

Full year results for 2012/13

Release Date: 28 August 2013

Senex Energy Limited (Senex) delivered record profitability for 2012/13 as a result of continued growth in the Company's high-margin oil business and a singular focus on building an energy company that generates wealth for shareholders.

2012/13 full year results

- Group revenue up 110% to \$147.9 million
- Gross profit up 160% to \$80.5 million
- Cost of production down 14.6% to \$39.20 per barrel, including royalties
- Net profit after tax¹ up 585% to \$61.0 million
- Underlying profit² up 385% to \$43.2 million
- EBITDAX³ up 265% million to \$91.0 million
- Cash reserves of \$126.8 million at 30 June 2013 and no debt
- Net oil production up 108% to 1.25 million barrels (mmbbls)
- Net proved and probable oil reserves up 3.9 mmbbls to 10.8 mmbbls, representing a reserves replacement ratio of 319%
- Cooper-Eromanga Basin 3C contingent gas resources booked of 5.5 trillion cubic feet (914 million barrels of oil equivalent) net to Senex

Senex Managing Director Ian Davies said the Company's results for 2012/13 demonstrated that it had the technical and commercial expertise to build a valuable energy company.

"These are excellent results that highlight our underlying strength and profitability. Senex is in an enviable financial position with strong production generating strong cash flows allowing us to protect our balance sheet in volatile market conditions," he said.

Senex outperformed its oil production guidance for the year, delivering record production of 1.25 mmbbls from its rapidly growing oil business in South Australia's Cooper-Eromanga Basin.

With no debt, cash reserves of \$126.8 million at 30 June 2013 and oil revenues set to increase further in the coming year, Senex is well placed to continue its rapid growth agenda in 2013/14.

"In the current year, Senex will drill more than 30 oil wells across its permits in the South Australian Cooper-Eromanga Basin, with exploration, appraisal and development wells to be drilled in both the northern and southern oil provinces. Of the three wells already drilled as part of that program, it is pleasing to report that two of the wells – Worrior-8 and Burruna-2 – have been cased and suspended as future oil producers, continuing our solid record for exploration and appraisal success.

"At the same time, predicted east coast Australian gas supply shortages present numerous opportunities to rapidly commercialise our valuable gas assets," Mr Davies said.

For further information contact:

Ian Davies
Managing Director
Senex Energy Limited
Phone: (07) 3837 9900

Andrew Barber
Corporate Affairs Manager
Senex Energy Limited
Phone: (07) 3335 9821 or 0418 783 701

Notes

¹ Net profit after tax is equal to 'profit/(loss) after tax' per the audited consolidated statement of comprehensive income in the 2012/13 Annual Report.

² Underlying profit is a non-IFRS measure that is presented to provide an understanding of the underlying performance of Senex's operations. The measure excludes the impacts of asset acquisitions, disposals and impairments, as well as items that are subject to significant variability from one period to the next, including the effects of fair value adjustments on financial instruments. The non-IFRS financial information is unaudited however the numbers presented have been extracted from the audited financial statements contained within the 2012/13 Annual Report.

	2013 \$000	2012 \$000
Net profit/(loss) after tax	61,004	8,860
<i>Add / (deduct) the following:</i>		
Gain on sale of fixed assets and investments	(16,239)	
Gain on asset held for sale	(3,644)	
Other income / expenses	(208)	
Impairment of available for sale investment	2,300	
Underlying profit	43,213	8,860

³ EBITDA / EBITDAX (earnings before interest, tax, depreciation, amortisation, impairment and exploration expense) can be reconciled to the 2012/13 Annual Report as follows:

	2013 \$000	2012 \$000
Net profit/(loss) after tax	61,004	8,860
<i>Add back:</i>		
Interest	(5,421)	(3,336)
Tax	391	1,681
Depreciation	626	639
Amortisation and Impairment	21,509	11,856
EBITDA	78,109	19,700
- Exploration expense	12,843	5,222
EBITDAX	90,952	24,922

Competent person's statement

Unless otherwise indicated, the statements contained in this announcement about Senex's reserves and resources 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.