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FOR IMMEDIATE RELEASE

General Manager
The Company Announcements Office
Australian Securities Exchange

Not for release in the United States.

Operations Update

HIGHLIGHTS

- Increased average daily production for the quarter to 5,798 boepd, net of royalties, in-line with the Company's previously released guidance;
- Production increased 1,075 boepd, or 23%, compared to the first quarter of 2014.

EAGLE FORD

- Added a total of 5,700 net acres through July 2014 bringing the Company's Eagle Ford acreage holdings to approximately 19,700 net acres;
- As of 30 June 2014 the Company had 7 gross (5 net) wells that were either completed and being prepared for production or had fracs in progress, and 14 gross (12.2 net) wells waiting on completion;
- The Company's dedicated frac crew began operation in late May 2014 and we anticipate new initial production from 10-13 gross (8-11 net) wells in each of the third and fourth quarter of 2014;
- Production results from the Company's 2014 well design are outperforming its 2013 wells by approximately 200 boepd per well over the first 30 days of production or approximately 20% per lateral foot;
- Subsequent to quarter end, the Company finished drilling its first well on the recently acquired Dimmit County Eagle Ford asset and anticipates initial production from the well in the fourth quarter of 2014;
- The Company has entered a gas gathering agreement covering the southern portion of its McMullen County, Texas acreage and anticipates construction will be completed and first sales will occur in the third quarter of 2014.



Sundance Energy (“Sundance” or “the Company”) is executing a multi-rig horizontal drilling program to drive production, cash flow and reserve growth from its assets in the Eagle Ford and Mississippian/Woodford.

EAGLE FORD

During 2014 the Company has added 11,600 net acres bringing its Eagle Ford acreage position to 19,700 net acres focused in the northeastern McMullen County, Texas area. The Company has added 10,500 net acres through acquisitions (as announced 26 May 2014 and 4 April 2014), and 1,100 net acres through direct mineral leasing.

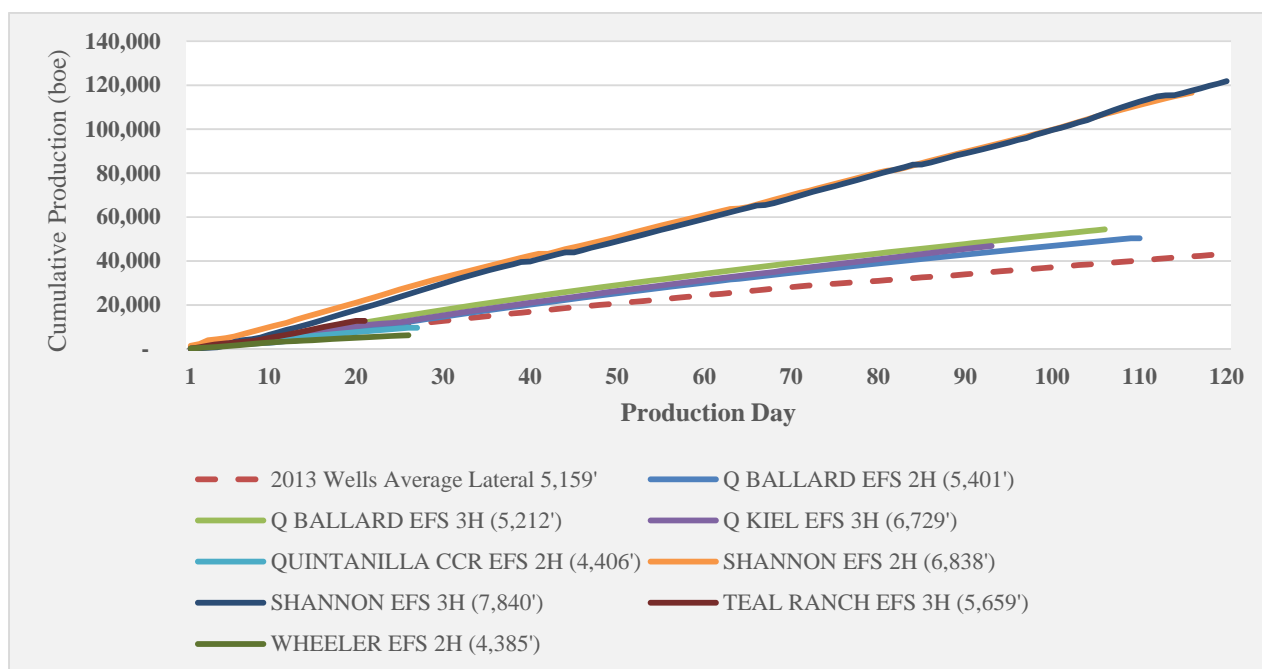
During 2014 the Company has brought 7 gross (5.2 net) wells onto production in the Eagle Ford resulting in net Eagle Ford production of 3,500 boepd during the second quarter of 2014, a 1,125 boepd increase over the Company’s fourth quarter 2013 production of 2,375 boepd from the Eagle Ford.

In late May 2014 the Company’s frac crew, which is dedicated to Sundance operations through late in the fourth quarter of 2014, began operations. As of 30 June 2014, there were 5 gross (4 net) wells that were completed but not producing as plugs were being drilled out or the remaining wells on the pad were awaiting completion, and 2 gross (1 net) wells that had fracs in progress. Additionally, the Company had 14 gross (12.2 net) wells that were drilled and awaiting completion.

The Company anticipates new production from 10-13 gross (8-11 net) Eagle Ford wells in each of the third and fourth quarter of 2014 as the inventory of wells that are completed but not producing, and drilled but not completed, are brought onto production.

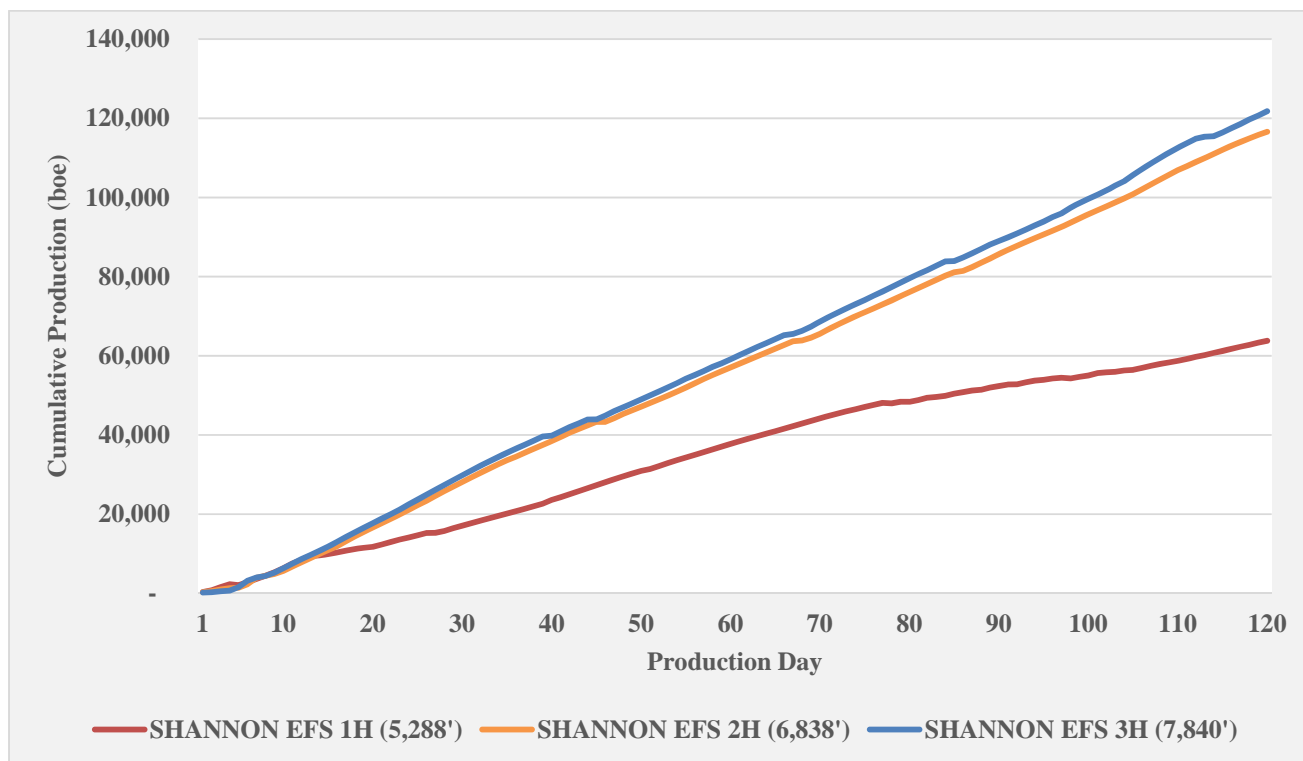
Production results from the Company’s 2014 well design are outperforming its 2013 wells by approximately 200 boepd per well over the first 30 days of production or approximately 20% per lateral foot. Graph 1 shows cumulative production (normalized) from the Company’s 2014 wells (includes wells that have begun production subsequent to quarter end with an average completed lateral length of 5,809’) compared to average cumulative production from 2013 wells (with an average lateral length of 5,159’).

Graph 1: 2014 vs. 2013 Cumulative Production from Eagle Ford Wells (includes data past quarter end)



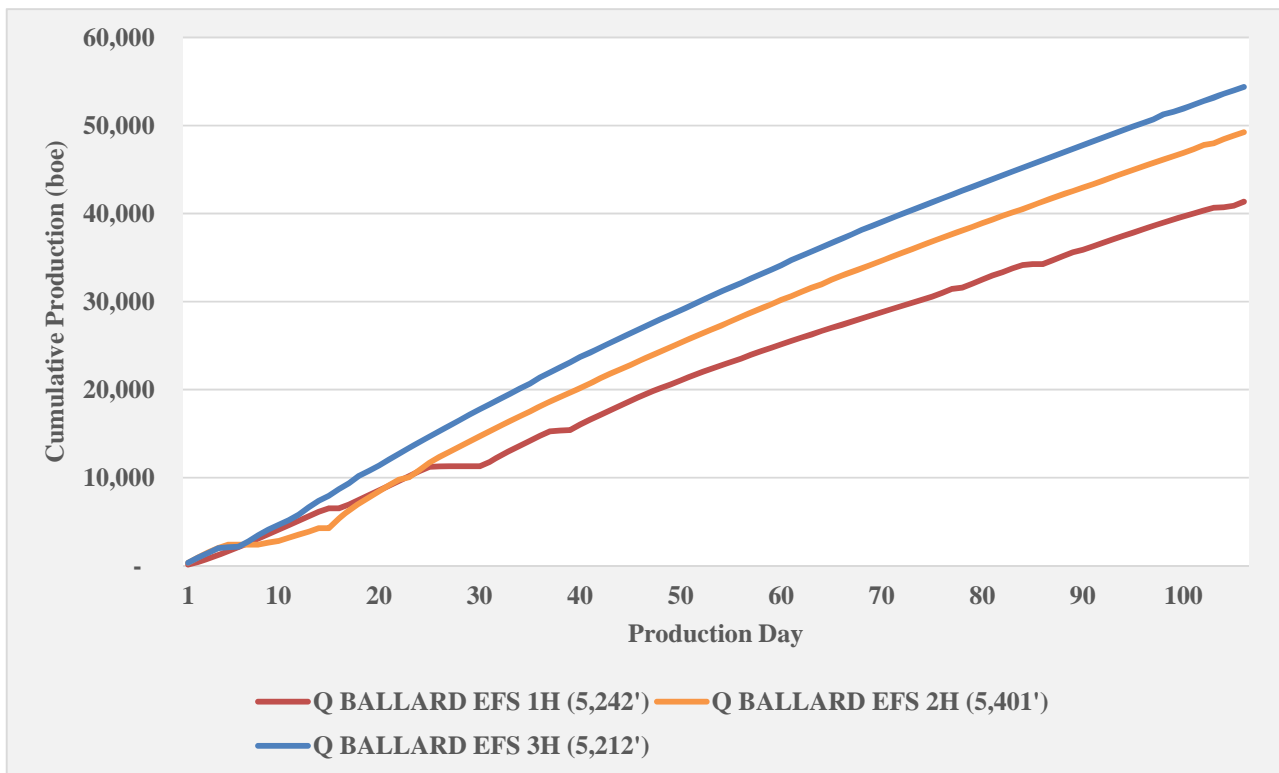
The Shannon EFS 2H & 3H are the first two wells that have benefited from a “zipper frac,” installation of tubing early in the life of the well, and several changes to the frac design. Both wells have initially been produced on restricted chokes. Over the first 120 days the Shannon 2H & 3H have produced an average of 16.3 boe per lateral foot, a 35% increase compared to the Shannon EFS 1H which has produced 12.1 boe per lateral foot. Graph 2 shows the initial production performance of the wells compared to the offsetting Shannon EFS 1H.

Graph 2: Cumulative Oil Production of the Shannon EFS 2H & 3H Compared to the Shannon EFS 1H



In 2014 the Company has begun testing its new Eagle Ford frac design, the AWS frac. Over the first 105 days the Q-Ballard EFS 2H & 3H have produced an average of 9.8 boe per lateral foot, a 24% increase compared to the Q-Ballard EFS 1H which produced 7.9 boe per lateral foot. Graph 3 portrays early production results from the all-white sand frac design (“AWS Frac”) that was used on the Q-Ballard EFS 2H & 3H compared to the Q-Ballard EFS 1H that was completed using the Company’s 2013 design.

Graph 2: Cumulative Oil Production of the Q-Ballard EFS 2H & 3H Compared to the Q-Ballard EFS 1H



During the quarter, the Company entered an agreement with a third party to transport and process gas from its field gathering system. Construction is in process for the line to connect the Company’s field gathering system to the third party system and first sales are expected through the system in the third quarter of 2014.

MISSISSIPPIAN/WOODFORD

The Company’s primary focus is the appraisal of the Mississippian and Woodford formations in its Logan County, Oklahoma prospect which encompasses approximately 32,000 net acres. After completing due diligence, the Company has elected to terminate the Purchase and Sale Agreement that was previously disclosed for the Logan County acquisition of approximately 10,000 net acres (announced 7 January 2014).

The Company is continuing its developmental drilling of the Mississippian and appraisal of the Woodford and anticipates providing further results and analysis of its Woodford appraisal program in the fourth quarter. The most recent Woodford well that was completed in July 2014, the Cimarron River 16-4-12 1HW, was completed using a different frac design and through the first 21 days of production has outperformed the Company’s previous Woodford wells. There are 3 wells remaining in the Company’s Woodford appraisal program.

During the quarter the Company accelerated its shift to lower cost artificial lift in the majority of its Mississippian wells. This change is expected to reduce costs and improve economics of the wells but the resultant long-term flatter production profiles of the wells is expected to defer production over a longer period of time.

Table 1 displays average production rates from Company operated wells that began production in, or subsequent to, the second quarter of 2014.

Table 1: Mississippian/Woodford Initial Production Rates

Well Name	Operator	Peak 24-	30 Day	60 Day
		Hour	Avg	Avg
		(boe)	(boepd)	(boepd)
Mississippian:				
Graff 19-3-30 1HM	SEA	536	278	219
Waldrige 17-4-4 1HM	SEA	726	336	239
Kay Rother 16-4-14 1HM	SEA	211	140	106
Woodford:				
Graff 19-3-30 1HW	SEA	371	189	-
Waldrige 17-4-4 1HW	SEA	459	183	133
Cimarron River 16-4-12 1HW	SEA	713	-	-

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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 in the Eagle Ford, Williston, Denver-Julesburg and Anadarko Basins.

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

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Reserves

This presentation contains information on Sundance Energy's reserves and resources which has been reviewed by David Ramsden-Wood, Professional Engineer, who is licensed in Alberta Canada and is qualified in accordance with ASX Listing Rule 5.11. Mr. Ramsden-Wood, a contractor of Sundance, has consented to the inclusion of this information in the form and context in which it appears.