

2P gas reserves upgraded 75% to 138.1 PJ

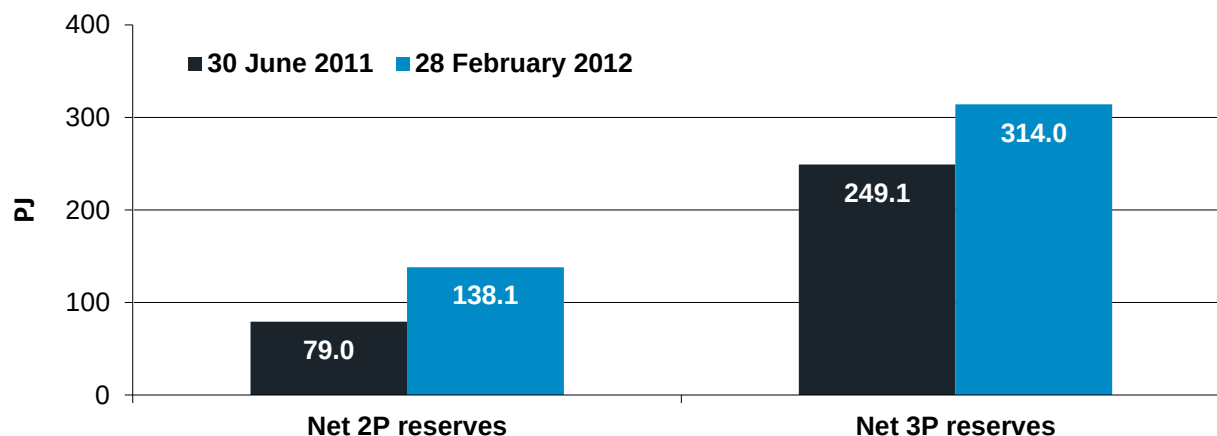
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Senex Energy Limited (Senex) is pleased to report a significant upgrade of gas reserves and resources across its Queensland Surat Basin coal seam gas (CSG) permits.

KEY POINTS

- More than 500 petajoules (PJ) of net CSG reserves and resources independently certified.
- Net Proved and Probable (2P) CSG reserves increased by 75% to 138.1 PJ.
- Net Proved, Probable and Possible (3P) CSG reserves increased to 314.0 PJ.
- Net 2C contingent resource of 205.4 PJ ascribed.
- First reserves booked in western Surat Basin permit ATP 593P following successful exploration.
- Reserves and resources independently certified by MHA Petroleum Consultants LLC.

The chart below highlights the increase in net gas reserves and resources resulting from the upgrade across Senex's CSG permits:



Senex Managing Director Ian Davies said the upgrade continued to demonstrate the value of the company's Surat Basin coal seam gas assets, which are strategically positioned to supply gas to both the booming liquefied natural gas (LNG) industry and higher priced domestic markets.

"Our acreage in the Surat Basin contains a significant resource capable of making a material contribution to the east Australian gas market. With more than 500 PJ of net reserves and resource now certified, Senex is clearly well positioned to meet growing gas demand.

“In short, the acreage shows all the hallmarks of highly productive Walloon Fairway gas fields. We have gas rich, permeable coals, close to existing gas infrastructure and we look forward to continuing focused field appraisal and production testing through the 2012/13 financial year,” he said.

The upgrade was based on new data received from active drilling programs in Senex’s Surat Basin coal seam gas permits through to 28 February 2012 (refer Figure 1):

- ATP 771P and ATP 593P (Senex 45% and Operator), known as the Don Juan Project, are located in the western Surat Basin, north west of Roma and close to infrastructure.
- PL 171 (Senex 20%) and ATP 574P (Senex 30%) are located on the eastern Surat Basin, surrounded by permits that are currently being developed to supply LNG projects.

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Competent Persons Statement

The estimates of gas reserves and resources for Senex Energy Limited have been compiled by Dr Steven Scott in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers (**SPE PRMS**). Dr Scott has over 20 years of industry experience.

The reserve estimate has been prepared by Mr Timothy L Hower, Chairman of MHA Petroleum Consultants, LLC (**MHA**), together with personnel under his supervision. Mr Hower, who has over 30 years industry experience, and MHA have consented to the inclusion of the technical information contained in this announcement.

Figure 1 – Senex coal seam gas interests in Queensland's Surat Basin

