

ASX Announcement

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Surat Basin operations update

Senex Energy Limited (Senex, ASX: SXY) continues to achieve key milestones in the delivery of its Surat Basin natural gas development projects, with Roma North daily gas production exceeding 8 terajoules following commissioning of the Roma North gas compressor station.

Milestones achieved over the past three months at Roma North and Project Atlas include:

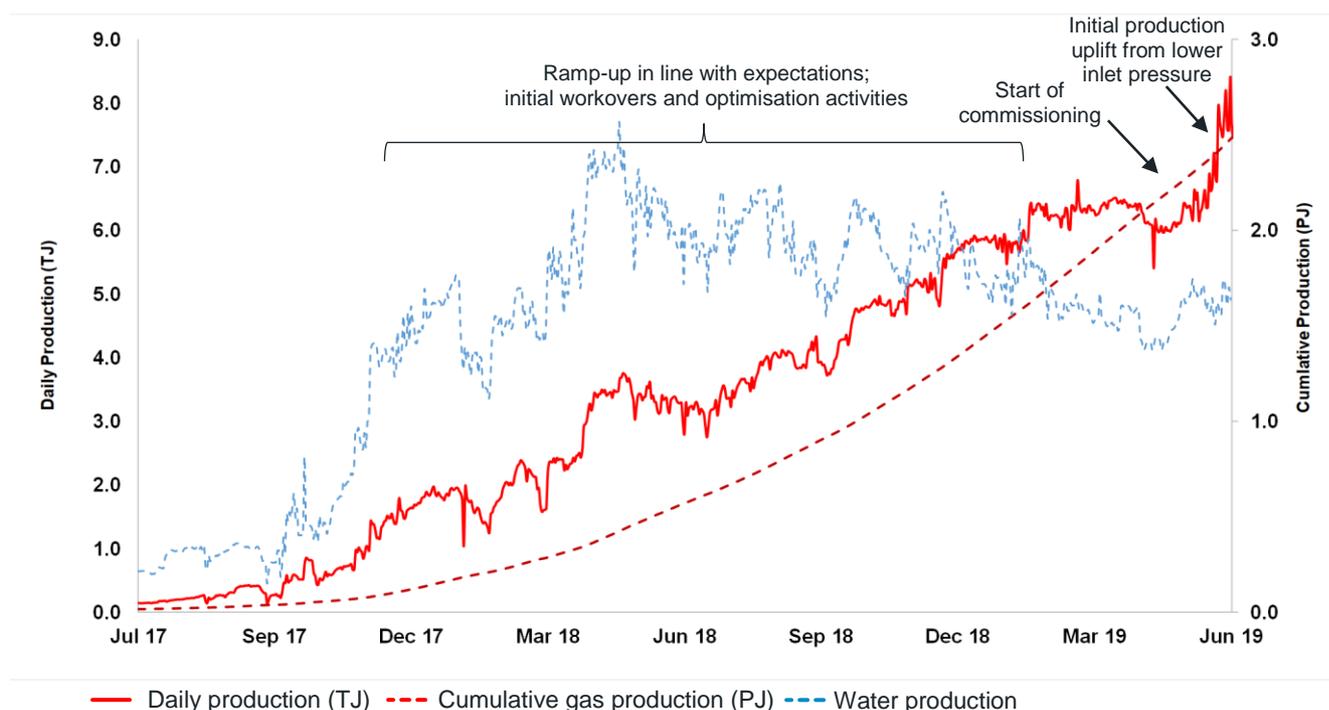
- **Mechanical completion and commissioning of the Roma North gas compressor station**

In May 2019, Senex completed construction of the facility to schedule, on budget and with excellent safety performance. Commissioning is underway and the facility is now producing sales specification gas. The commissioning process includes rigorous safety checks, system stability tuning and performance testing, and is expected to be completed in Q1 FY20.

- **Roma North daily gas production exceeds 8 terajoules**

Improved well performance from past optimisation activities and initial uplift from commissioning of the compressor station saw materially higher production rates towards the end of June, with daily production reaching 8.4 TJ.

Roma North gas production to 30 June 2019



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Gas production at Roma North has benefited from commissioning of the facility's compression system, which allows the raw gas gathering network from the production wells to be operated at a lower pressure, thus providing significant improvement in both the rate and total volume of gas able to be desorbed from the coals in the gas reservoir. Roma North gas production is expected to continue to increase as the gas compression facility completes the commissioning process, and as additional wells are tied in.

In June 2019, Senex announced it had agreed to sell its Roma North natural gas processing facility and pipeline to major energy infrastructure operator Jemena for \$50 million and entered into a long-term gas tolling agreement.

- **First nine wells of Surat Basin campaign drilled**

In April 2019, Senex awarded the drilling contract for its ~110-well Surat Basin campaign to experienced oil and gas services provider, Easternwell. The campaign start-up process was undertaken successfully and without incident.

The first well spudded on 5 June 2019 and nine wells have subsequently been drilled. These wells will be connected and brought online during Q1 FY20. Drilling and completion cycle times are to expectation and continue to improve in line with targets.

Ten wells will be drilled at Roma North prior to mobilisation of Easternwell Rig 27 to Project Atlas in late July 2019. Drilling at Project Atlas will then commence.

- **Significant progress at Project Atlas**

Well lease pad construction is underway with 12 lease pads now finished and awaiting the arrival of Easternwell Rig 27.

Jemena continues to make excellent progress in the construction of the Project Atlas gas compression facility, with civil works materially complete and gas processing skids being delivered and installed. In early July, Jemena announced the start of construction of the 60 kilometre pipeline to transport gas from the processing facility to the Wallumbilla Hub.

First sales gas is expected from Project Atlas in late 2019.

Managing Director and CEO Ian Davies said these milestones demonstrate the excellent progress Senex is making in developing its Surat Basin assets.

"We continue to deliver our Surat Basin gas developments on schedule, to budget and with excellent safety and environmental performance. Roma North production continues to perform and we look forward to commencing the Project Atlas drilling program in August."

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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.

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