

4 October 2017

Dear Shareholder

On behalf of the Board of Senex Energy Limited (**Senex**), I am pleased to invite you to attend the Senex Annual General Meeting (**AGM**) on Wednesday 15 November 2017, in The Grand Ballroom at the Stamford Plaza, corner Edward and Margaret Streets, Brisbane.

The meeting is scheduled to start at 9.30am (Brisbane time).

Enclosed is the Notice of Meeting setting out the business of the AGM. For further details on the resolutions proposed at the AGM please refer to the accompanying Explanatory Memorandum. I urge all shareholders to read this material carefully before voting on the proposed resolutions.

If you are not able to attend the AGM I encourage you to appoint a proxy to attend and vote on your behalf. You may appoint a proxy by:

- using the Computershare website at www.investorvote.com.au; or
- completing the enclosed proxy form.

In order to be valid, online proxies and proxy forms must be received no later than **9.30am Brisbane time Monday 13 November 2017**.

If you plan to attend the AGM, please bring the enclosed proxy form to assist us in registering your attendance.

Shareholders are invited to join the Board for light refreshments at the conclusion of the AGM.

On behalf of all the Directors of Senex, we look forward to seeing you at the AGM.

Yours sincerely



Trevor Bourne
Chairman

Notice of 2017 Annual General Meeting

The annual general meeting (AGM) of Senex Energy Limited ABN 50 008 942 827 (Company) will be held at The Grand Ballroom, Stamford Plaza, cnr Edward and Margaret Streets, Brisbane on Wednesday 15 November 2017 at 9.30am (Brisbane time).

Business

1. Financial statements and reports

To receive and consider the Company's financial reports and the reports of the directors and the auditor for the financial year ended 30 June 2017.

2. Resolution 1 – To re-elect Ms Yanina Barilá

3. Resolution 2 – To re-elect Dr Ralph Craven

4. Resolution 3 – To re-elect Ms Debbie Goodin

5. Resolution 4 – Adoption of remuneration report

That shareholders approve the remuneration report of the directors for the financial year ended 30 June 2017.

6. Resolution 5 – To approve the proposed issue of FY18 LTI securities to the Managing Director and CEO

That shareholders approve the issue of 3,183,521 FY18 LTI Rights under the Senex Employee Performance Rights Plan to Mr Ian Davies, Managing Director and Chief Executive, or his nominee on the terms described in the Explanatory Memorandum.

7. Resolution 6 – To approve a proposed increase in the maximum number of directors

That shareholders approve an increase to the maximum number of directors permitted on the board from seven directors to eight directors as described in the Explanatory Memorandum.

8. Resolution 7 – To approve a proposed increase in the non-executive directors' fee pool

Subject to Resolution 6 passing, that the maximum aggregate annual amount that the Company can pay to non-executive directors for their services as directors be increased from \$950,000 to \$1,200,000 per annum as described in the Explanatory Memorandum.

9. Resolution 8 – To ratify and approve the previous issue of securities

That shareholders ratify and approve the previous issues of 173,154,143 Shares as described in the Explanatory Memorandum.

10. Special Resolution 9 – To renew the proportional takeover approval provisions in Constitution

That shareholders approve the renewal of the proportional takeover provisions set out in rule 26A of the Company's constitution for a further 3 years from the date of this meeting as detailed in the Explanatory Memorandum.

Dated: 4 October 2017

By order of the Board



Francis Leo Connolly
Secretary

NOTES RELATING TO VOTING

All shareholders may attend the AGM.

For the purpose of voting, the Company has determined under regulation 7.11.37 *Corporations Regulations 2001* that persons taken to be shareholders will be those persons recorded in the Company's register of shareholders as at 7.00pm (Brisbane time) on Monday 13 November 2017.

If you are appointing a proxy, to ensure that your vote counts, please carefully read the voting exclusions, the notes below and the instructions on the Proxy Form.

The completed Proxy Form must be received by Computershare no later than 9.30am (Brisbane time) on Monday 13 November 2017.

Chairman of the annual general meeting acting as proxy

A shareholder may appoint the Chairman of the annual general meeting as their proxy. If a shareholder directs the Chairman how to vote on a resolution, the Chairman must vote in accordance with that direction. For Proxy Forms without voting instructions, the Chairman intends to vote all undirected proxies FOR all resolutions. To authorise the Chairman to vote as your proxy in accordance with these intentions, please follow the instructions on the proxy form carefully and mark the appropriate box.

HOW TO VOTE

- A shareholder may vote by attending the AGM in person and casting their vote. On a poll, every shareholder has one vote for every fully paid share held.
- A shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- The proxy need not be a shareholder of the Company. A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- If you wish to appoint a proxy and are entitled to do so, then complete and return the attached Proxy Form.
- A corporation may elect to appoint a representative, rather than appoint a proxy, under the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- If you have any queries on how to cast your votes call Computershare on 1300 850 505 during business hours.

VOTING EXCLUSIONS

Resolution 4 - Remuneration Report

The Company will disregard any vote cast on resolution 4:

- by key management personnel (KMP) whose remuneration details are contained in the remuneration report (and their closely related parties) in accordance with section 250R(4) Corporations Act; or
- as proxy by a member of KMP (and their closely related parties).

However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with a voting direction on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 – Proposed issue of FY18 LTI securities to Managing Director

The Company will disregard any votes cast on this resolution:

- by Mr Davies, his nominee or any associate of either of them; or
- as proxy by a member of KMP (and their closely related parties).

However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with a voting direction on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 7 - Proposed increase to non-executive directors' fee pool

The Company will disregard any votes cast on this resolution 7:

- by a Director and any associate of a Director; and
- as proxy by a member of KMP (and their closely related parties).

However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with a voting direction on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 8 - Ratification and approval of previous issue of securities

The Company will disregard any vote cast on resolution 8 by any person who participated in any of the issues of equity securities which are the subject of resolution 8, as detailed in the Explanatory Memorandum, or any of their associates.

However, the Company will not disregard a vote if it is cast by:

- the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides;
- a holder (“**Nominee Holder**”) acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, on the following conditions:
 - the beneficiary provides written confirmation to the Nominee Holder that they did not participate in the issue, nor are they an associate of a person who participated in the issue;
 - the beneficiary has directed the Nominee Holder how to vote on the resolution; and

- the Nominee Holder does not exercise discretion in casting a vote on behalf of the beneficiary.

Explanatory memorandum for 2017 AGM

Financial statements and reports

- 1 The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the report of the directors, the auditor's report and the financial report be laid before the AGM. In addition, the Company's constitution (**Constitution**) provides for these reports to be received and considered at the meeting.
- 2 Apart from matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of shareholders at the AGM on the financial statements and reports.
- 3 Shareholders will be given reasonable opportunity at the meeting to raise questions and make comments on these reports. Any shareholder with a question for the Chairman is encouraged to either log on to www.investorvote.com.au as outlined in the Question Form provided with the notice of meeting or complete the Question Form and send it to the address listed on the Question Form so it is delivered by 5.00pm, Wednesday 8 November 2017.
- 4 In addition to asking questions at the meeting, shareholders may address written questions to the Chairman about the management of the Company, or to the Company's auditor, Ernst & Young, if the question is relevant to:
 - (a) the content of the auditor's report; or
 - (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) Corporations Act a shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.
- 5 Any shareholder with a question for the Company's auditor, Ernst & Young, is encouraged to either log on to www.investorvote.com.au as outlined in the Question Form provided with the notice of meeting or complete the Question Form and send it to the address listed on the Question Form so it is delivered by 5.00pm, Wednesday 8 November 2017.

Resolution 1 – Re-election of Yanina Barilá

Resolution 1 is for re-election of Ms Yanina Barilá as director. Ms Barilá was appointed as director by the Board on 5 May 2017 to fill a casual vacancy after The Sentient Group, a substantial holder in the Company, nominated her to replace its departing nominee director Mr Ben McKeown. In accordance with rule 57 of the Company's constitution, and being eligible, she offers herself for re-election.



Ms Barilá was first appointed as alternate director for Mr Ben McKeown in March 2011 and subsequently appointed also as alternate director for Mr Tim Crommelin in July 2014. Both of Ms Barilá's appointments as alternate director ceased when she was appointed as director in May 2017. Ms Barilá is also a director of Tinka Resources (TSX.V: TK) and has been since July 2014. Ms Barilá is an investment manager with The Sentient Group and brings international experience in the review and evaluation of mining and energy projects. Her areas of expertise include financial modelling and equity research. She completed the Program for Leadership Development (PLD), which is an alternative to the executive MBA, at Harvard Business School in 2016. Before joining Sentient in 2009, she was based in Buenos Aires and previously worked with Irevna (a subsidiary of Standard and Poor's), Thomson-Reuters, and Ernst & Young.

The directors (other than Ms Barila who is abstaining) recommend that shareholders vote FOR this resolution.

Resolution 2 – Re-election of Dr Ralph Craven

Resolution 2 is for re-election of Dr Ralph Howard Craven as director. Dr Craven retires by rotation in accordance with rule 58 of the Company's constitution and, being eligible, offers himself for re-election.

Dr Ralph Craven joined the Senex Board in September 2011. He is an energy sector specialist with respected credentials in energy and resources. Before becoming a professional director in 2007, he held senior executive positions with energy companies in Australia and New Zealand. Dr Craven was formerly Chief Executive Officer of Transpower New Zealand Ltd, Executive Director with NRG Asia-Pacific and General Manager with Shell Coal Pty Ltd. Dr Craven is currently an independent non-executive director and Chair of Stanwell Corporation and Genex Power (ASX:GNX) and non-executive director of AusNet Services (ASX:AST). His previous tenures include Chairman and Non-executive Director of Invion Ltd, Ergon Energy Corporation Limited and Tully Sugar Limited, and Deputy Chairman of coal seam gas company Arrow Energy Limited.



The directors (other than Dr Craven who is abstaining) recommend that shareholders vote FOR this resolution.

Resolution 3 – Re-election of Ms Debbie Goodin

Resolution 3 is for re-election of Ms Debra Lyn Goodin as director. Ms Goodin retires by rotation in accordance with rule 58 of the Company's constitution and, being eligible, offers herself for re-election.

Ms Debbie Goodin joined the Senex Board in May 2014. She is an experienced independent director currently serving also on the boards of ASX-listed entities Macquarie Atlas Roads Group, APA Group, Ooh!Media Limited and Ten Network Holdings Limited¹. She is Chair of the Audit and Risk Committee and a member of the People & Remuneration Committee for the Senex board. Ms Goodin also serves as Chair of the Audit and Risk Committee for Ooh Media and Ten Network Holdings and Chair of the Remuneration Committee for Macquarie Atlas. She has more than 20 years' senior management experience with professional services firms, government authorities and ASX-listed companies across finance, operations, corporate strategy, mergers and acquisitions. She is a fellow of Chartered Accountants Australia and New Zealand.



Footnote 1: Ten Network Holdings Limited is currently under administration and as such Debbie has no ongoing director duties in relation to this board position. It is anticipated the administration process will be finalised in November 2017.

The directors (other than Ms Goodin who is abstaining) recommend that shareholders vote FOR this resolution.

Resolution 4 – Adoption of remuneration report

Resolution 4 is for adoption of the section of the directors' report dealing with remuneration of directors and other key management personnel (**Remuneration Report**). It is proposed because the Corporations Act requires that the Remuneration Report be put to a vote of shareholders for adoption.

The Remuneration Report is in the annual report. It is also available on the Company's website (www.senexenergy.com.au). It:

- explains the Board's policies in relation to the nature and level of remuneration paid to directors, senior executives and other key management personnel within the Company group;
- discusses the link between the Board's policies and the Company's performance;
- sets out the remuneration details for each director and for each member of the Company's senior executive management team; and
- makes clear that the basis for remunerating non-executive directors is distinct from the basis for remunerating executives, including executive directors.

The resolution for adoption of the Remuneration Report is advisory only and not binding on the Company. However, the directors will actively consider the outcome of the vote and comments made by shareholders at this meeting when reviewing the Company's future remuneration policies and practices.

Noting that each director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, **the directors recommend that shareholders vote FOR this resolution.**

Note: If you appoint the Chairman as your proxy, and you do not provide voting directions, you must mark the box in **Step 1 of the Proxy Form** to authorise the Chairman to cast your undirected proxy vote in accordance with his stated intentions, even though this resolution is connected with the remuneration of a member of key management personnel, otherwise your vote will not be counted. The Chairman intends to vote all available proxies in favour of this resolution.

If you appoint another director or member of the key management personnel as your proxy, you MUST direct your proxy how to vote on this resolution, otherwise your vote will not be counted. Follow the instructions on the Proxy Form to direct your proxy how to vote.

Resolution 5 - Approval for proposed issue of performance rights to Managing Director, Mr Ian Davies

The Company is seeking the approval of shareholders for the grant of Performance Rights (Rights) to the Managing Director and Chief Executive Officer, Mr Ian Davies, under the Senex Employee Performance Rights Plan (Rights Plan)² on the terms set out below. The Rights (FY18 LTI Rights) will represent 100% of the long term incentive (LTI) offered to Mr Davies for FY18. The maximum potential opportunity offered to Mr Davies by his FY18 LTI, subject to the performance conditions and service conditions over the three year performance period described below, represented at grant date a 100% uplift of his FY18 total fixed remuneration (TFR).

Footnote 2: The Senex Employee Performance Rights Plan was last approved by shareholders at the Annual General Meeting held 16 November 2016.

TERMS AND CONDITIONS

Performance period: 3 years commencing 1 July 2017 and ending 30 June 2020.

Date of grant (subject to shareholder approval): 6 September 2017, being the day after the last trading day in the 10 day VWAP of Senex shares that determined the participation price for the Rights

Date of issue (following shareholder approval): If approval is obtained, the Rights will be issued to Mr Davies as soon as practicable after the 2017 AGM. In any event, they will not be issued more than 12 months after the date of the AGM.

Performance conditions:

The Board has determined that the Rights to be granted to Mr Davies will be divided into 2 tranches. The performance conditions for the vesting of the Rights in each tranche are set out below.

Tranche 1: Relative TSR against S&P/ASX 300 Energy Index

Rights representing 70% of Mr Davies FY18 LTI will be subject to the Company's Total Shareholder Return (TSR) performance relative to the TSR performance of the companies comprising the S&P/ASX 300 Energy Index as at 1 July 2017.

At the end of the performance period, the TSR of the Company and the other companies in the S&P/ASX 300 Energy Index will be calculated and the Company's relative TSR ranking determined. Once the Company's relative TSR ranking is determined, the Rights will vest according to the following vesting scale.

TSR percentile ranking	% of tranche vesting
below 50th percentile	0%
at 50th percentile	50%
straight line pro rata vesting in between	
at 75th percentile and above	100%

The Board elected to use relative TSR as the performance measure for 70% of Mr Davies' FY18 LTI because it provides a benchmark of performance against Senex's peers in the market. The S&P/ASX 300 Energy Index was chosen based on consideration of a number of factors including the number of constituents (14 as at commencement of performance period), its median volatility rank, its size and the fact that the group operates in largely the same industry and is faced with the same operational and economic risks as Senex.

Tranche 2: Strategic and Financial Performance

Rights representing 30% of Mr Davies FY18 LTI will be subject to achievement of certain strategic goals that have been agreed between the board and Mr Davies. The agreed strategic goals relate to the Company achieving the following:

- Building a material supply position in the Australian east coast gas market;
- Pursuing growth of Senex's asset portfolio that provides diversification and builds corporate capability; and
- Continuing cost and operational leadership in low cost oil operations.

The Board elected to use a non-market linked performance condition for 30% of Mr Davies' FY18 LTI to reflect the shared commitment of board and management to execution of the agreed strategy as the achievable path to create significant value for shareholders with management of risk.

The Australian energy industry is an industry in transition:

- All stages of exploration, appraisal, development and production require long periods of planning, negotiation, regulatory oversight, stakeholder engagement, and very careful execution.
- The availability and costs of the inputs for these processes, including skilled people, fluctuate significantly, the required investment of time, capital and resources is very significant and growing, and the availability of capital is constrained.
- There are continuing swings and significant disparities in supply and demand for oil and gas, both domestically and globally, and competing energy sources and technologies are emerging.

Over the three year performance period, Senex must be well positioned, flexible, and capable to respond quickly to challenges and opportunities, and must preserve, create and deliver shareholder value by capitalising on opportunities while anticipating and managing risk.

At the end of the performance period the board will determine, in its discretion, whether the Company, under Mr Davies' guidance and management, has achieved the strategic goals described above, and will assess the value preserved, value created and value realized for shareholders from doing so.

In exercising its discretion the board will take into account factors such as:

- project delivery;
- capital efficiency;
- asset portfolio composition;
- operating cashflow generation and profit growth;
- operating performance, personal safety performance and process safety performance.

Participation price and number of Rights

The number of Rights to be granted to Mr Davies has been determined using the 'face value' methodology, that is, by dividing an amount equivalent to 100% of Mr Davies' FY18 total fixed remuneration of \$850,000 by the participation price, being \$0.267, the VWAP of Senex shares traded in the 10 trading days following release of the company's FY17 full year results on 22 August 2017 (the 10 trading days from 23 August to 5 September 2017 inclusive). This is the same methodology used to calculate the number of Rights awarded to other senior executives of the Company as part of the Company's short term and long-term incentive programs.

Based on the above formula, the Company proposes to issue 3,183,521 FY18 LTI Rights to Mr Davies or his nominee.

Vesting and lapsing of Rights

The Rights will be granted at no cost to Mr Davies, and no amount is payable on the vesting or exercise of Rights. The Rights will vest when the Board determines the outcome of the relevant performance condition. Once Rights vest, Mr Davies will be entitled to exercise the vested Rights up to seven years after grant date, and to receive for each exercised Right, one fully paid ordinary share in the Company which, when allocated, will rank equally with shares in the same class. At the Company's election, cash to the same value can be paid as an alternative to providing part or all of the shares.

Rights granted under the Rights Plan do not carry any dividend or voting rights. The Rights lapse if the performance conditions are not met unless the Board exercises its overriding discretion to vest, or increase vesting of, Rights that would otherwise lapse. There is no re-testing.

Other information

- Mr Davies is the only Director entitled to participate in Rights Plan.
- There is no loan in relation to the Rights.
- The ASX Listing Rules require this Notice of Meeting to state the number and price of securities received by Mr Davies since the last shareholder approval (2016 AGM). In accordance with the approval obtained at the 2016 Annual General Meeting, 1,131,048 Rights and 3,590,400 SARs were issued to Mr Davies (at no cost). In addition, since the 2016 AGM, 47,619 Shares were issued to Mr Davies (at SPP offer price) via his participation in the Company's Share Purchase Plan offer in early 2017, he purchased another 100,000 Shares on-market and he received 2,408,176 Shares for options exercised options and rights vested since the 2016 AGM. Both the options that were exercised and the rights that vested were issued to him following shareholder approval at previous AGMs.
- If this grant is approved, some or all of the Rights granted to Mr Davies may vest or lapse on cessation of employment, subject to the Board's discretion.
- Under the Rights Plan, in the event of change of control, Rights that are subject to a performance condition are tested against that performance condition at the time of change of control, and subject to the Board's discretion, will vest or lapse on that basis at that time. The Board may exercise an overriding discretion to vest, or increase vesting of, Rights that would otherwise lapse upon change of control. All vested Rights including those that vest on change of control will be deemed to be exercised at the time change of control occurs.
- If approval is given by shareholders under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1.
- In the event that shareholders do not approve the issue of Rights to Mr Davies, the Company will, on each relevant vesting date, pay in cash the value of those Rights that would have vested on that vesting date if shareholders had approved the issue of those securities at the 2017 AGM and Mr Davies had exercised all of those vested Rights on that vesting date.

The directors (other than Mr Davies who is abstaining) recommend that shareholders vote FOR this resolution.

Resolution 6 – To approve a proposed increase in the maximum number of directors

Resolution 6 seeks shareholder approval to increase the maximum number of directors permitted on the Board from seven directors to eight directors.

Under rule 54.1 of the Company's constitution, the company may, by resolution passed at a general meeting, increase the maximum number of directors.

The proposed increase to the maximum number of directors permitted on the Board will enable the directors to appoint an additional non-executive director as indicated in the Remuneration Report to accommodate board representation for significant shareholder, EIG Olympus Holdings, LP (EIG).

Under the share subscription deed entered into with EIG in January 2017, the company is required to appoint a representative of EIG as a non-executive director while EIG holds 9% or more of the company's shares. For that purpose, the board must seek shareholder approval at the AGM to increase the maximum number of directors. If such increase is approved, and an additional director is appointed, the current limit of \$950,000 per annum on the maximum aggregate remuneration that the company can pay non-executive directors would require the company to reduce non-executive directors' remuneration below current levels.

Therefore shareholders are asked under this Resolution 6 to increase the maximum number of directors from seven to eight, and subject to that approval, shareholders are asked under Resolution 7 to increase from \$950,000 to \$1,200,000 per annum the maximum amount that the company is permitted to pay non-executive directors in aggregate.

If shareholders approve the increases, the board does not currently intend to increase the board fees, as shown in Table 13 of the Remuneration Report, but intends to increase the committee fees to reflect the workload of those committees and to bring their remuneration in line with the levels advised in the benchmarking report provided by the board's remuneration consultant. The board does not intend to pay committee fees for the work of the newly created Nomination Committee.

The directors recommend that shareholders vote FOR this resolution.

Resolution 7 – To approve a proposed increase in the non-executive directors' fee pool

Resolution 7 is subject to the passing of Resolution 6. That is, Resolution 7 will only be put to a vote of shareholders at the AGM if Resolution 6 passes.

Resolution 7 seeks an increase in the maximum aggregate amount that the Company can pay to the non-executive directors for their services as directors from \$950,000 per annum to \$1,200,000. Under rule 61.2 of the Company's constitution and ASX Listing Rule 10.17, the increase must be approved by shareholders in general meeting. The limit does not apply to executive director remuneration. Non-executive directors do not receive performance based remuneration and no securities have been issued to any non-executive director under ASX Listing Rule 10.11 or 10.14 within the last three years. The fee pool was last increased at the 2013 AGM.

The Board does not intend to increase director fees, the base fees for the directors and Chairman were last revised in 2013. However, as described in the Remuneration Report and the notes to Resolution 6 above, the increase in the fee pool will accommodate the appointment of a board representative nominated by significant shareholder EIG and an increase to committee fees.

The Board has therefore concluded that an increase to the maximum aggregate amount that the Company can pay to the non-executive directors by \$250,000 per annum is necessary to accommodate these matters. Details of the directors' remuneration for the period ended 30 June 2017 are contained in the Remuneration Report.

The directors make no recommendation in relation to this resolution.

Note: If you appoint the Chairman as your proxy, and you do not provide voting directions, you must mark the box in **Step 1 of the Proxy Form** to authorise the Chairman to cast your undirected proxy vote in accordance with his stated intentions, even though this resolution is connected with the remuneration of a member of key management personnel, otherwise your vote will not be counted. The Chairman intends to vote all available proxies in favour of this resolution.

If you appoint another director or member of the key management personnel as your proxy, you MUST direct your proxy how to vote on this resolution, otherwise your vote will not be counted. Follow the instructions on the Proxy Form to direct your proxy how to vote.

Resolution 8 – To ratify and approve the previous issue of securities

Resolution 8 is for ratification and approval under ASX Listing Rule 7.4 of certain issues of equity securities by the Company in the 12 months before the date of the AGM.

In early 2017 the Company issued securities by way of private placement to EIG Olympus Holdings, LP (**EIG**) and certain institutional and sophisticated investors. The speed of execution of the private placement occurred in a volatile market where the risks and costs associated with executing a capital raising as a pro rata issue of securities were unfavourable. The Company seized on a specific opportunity to form a strategic alliance with EIG to provide an avenue for significant funding for future development projects. The Company complemented this by offering a meaningful opportunity to other shareholders to participate on equivalent terms via a share purchase plan at the same price which was appropriately sized to accommodate the anticipated interest from shareholders and successfully executed to raise approximately \$35 million of additional equity capital for the Company.

ASX Listing Rule 7.1 effectively sets a 15% limit on the number of equity securities that a listed company may issue or agree to issue in any 12 month period without shareholder approval.

The issues of equity securities that are the subject of resolution 8 were made without shareholder approval but did not exceed the 15% limit under listing rule 7.1. If those issues are ratified and approved by shareholders under listing rule 7.4, they will be treated as having been made with shareholder approval for the purpose of listing rule 7.1, and the Company's capacity to issue or agree to issue equity securities up to the 15% limit will be refreshed and enlarged by the issues approved, ie its capacity will be enlarged from the date of shareholder approval by 15% of the number of equity securities approved.

In accordance with ASX Listing Rule 7.5 the following particulars of the issues of equity securities are provided for the purpose of the proposed ratification and approval under listing rule 7.4:

Date of issue	Number & type of securities issued	Issue price per security	Terms of securities issued	Persons to whom securities were issued	Basis for determining allottees and use of funds raised by the issue
7/02/2017	27,154,143 fully paid ordinary shares (Shares)	\$0.315	The terms of Senex Shares are set out in the constitution; the Shares ranked equally with all existing Shares from date of issue.	Institutional and sophisticated investors	The securities were issued through a private placement to institutional and sophisticated investors to raise approximately \$8,553,555. The funds have been and will continue to be used for continued exploration, appraisal and development of the Senex portfolio of oil and gas assets.
7/02/2017	95,835,044 fully paid ordinary shares (Shares)	\$0.315	As described above	EIG Olympus Holdings, LP (EIG) - Tranche 1	The securities were issued through a private placement to raise approximately \$30,188,039. The funds have been and will continue to be used for continued exploration, appraisal and development of the Senex portfolio of oil and gas assets.

24/03/2017	50,164,956	\$0.315	As described above	EIG - Tranche 2	<p>The securities were issued through a private placement to raise approximately \$15,801,961.</p> <p>The funds have been and will continue to be used for continued exploration, appraisal and development of the Senex portfolio of oil and gas assets.</p>
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The directors recommend that shareholders vote FOR this resolution.

Special Resolution 9 – To renew the proportional takeover approval provisions in Constitution

Special Resolution 9 is a special resolution to renew the proportional takeover approval provision at rule 26A of the Company's constitution. It requires a majority of at least 75% of votes cast by shareholders entitled to vote on the resolution.

Under s648G of the Corporations Act, a company may include a proportional takeover approval provision in its constitution to enable it to refuse to register shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by shareholders. This approval may be renewed every 3 years.

At the 2014 AGM held on 19 November 2014, the shareholders approved the amendment of the constitution to insert a proportional takeover provision at rule 26A of the Company's constitution. This approval was for 3 years from the date of the 2014 AGM. The Company therefore seeks renewal of rule 26A of the Company's constitution regarding proportional takeovers.

A proportional takeover is a takeover bid where an offer is made to all shareholders for the acquisition of their shares, but the offer made to each shareholder is only for a specified proportion of that shareholder's shares (and the proportion is the same for all shareholders).

Effect of rule 26A of the Company's constitution

- If a proportional takeover bid is made for the Company, the existence of the rule 26A of the Company's constitution would require a meeting to be convened, at least 14 days before the close of the proportional takeover bid, for shareholders to vote on a resolution to approve the takeover bid.
- The inclusion of the rule 26A of the Company's constitution is intended to assist shareholders in receiving proper value for their shares in the circumstances of a proportional takeover.
- The rule 26A of the Company's constitution will permit shareholders in general meeting to vote on any proportional takeover offer. Each shareholder will have one vote for each fully paid share held. The vote is decided on a simple majority. The bidder and its associates are not allowed to vote. If the resolution is not passed, no transfer will be registered and the offer will be taken to have been withdrawn. If the bid is approved all valid transfers must be registered.
- The rule 26A of the Company's constitution will, if renewed by shareholders, apply until it lapses on the third anniversary of the 2017 AGM (15 November 2020) but the Board may ask shareholders to renew the rule at or before that time. The rule will not apply to full takeover bids.

Advantages and disadvantages

(a) During the period since rule 26A introduced

While proportional takeover provisions have been in effect under the Company's constitution, no takeover bids for the Company have been made, either proportional or otherwise. Accordingly, there are no actual examples against which the advantages or disadvantages of rule 26A of the Company's constitution could be reviewed for the Directors and shareholders of the Company. The Directors are not aware of any potential takeover bid that was discouraged by rule 26A of

the Company's constitution.

(b) In respect of the future renewal period



- The directors consider that the proportional takeover provisions set out in rule 26A of the Company's constitution have no potential advantages or disadvantages for them and they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.
- The potential advantages of rule 26A of the Company's constitution for shareholders include:
 - shareholders have the right to decide by majority vote whether to accept a proportional takeover bid;
 - it may help shareholders avoid being locked in as a minority
 - it may help avoid the bidder acquiring control of the Company without paying an adequate control premium;
 - it may enhance shareholders' bargaining position and may assist in ensuring that any proportional takeover bid is adequately priced; and
 - knowing the view of the majority of shareholders may help each individual shareholder to assess the likely outcome of the proportional takeover bid and form an opinion on whether to accept or reject an offer under the bid.
- The potential disadvantages of rule 26A of the Company's constitution for shareholders include:
 - proportional takeover bids for shares in the Company may be discouraged;
 - shareholders may lose an opportunity to sell some of their shares at a premium; and
 - the likelihood of a proportional takeover succeeding may be reduced.
- The directors do not believe the potential disadvantages outweigh the potential advantages of the rule.

As at the date of this notice of meeting, no director of the Company is aware of any current proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company or to announce a takeover offer for shares in the Company.

The directors recommend that shareholders vote FOR this resolution.



Lodge your vote:

  **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 9.30am (Brisbane time) Monday 13 November 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Senex Energy Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Senex Energy Limited to be held at **The Grand Ballroom, Stamford Plaza, cnr Edward and Margaret Streets, Brisbane on Wednesday 15 November 2017 at 9.30am (Brisbane time)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 4, 5 and 7** (except where I/we have indicated a different voting intention below) even though **Items 4, 5 and 7** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 4, 5 and 7** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Resolutions

		For	Against	Abstain
1	Re-election of Ms Yanina Barila	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Dr Ralph Craven	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of Ms Debbie Goodin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval for the proposed issue of performance rights to Managing Director, Mr Ian Davies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	To approve a proposed increase in maximum number of directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	To approve a proposed increase in non-executive directors' fee pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	To ratify and approve the previous issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Resolution

9	To renew the proportional takeover approval provisions in Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

SXY

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Computershare +



Senex Energy Limited

000001
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SAM
MR JOHN SMITH
FLAT 123
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN VIC 3030

Securityholder Reference Number (SRN)
I 1234567890

Dear Shareholder

To assist us with our commitment to the environment and our focus on cost control, we encourage you to provide your shareholder information online at www.computershare.com.au/easyupdate/sxy. The Easy Update service is fast and secure.

<p>Many Senex Energy shareholders receive their communications by email – it is convenient and saves paper.</p> <p>You can too.</p> <p>By providing your email address and selecting your communication preferences you can receive your annual reports, notices of meetings, and other company related information by email.</p>	<p>Follow these steps to switch to online communications</p>
	<p>Go online to www.computershare.com.au/easyupdate/sxy</p>
	<p>Simply enter your SRN/HIN and postcode. Read and agree with the terms and conditions.</p>
	<p>Provide your email address.</p>
	<p>Click confirm.</p>
	<p>Record your receipt number – you will need this if you have any enquiries regarding this transaction.</p>

Alternatively, please complete and return this form to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, VIC 3001

Receive all communications by email

Email address:

Phone number(s):

()

Home Mobile

Signature

Individual or Shareholder 1

Sole director and sole company secretary

Shareholder 2

Director

Shareholder 3

Director/Company secretary

Questions from Shareholders

The Annual General Meeting (AGM) of Senex Energy Limited will be held on Wednesday, 15 November 2017 at 9.30am (Brisbane time). Shareholders are invited to register questions in advance of the AGM.

During the AGM the chairman will endeavour to respond to as many of the more frequently asked questions as is practicable. Responses to the more frequently asked questions will be available on the Senex Energy website after the AGM.

Shareholder's questions must be received by Wednesday, 8 November 2017.

This form may be used to submit a written question to the Chairman or auditor if the question is relevant to the content of the auditor's report, or the conduct of the audit of the financial report to be considered at the AGM. Please return the form to our Share Registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Vic 3001 or by facsimile to 1800 783 447 or +61 3 9473 2555. The envelope provided for the return of your proxy form may also be used for this purpose.

Alternatively, you may electronically submit your question by logging onto www.investorvote.com.au when you submit your online proxy vote or email your questions to brisbane.reception@senexenergy.com.au. If emailing Senex directly please include your name and Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

Please tick the box to indicate if the question is directed to the auditor or the Chairman		
Question/s	Chairman	Auditor
1 _____ _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
2 _____ _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
3 _____ _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
4 _____ _____ _____	<input type="checkbox"/>	<input type="checkbox"/>