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Sundance Energy Australia Limited ABN 76 112 202 883

FOR IMMEDIATE RELEASE

General Manager
The Company Announcements Office
Australian Securities Exchange

Sale of DJ Basin Assets

- Sale price of US\$116,000,000 which includes capital expenditure reimbursement on 8 gross (3.1 net) horizontal wells in the Wattenberg Field
- Frees up significant funding capacity to be used for accelerated development and acquisitions in the Eagle Ford and Mississippian/Woodford, the Company's core development projects

Sundance Energy Australia Limited (ASX: SEA, "Sundance") is pleased to announce the divestiture of its remaining Denver-Julesburg Basin assets. The sale price of US\$116.0 million in cash includes capital expenditure reimbursement on 8 gross (3.1 net) non-operated horizontal wells. The transaction is highly value accretive for the Company and compares favourably to recent similar transactions in the DJ Basin.

The Company's DJ Basin assets include approximately 5,100 net acres in the Wattenberg Field plus the Company's remaining northern Niobrara projects, Twister, Bull Canyon and Silo. The assets produced approximately 567 boepd during the first quarter of 2014. The Company is not changing its full-year capital expenditure or production guidance at this time.

Importantly, the Company expects to be able to defer the majority of the tax impact of this transaction. The funds generated from this sale will be redeployed into existing core development projects and provides the Company with the financial flexibility to pursue a number of new opportunities that are currently under review.

Sundance's Managing Director, Eric McCrady said, "This sale of a non-core project allows the Company to not only crystallise an attractive return on its DJ Basin investment, but provides a significant opportunity to reinvest capital into accelerating growth in our core projects in the Eagle Ford and Mississippian/Woodford. The cash consideration from the

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sale significantly bolsters Sundance's funding capacity to accelerate value creation in existing projects and pursue new value accretive project acquisition opportunities.

In line with our stated strategy, the sale of the DJ Basin assets accelerates our shift towards reinvesting capital into our core Company operated projects. This strategy will enable Sundance to focus its growth in the Eagle Ford and Mississippian/Woodford, two of the highest return onshore US resource plays."

Transaction Details

The purchaser of the DJ Basin assets is a private-equity backed oil and gas company focused on the acquisition and horizontal development of acreage in the DJ Basin.

A binding and conditional Purchase and Sale Agreement (PSA) was executed in the US on 23 May 2014. The PSA, which is effective as of 1 March 2014, is subject to several common closing conditions such as confirmatory due diligence but is not subject to any financing contingencies. The Buyer has placed a 5% deposit in escrow to secure its obligations under the PSA. Depending on timing of the satisfaction of the various conditions, we expect the transaction to close in July or August of 2014.

For more information, please contact:

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About Sundance Energy Australia Limited

Sundance Energy Australia Limited (ASX: SEA) is an Adelaide-based, independent energy exploration company, with a wholly owned US subsidiary, Sundance Energy Inc., located in Denver, Colorado, USA.

The Company is focused on the acquisition and development of large, repeatable oil and natural gas resource plays in North America. Current activities are focused on the Eagle Ford and Mississippian/Woodford.

A comprehensive overview of the Company can be found on Sundance's website at www.sundanceenergy.com.au.