Senex Energy Limited

ASX Announcement

Injectivity testing successfully completed at Allunga Trough-1 in the South Australian Cooper Basin

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Senex Energy Limited (Senex) advises that two injectivity tests have been successfully completed as part of its unconventional gas exploration campaign in the South Australian Cooper Basin.

Two diagnostic fracture injection tests were performed at Allunga Trough-1 in PEL 516 (Senex 100%) over the last two weeks to provide data that will assist in the design of commercial scale fracture stimulations at Senex's dedicated unconventional gas exploration wells.

The tests involved injecting small quantities of water into the Roseneath and Murteree shales to observe and measure the way the rock behaves under pressure (refer Figure 1).

The resulting data will provide valuable insights to guide the Senex's unconventional gas exploration program, according to Senex Managing Director Ian Davies.

"Although the Cooper Basin is a mature conventional oil and gas precinct, relatively little is known about the unconventional gas resource contained within its shales, tight sands and deep coals.

"As one of the early movers in unconventional gas in Australia, we are taking advantage of every opportunity to improve our knowledge base and gain a reliable understanding of the potential for commercial production of unconventional gas in the Cooper Basin," he said.

The data obtained from the "mini fracs" at Allunga Trough-1 will undergo extensive analysis and contribute to the design of large scale fracture stimulations for the neighbouring Sasanof-1 well and two other dedicated unconventional gas exploration wells in the permit (refer Figure 2).

Senex holds a 100% interest in PEL 516.

Figure 1: Injectivity test sites at Allunga Trough-1

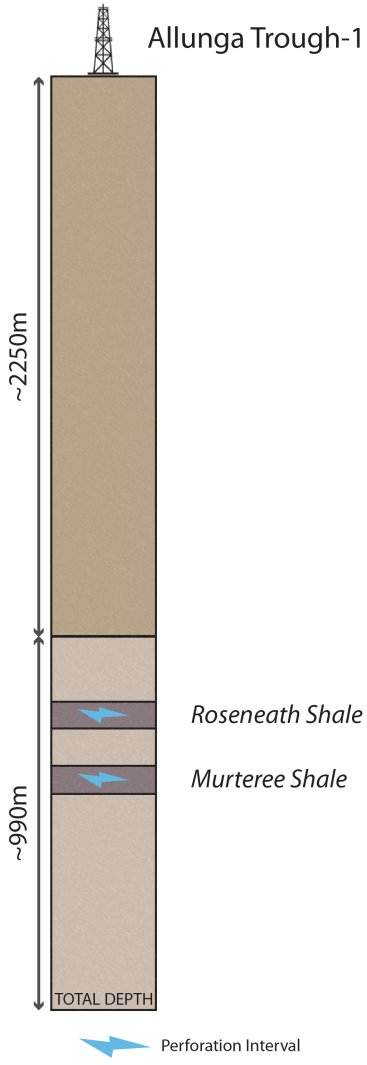

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Figure 2: PEL 516 Unconventional gas exploration wells