

ASX Announcement

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Senex awards major Surat Basin drilling contract

Senex Energy Ltd (Senex, ASX: SXY) will start its Surat Basin natural gas drilling program next month after contracting experienced oil and gas services provider Easternwell.

The contract continues Senex's consistent delivery of project milestones as it becomes an important supplier of gas to the east coast gas market. Over the past 12 months Senex has:

- received all required state and federal regulatory approvals across Project Atlas and Roma North;
- partnered with major infrastructure provider Jemena to build, own and operate the Project Atlas gas processing facility and associated pipeline. Civil works are underway on this facility, with commissioning and first sales gas due late in 2019;
- progressed construction of the Roma North gas processing facility, with civil works and pipeline construction complete and major equipment items installed. Commissioning of this facility and first sales gas are due in mid-2019; and
- progressed construction of the well lease pads in advance of drilling.

Managing Director and CEO Ian Davies said Senex and Easternwell had developed a strong working relationship over many years in the Cooper and Surat basins.

"This contract puts in place one of the final major elements for the delivery of our Surat Basin natural gas projects.

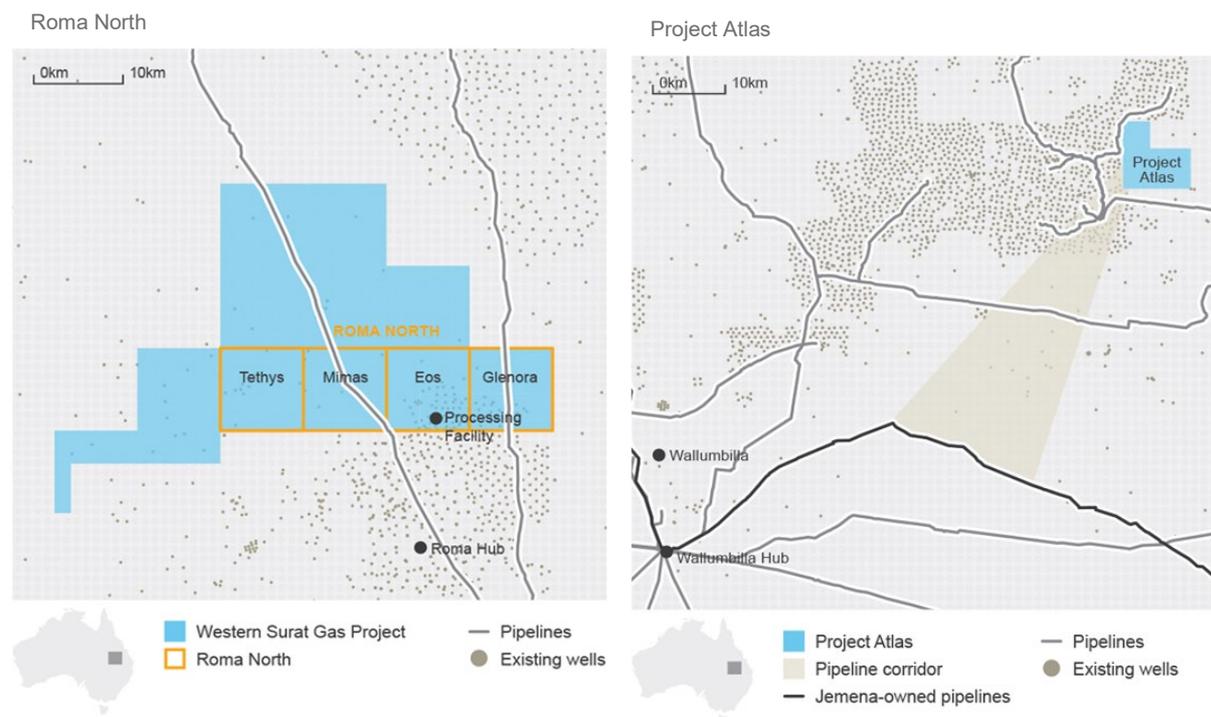
"With construction of the gas processing facilities on schedule, and drilling to start in May, Senex is on track to deliver first sales gas from Roma North mid-year and from Project Atlas by the end of 2019.

"These developments will achieve a step change in production, cash-flow and earnings for Senex and deliver much needed gas to the east coast market," Mr Davies said.

Easternwell will start Senex's natural gas drilling program across Project Atlas and Roma North in May 2019, with completion of this initial drilling program planned for mid-2020. Senex can extend the duration of the Easternwell contract to a total period of up to two years from the contract start date. The contract value is in line with capital expenditure guidance previously provided (refer to ASX announcement of 29 October 2018).

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About Senex

Senex is an ASX-listed, growing and independent Australian oil and gas company with a 30-year history. We manage a strategically positioned portfolio of onshore oil and gas assets in Queensland and South Australia, with access to Australia's east coast energy market. Senex is focused on creating sustainable value for shareholders by leveraging our capability as a low cost, efficient and safe explorer and producer.