

Senex delivers corporate and development debt facility

Release Date: 31 July 2018

Senex Energy Limited (Senex, ASX: SXY) is pleased to announce it has entered into a fully underwritten A\$150 million debt facility to fund the development of its Surat Basin gas projects.

Following an extensive assessment of bank and non-bank debt financing alternatives in Australian and international capital markets, Senex has chosen a funding arrangement which provides certainty and highly competitive interest cost and terms, with flexibility for expansion and repayment.

Key terms of the debt facility include:

- **A\$125 million** senior secured Reserve Based Lending (RBL) facility;
- **Seven year** tenor;
- **Competitive margins:** starting interest cost approximately 6% per annum, stepping down on completion of development projects; and
- **A\$25 million** working capital facility.

The finance, fully underwritten by Australia and New Zealand Banking Group (ANZ), will fund the development of Senex's east coast gas development projects (the Western Surat Gas Project and Project Atlas) and Cooper Basin assets, and can be expanded to support new development assets.

Separately, Senex is in discussions with experienced infrastructure providers to provide gas processing tolling services for the Western Surat Gas Project, following the successful Project Atlas infrastructure partnership with Jemena announced in June 2018.

Senex Managing Director and CEO Ian Davies said successfully delivering this funding with ANZ represented a major milestone in the execution of Company's east coast gas strategy.

"Senex has booked Proved and Probable (2P) gas reserves in the Surat Basin of over 600 petajoules, equivalent to over 100 million barrels of oil.

"With an already strong balance sheet, this funding provides the financial wherewithal to rapidly progress to development of both Project Atlas and the Western Surat Gas Project, converting our material reserves position to production.

"Together with a continuing active drilling program in the Cooper Basin, the investment in Senex's Surat Basin gas assets will drive a step-change in production, cashflow and earnings in the near term, and importantly deliver new gas supply to the east coast of Australia", Mr Davies said.

The agreement is subject to final documentation and customary conditions precedent. Senex was advised by Grant Samuel, with Allens acting as legal adviser.

CONFERENCE CALL

Senex Managing Director and Chief Executive Officer Ian Davies and Chief Financial Officer Gary Mallett will hold a conference call to discuss this announcement in tandem with the Q4 FY18 results as follows:

Time: 10.00am AEST

Date: Tuesday 31 July 2018

The webcast will be streamed live at this time and can be accessed via the Senex website (www.senexenergy.com.au) or through the following link: <http://www.openbriefing.com/OB/3006.aspx>. A recording of the webcast will be available from 5pm AEST.

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 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