



Senex Energy Limited
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2 September 2011

Company Announcements
ASX Limited

Notice to Ineligible Holders of Senex shares

I refer to the 1 for 5 non-renounceable entitlement issue of approximately 152.2 million new fully paid ordinary shares in Senex Energy Limited (Senex) at \$0.35 each to raise approximately A\$53.3 million (Entitlement Issue) that was announced on 22 August 2011.

The board of Senex has determined, in accordance with ASX Listing Rule 7.7.1, that it is unreasonable to make the offer to any holder of Senex shares with a registered address outside Australia, New Zealand, or the Cayman Islands, having regard to:

- the number of holders in the place where the offer would be made;
- the number and value of securities the holders would be offered; and
- the cost of complying with the legal requirements, and requirements of a regulatory authority, in that place.

Accordingly, any holder of Senex shares with a registered address outside Australia, New Zealand, or the Cayman Islands is an Ineligible Holder under the Entitlement Issue.

In accordance with ASX Listing Rule paragraph 7.7.1(b), Senex will despatch a letter in the form attached to each Ineligible Holder of Senex shares.

Senex Energy Limited

Frank Connolly
Secretary



2 September 2011

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Dear Shareholder

Senex Entitlement Issue – Notice to Ineligible Shareholders

On 22 August 2011 Senex Energy Limited (**Senex**) announced a 1 for 5 non-renounceable entitlement issue of approximately 152.2 million new fully paid ordinary shares (**New Shares**) at \$0.35 each to raise approximately A\$53.3 million (**Entitlement Issue**).

The Entitlement Issue will assist Senex to fund its growth, including participating in the construction of oil pipelines from Growler oilfield to Moomba that will reduce Senex's oil transportation costs and de-risk its existing oil production activities, accelerating the development of Senex's Cooper Basin western flank oil production and accelerating Senex's Cooper Basin unconventional gas exploration.

Terms of the Entitlement Issue

Under the Entitlement Issue Eligible Shareholders are entitled to subscribe for 1 New Share for every 5 existing ordinary shares in Senex held at 5.00pm (AEST) on 30 August 2011 (**Record Date**) at an offer price of \$0.35 per New Share (**Entitlement**). Eligible Shareholders who take up their Entitlement in full may subscribe for additional New Shares from a pool of those not taken up by Eligible Shareholders as at the Closing Date (**Top Up Facility**). There is no guarantee that applicants under the Top Up Facility will receive the number of New Shares applied for under the Top Up Facility, or any. The Directors reserve the right to allot and issue New Shares under the Top Up Facility at their discretion.

The Entitlement Issue is non-renounceable, meaning that an Eligible Shareholder may not sell or assign their Entitlement to a third party if they do not want to take it up. The Entitlement Issue has been fully underwritten by RBS Morgans Corporate Limited (**RBS Morgans**).

Senex will not prepare a prospectus or other disclosure document for the Entitlement Issue as the offer will be made under section 708AA Corporations Act 2001 (Cth). On 2 September 2011 Senex lodged an Information Booklet for the Entitlement Issue with ASX, and sent a copy of the Information Booklet and a personalised Entitlement and Application Form to each Eligible Shareholder.

Eligibility of shareholders to participate in the Entitlement Issue

The Entitlement Issue is only available to Eligible Shareholders. This letter is to inform you that Senex has determined that you are **not** an Eligible Shareholder and you are therefore **ineligible** to apply for New Shares under the Entitlement Issue. **You are not required to do anything in response to this letter.**

A Senex shareholder is eligible to participate in the Entitlement Issue as an **Eligible Shareholder** where the shareholder:

- (a) has a registered address in Australia, New Zealand or the Cayman Islands, or is a shareholder that Senex has otherwise determined is eligible to participate;
- (b) is not in the United States and is not a nominee or custodian acting for the account or benefit of a person in the United States; and
- (c) is eligible under all applicable securities laws to receive an offer under the Entitlement Issue.

As you do not satisfy the criteria for eligibility, Senex is unfortunately unable to extend the Entitlement Issue to you.

Further information

If you have any queries, please contact Security Transfer Registrars on (08) 9315 2333 (within Australia) or +61 8 9315 2333 (outside Australia) between 10.00am and 7.00pm (AEST) Monday to Friday during the offer period or, alternatively, consult your stockbroker, solicitor, accountant or other professional financial adviser.

On behalf of the Directors, I thank you for your continued support of Senex.

Yours sincerely

Denis F Patten
Chairman

This notice does not constitute an offer to sell or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the Entitlements or New Shares in any jurisdiction outside Australia or New Zealand. In particular, the Entitlements and New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.