

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available.
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Senex Energy Limited

ABN

50 008 942 827

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | <ul style="list-style-type: none">• fully paid ordinary Senex shares• Contingent Performance Rights under Senex Employee Performance Rights Plan |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ul style="list-style-type: none">• 50,000 shares• 100,000 Contingent Performance Rights |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ul style="list-style-type: none">• Terms of fully paid ordinary Senex shares are set out in the Company's constitution• A summary of the Senex Employee Performance Rights Plan is set out in Annexure A to this announcement |

+ See chapter 19 for defined terms.

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	• Shares issued upon exercise of options rank equally with other ordinary shares from time of issue. • Contingent Performance Rights are not quoted securities and do not rank equally with ordinary shares or any other class of quoted securities. Neither the status of Participant in the Plan nor the grant of Rights confers a right to vote, a right to receive dividends, or any other rights of a shareholder. A Participant only acquires the rights of a shareholder if shares are transferred to the Participant, and only has those rights in respect of shares that the Participant holds. Shares transferred to a Participant upon vesting of Contingent Performance Rights will rank equally from the date of allotment with other ordinary shares.
5 Issue price or consideration	• 50,000 shares were issued at \$0.37 per share upon exercise of 50,000 unlisted options exercisable at \$0.37 each expiring 30 June 2014. • 100,000 Contingent Performance Rights were granted to a senior employee of the Company under the Senex Employee Performance Rights Plan to incentivise their performance and retain their services over the medium to long term. The employee was not required to pay for the grant of Rights, and for each Right that Vests the employee will be entitled to receive one share in the Company without payment.
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	See paragraph 5 above.

7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	24 February 2012	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	⁺ Class
		923,847,416	Fully paid ordinary shares

⁺ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	2,240,000	Options @ \$0.37 expiry 30 June 2014
	2,000,000	Options @ \$0.255 expiry 2 February 2014
	1,200,000	Options @ \$0.255 expiry 9 September 2015
	800,000	Options @ \$0.255 expiry 19 July 2016
	1,000,000	Options @ \$0.255 expiry 19 July 2017
	1,000,000	Options @ \$0.255 expiry 19 July 2018
	3,000,000	Options @ \$0.27 expiry 31 August 2014
	667,000	Options @ \$0.40 expiry 1 July 2014
	667,000	Options @ \$0.40 expiry 1 July 2015
	666,000	Options @ \$0.40 expiry 1 July 2016
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13,240,000 options in total	Options to subscribe for fully paid ordinary shares	
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5,765,932	Contingent Performance Rights under Employee Performance Rights Plan	

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The company has not yet established a dividend policy
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	Not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Only the 50,000 fully paid ordinary shares described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

Not applicable

39 Class of +securities for which quotation is sought

Not applicable

+ See chapter 19 for defined terms.

40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Not applicable					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	Not applicable					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>Not applicable</td><td></td></tr></table>	Number	+Class	Not applicable		
Number	+Class						
Not applicable							

Quotation agreement

- +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


(Company secretary)

Date: 29 February 2012

Print name:

Francis Leo Connolly

+ See chapter 19 for defined terms.

Annexure A

Appendix 3B – New Issue Announcement dated 29 February 2012

Senex Energy Limited

ABN 50 008 942 827

Summary of Senex Employee Performance Rights Plan

What is a Performance Right?

A Performance Right is a right granted to an eligible employee of Senex Energy Limited (**Senex**) or any Senex subsidiary (**Senex Group**) under the Senex Employee Performance Rights Plan (**Plan**). Each Right confers on the employee an entitlement to receive a share in the Company on the **Vesting Date** for that Right, provided each **Performance Condition** for that Right is satisfied on the **Testing Date** for that Performance Condition. The employee is not required to pay for the grant of Rights, and for each Right that Vests the employee is entitled to receive one share in the Company without payment.

Grant of Performance Rights

Under the Plan Rules the Company may grant Rights to an employee or the employee's associate. If an employee or their associate is granted Rights the employee becomes a participant in the Plan (**Participant**).

Grant Certificate

The Company provides a Grant Certificate for each grant of Rights, setting out the number of Performance Rights granted to the Participant, the Performance Condition (if any) applicable to each Component of those Rights, and the Vesting Date applicable to each Tranche of those Rights.

No shareholder rights

Neither the status of Participant in the Plan nor the grant of Rights confers a right to vote, a right to receive dividends, or any other rights of a shareholder. A Participant only acquires the rights of a shareholder if Company shares are transferred to the Participant, and only has those rights in respect of shares that the Participant holds.

Performance Year

Rights are granted for a particular performance year. Each performance year commences 1 July and ends 30 June the following year (**Performance Year**). Rights for a particular Performance Year are normally granted at the commencement (ie on 1 July) of that Performance Year, but may be granted at any time during the Performance Year (**Grant Date**).

Vesting

A Right only confers an entitlement to receive a Share upon Vesting. The Vesting Date for each Tranche of Rights is specified in the Grant Certificate for those Rights.

A Right only Vests if:

- each Performance Condition (if any) applicable to that Right is fulfilled on the Testing Date for that Performance Condition, and
- the Participant is still an employee of group on the Vesting Date for that Right.

Performance Conditions, Performance Period, Testing Date, Vesting Date

Each Grant Certificate for 2012 Rights specifies the Performance Condition (if any) applicable to each Component of those Rights, the Performance Period in respect of which each Performance Condition must be satisfied, the Testing Date for each Performance Condition, and the Vesting Date for each Tranche of those Rights.

Components

2012 Rights may have two or more **Components**, with each component being subject to satisfaction of a different Performance Condition.

Tranches

Each Component of 2012 Rights may have two or more **Tranches**, with each Tranche vesting at a different Vesting Date.

Rights only vest if:

- the Performance Condition (if any) applicable to that Component of Rights is fulfilled on the Testing Date for that Performance Condition, and
- the Participant is still an employee of group on the Vesting Date for that Tranche of the Rights.

+ See chapter 19 for defined terms.

Lapse of Performance Rights

A Participant's Rights may lapse if the employee ceases employment with a Group company, if a Performance Condition applicable to those Rights is not satisfied or if the Board lapses the Rights (the Board may only do this in certain circumstances).

If a Right lapses, it is immediately cancelled and is not capable of Vesting.

Vesting of Performance Rights

At the end of each applicable Performance Period the Board determines whether, and to what extent, the Performance Condition is satisfied. If the Performance Condition is satisfied, and a Component of Rights vests on the applicable Vesting Date, the Shares to which the Participant is entitled will be transferred to them within 30 days following the Vesting Date. The Participant must be employed on the Vesting Date to be eligible to receive the Shares, even if the Performance Condition is satisfied.

Any Performance Right for which a Performance Condition is not satisfied on the Testing Date will immediately lapse.

Change of Control and corporate events

If a Change of Control occurs (for example, a takeover) all Performance Rights will immediately Vest. However, no immediate vesting will occur if the Change of Control does not involve a significant change in the identity of the ultimate shareholders of the Company.

If the Company has a bonus issue, rights issue or a reconstruction, the Board will determine whether any amendments are required to the Performance Rights.

Amendment

The Board may amend the Plan at any time. However, any change that is prejudicial to the rights of Participants requires Participant consent.

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