

Senex brings Western Surat Gas Project wells online

Release Date: 23 October 2017

Senex Energy Limited (ASX:SXY) today announced it has brought the first of 30 appraisal wells online as part of its Phase 2 investment program on the Western Surat Gas Project.

The Phase 2 program is Senex's first major investment in the Western Surat Gas Project, and involves the drilling of 30 appraisal wells on the Eos and Glenora blocks, located approximately 30 kilometres from Roma and directly north of GLNG's producing Roma field¹.

Of the 30 wells in the Phase 2 program, 24 have been drilled, with the remainder to be completed in the coming months. Senex has brought the first pod of Phase 2 wells online, with all 30 wells to be producing by the end of calendar year 2017. Senex expects production from the Phase 2 wells to conform to the typical profile of coal seam gas wells, with dewatering to precede a steady increase in gas production rates. Senex is working to progress a raw gas sales agreement with GLNG for delivery of Phase 2 gas into existing Roma field infrastructure.

Senex Managing Director and CEO Ian Davies said the Company was confident it would complete Phase 2 on budget.

"We know that cost management is a key driver of value on the Western Surat Gas Project, and the Phase 2 work program has provided us the opportunity to test and embed our processes ahead of full field development. We are on track to achieve our cost target of \$1.2 million per installed well on this work program, with Senex achieving excellent performance in partnership with its preferred suppliers.

"Production data from these wells will enhance our understanding of reservoir performance on Eos and Glenora ahead of the next phase of drilling which we expect to sanction by end FY18," Mr Davies said.

Senex holds 100% interest in and operatorship of the Western Surat Gas Project, involving the delivery of coal seam gas from approximately 915 square kilometres of acreage in Queensland's Surat Basin. The project is expected to support up to 425 wells over its life. Senex has executed a gas sales agreement with GLNG for the supply of up to 50 terajoules per day of gas from the project area over 20 years.

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

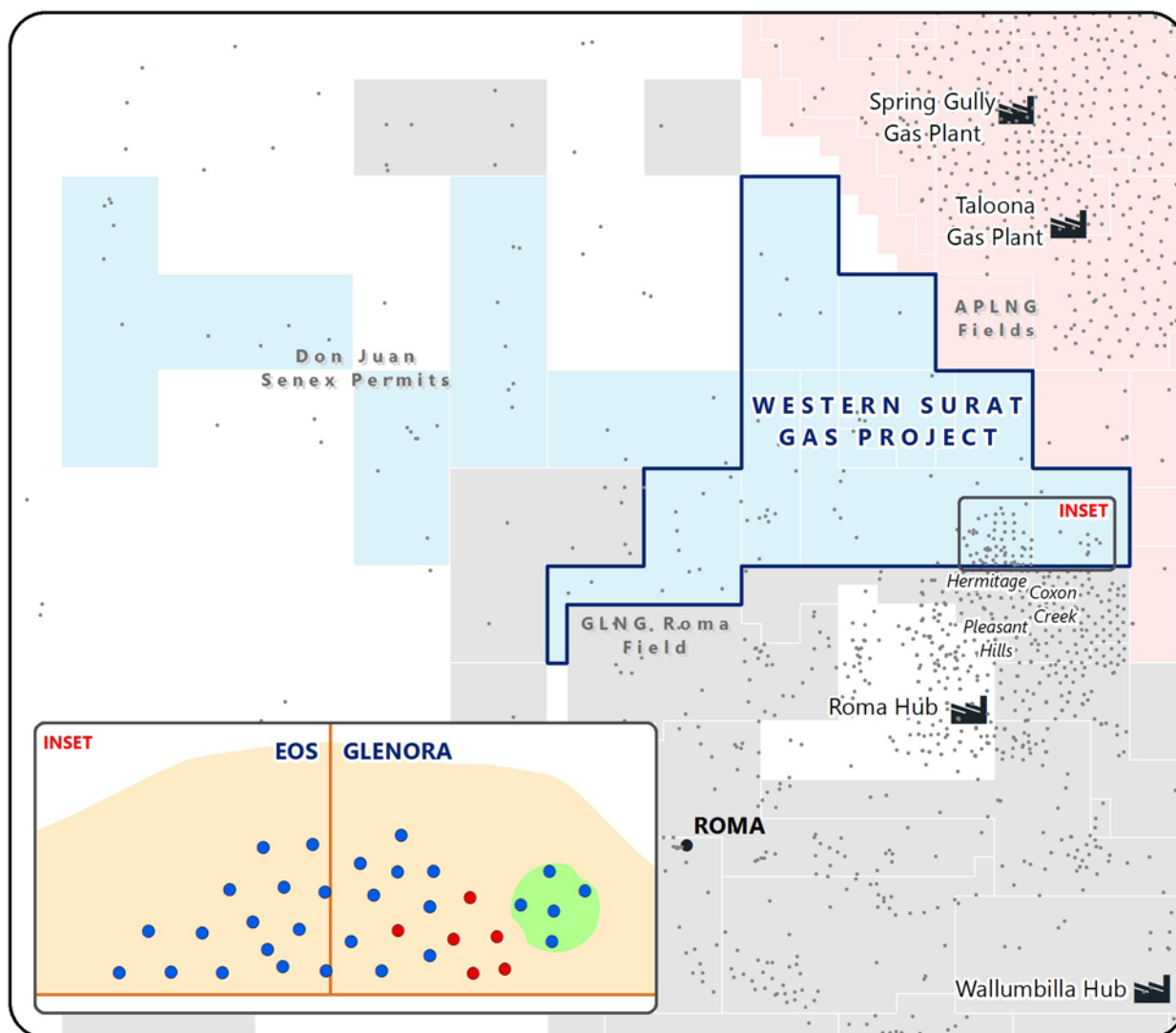
Media Enquiries:
Rhianne Bell
Corporate Communications Manager
Senex Energy Limited
Phone: (07) 3335 9859

ABOUT SENEX ENERGY

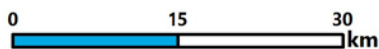
Senex is an ASX listed oil and gas exploration and production company focused on generating shareholder value by growing reserves and production. It holds extensive onshore oil and gas acreage in the Cooper and Surat Basins, two of Australia's most prolific onshore energy regions. Senex is well capitalised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

¹ The permits for Glenora and Eos include commitments for 20 appraisal wells, which this work program will satisfy.

Figure 1 – Phase 2 work program



- Phase 2 work program
- Phase 1/2 drilled wells
- Wells
- Senex Energy
- Santos GLNG
- Australia Pacific LNG
- Drill ready acreage
- Pilot production



16/10/2017
SENEX-CORP-GI-MAO-237