

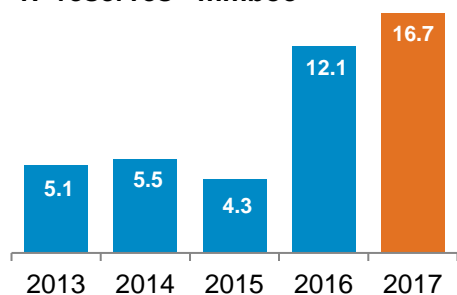
2017 Annual Reserves Statement

Release Date: 26 July 2017

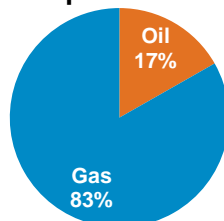
Senex Energy Limited (Senex, ASX:SXY) today released its estimate of reserves and contingent resources as at 30 June 2017, independently certified by DeGolyer & MacNaughton (D&M) and Netherland Sewell Associates (NSAI).

- **Net proved (1P) reserves** of 16.7 mmboe, up 4.6 mmboe or 38% compared to 30 June 2016
- **Net proved plus probable (2P) reserves** of 83.9 mmboe, up 0.5 mmboe or 1% compared to 30 June 2016
- Organic three year 2P oil and gas reserves replacement ratio of 342%

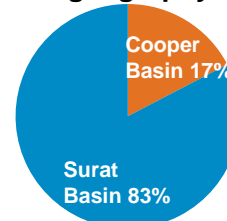
1P reserves - mmboe



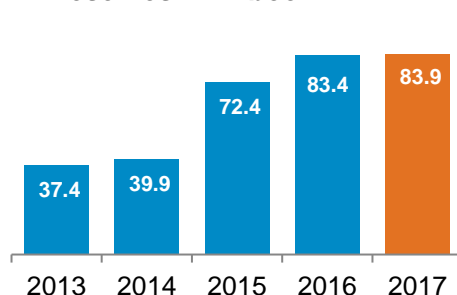
1P reserves by product



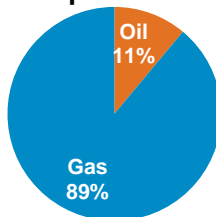
1P reserves by geography



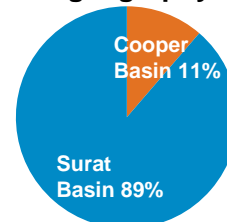
2P reserves - mmboe



2P reserves by product



2P reserves by geography



Commenting on the reserves statement Senex Managing Director and CEO Ian Davies said,

“We made significant progress on the Western Surat Gas Project during the 2017 financial year, delivering our first pilot and sanctioning a material capital investment for appraisal of the Eos and Glenora blocks. As we continue to mature this project through investment in appraisal and development activities we can look forward to further 1P reserves and production growth.”

Surat Basin Net reserves and Contingent resources

PJs	30 June 2016	Prodn	Revision	30 June 2017
1P reserves	49	(0)	32	81
2P reserves	427	(0)	11	438
2C resources	28	-	-	28

Appraisal and planning activities undertaken on Senex's Western Surat Gas Project during the financial year have driven increases in net 1P and 2P gas reserves.

An upward revision in net 1P gas reserves reflects a higher level of confidence in the producibility of gas volumes from the reservoir proximate to the Glenora pilot. These were the first wells of the Western Surat Gas Project to be brought online in late 2016, with continuous production commencing in early 2017. In addition, increased confidence in the reservoir has been gained given recent production data from adjacent GLNG wells brought online along the northern boundary of the neighbouring Roma field during the financial year.

NSAI have certified Senex's reserve and resource estimates relating to the Western Surat Gas Project. NSAI are an independent resource estimating firm which has been engaged to assess other CSG producers in the Surat Basin.

Cooper Basin Net reserves and Contingent resources

mmboe	30 June 2016	Prodn	Revision	30 June 2017
1P reserves	3.8	(0.7)	(0.2)	2.9
2P reserves	10.8	(0.7)	(0.6)	9.5
2C resources	203.3	-	0.1	203.4

The movement in Cooper Basin 1P and 2P reserves was relatively minor after accounting for production of 0.75 mmboe.

The movement reflected minor technical revisions across several fields based on individual performance, incorporating drilling and production optimisation activities undertaken during the year, as well as adjustments to future field development plans.

There were no major revisions to 2C resources during the year.

DeGolyer and MacNaughton (D&M) have certified Senex's reserve and resource estimates in the Cooper Basin. D&M are an independent resource estimating firm with considerable experience in the Cooper Basin.

Net Reserves and Contingent resources

Proved reserves (1P)

mmboe	Oil	Gas and gas liquids	Total	Developed	Undeveloped	Total
Surat Basin	-	13.8	13.8	5.0	8.8	13.8
Cooper Basin	2.8	0.1	2.9	2.8	0.1	2.9
Total	2.8	13.9	16.7	7.9	8.9	16.7

Proportion of total proved reserves that are unconventional (coal seam gas): 83%

Proved plus probable reserves (2P)

mmboe	Oil	Gas and gas liquids	Total	Developed	Undeveloped	Total
Surat Basin	-	74.4	74.4	7.8	66.6	74.4
Cooper Basin	9.3	0.2	9.5	4.2	5.3	9.5
Total	9.3	74.7	83.9	12.1	71.9	83.9

Proportion of total proved plus probable reserves that are unconventional (coal seam gas): 89%

Contingent resources (2C)

mmboe	Oil	Gas and gas liquids	Total
Surat Basin	-	4.7	4.7
Cooper Basin	5.6	197.8	203.4
Total	5.6	202.5	208.1

Reserves and Contingent resources movement

mmboe	30 June 2016	Production	Revisions	30 June 2017	Change
1P reserves	12.1	(0.7)	5.3	16.7	38%
2P reserves	83.4	(0.7)	1.3	83.9	1%
2C resources	208.0	-	0.1	208.1	0%

Numbers may not add due to rounding

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 Netherland Sewell Associates (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 (Hons). 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 Basin oil reserves	D&M	30 June 2017
Cooper Basin oil contingent resources	D&M	30 June 2017
Cooper Basin gas reserves	D&M	30 June 2017
Cooper Basin gas contingent resources	D&M	30 June 2017
Surat Basin gas reserves and resources (WSGP)	NSAI	30 June 2017
Surat Basin gas reserves and resources (Don Juan)	MHA	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 the probabilistic method was used to prepare the estimates of 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 Basin: Central processing plant at Moomba, South Australia. Fuel, flare and vent consumed to the reference point are included in reserves estimates (c. 5% of 2P oil reserves estimates may be consumed as fuel in operations depending on operational requirements).
Surat Basin: Wallumbilla gas hub, QLD. Fuel, flare and vent consumed to the reference point are excluded from reserves estimates (c. 7% of 2P gas reserves estimates have been assumed to be consumed as fuel in operations).

Reserves replacement ratio: Calculated as the summation of the estimated reserves additions and revisions divided by estimated production for the period 1 July 2014 to 30 June 2017, before acquisitions and divestment.

FURTHER INFORMATION

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ABOUT SENEX ENERGY

Senex is an ASX listed oil and gas exploration and production company focused on generating shareholder value by growing reserves and production. It holds extensive onshore oil and gas acreage in the Cooper and Surat Basins, two of Australia's most prolific onshore energy regions. Senex is well capitalised and has built strong operating credentials over its 30 year history. Senex operates the majority of its low cost oil producing assets, and is successfully developing a gas business including the 100% owned and operated Western Surat Gas Project in Queensland.