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## Reserves

Unless otherwise indicated, the statements contained in this presentation about Senex's reserves estimates have been prepared by Dr Steven Scott BSc (Hons), PhD, who is General Manager – Exploration, a full time employee of Senex, in accordance with the definitions and guidelines in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers (**SPE PRMS**). Dr Scott consents to the inclusion of the reserves estimates in the form and context in which they appear. Senex's reserves are consistent with the SPE PRMS.

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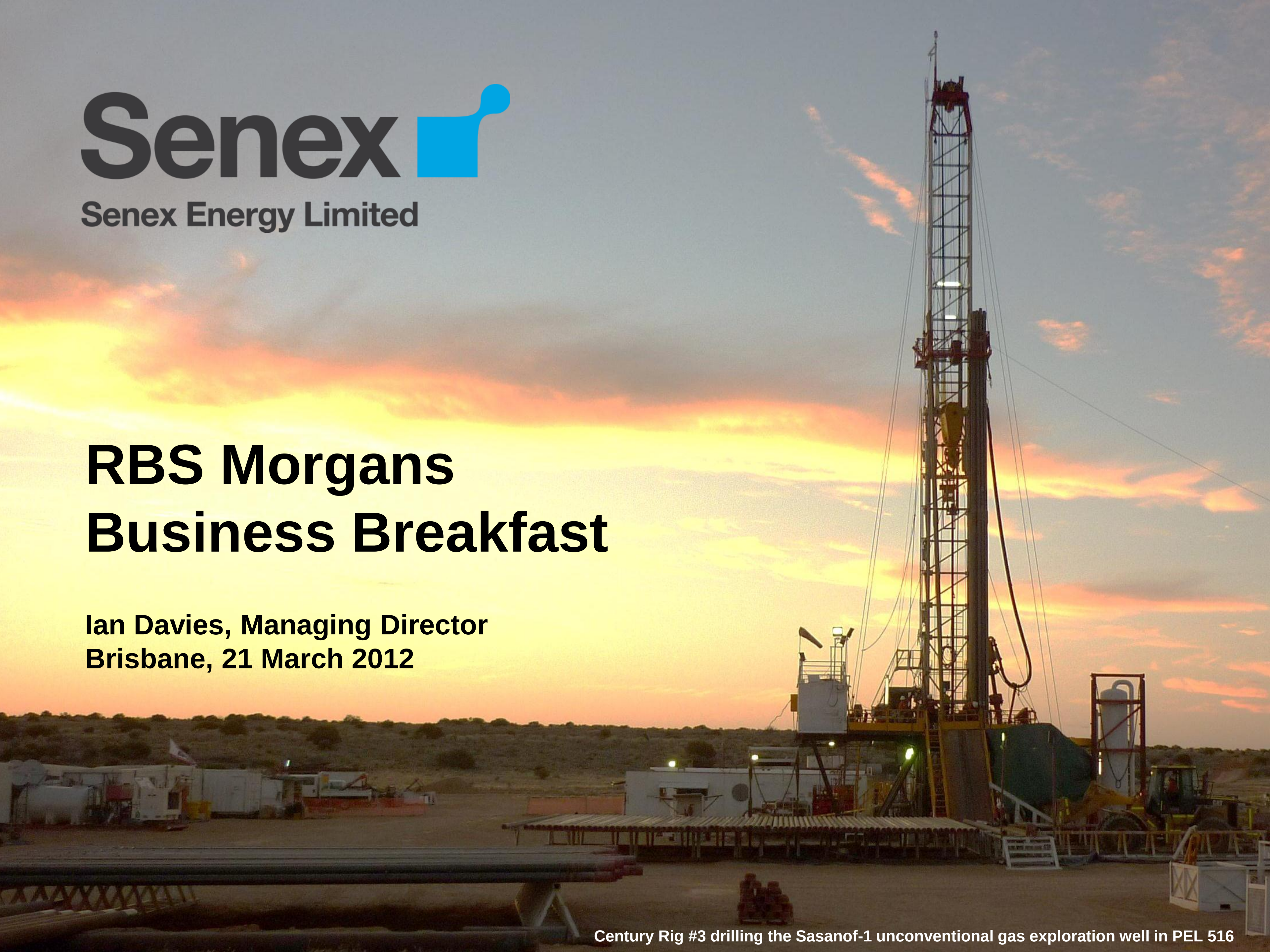
# RBS Morgans Business Breakfast

**Ian Davies, Managing Director**

**Brisbane, 21 March 2012**



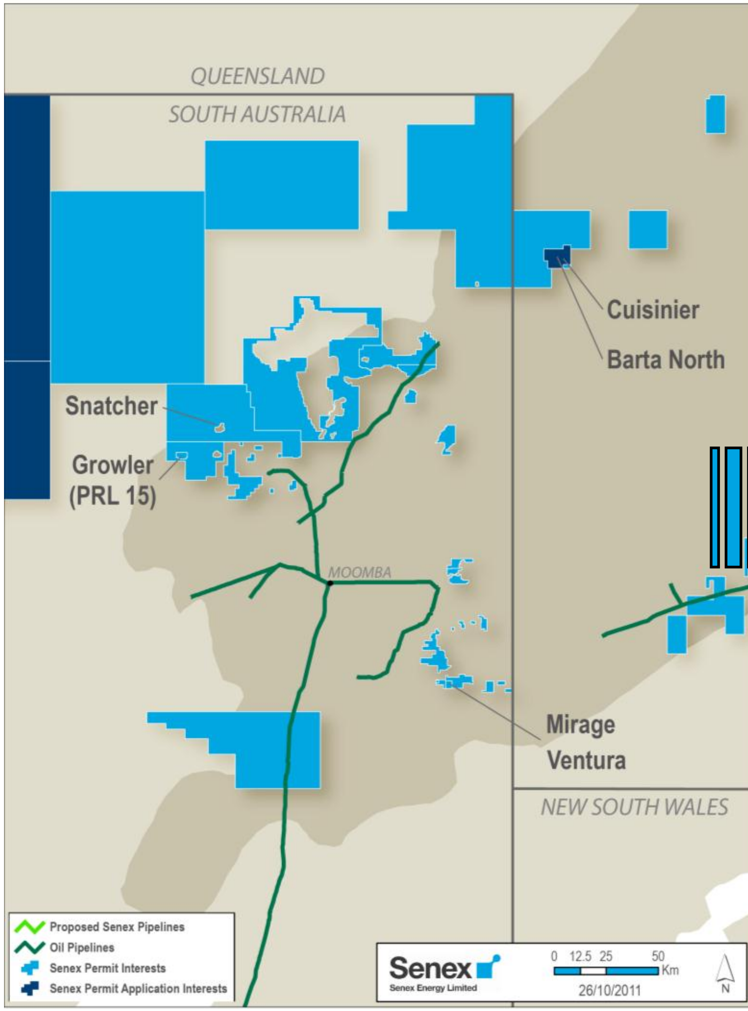
Century Rig #3 drilling the Sasanof-1 unconventional gas exploration well in PEL 516

# The Cooper Basin in 2010: a one in 40 year flood

# The Cooper Basin in 2012: getting back to normal

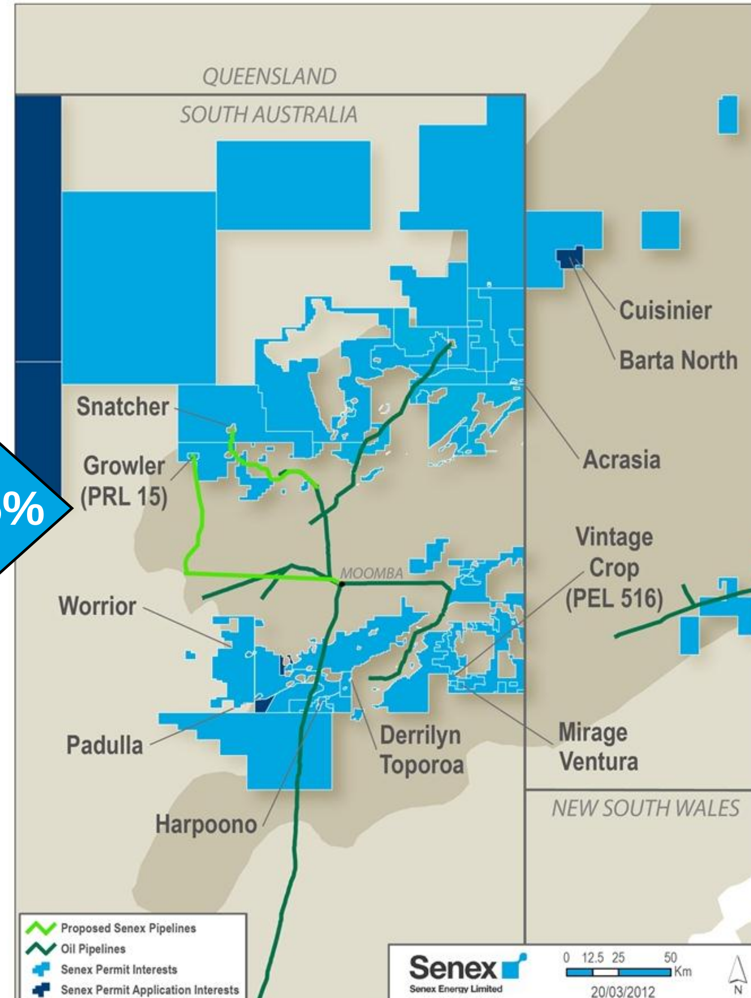
# Senex is now a major Cooper Basin E&P company

**30 June 2010: 22,351 km$^2$**

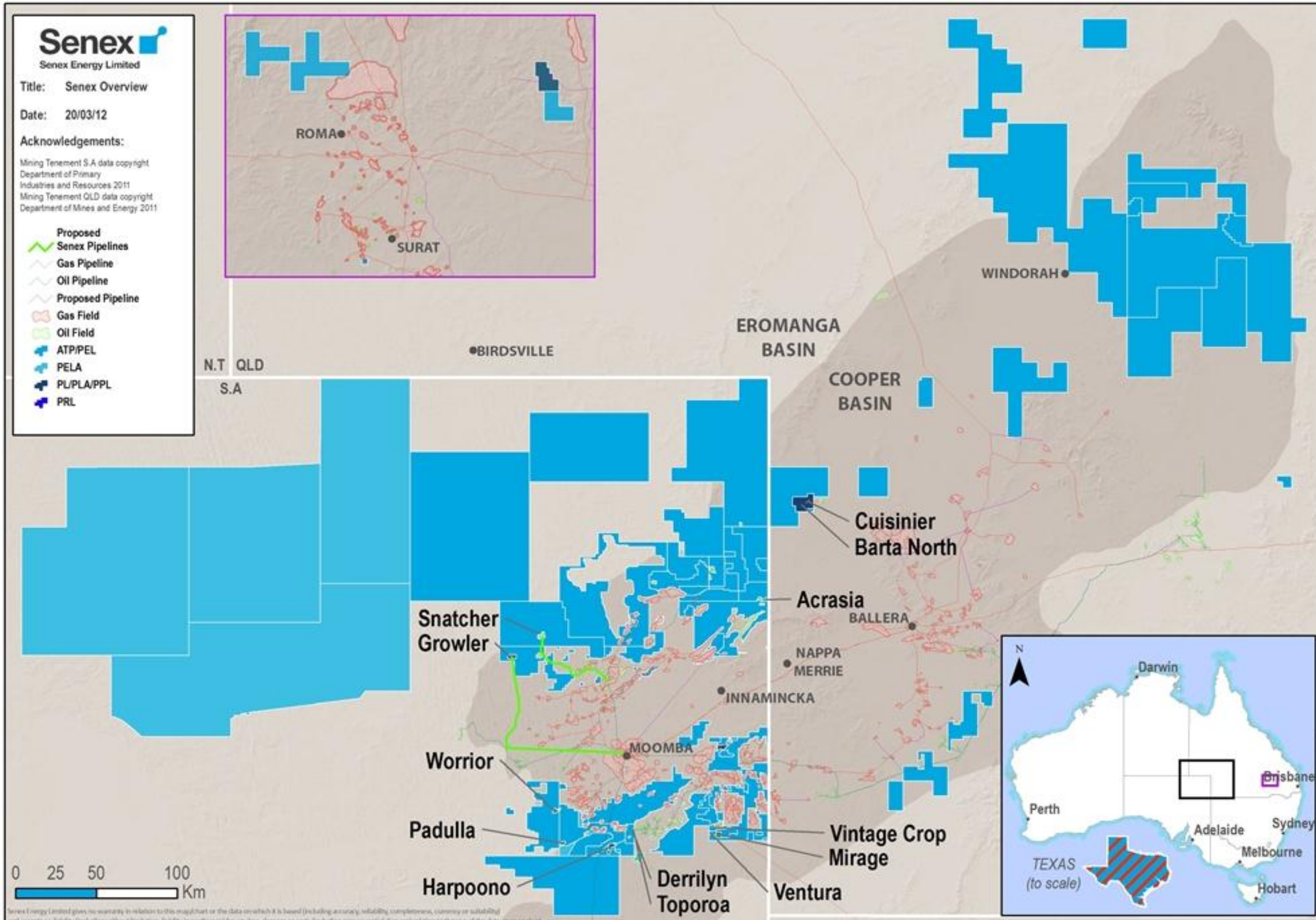



↑ 195%

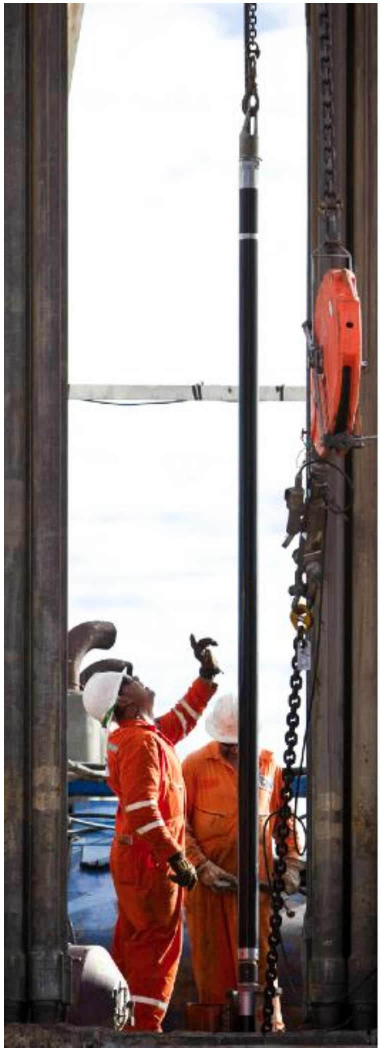
**31 December 2011: 65,854 km$^2$**



# Senex Energy: Oil, CSG and Unconventional Gas



# A simple execution strategy…



1. **Grow the oil business to generate cash flow**
   - On track to produce >700,000 bbls of oil (net) in FY12
   - Drilling 11 western flank wells in 2011/12, with excellent success rate to date
   - Reserve upgrade due in March 2012

2. **Appraisal and development of Surat Basin CSG**
   - Targeting material 2P reserve increases
   - Reserve upgrade due in March 2012

3. **Unlock a world class unconventional gas resource**
   - Over 100 Tcf net Gas-in-Place resource
   - Demonstrate technical feasibility and establish a large scale, cost competitive resource
   - Successful injectivity testing at Allunga Trough-1
   - Sasanof-1 exploration well drilling now after rain delay



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# …with excellent success to date on all key metrics

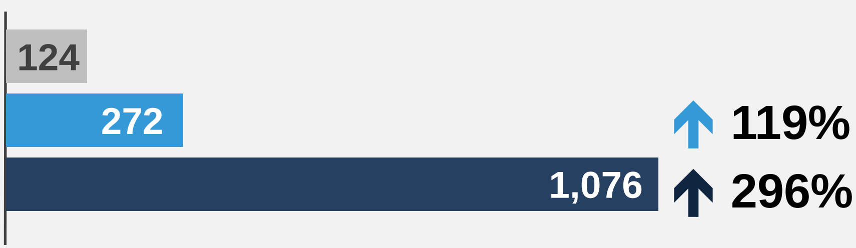
## Net 2P oil reserves (mmbbls)


## Net 3P oil reserves (mmbbls)


## Net 2P gas reserves (PJ)


## Net 3P gas reserves (PJ)


## Market capitalisation (A$m)



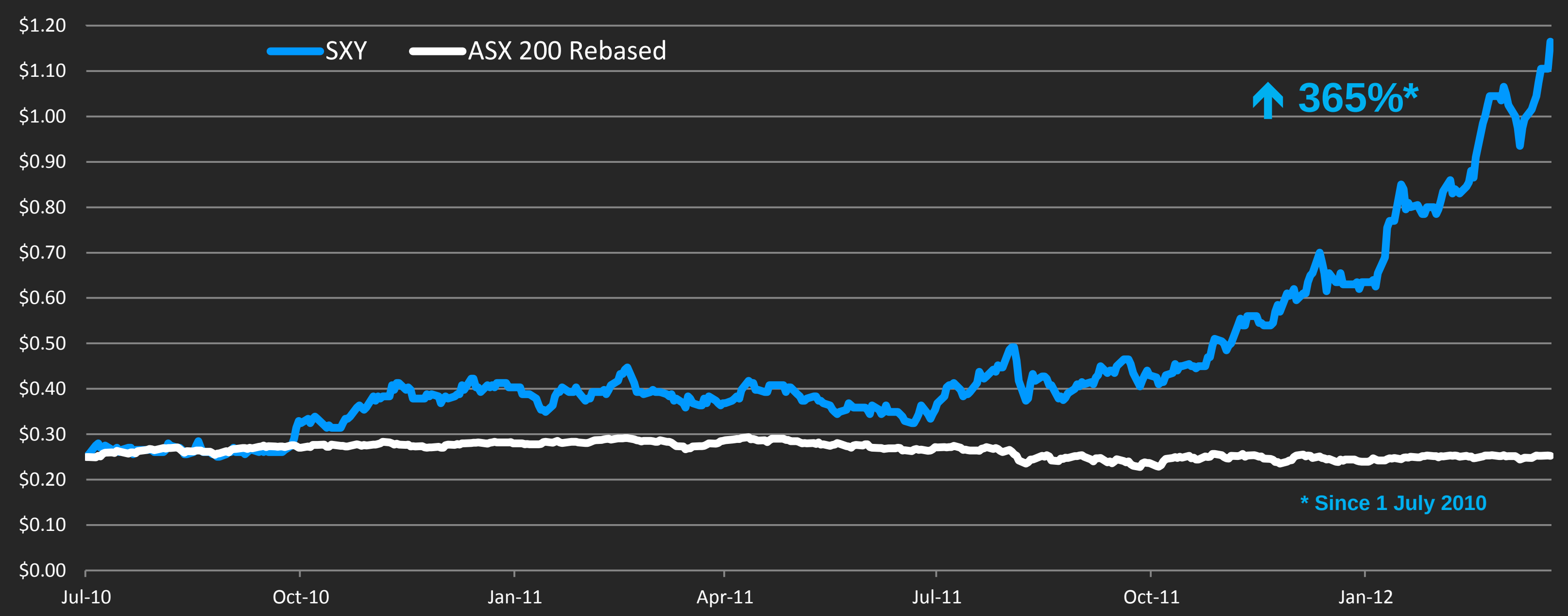

## Share price (A$)


30 June 2010 30 June 2011 20 March 2012

# Senex's share price continues to outperform

- Admitted to the S&P/ASX 300 in March 2012
- Ranked 5th on the Deloitte Queensland Energy and Resources Index *
- Market capitalisation of ~$1 Billion

## Senex share price materially outperforms the S&P/ASX 200

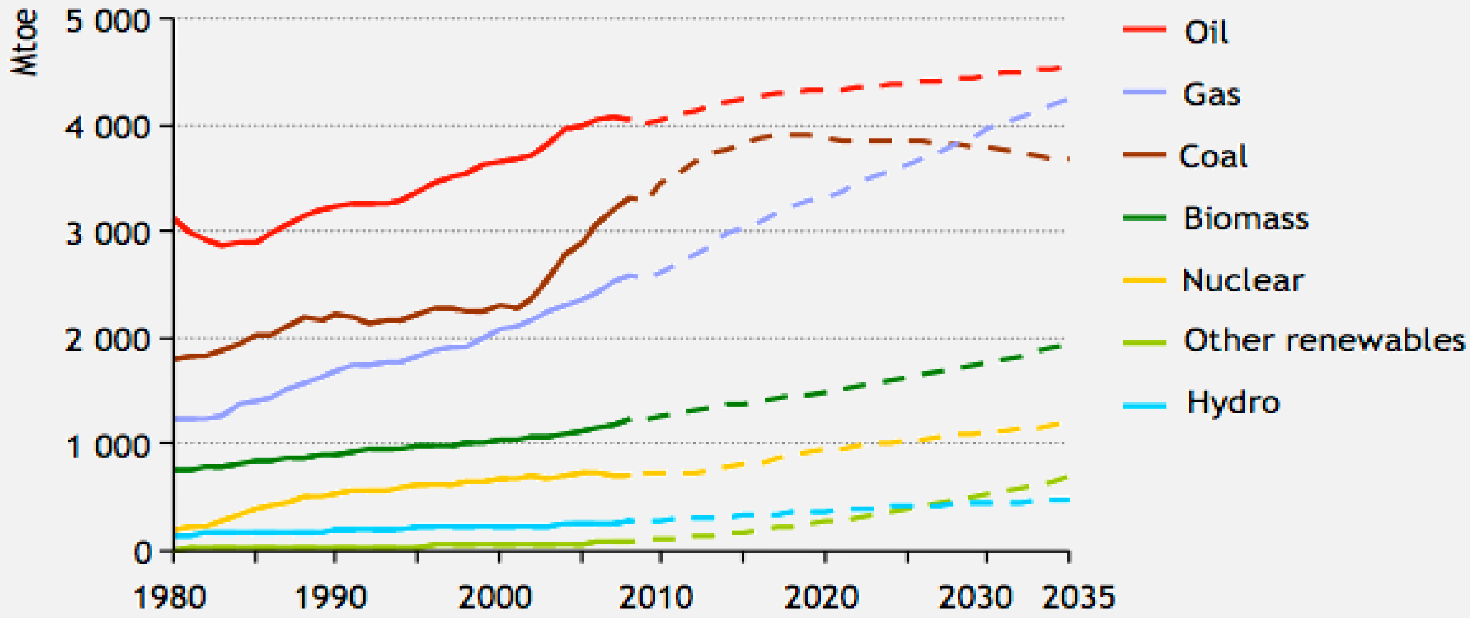



* 31 December 2011 edition

# Senex is in the box seat for the Golden Age of Gas

- Domestic growth fuelled by gas fired power generation
- LNG provides additional demand and access to oil-linked pricing
- Gas prices trending towards $6-$9 per gigajoule

**World primary energy demand by fuel**




Source: International Energy Agency, World Energy Outlook 2011, GAS Scenario



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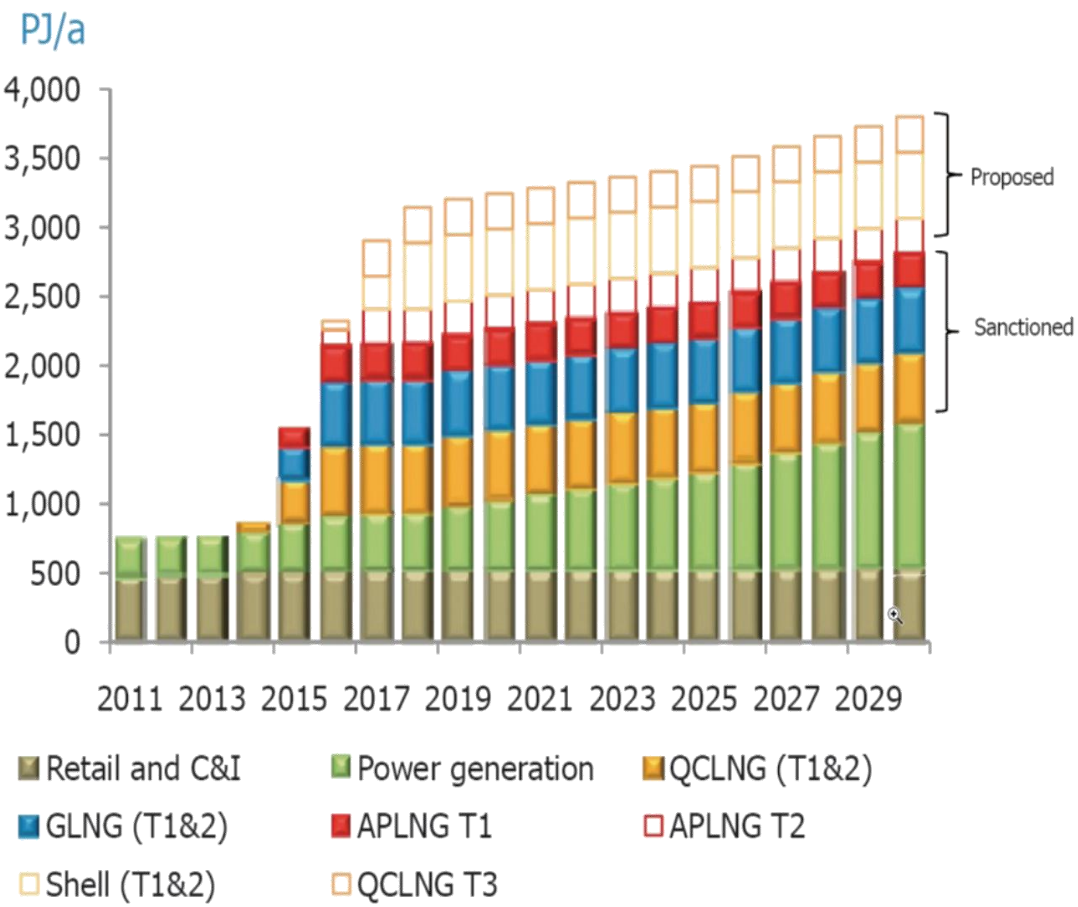
# Increasing gas demand in Australia's east coast

**CHANGING DYNAMICS**

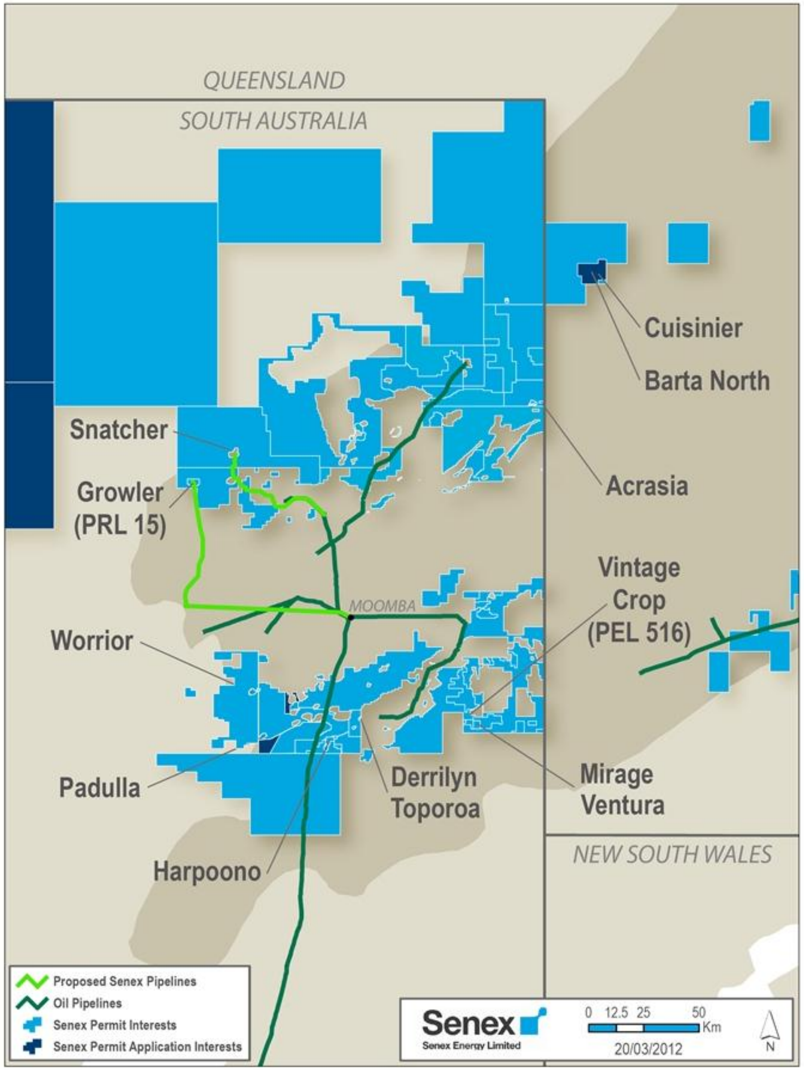
- Eastern Australian domestic gas demand: ~700 PJ pa
- Total eastern Australian gas demand forecast to triple by 2020
- Growth driven by power generation and LNG
- Senex perfectly positioned to supply eastern Australian gas markets




Source: Santos, Eastern Australia Business Unit Presentation, 26 September 2011

# Oil production generating cash flow

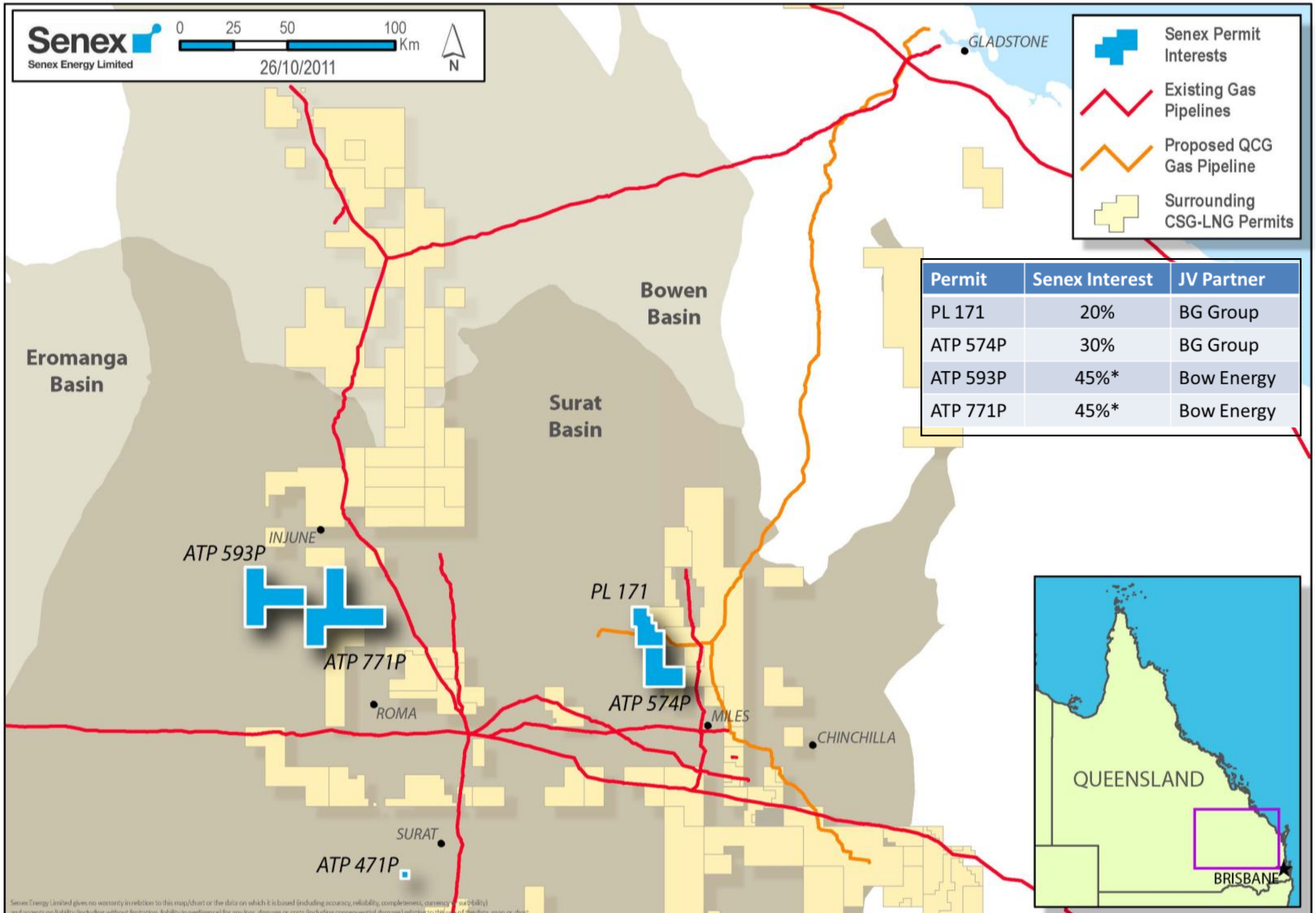
- Strong oil pricing (Brent)
- High net back of ~A$70 per barrel [1]
- Major land position and operatorship
- Fast drill and tie-in with high flow rates
- Proposed pipelines to increase production and secure delivery
- Low risk exploration on 3D seismic
- Aggressive exploration and appraisal programs to boost oil production and cash flow





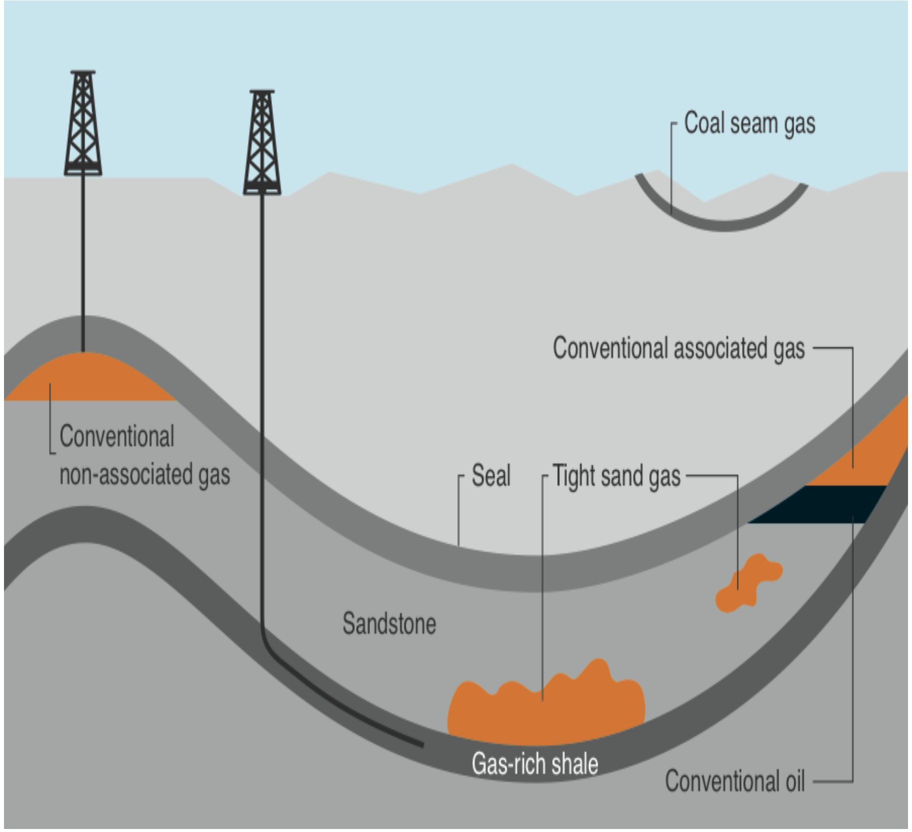

Note 1: At Brent oil price of A$100/barrel, with delivered opex.

# Strategically located coal seam gas assets




| Permit | Senex Interest | JV Partner |
|---|---|---|
| PL 171 | 20% | BG Group |
| ATP 574P | 30% | BG Group |
| ATP 593P | 45%* | Bow Energy |
| ATP 771P | 45%* | Bow Energy |

# Exciting Cooper Basin unconventional gas plays




Source: US Energy Information Administration and US Geological Survey

**Shales**

- Thick, mature Roseneath and Murteree shales

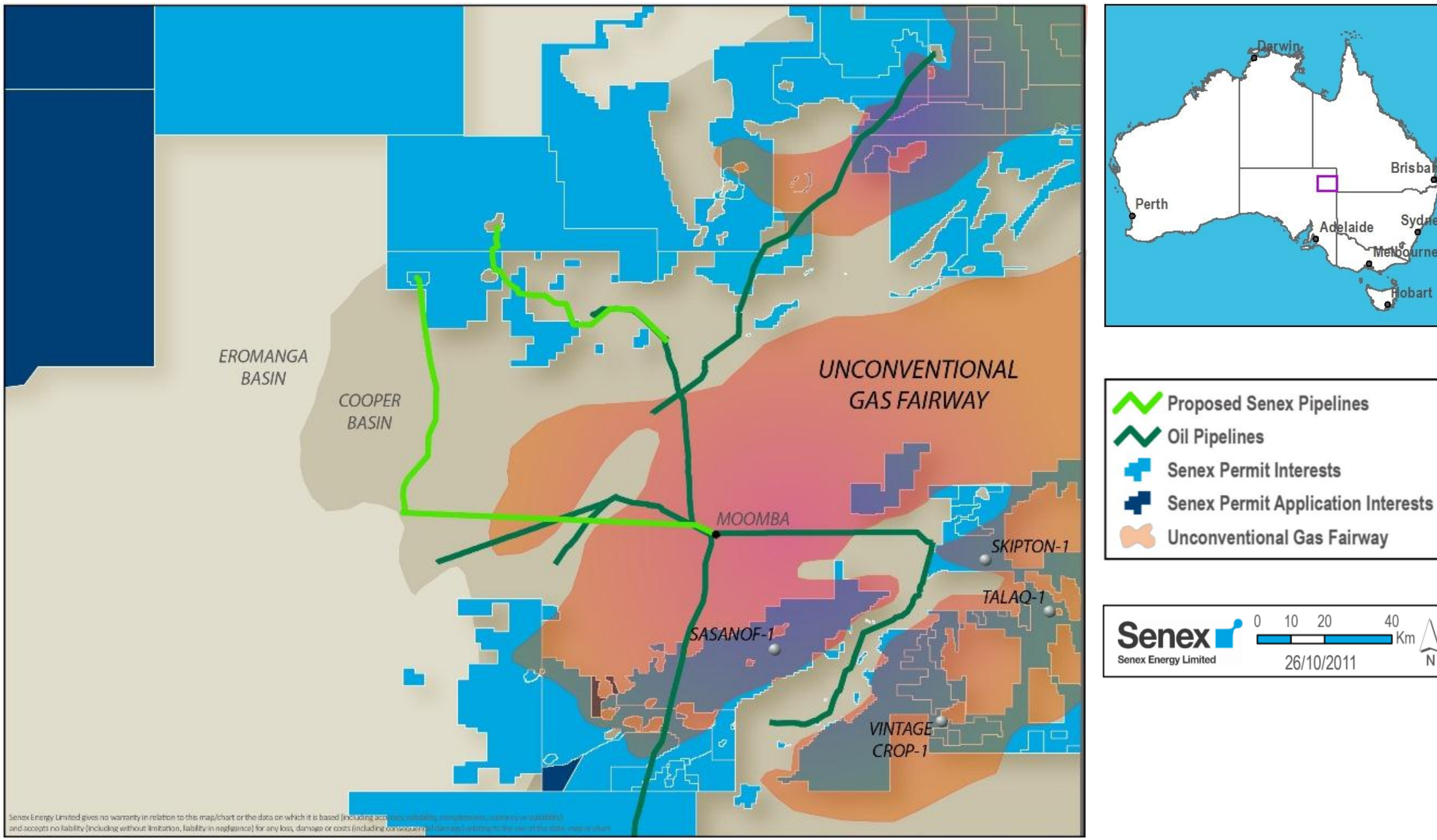
**Coals**

- Thick, mature Toolachee and Patchawarra coals

**Tight sands**

- Toolachee, Epsilon and Patchawarra tight sand / coal sequences
- Basin centred gas plays
- Piceance Basin analogue

# Net Gas-in-Place resource of over 100 Tcf



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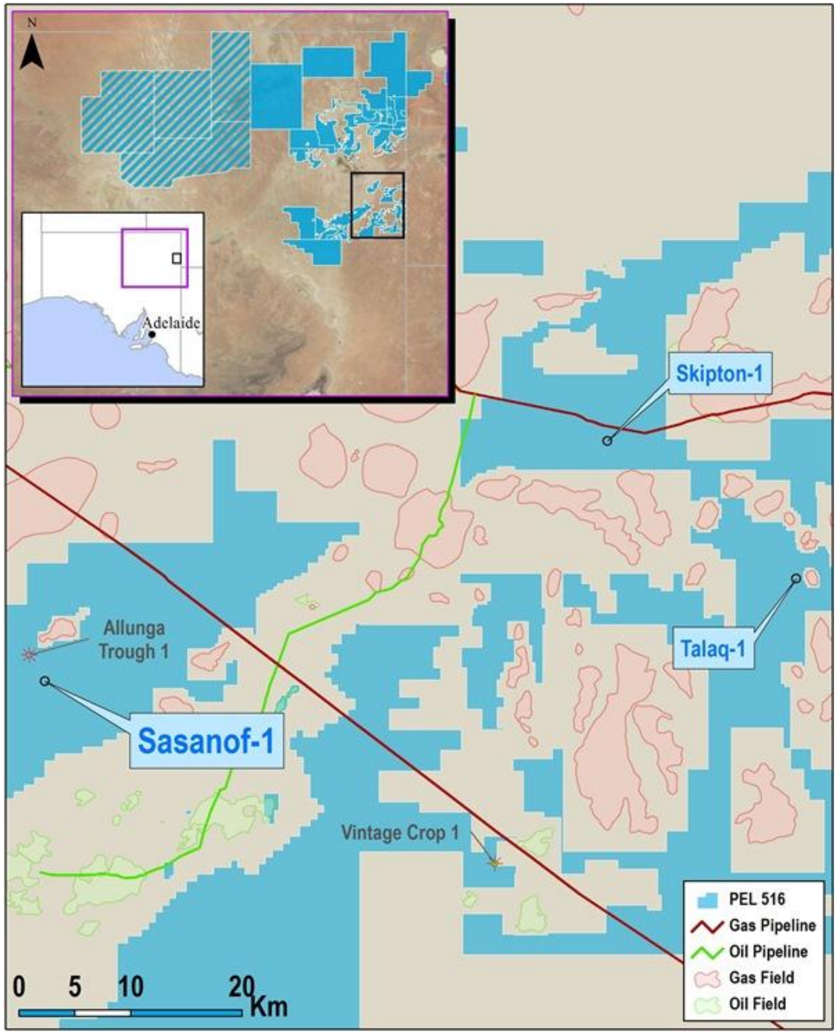
# 2011/12 Unconventional gas exploration program

- **Fracture stimulation injectivity testing** at existing Allunga Trough-1
  - Testing shale mechanical properties
  - Successfully completed Jan 2012
- **Three dedicated unconventional gas** exploration wells to be drilled in PEL 516 (Senex 100%) in 2011/12
  - Wells to be fully cored, fracture stimulated and flow tested
  - Sasanof-1 well currently being drilled now after rain delay
  - Fracture stimulation late April 2012
- **Material contingent resource booking** targeted for July 2012



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