

Drilling underway on Vintage Crop-1 exploration well in the South Australian Cooper Basin

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Senex Energy Limited (Senex) advises that the Vintage Crop-1 exploration well in South Australian Cooper Basin permit PEL 516 (Senex 100%) spudded on Tuesday 24 May at 16:00 and is expected to reach a total depth of 2,075 metres in 23 days.

Vintage Crop-1 will assess five potentially oil-bearing zones of the Cretaceous and Jurassic Eromanga sequence before being deepened to evaluate the unconventional gas potential of underlying coals and shales.

At 06:00 this morning the well was at 594 metres and drilling ahead to the surface casing depth of 800 metres.

Vintage Crop-1 is Senex's first appraisal of the unconventional gas potential of its Cooper Basin acreage and will inform future efforts to unlock a potentially massive new fuel source in the region, referred to in an April 2011 US Energy Information Administration (**EIA**) report.

The EIA is the statistical and analytical agency within the US Department of Energy. In a review of *World Shale Gas Resources: An Initial Assessment of 14 Regions Outside the United States*¹, the US EIA included an estimate of 85 trillion cubic feet (**Tcf**) of recoverable shale gas in Australia's Cooper Basin. The evaluation of the underlying coals and shales in Vintage Crop-1 will further define this potential.

Vintage Crop-1 is located approximately 65 kilometres south east of Moomba, close to Santos' oil-producing Narcoonowie and Carowinnie fields.

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¹ Source: <http://www.eia.gov/analysis/studies/worldshalegas/>

About Senex Energy

Senex Energy Limited is the new name for Victoria Petroleum NL - a respected energy business with more than a quarter of a century of experience in Australia’s oil and gas industry. In July 2010 the company was rejuvenated with the appointment of a new management team, the relocation of its head office from Perth to Brisbane, and the decision to focus the business on its valuable acreage on Australia’s east coast. The dynamic energy business is pursuing rapid growth in its oil production business in the Cooper Basin, and is working to build a valuable and highly profitable east coast gas business. Find out more by visiting www.senexenergy.com.au

Depth map of PEL 516 showing the location of Vintage Crop-1

