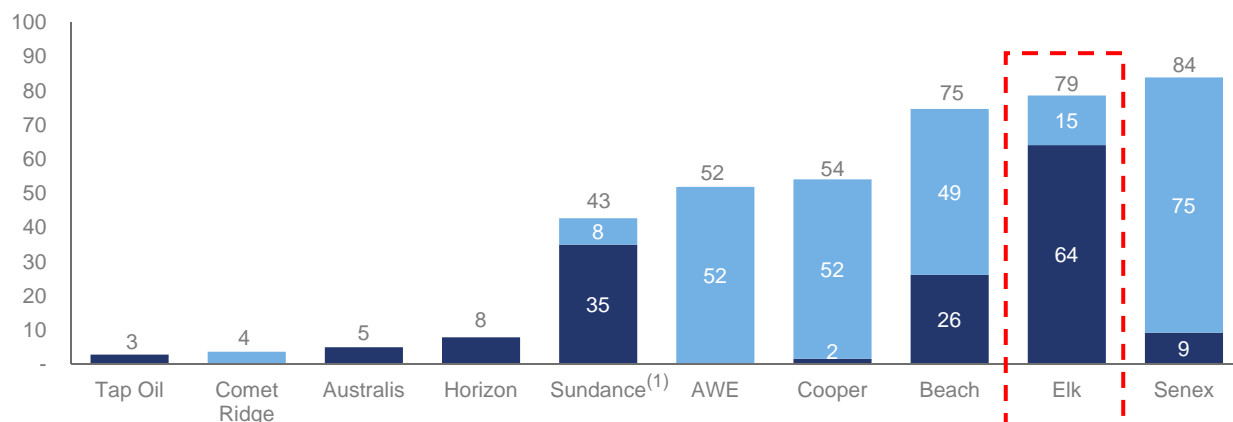
Aneth reserve additions are:

- All high value liquids
- At low cost per bbl
- Largely 1P Proven Developed Producing – “PDP”
- 1P PDP are the lowest risk category of reserves - 90% confidence level
- 1P PDP reserves require no further capital to produce
- Additional low risk, low cost 1P Proven Developed Non-Producing (PDNP) reserves
- Significant 2P reserve growth

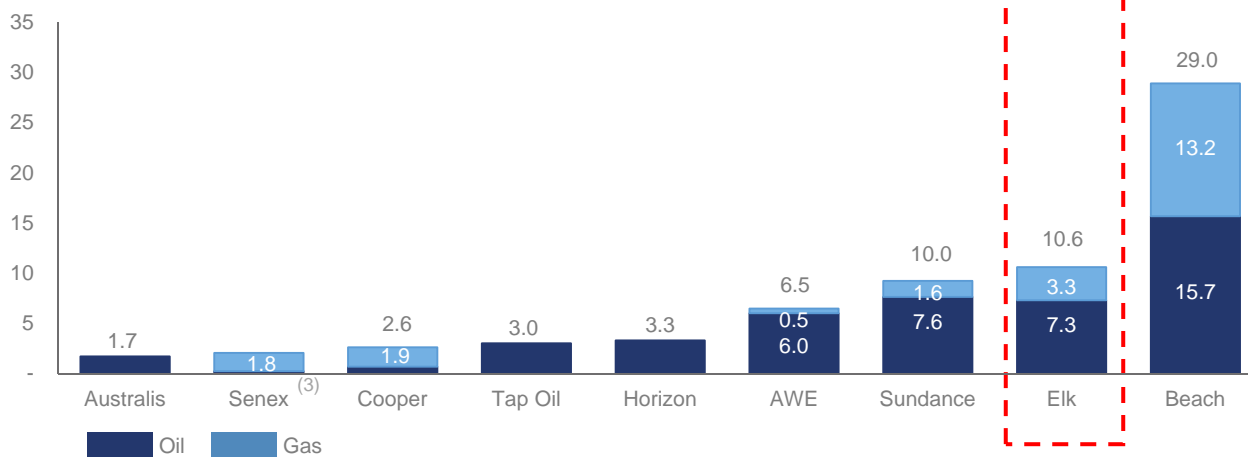
Elk becomes one of the Largest ASX E&P Mid-Caps by Reserves and Production

Not all reserves are created equal!

2P Reserves (mmboe)⁴



2017 Production (mboe/d)^{2,4}



- 100% of Elk's Reserves are conventional
- Elk's reserves are highly oil-weighted (82%)
- Over 50% of Elk's 2P Reserves are PDP
- Limited additional capital required to monetise and sustain production
- Elk's production weighted (69%) to long-term, low decline oil production

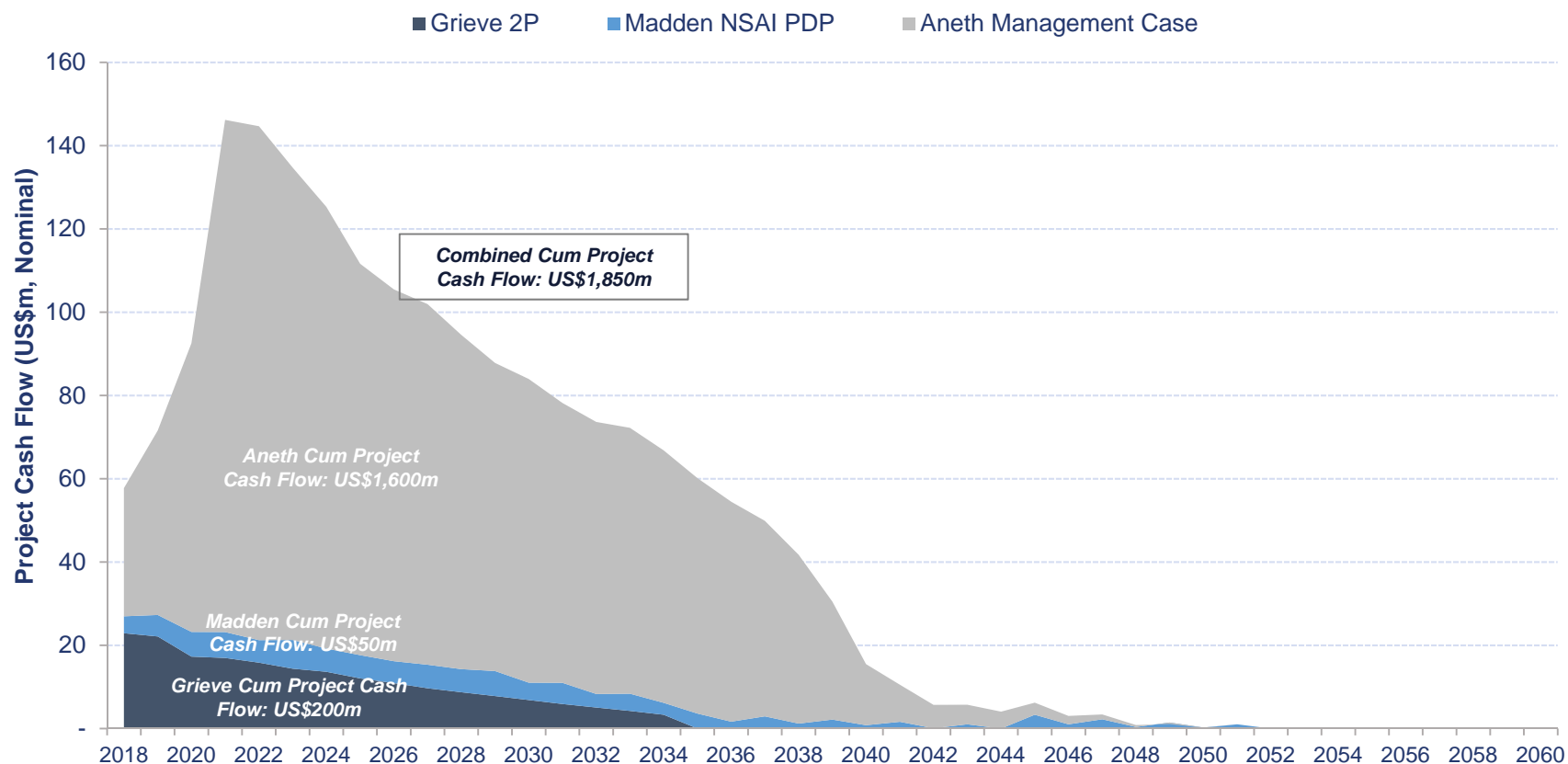


(1) Proved reserves only, split of oil and gas based on latest production split
 (2) Elk production based on 2018 forecast
 (3) Senex production split assumed to reflect its 2P reserves split between oil and gas
 (4) Source: Company announcements

Elk Consolidated Project Free Cash Flow

Consolidated Project Cash Flow (Net to Elk)^(1,2,3)

Post Royalties, Production Taxes, Opex and Capex



(1) Grieve Profile: 2P Case; includes tariff payable to Elk
 (2) Madden Profile: Based on Operator Forecasts (April 2017)
 (3) Aneth Profile: Elk Management Case including development projects. Excluding development capex
 (4) Based on Bloomberg Consensus Pricing as at 23 August 2017
 Source: Elk Corporate Model (September 2017)

Outlook for Elk Shareholders¹

		2018 ⁽²⁾
Net Production (Post-Royalties)	mmboe	3.88
Net Revenue	US\$m	121.5
Operating Cash Flow (incl. G&A and W/C)	US\$m	54.4
SIB Capex	US\$m	(4.1)
Operating Cash Flow (incl. G&A and W/C), Post-Capex	US\$m	50.3
Interest Cost - Senior	US\$m	(16.6)
Dividend - Preferred Equity	US\$m	(6.6)
Amortisation ⁽³⁾	US\$m	(10.0)
Cash Flow to Equity	US\$m	17.1
<i>Cash Flow to Equity</i>	<i>A\$m</i>	21.7

Key Takeaways– Investing in Elk

- Only ASX-listed oil company focussed on enhanced oil recovery
- Core projects located in the prolific Rocky Mountain CO₂ EOR Fairway
- Company's flagship Grieve CO₂ EOR Project is over 90% complete
- Madden/Lost Cabin delivers free cash flow & significant long-life, low risk, high quality reserves & production
- Elk is now a CO₂ supplier in its own right from Madden/Lost Cabin ownership interest
- Aneth Oil Field and CO₂ EOR Project is highly accretive and delivers significant growth in reserves, production & cash flow
- Aneth acquisition transforms Elk into one of the leading CO₂ EOR production operators in the Rockies

Elk Key Metrics	
2P Reserves (Net to Elk)	78.6 mmboe
Reserve/Production Life ratio ⁽¹⁾	~21 years
Operating cost (First 5 years, including all royalties and production taxes, real) ^(2,3)	US\$22 –24/boe
Profit margin (First 5 years, real) ^(2,3,4)	US\$14.5-18.5/boe
Total projected revenues (Project life, post royalties and production taxes) ^(2,4)	US\$2,800-3,450m
First 5 years annual project free cash flow (Net to Elk) ^(2,3,4)	US\$80-101m p.a

Competent Persons Statement

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The Reserves and Contingent Resources in this announcement relating to the Madden Gas Field and Madden Deep Unit is based on an independent review and audit conducted by Netherland, Sewell & Associates, Inc. and fairly represents the information and supporting documentation reviewed. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Shane M. Howell and Mr. John R. Cliver, both Vice Presidents of Netherland, Sewell & Associates, Inc., an independent petroleum advisory firm. Mr. Howell is a Registered Professional Geologist in the State of Texas and Mr. Cliver is a Registered Professional Engineer in the State of Texas. Mr. Howell's qualifications include Master of Science in Geological Sciences, San Diego State University and a Bachelor of Science in Geological Sciences, San Diego State University. Mr. Howell has more than 10 years of relevant experience. Mr. Cliver's qualifications include a Masters of Business Administration from the University of Texas, Austin and a Bachelor of Science in Chemical Engineering from Rice University. Mr. Cliver has more than 10 years of relevant experience. Mr. Howell and Mr. Cliver meet the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules.

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The Reserves and in this announcement relating to the Aneth Oil Field and CO₂ EOR project, operated by Resolute Energy Corporation, is based on an independent review and audit conducted by VSO Petroleum Consultants, Inc. and fairly represents the information and supporting documentation reviewed. The review and audit was carried out in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines under the supervision of Mr. Grant Olsen, a Director of VSO Petroleum Consultants, Inc., ("VSO") an independent petroleum advisory firm. Mr. Olsen is a Registered Professional Engineer in the State of Texas and his qualifications include a Bachelor of Science and Master of Science (both in Petroleum Engineering) from Texas A&M University. He has more than 10 years of relevant experience. Mr. Olsen is a member of the Society of Petroleum Engineers (SPE) and an Associate Member of the Society of Petroleum Evaluation Engineers. Mr. Olsen meets the requirements of Qualified Petroleum Reserve and Resource Evaluator as defined in Chapter 19 of the ASX Listing Rules and consents to the inclusion of this information in this report.

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