

19 June 2012

Company Announcements
ASX Limited

Notice to holders of options to subscribe for Senex shares

I refer to the announcement released through ASX today that Senex will raise approximately \$155 million through a placement to institutional investors to raise approximately \$50 million (Institutional Placement) and a 2 for 13 accelerated non-renounceable entitlement offer of fully paid ordinary shares in Senex (New Shares) to raise approximately \$105 million (Entitlement Offer).

Under ASX Listing Rules, Appendix 7A, Senex will despatch a letter in the form attached in relation to the Entitlement Offer to each holder of options to subscribe for Senex shares.

Senex Energy Limited



Frank Connolly
Secretary

19 June 2012

Dear Option Holder

Senex Entitlement Offer – Notice to Option Holders

Senex Energy Limited (**Senex**) today announced that it will raise approximately \$155 million through a placement to institutional investors to raise approximately \$50 million (**Institutional Placement**) and a 2 for 13 accelerated non-renounceable entitlement offer of fully paid ordinary shares in Senex (**New Shares**) to raise approximately \$105 million (**Entitlement Offer**).

The purpose of the Entitlement Offer and Institutional Placement (together, the **Equity Raising**) is to fund Senex's unconventional gas exploration and appraisal program in 2012/13.

The Entitlement Offer entitles eligible shareholders to subscribe for 2 New Shares for every 13 existing Senex ordinary shares held at 7.00pm (AEST) on 22 June 2012 (**Record Date**) at an offer price of \$0.74 per New Share (**Entitlement**).

Your options do not entitle you to participate in the Entitlement Offer.

The purpose of this letter is to give you notice prior to the Record Date that you may exercise your options should you wish to participate in the Entitlement Offer. Accordingly, if you wish for some or all of the shares underlying your options to be counted as part of your Entitlement under the Entitlement Offer, you will need to exercise that portion of your vested and exercisable options for which you wish to participate and pay the current exercise price for them so that those shares are issued to you before the Record Date for the Entitlement Offer.

If you choose to participate in the Entitlement Offer by exercising some or all of your options prior to the Record Date, you will be sent an Information Booklet and personalised Entitlement and Acceptance Form containing important information about the Entitlement Offer. A copy of the Information Booklet will also be available on the ASX website at www.asx.com.au and Senex's website at www.senexenergy.com.au.

If you do not wish to participate in the Entitlement Offer (in respect of your options) you do not need to take any action. In that case, you should be aware that your options confer no right to a change in exercise price, nor a change to the number of underlying shares over which they can be exercised, as a result of the Entitlement Offer.

Before deciding whether to exercise all or any of your options, you should consider the terms of the Entitlement Offer carefully and consult with your professional adviser if necessary.

Should you have any queries in relation to this matter, please do not hesitate to contact Senex on +61 7 3837 9900.

Yours sincerely

Denis F Patten
Chairman

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This notice does not constitute an offer to sell or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia, New Zealand or the Cayman Islands. In particular, the New Shares have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States or by persons (including nominees or custodians) who are acting for the account or benefit of a person in the United States and the New Shares may not be offered, sold or resold, directly or indirectly, in the United States or to, or for the account or benefit of, a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.