



2012/13 Half Year Results

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25 February 2013

Senex 
Senex Energy Limited

Important notice and disclaimer

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Reserve and resource estimates

Unless otherwise indicated, the statements contained in this drilling report about Senex's reserves estimates have been compiled by Mr James Crowley BSc (Hons), who is General Manager – Exploration and Development, 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).

Mr Crowley consents to the inclusion of the estimates in the form and context in which they appear. Senex's reserves and resources are consistent with the SPE PRMS.

Agenda

H1 2012/13 Performance

H1 2012/13 Financials

Full year 2012/13 Outlook

Ian Davies
Managing Director and CEO



Excellent half year performance

Operations

A track record of delivery

- Record oil production of 660,136 barrels
- 80% success rate with oil exploration, appraisal and development drilling
- Reducing operating costs eg. oil pipelines
- 2P CSG reserves upgraded to 156.6 PJ, +13.4%

Financials ^{1, 2}

Generating value and fully funded

- Revenue \$77.3 million (*up 208%*)
- EBITDAX \$36.5 million (*up 368%*)
- NPAT \$23.4 million (*up 1,070%*)
- Cash \$150 million at 31 December 2012

Shareholder value ³

Profitable and still exploring

- S&P/ASX 200 company
- P/E of 14.6x, EV/EBITDA of 8.2x
- Continuing to deliver on our strategy

1. Reconciliations for EBITDAX and NPAT are provided on slide 13

2. Compared with previous corresponding period

3. NPAT and EBITDA annualised from first half 2012/13 results; closing share price as at 22 February 2013

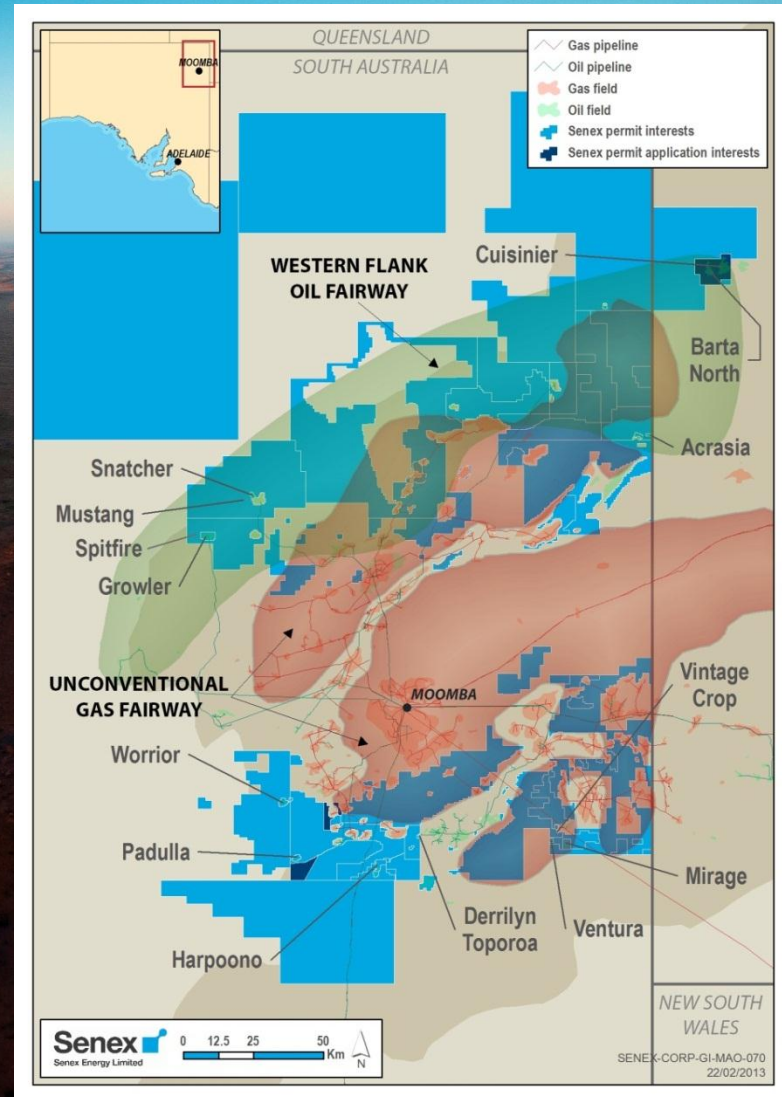
A growing and sophisticated business

63 permits

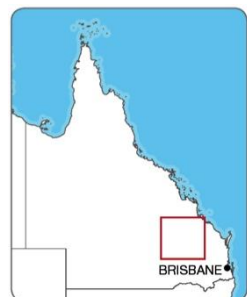
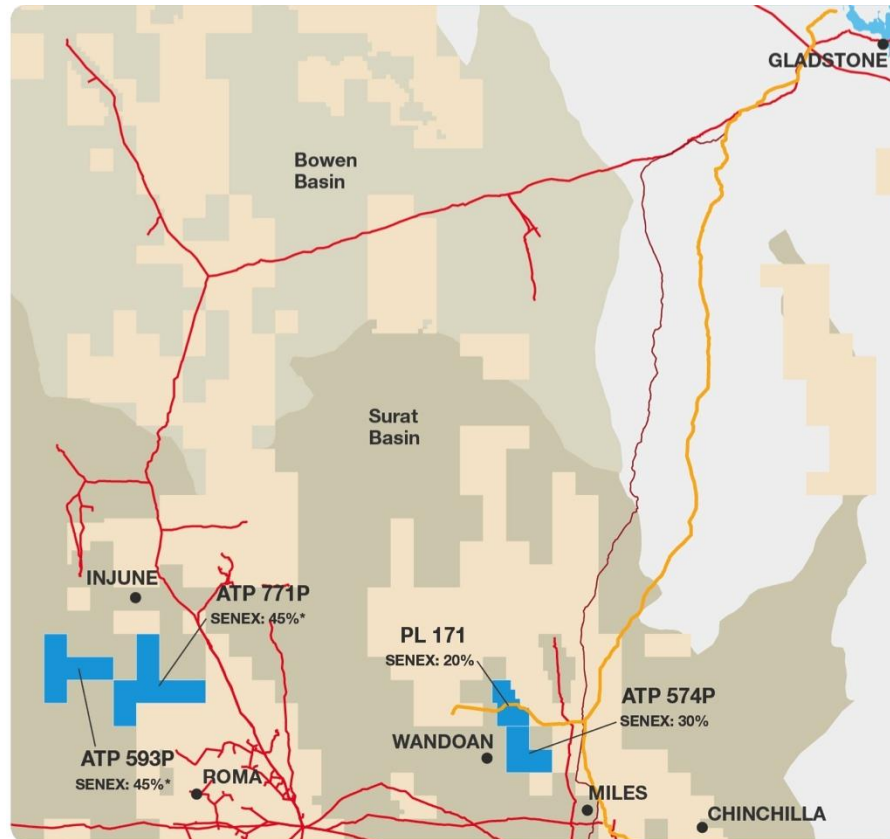
14 operated oil fields

44 joint ventures

72,969 km² net acreage



Coal seam gas: 2P and 3P reserves upgraded by over 13%



Legend

- Existing gas pipelines
- Proposed QGC gas pipeline (under construction)
- Proposed APLNG gas pipeline (under construction)
- Senex permit interests
- Surrounding CSG-LNG permits

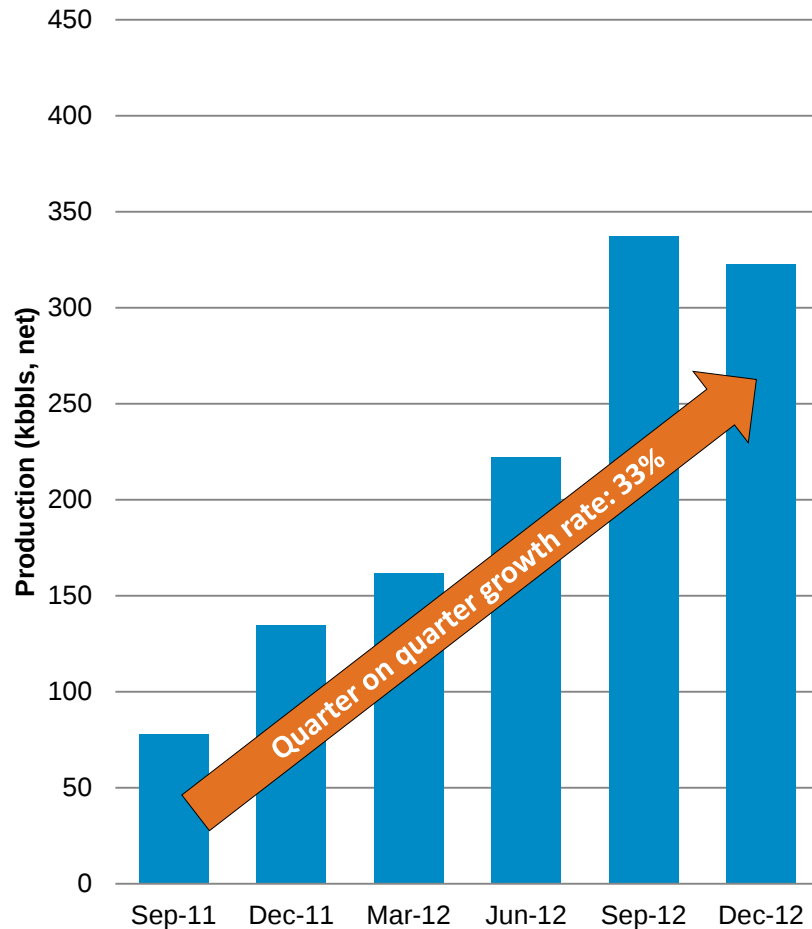


0 12.5 25 50 Km

- **Net reserves:**
 - 2P reserves 156.6 PJ
 - 3P reserves 357.7 PJ
 - 598 PJ of reserves and resources (~102.8 mmboe)
- Located in the Gladstone LNG feedstock heartland
- Intensifying interest in monetisation opportunities
- Seven successful appraisal wells drilled in 2012/13
- Planning underway for further eleven exploration and appraisal wells across eastern and western permits

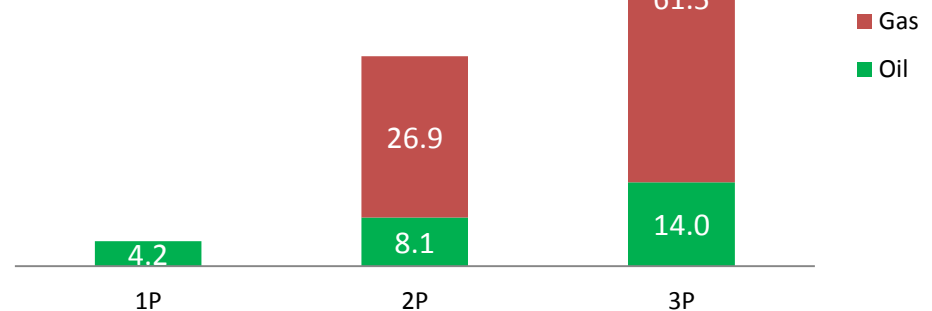
Oil: Continuing to deliver rapid growth

Oil production



- Six strong quarters of oil production
- Quarter on quarter growth of 33%
- Multi-million barrel oil reserve upgrade at full year
- Low cost production improvements at existing assets

Net reserves (mmboe)



Oil: Record production and drilling success



Production:

- Net production of 660,136 barrels, up 70% on previous six months
- Average daily production over 3,500 bopd net to Senex

Development:

- Five successful wells extend the Snatcher oil field
- Key oil pipelines completed

Exploration:

- Mustang discovery continues to exceed initial expectations
- Five exploration wells drilled, with two new oil field discoveries
- Spitfire oil field confirmed through drilling
- More than 1,100 km² of 3D seismic underway

Unconventional gas: Significant potential

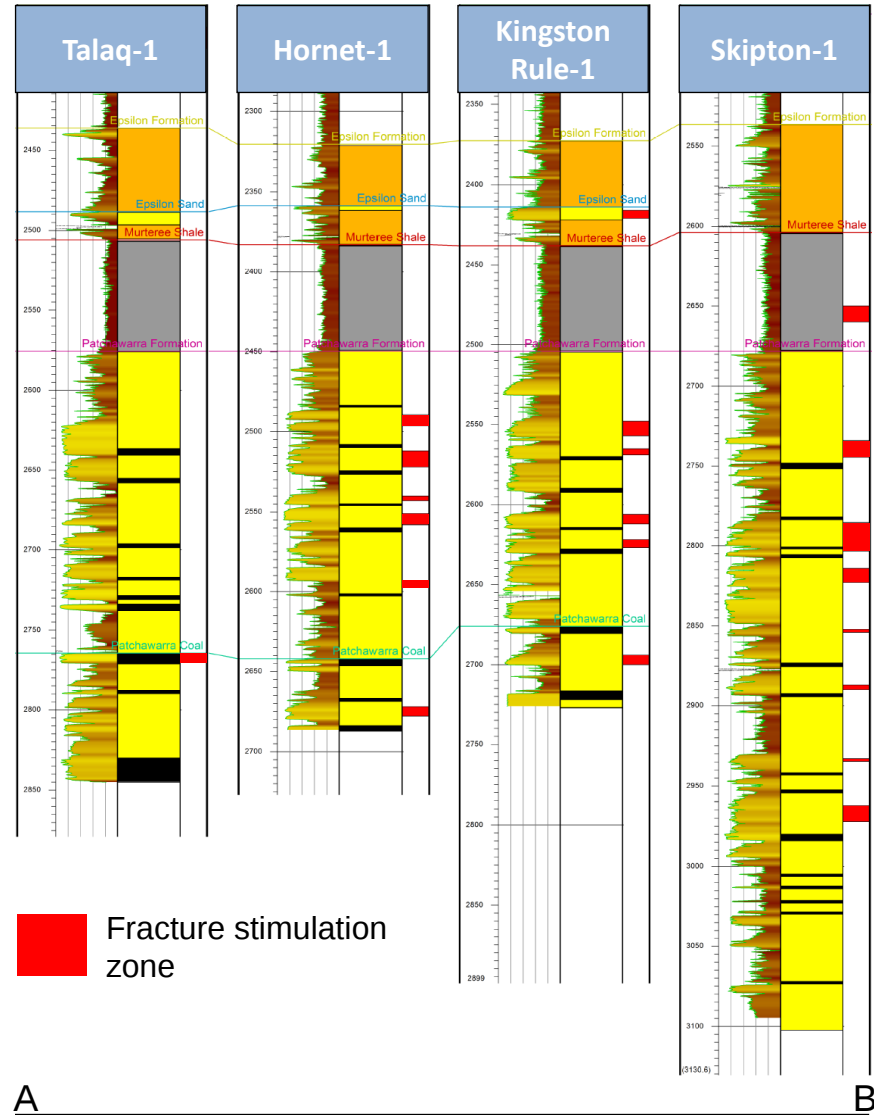
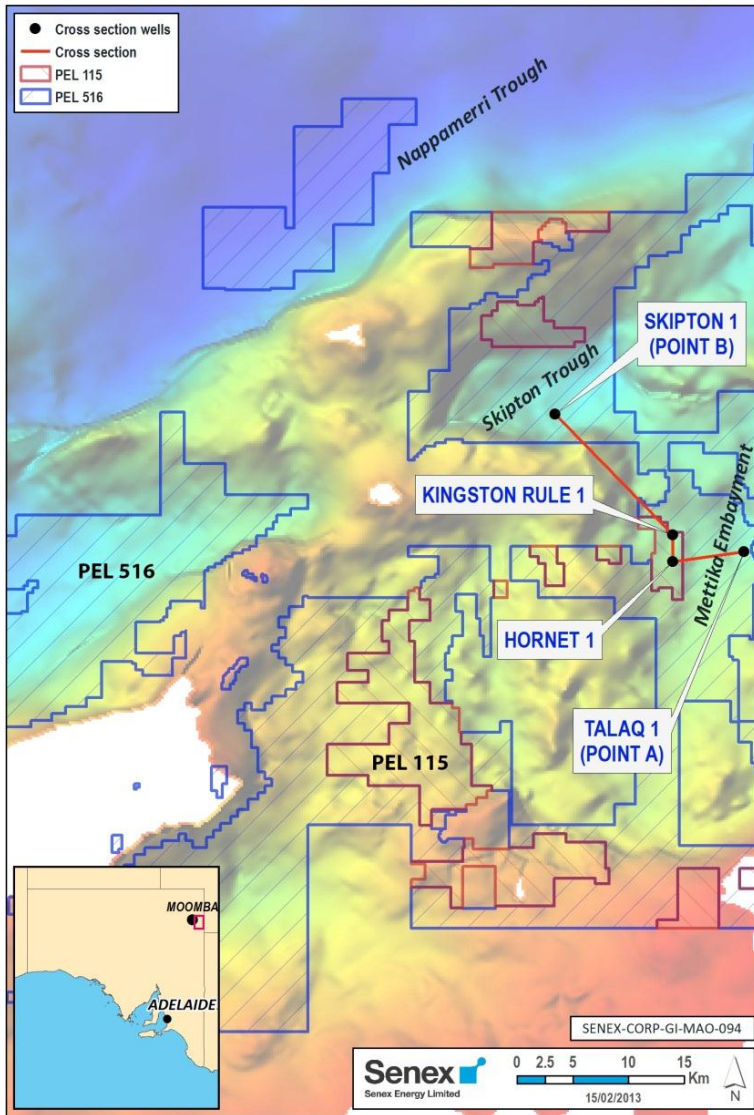
An active program:

- Large scale fracture stimulation program has commenced
- Targeting material contingent resource after hydraulic fracture stimulation program

Well	Net Pay
Skipton-1	75 metres in Patchawarra and 164 metres in Roseneath and Murteree
Kingston Rule-1	53 metres in Epsilon and Patchawarra and 150 metres in Roseneath and Murteree
Talaq-1	12 metres net gas pay in Patchawarra, liquid hydrocarbons in Epsilon and upper Patchawarra, thick gassy coals
Hornet-1	28 metres in Patchawarra, flowed gas to surface
Paning-2	47 metres in Permian sands 70 metres in deep coals



Unconventional gas: Fracture stimulation program underway



Unconventional gas: Focused on tight gas sands, deep coals and shale

Well	Fracture stimulation stages *	Data and implications
Skipton-1	7 stages in the Patchawarra tight gas sands 1 stage in the Murteree Shale	- Gas flow to surface will prove basin-centred tight gas sands in the Skipton Trough - Murteree Shale present across entire region
Kingston Rule-1	5 stages in the Patchawarra tight gas sands 1 stage in the Epsilon Formation	Gas flow to surface will prove stratigraphic tight gas sands traps on the western flank of the Mettika Embayment
Talaq-1	1 stage in the Patchawarra coal	- This seven metre thick coal has a gas content of more than 20m³/tonne - The coal package is laterally extensive across more than 20,000 acres of Senex southern Cooper Basin permits
Hornet-1	6 stages in the Patchawarra tight gas sands	Well previously flowed gas from an unstimulated zone
Paning-2	Zones subject to log interpretation and fracture stimulation spread availability	Zones in Patchawarra and Epsilon tight gas sands and Toolachee and Patchawarra deep coals

* Planned number of stages, subject to change

Agenda

H1 2012/13 Performance

H1 2012/13 Financials

Full year 2012/13 Outlook

Andrew Price
Chief Financial Officer

Excellent performance on all key metrics

\$ million	31 Dec 2012	31 Dec 2011	Change
Revenue	77.3	25.1	↑ 208%
Gross profit	40.7	11.0	↑ 270%
NPAT ¹	23.4	2.0	↑ 1,070%
EBITDAX ²	36.5	7.8	↑ 368%
EBITDA ²	32.7	6.1	↑ 436%
Cash reserves	149.6	124.0	↑ 21%

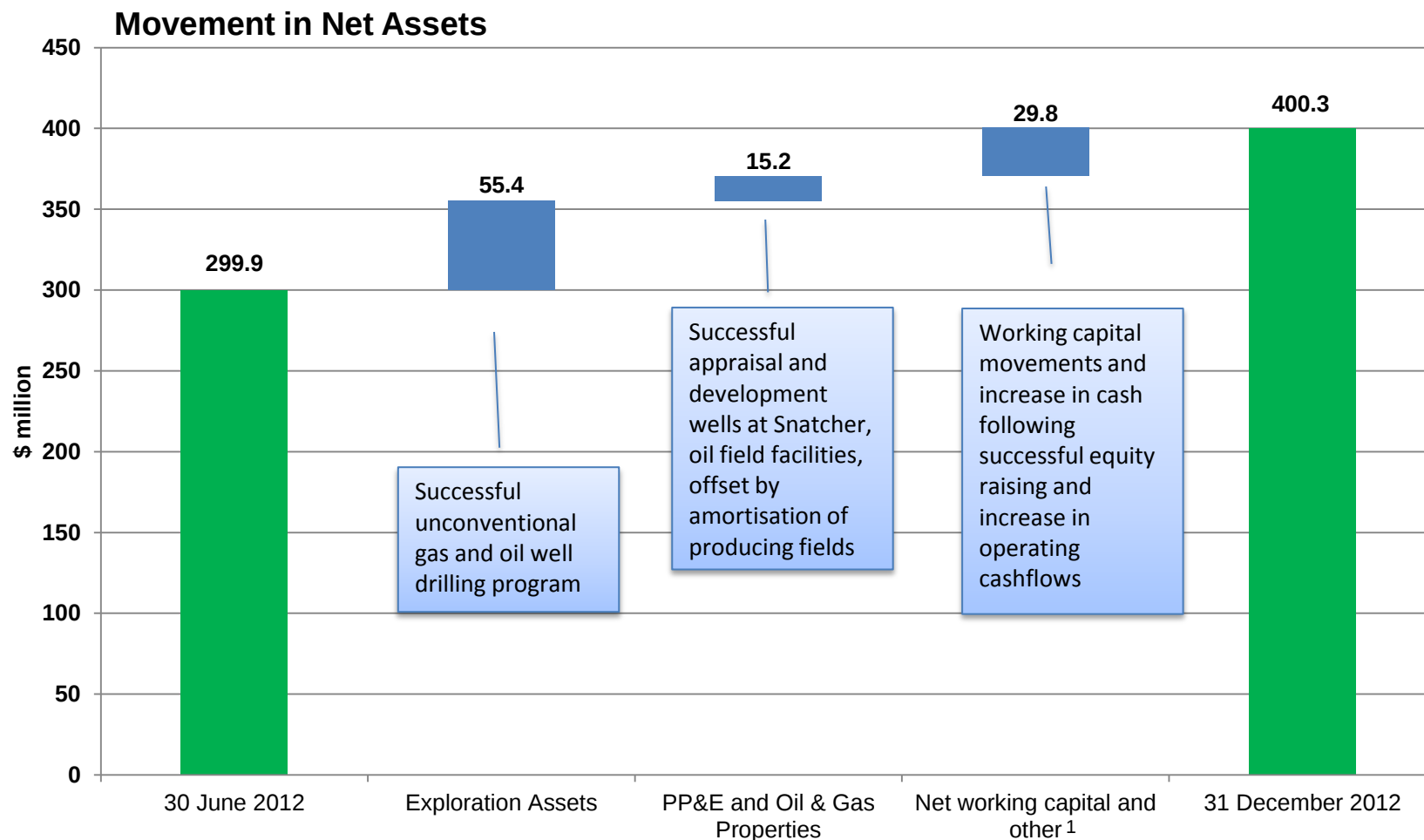
- ✓ Strong profit result
- ✓ Record oil production
- ✓ High margin oil sales and strong cash generation
- ✓ Fully funded for growth

1. NPAT means net profit after tax and is equal to 'profit/(loss) after tax' per the audited Consolidated Statement of Comprehensive Income on page 9 of the 31 December 2012 Financial Statements

2. EBITDA (earning before interest, tax, depreciation, amortisation and impairment), EBITDAX (EBITDA before oil and gas exploration expense) and can be reconciled to the 31 December 2012 Financial Statements as follows:

	31-Dec-12 \$'million	31-Dec-11 \$'million
Profit/(loss) after tax	23.4	2.0
Add/(less) :		
Net Interest	(19)	(18)
Tax	0.8	0.6
Depreciation	0.9	0.2
Amortisation and impairment	9.5	5.1
EBITDA	32.7	6.1
Add back:		
Oil and gas exploration expense	3.8	1.7
EBITDAX	36.5	7.8

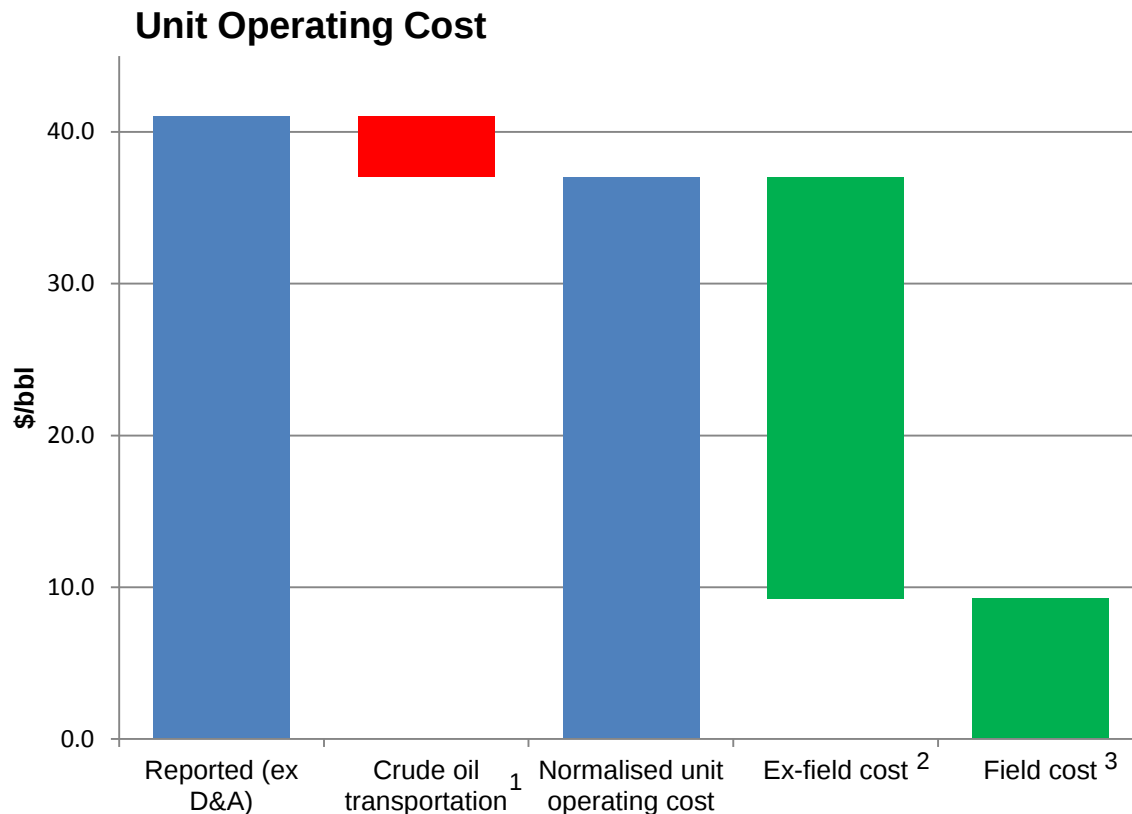
Strong cash position and no debt



1. Net working capital and other is equal to the sum of cash, inventory, prepayments, current assets-held-for-sale, non-current trade and other receivables, available-for-sale assets, current trade and other receivables less trade, other payables and current and non-current provisions per the Statement of Financial Position on page 8 of the half year report

Continually driving down operating costs

<i>\$ million</i>	31 Dec 2012
Revenue	
Oil Revenue	72.0
Other Revenue	5.3
	77.3
Cost of Sales	
Operating costs	(27.1)
Amortisation	(9.5)
	(36.6)
Gross Profit	40.7
Production (bbls)	660,136
Revenue (\$/bbl)	109.04
Operating cost (\$/bbl)	(41.04)



1. Pipelines to reduce operating costs
2. Ex-field costs include crude oil processing, transportation, wharfage, marketing and royalties
3. Controllable costs (field costs) are low and continue to improve

Agenda

H1 2012/13 Performance

H1 2012/13 Financials

Full year 2012/13 Outlook

Ian Davies
Managing Director and CEO



Positioned for accelerated growth

Oil

Fuelling future growth

- Western flank oil fields: increasing success rates and decreasing operating costs
- Optimisation of non-western flank, mature oil fields
- 3D seismic programs to drive oil production growth

Unconventional gas

Global gas supply potential

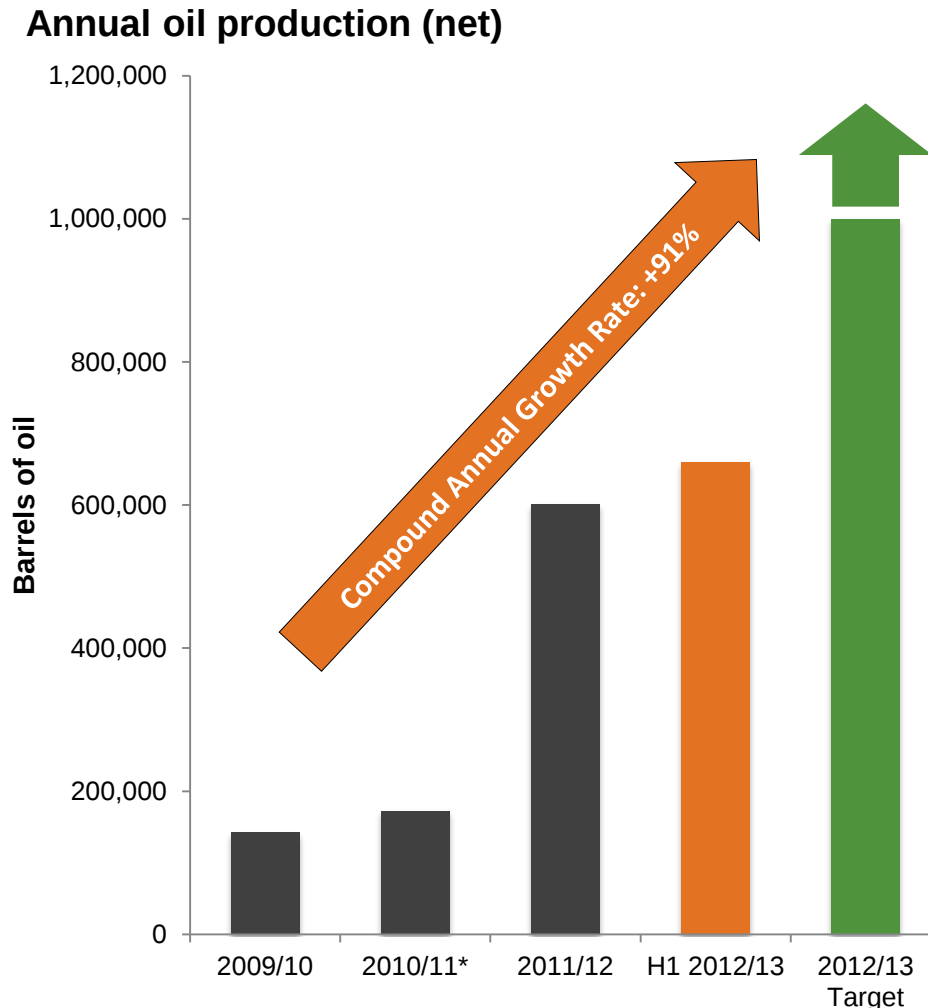
- Fracture stimulation program underway
- Appraisal drilling planned for southern Cooper Basin permit PEL 516
- Further exploration of northern Cooper Basin
- Investment in skilled people, rigs and equipment
- Rising gas price environment benefiting project economics

Coal seam gas

Prime resource position

- Increase 2P reserves coverage through ongoing appraisal and resource definition
- 11-well campaign in planning, 2013/14 pilot program

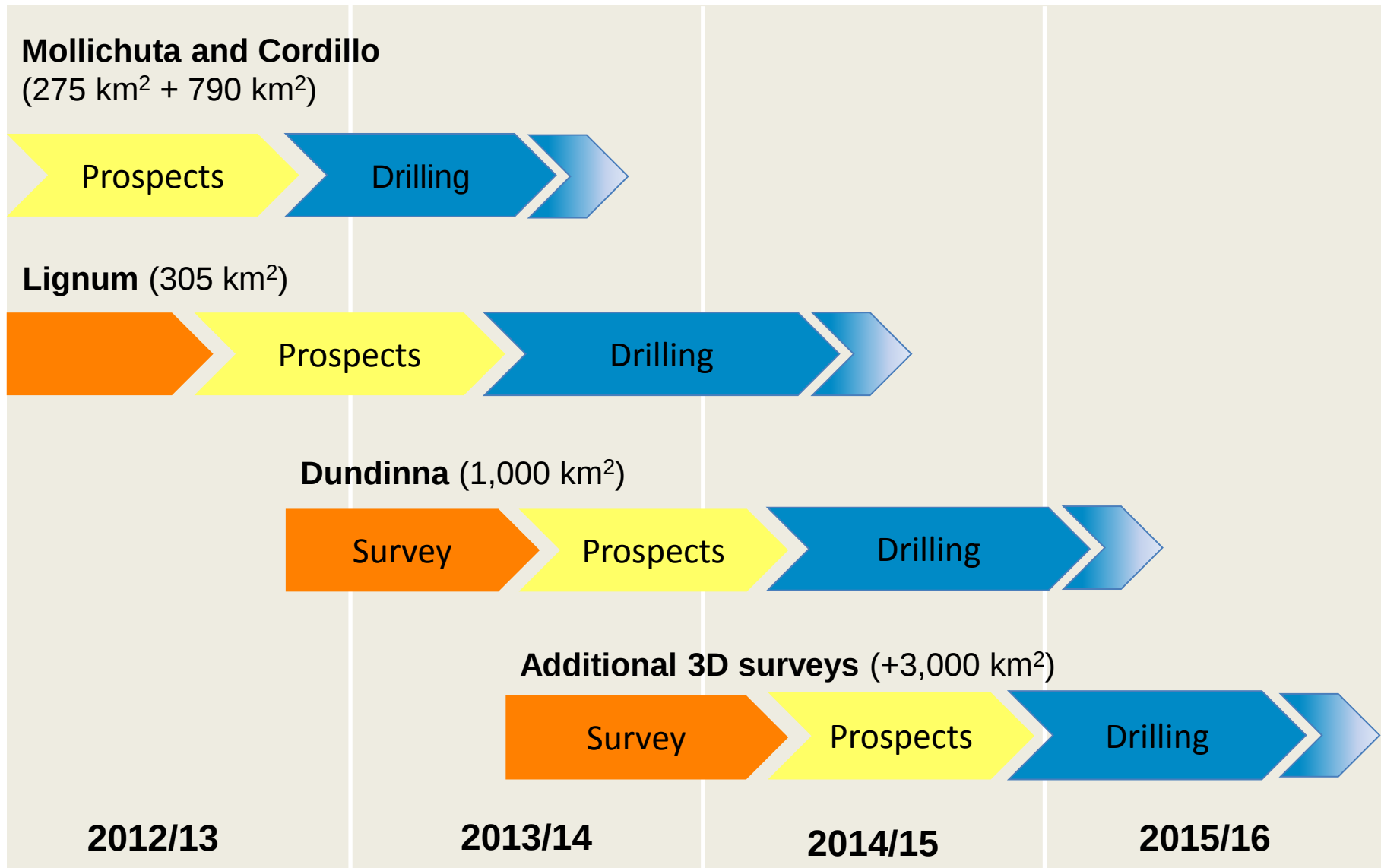
Oil: Production will exceed one million barrels for 2012/13



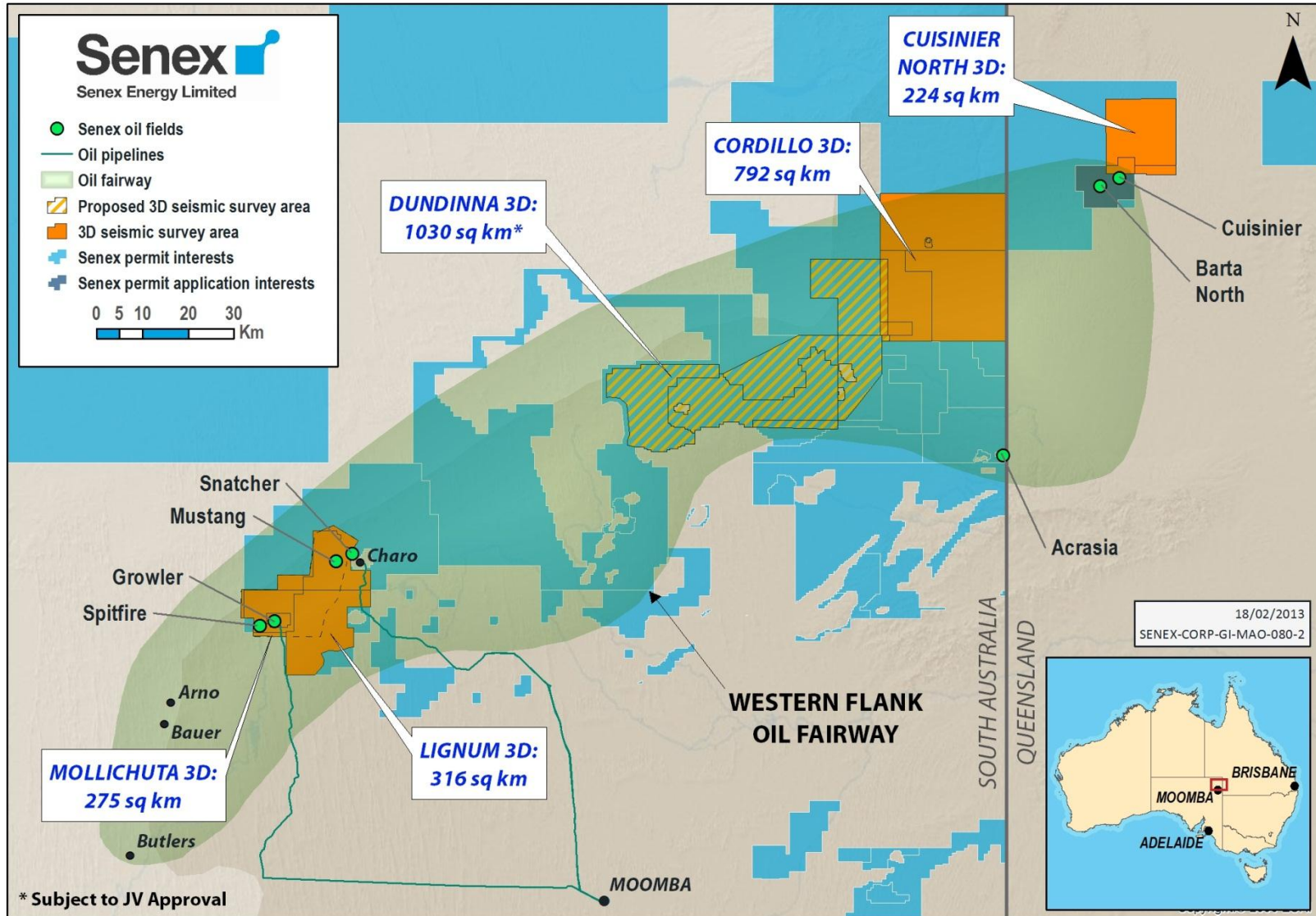
- 2012/13 oil production target of one million net barrels will be exceeded
- Full year contribution from western flank oil fields
- Pipeline infrastructure to increase reliability, reduce operating costs and weather risks
- 3D seismic to drive production growth
- Outperformance in both oil volumes and price

* 2010/11 includes contribution from Stuart Petroleum Limited for the full year

Oil: 3D seismic identifying the next generation of prospects and drilling targets



Oil: 3D seismic targeting the western flank oil fairway



Unconventional gas: Building momentum

- Fracture stimulation program underway
- Focus on southern permit PEL 516, with initial exploration on northern Cooper Basin permits underway
- Program objectives:
 - resource definition and gas deliverability
 - continually reduce costs
- Dedicated rigs being brought in country



Resource definition

Deliverability

Commerciality

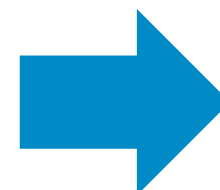
Southern Cooper Basin

2011/12 program:

- 3 wells drilled and cored
- Fracture-stimulation program underway
- Targeting 2C resource booking in 2012/13

2012/13+ program (18+ months):

- 11 wells
- Limited coring
- Focus on fracture stimulation and flow testing
- Pilot program to follow a successful appraisal program



Northern Cooper Basin

2012/13 program:

- 2 wells drilled, cored and fracture-stimulation planned



CSG: Continuing reserves build and value add



- Exploration and appraisal to build 2P reserves and enhance resource definition
- 11-well program across eastern and western permits
- Field development planning, targeting pilot production programs in 2013/14
- Intensifying interest in monetisation opportunities
- CSG to LNG projects will require additional third party gas supplies

Positioned for success



- 2012/13 oil production target of one million net barrels will be exceeded
- Material oil reserves upgrade at full year following exploration success and extensions to existing oil fields
- Operating costs continue to fall
- Intensifying interest in CSG assets with continued reserve build success
- Major unconventional gas exploration program underway
- Rising gas price environment benefiting project economics
- Fully funded through FY14



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