Senex Energy Limited

ASX Announcement

Senex announces 2011 financial results

Release Date: 22 September 2011

Senex Energy Limited (Senex) is pleased to announce its financial results for the year ended 30 June 2011. The results highlight the company's substantial investment in business growth and rejuvenation over the year.

Key Result	30 June 2011	30 June 2010	Change
Oil Production (Net)	92,765 barrels	142,579 barrels	- 35%
Group Revenue	$14.8 million	$13.2 million	+ 12%
Net Profit / (Loss) After Tax	($3.3) million	$2.6 million	- $5.9 million
Basic Earnings / (Loss) Per Share	(0.54) cents	1.09 cents	- 1.63 cents
Net Assets	$157.5 million	$68.6 million	+ $88.9 million
Share price	$0.36 cents	$0.26 cents	+ 38%

Senex Managing Director Ian Davies said the full year loss after tax of $3.3 million reflects the investment made during the year to position the business for rapid growth, including the acquisition of Stuart Petroleum Limited (**Stuart**) in the latter half of the year.

"2011 has been a year of transition, consolidation and investment by the Senex team to strengthen our strategic position and resources ahead of a step change in production and exploration activities in the 2012 financial year," he said.

The 2011 result incorporates the financial effects of significant restructuring during the year, including the relocation of registered office from Perth to Brisbane, rebranding the company to Senex Energy Limited, bolstering the in-house capabilities across technical and business functions, and the successful acquisition and integration of the Stuart business.

This significant corporate reorganisation was completed against the backdrop of continuing floods in the Cooper Basin that shut in production from key Senex fields during 2010. As a result of these floods, production from Senex fields was substantially lower than the previous financial year.

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Mr Davies said that while revenue had been negatively impacted, the company had used this time to position itself for strong growth in the year ahead and to strengthen and diversify its asset base across the highly prospective western flank and within the emerging unconventional gas sector in the Cooper Basin.

“While severe flooding in the Cooper Basin clearly frustrated the sector as a whole during the year, we have focused on strengthening Senex’s underlying value proposition.

“Continuing strong support from our shareholders has allowed us to position Senex at the forefront of the re-emergence of the Cooper Basin as a major domestic oil and gas hub. We now not only have valuable oil and gas reserves, but the financial means to deliver on the strategic opportunities in our asset base in the coming year,” he said.

On 21 September, Senex announced that its 1 for 5 entitlement issue was significantly over-subscribed. The offer, which was underwritten by RBS Morgans Corporate Limited, closed on Friday 16 September.

The annual financial report for Senex was lodged with the Australian Securities Exchange today.

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