

Coring program to commence at Sasanof-1 unconventional gas well

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Senex Energy Limited (Senex) advises that work is proceeding on schedule with unconventional gas exploration well Sasanof-1 in South Australian permit PEL 516 (Senex 100%) with an extensive coring program set to commence this week.

Century Rig #3 has reached a depth of 2,198 metres and is setting 7" casing prior to commencement of coring works.

Coring services have been mobilised and preparations are underway to begin a comprehensive program that will involve approximately 160 metres of core being cut through the Roseneath and Murteree shales. Additionally, 70 metres of selected coal and tight sand intervals will be cored from the Toolachee and Patchawarra Formations.

A full suite of shale gas testing will be performed on the Roseneath and Murteree core samples including:

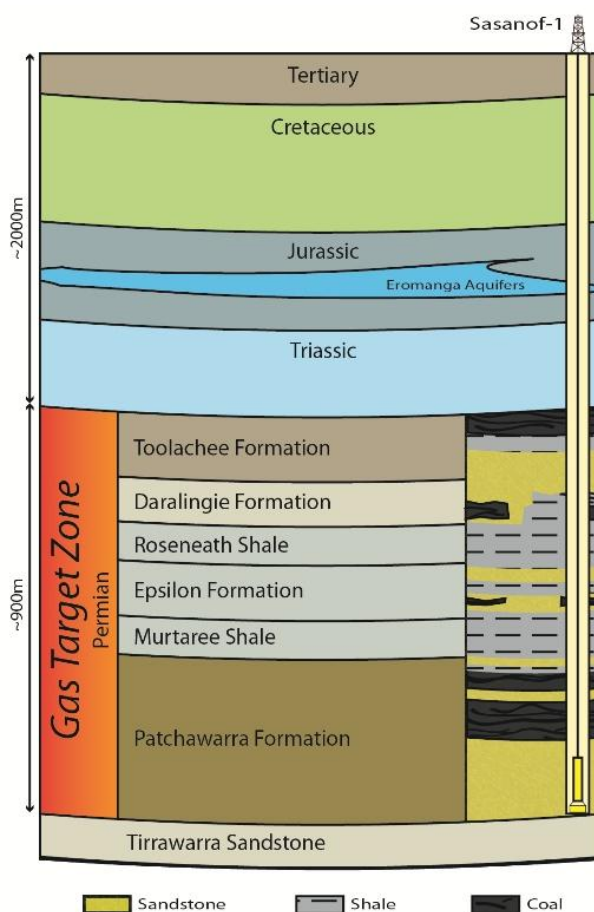
- Gas desorption;
- Gas composition analysis;
- Total organic carbon (TOC) analysis;
- Adsorption isotherm analysis;
- Shale rock property (SRP) analysis;
- X-Ray Diffraction (XRD) analysis; and
- Geo-mechanical properties analysis.

In addition, extensive tests will be performed on the coal and tight sand packages.

All coal samples will undergo standard desorption testing to determine gas content, gas composition and adsorption isotherms. Vitrinite reflectance, maceral analysis and geo-mechanical properties will also be determined for the coals.

The tight sandstone samples will have a range of tests performed to investigate permeability, porosity, electrical and geo-mechanical properties in order to better realise the flow potential for gas and liquids.

Figure 1: Stratigraphic column showing target formations for unconventional gas



Sasanof-1 spudded on 4 January 2012 and is expected to reach a total depth of 3,200 metres by mid-February.

Senex holds a 100% interest in PEL 516 and is the Operator.

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Figure 2: PEL 516 unconventional gas exploration wells

