

2015 Annual Reserves Statement

Release Date: 25 August 2015

Senex Energy Limited (Senex, ASX:SXY) has today announced that net proved plus probable (2P) reserves have more than doubled to 94.6 million barrels of oil equivalent (mmboe) as at 30 June 2015, up from 39.9 mmboe in the previous year.

The uplift in 2P reserves was largely attributable to a 56.5 mmboe net addition of gas reserves in the Surat Basin, primarily resulting from the gas asset swap with the QGC Joint Venture¹ completed in December 2014, establishing the foundations of Senex's Western Surat Gas Project.

Net 2P reserves comprised of gas reserves of 83.3 mmboe, up from 26.6 mmboe in the previous year, and oil reserves of 11.3 million barrels (mmbbls), down from 13.3 mmbbls in the previous year. Senex has achieved an organic three-year 2P oil reserves replacement ratio of 197% and an organic three-year 2P oil and gas reserves replacement ratio² of 224%.

The QGC JV gas asset swap provided the majority of the increase in net proved plus probable plus possible (3P) reserves to 131.1 mmboe, up 61% from 81.4 mmboe in the previous year. The transaction also resulted in a 77% decrease in 2C contingent resources in the Surat Basin to 9.3 mmboe. Total net 2C contingent resources stand at 340.7 mmboe, down from 369.7 mmboe in the previous year.

Net proved (1P) reserves declined by 1.2 mmboe to 4.3 mmboe, net of 1.39 mmboe of production during the 2015 financial year. The movement in 1P reserves includes additions from the Martlet discoveries and downward revisions in reserves at the Acrasia field, in line with impairment applied to the asset during the year. Senex booked initial 1P reserves at the Vanessa and Hornet gas fields in the Cooper Basin of 0.2 mmboe.

Senex's 2015 annual reserves statement accompanies this announcement.

Reserves and 2C contingent resources

mmboe	30 June 2014	30 June 2015	Change
Proved (1P)	5.5	4.3	(22%)
Proved plus Probable (2P)	39.9	94.6	137%
Proved plus Probable plus Possible (3P)	81.4	131.1	61%
2C Contingent Resources	369.7	340.7	(8%)

FURTHER INFORMATION

Investor Enquiries:

Ian Davies

Managing Director

Senex Energy Limited

Phone: (07) 3335 9000

Tess Palmer

Investor Relations Manager

Senex Energy Limited

Phone: (07) 3335 9719

Media Enquiries:

Rhianne Bell

Corporate Communications Manager

Senex Energy Limited

Phone: (07) 3335 9859

ABOUT SENEX ENERGY

Senex is an S&P/ASX 200 exploration and production company with significant oil and gas acreage in Australia's Cooper and Surat Basins. Senex currently produces over 1 million barrels of oil each year, and has successfully diversified its business with the commencement of gas sales in 2014 and initiation of the Western Surat Gas Project.

¹ QGC Pty Ltd (QGC), Tokyo Gas (TG) and China National Offshore Oil Company (CNOOC)

² Excludes uplift from the QGC JV gas asset swap in the Surat Basin in FY15

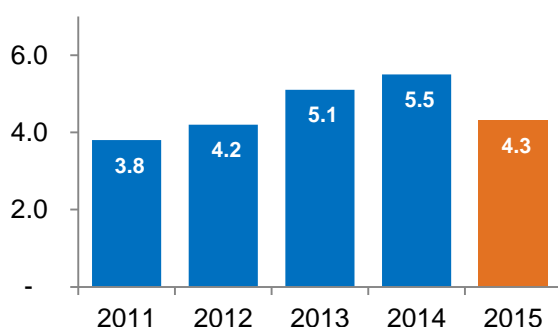
2015 Annual Reserves Statement

Reserves and 2C contingent resources movement

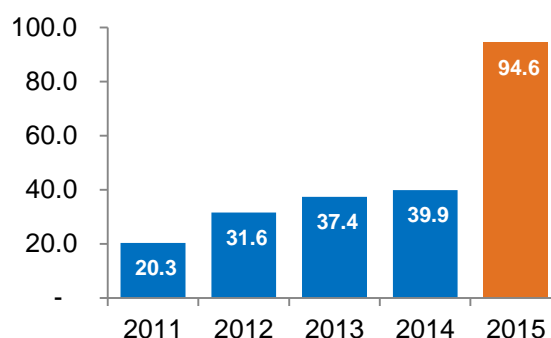
mmboe	30 June 2014	Production	Additions and revisions to previous estimates	Acquisition & divestments	30 June 2015
Reserves					
1P	5.5	(1.39)	0.2	0.0	4.3
2P	39.9	(1.39)	(2.6)	58.7	94.6
3P	81.4	(1.39)	(6.2)	57.3	131.1
Contingent Resources					
2C	369.7	-	1.5	(30.5)	340.7

Five-year summary

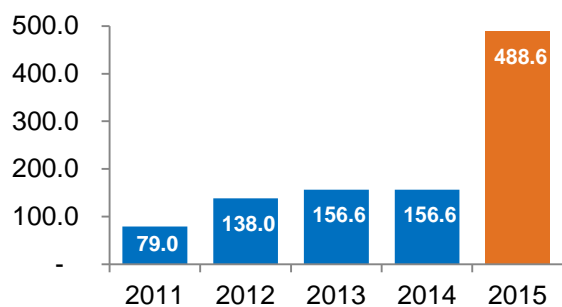
1P reserves - mmboe



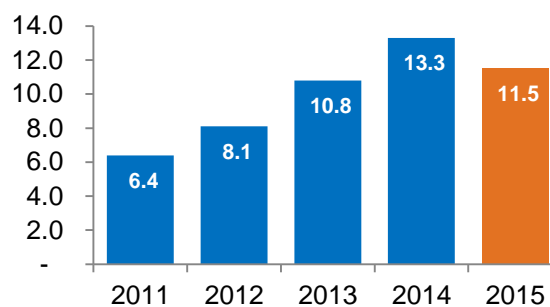
2P reserves - mmboe



2P reserves Surat Basin - petajoules (PJ)



2P reserves Cooper-Eromanga Basin - mmboe



Surat Basin

Net reserves and 2C contingent resources

mmboe	30 June 2014	30 June 2015	Change
Proved (1P)	-	-	-
Proved plus probable (2P)	26.6	83.1	212%
Proved plus probable plus possible (3P)	60.9	116.0	90%
Contingent Resources (2C)	40.9	9.3	(77%)

Net 2P gas reserves in the Surat Basin more than tripled to 83.1 mmboe, following the gas asset swap with the QGC Joint Venture announced in September 2014 and completed in December 2014.

The acquired permits contributed the majority of the increase of net 3P reserves to 116.0 mmboe, up from 60.9 mmboe.

The transaction also resulted in a 77% decrease in 2C contingent resources to 9.3 mmboe, due to the additional permits being largely defined as reserves.

Cooper-Eromanga Basin

Net reserves and 2C contingent resources

mmboe	30 June 2014	30 June 2015	Change
Proved (1P)	5.5	4.3	(22%)
Proved plus probable (2P)	13.3	11.5	(13%)
Proved plus probable plus possible (3P)	20.5	15.1	(26%)
Contingent Resources (2C)	328.8	331.4	1%

Cooper-Eromanga Basin net 2P reserves of 11.5 mmboe, comprising oil reserves of 11.3 mmbbls and initial gas reserves of 0.2 mmboe booked at the Vanessa and Hornet fields.

After accounting for production of 1.39 mmboe, the movement in 1P and 2P reserves primarily reflected a downward revision at the Acrasia oil field in line with the impairment applied to the asset during the year, and additions from the Martlet discoveries.

A portion of 2P and 3P reserves at oil fields producing from the Murta Formation were also re-classified as contingent resources, due to the current low oil price environment.

Proved plus probable (2P) reserves by region

mmboe	Oil	Gas	Total
Cooper-Eromanga Basin	11.3	0.2	11.5
Surat Basin	-	83.1	83.1
Total 2P (mmboe)	11.3	83.3	94.6

Proved plus probable (2P) reserves reconciliation

By Region	Gas (PJ)	Oil (mmbbls)	Oil and gas (mmboe)		Total
			Developed	Undeveloped	
Surat	488.6	-	-	83.1	83.1
Cooper-Eromanga	1.3	11.3	6.1	5.4	11.5
Total 2P	489.9	11.3	6.1	88.5	94.6
Proportion of total 2P reserves that are unconventional (coal seam gas)					88%

By Product	30 June 2014	Production	Additions and revisions to previous estimates	Acquisition & divestments	30 June 2015
Gas (PJ)	156.6	(0.2)	(11.1)	344.6	489.9
Oil (mmbbls)	13.3	(1.35)	(0.7)	0.1	11.3
Total 2P (mmboe)	39.9	(1.39)	(2.6)	58.7	94.6

NOTES TO THE ANNUAL RESERVES STATEMENT

1) GOVERNANCE ARRANGEMENTS AND INTERNAL CONTROLS

Senex estimates and reports its petroleum reserves and resources in accordance with the definitions and guidelines of the Petroleum Resources Management System 2007, published by the Society of Petroleum Engineers (SPE PRMS).

All estimates of petroleum reserves reported by Senex are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator. To ensure the integrity and reliability of data used in the reserves estimation process, the raw data is reviewed and quality controlled by senior professional production, reservoir, petrophysical and geological staff at Senex. Access to the substantiated data is then restricted to authorised staff members. During each petroleum reserves review, this data is updated, analysed and checked against the previous year's data.

Senex has engaged the services of DeGolyer and MacNaughton (D&M), MHA Petroleum Consultants LLC (MHA) and NSAI to independently assess the data and assess reserves and resources prior to Senex reporting any updated estimates.

Senex reviews and updates its oil reserves position on an annual basis and reports the updated estimates as of 30 June each year. Senex reviews and updates its gas reserves position as frequently as required by the magnitude of the petroleum reserves and changes indicated by new data.

2) QUALIFIED PETROLEUM RESERVES AND RESOURCES EVALUATOR STATEMENT

This reserves and resources statement is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator, Mr David Spring BSc (Geology). Mr Spring is a member of the *Society of Petroleum Engineers* and is Executive General Manager of Exploration. He is a full time employee of Senex.

Mr Spring has approved this statement as a whole and has provided written consent to the form and context in which the estimated reserves, resources and supporting information are presented.

3) SCOPE AND METHOD

Aggregation method: The method of aggregation used in calculating estimated reserves and resources was the arithmetic summation by category of reserves. As a result of the arithmetic aggregation of the field totals, the aggregate 1P estimate may be very conservative and the aggregate 3P estimate very optimistic, as the arithmetic method does not account for 'portfolio effects'.

Evaluation dates:

Cooper-Eromanga Basin oil reserves	30 June 2015
Cooper-Eromanga Basin oil contingent resources	30 June 2015
Cooper-Eromanga Basin gas reserves	30 June 2015
Cooper-Eromanga Basin gas contingent resources	30 June 2015
Surat Basin gas reserves and resources (permits acquired under QGC Joint Venture asset swap)	30 June 2014
Surat Basin gas reserves and resources (west)	19 July 2014

Gas conversion: In converting petajoules to million barrels of oil equivalent, Senex has applied the following conversion rates: Surat Basin gas: 1 mmboe = 5.880 PJ, Cooper Basin gas: 1 mmboe = 5.815 PJ

Method: The deterministic method was used to prepare the estimates of reserves and resources in this statement.

Ownership: Unless otherwise stated, all references to reserves and resources in this statement relate to Senex's economic interest in those reserves and resources.

Reference points: Cooper-Eromanga Basin: Central processing plant at Moomba, South Australia. Surat Basin: Wallumbilla gas hub, approximately 45 kilometres south east of Roma, Queensland. Fuel, flare and vent consumed to the reference point are included in reserves estimates. Between 0% and 3.1% of 2P oil reserves estimates may be consumed as fuel in operations depending on operational requirements.

Reserves replacement ratio (three-year): Calculated as the summation of the estimated reserves additions and revisions divided by estimated production for the period 1 July 2012 to 30 June 2015, before acquisitions and divestments.