



Sundance Energy

2018 Enercom Oil & Gas Conference

sundanceenergy.net



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Proved and probable reserves

Ryder Scott Company, L.P. (Ryder Scott) has prepared an independent estimate of the proved and probable reserves, future production and income attributable to leasehold interests within the recently closed acquisition of 21,900 net acres for sale by Pioneer Natural Resources USA, Inc. Reliance Eagleford Upstream Holding LP, and Newpek, LLC (Asset) in the Eagle Ford shale play in the State of Texas, USA as of 1 January 2018.

The volumes classified as reserves in the Ryder Scott report have been assigned to both oil and gas reserves and represent 100% of the total net proved and probable liquid hydrocarbon and gas reserves of the Assets at the report date (including producing, non-producing and undeveloped).

The reserves estimate were prepared in accordance with the classification and reporting requirements of the Petroleum Resources Management System (SPE-PRMS) as required by the Australian Securities Exchange Listing Rule 5 - Additional Reporting on Mining and Oil & Gas Production and Exploration Activities. The reserves estimates were calculated using a deterministic methodology.

Ryder Scott utilised proprietary data relating to existing production and lease operating costs from the current Asset wells to forecast a future production stream and associated cash flows based on the economic interest of the Company, NYMEX strip (varying) WTI pricing US\$59.36 in 2018, decreasing to \$51.67 by 2023 and held constant thereafter and lease operating expense estimates comprising a fixed and variable component based on historic operating expense reports. The reference point for the volumes produced is at the wellhead.

Qualified Resource Evaluator's Statement

The information in this presentation that relate to petroleum reserves in Eagle Ford leasehold interests held by the vendors and which are subject to the proposed acquisition by Sundance set out in this presentation, is based on, and fairly and accurately represents, in the form and content in which it appears, information and supporting documentation prepared by, or under the supervision of, Mr. Stephen E Gardner, qualified petroleum reserves and resources evaluator. Mr. Gardner is a member of the Society of Petroleum Engineers and the Society of Petroleum Evaluation Engineers, currently serving in the latter organisation's Denver Chapter as Chairman. Mr. Gardner has sufficient experience that is relevant to the evaluation and estimation of petroleum reserves to qualify as a Qualified Reserves and Resources Evaluator as defined in the Australian Securities Exchange Listing Rules. Mr. Gardner is not an employee of Sundance or a related party but an employee of Ryder Scott Company, L.P.

Mr. Gardner has consented to the inclusion of Ryder Scott's reserve evaluations effective 1 January 2018 in the form and content in which they appear.



A Leading Pure Play Eagle Ford Producer

■ Premier Asset Base

- ~56,500 net acres primarily in the Eagle Ford's Oil and Volatile Oil Window
- 461 undrilled Tier-1 Eagle Ford locations represent 12+ years drilling inventory
- Proximity to Gulf Coast provides exposure to export market Brent/LLS pricing

■ Aggressive Development & Robust Growth Profile

- 30-40 wells per twelve months oil focused development plan drives significant growth in production, proved reserves, cash flow and net asset value
- Forecast 2019 production of 21,000-22,000 boe/d and EBITDAX of \$250-275 MM

■ Significant Upside Potential

- 2P reserves of 170.7 MMboe and 2P PV-10 of \$963.6 MM as at year end 2017⁽¹⁾
- 1P & 2P reserves PV-10 values increase by \$262 MM and \$367 MM respectively at recent strip prices⁽²⁾
- Long term, fixed-price service contracts provide certainty and ability to control costs
- Additional upside through: production improvements, well and per unit cost savings (efficiencies of scale, self-sourcing of local sand, chemical cost reductions, process improvements such as batch drilling and zipper fracs etc), basin aggregation

■ Strong Balance Sheet and Liquidity Position

- ~\$82 MM liquidity to support development program⁽³⁾
- Positive free cash flow anticipated by end of calendar year 2019⁽²⁾
- 2019 Debt-to-EBITDAX projected to drop below 2.0x; no debt maturities until 4Q 2022

ASX Symbol:	SEA
Nasdaq Symbol:	SNDE
Market Cap ⁽³⁾ :	\$397 MM
Enterprise Value ⁽³⁾ :	\$641 MM
12/31/17 2P PV-10 Value ⁽¹⁾ :	\$963.6 MM
2Q18 Production:	7,892 boe/d
% Crude Oil ⁽⁴⁾ :	54%
Proved Reserves ⁽¹⁾ :	100.9 mmboe
% PDP Reserves ⁽¹⁾ :	22.4%
Net Acreage:	56,500

Product	Production	
	2Q18	1H18
Oil (bbls)	370,549	735,790
Gas (mcf)	1,356,230	2,468,833
NGLs (bbls)	121,611	201,124
Total (boe)	718,198	1,348,386
Boe/d	7,892	7,450

(1) As prepared by Ryder Scott at December 31, 2017 based on NYMEX strip pricing..

(2) Per internal Company estimates as at 1 July 2018 using 2 July 2018 Strip NYMEX pricing.

(3) Enterprise Value is Market Capitalization as of 14 August 2018 plus Net Debt Outstanding as of 30 June 2018 of \$243.7 MM.

(4) Exclusive of prior period adjustments. 2Q18 oil cut was impacted due to certain oiler wells being temporarily shut-in for the installation of artificial lift and to facilitate the completion of offset wells. Oil production by volume for the month of July had returned to 63%.



Investment Highlights

High Quality Asset Base with Material Inventory

- 12+ years of Tier-1 drilling inventory⁽²⁾ with \$963.6 MM of 2P PV10 as at year end 2017⁽¹⁾
- 1P & 2P reserves PV-10 values increase by \$262 MM and \$367 MM respectively at recent strip prices⁽²⁾
- Highly attractive single well economics (65%+ IRR or higher) across assets at existing commodity prices⁽²⁾

Robust strong Oil-Weighted Development Activity

- 30 – 40 well per twelve month period drilling program
- Development plan on track with 12 wells drilled and 8 wells brought online year to date
- Enhanced scale facilitates unit cost improvements in capital expenditures, operating and overhead expenses
- Long term fixed-price contracts executed for rigs and being finalized for dedicated frac crew provide certainty and cost savings

Attractive Midstream & Pricing Economics

- Midstream contracts for recently acquired assets provide firm capacity to process and transport all products to Houston market for prevailing LLS/MEH pricing
- Brent pricing exposure via recently signed physical offtake deal for all legacy volumes

Ample Liquidity, Strong Balance Sheet & Rapid Deleveraging

- Fully funded capital program drives 2019 production to 21,000-22,000 boe/d and EBITDAX to \$250-\$275 MM⁽²⁾
- No debt maturities through late 2022, projected growth drives Debt-to-EBITDAX below 2.0x in 2019⁽³⁾

Strong Free Cash Flow Generation

- Company positioned to be self funding and cash flow positive by EOY 2019⁽²⁾

(1) As prepared by Ryder Scott at December 31, 2017 based on NYMEX strip pricing.

(2) Per internal Company estimates as at 1 July 2018 using 2 July 2018 Strip NYMEX pricing.

(3) Assumes Net Debt as of 30 June 2018 of \$243.7 MM and relies upon Internal Company estimates using Strip NYMEX pricing as of 14 May 2018.



2018 and 2019 Summary Guidance⁽¹⁾

Delivering Substantial Operational and Financial Growth Over the Next 18 Months

	First Half 2018		Full Year 2018	Full Year 2019
Average Net Production (boe/d):	7,000 - 7,500	✓	9,000 - 10,000	21,000 - 22,000
Capital Expenditures:	\$43 - 48 MM	✓	\$175 - 190 MM	\$200 - 220 MM
EBITDAX:	\$20 - 28 MM	✓	\$100 - 110 MM	\$250 - 275 MM
LOE per boe ⁽¹⁾ :	\$11.50 - 12.50	✓	\$9.50 - 10.50	\$7.50 - 8.50
Cash G&A per boe:	\$6.50 - 7.00	✓	\$4.50 - 5.50	\$3.50 - 4.00
Wells Spudded:	11	✓	30 - 35	35 - 40
IP Wells:	3	✓	22	37

- Sundance exceeded top end of production guidance range First Half 2018
- Sundance met or beat EBITDAX, capital spending and cost guidance for First Half 2018
- 2018 development plan is on track with 10 wells brought online and 2 DUCs created year to date, and six wells currently being drilled
- LOE per Boe expenses are expected to be elevated in the near term as a result of the utilization of Pioneer's existing midstream contracts for acquired existing production
- LOE per Boe expenses will decrease as additional production from the acquired assets comes online and flows through the new marketing contracts at the new, lower market rates

(1) All guidance figures based upon internal Company estimates using Strip NYMEX pricing as of 14 May 2018.



Successfully Executing Development Plan

Fixed-Price Service Contracts

- All contracts at fixed rates in-line with previously announced 2018 capital budget
- Executed one year and three month contracts for two built-to-suit 1500 horsepower Patterson walking rigs
- Contract being finalized for dedicated frac crew from major service provider through EOY 2019

Year to Date operations on track to deliver forecast 2018 production ramp

- Spud 18 wells (5 on legacy assets, 13 on newly acquired assets)
- 10 new wells brought onto production, 2 DUCs created
- Currently drilling a 4 well pad and a 2 well pad; in process of completing 2 well pad

Recent Activities

Well Name	County	Spud Date	Frac Start Date	IP Date	Completed Lat Length	30-Day IP Rate (boe/d)	% Oil
Paloma Ranch 7H	McMullen	18-Jan-18	17-May-18	2-Jun-18	7,690'	1,345	62%
Peeler Ranch 8HC	Atascosa	1-Mar-18	28-May-18	26-Jun-18	5,642'	484	92%
Peeler Ranch 9HC	Atascosa	24-Mar-18	28-May-18	26-Jun-18	5,820'	446	93%
Allen MCM 1HA	McMullen	21-Apr-18	6-Jul-18	14-Aug-18	8,015'	-	-
Allen MCM 2HA	McMullen	13-May-18	6-Jul-18	14-Aug-18	8,234'	-	-
Harlan Bethune 25H	Live Oak	7-May-18	24-Jul-18	13-Aug-18	4,973'	-	-
Harlan Bethune 26H	Live Oak	11-May-18	22-Jul-18	13-Aug-18	4,161'	-	-
Harlan Bethune 27H	Live Oak	13-May-18	22-Jul-18	13-Aug-18	3,469'	-	-
Justin Tom 05H	Atascosa	17-Jun-18	12-Aug-18	5-Sep-19 ⁽¹⁾	-	-	-
Justin Tom 06H	Atascosa	14-Jun-18	12-Aug-18	5-Sep-19 ⁽¹⁾	-	-	-
Harlan Bethune 34H	Live Oak	25-Jun-18	3-Aug-18	16-Aug-18	2890'	-	-
Harlan Bethune 35H	Live Oak	22-Jun-18	3-Aug-18	16-Aug-18	2890'	-	-
James Keith Esse 06H	Live Oak	26-Jul-18	-	-	-	-	-
James Keith Esse 07H	Live Oak	22-Jul-18	-	-	-	-	-
James Keith Esse 08H	Live Oak	24-Jul-18	-	-	-	-	-
James Keith Esse 09H	Live Oak	20-Jul-18	-	-	-	-	-
Idylwood 04H	Live Oak	3-Aug-18	-	-	-	-	-
Idylwood 05H	Live Oak	3-Aug-18	-	-	-	-	-

Currently completing 2 well Justin Tom Pad

Currently drilling 4 well James Keith Esse Pad

Currently drilling 2 well Idylwood Pad

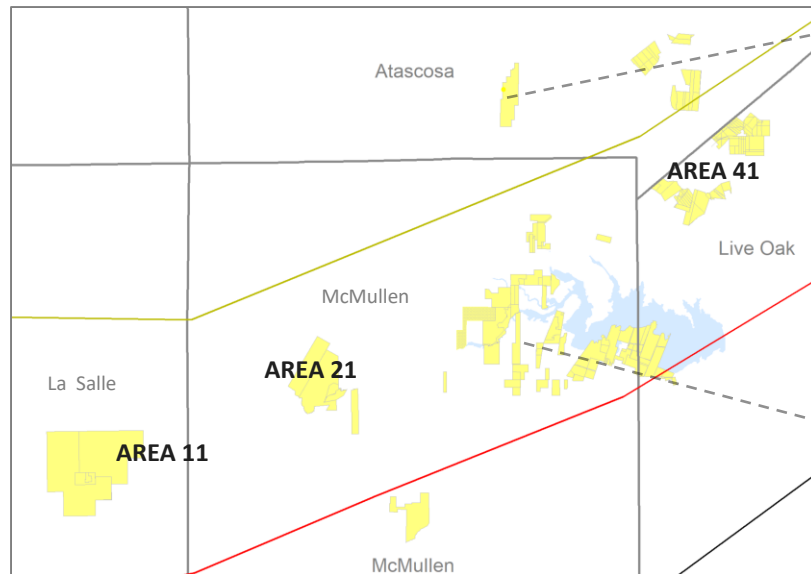
(1) Internal Company estimate.



Year to Date 2018 Development – Legacy Acreage

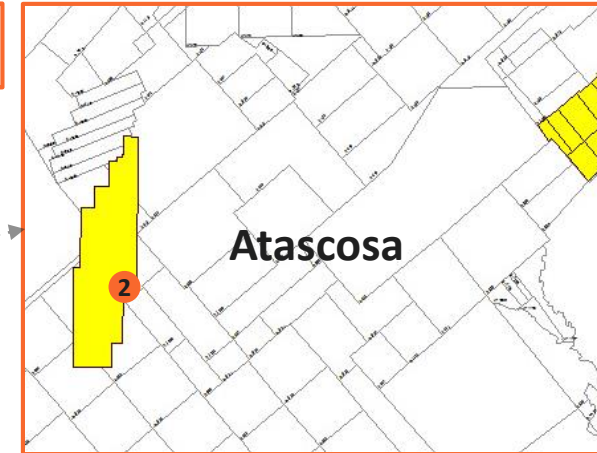
Legacy Acreage Development Detail

- 5 wells drilled, completed and brought online
- Well results to date in line with production expectations
- Well costs to date in line with capital projections



2

Peeler Ranch Two Well Pad
Peeler Ranch 8HC & 9HC

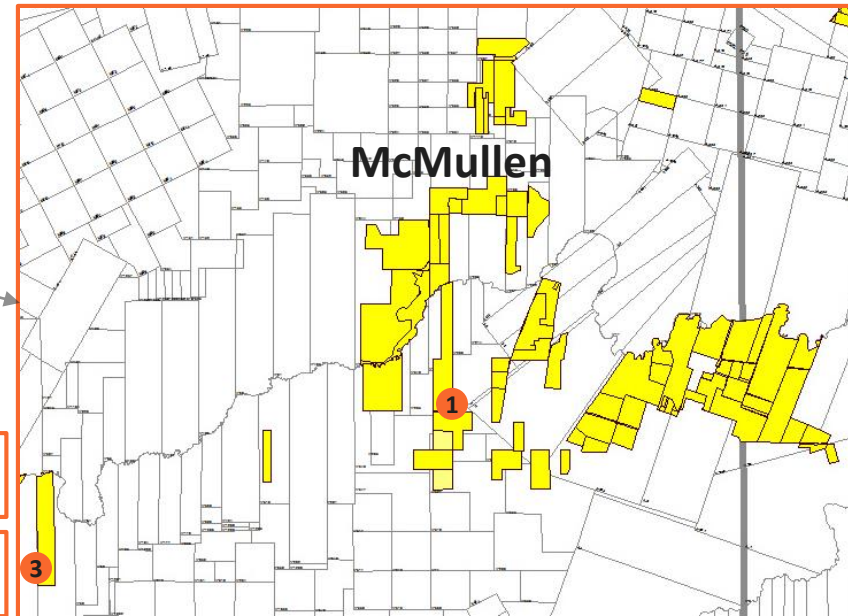


1

Paloma Ranch Single Well Pad
Paloma Ranch 7H

3

Allen MCM Two Well Pad
Allen MCM 1HA & 2HA

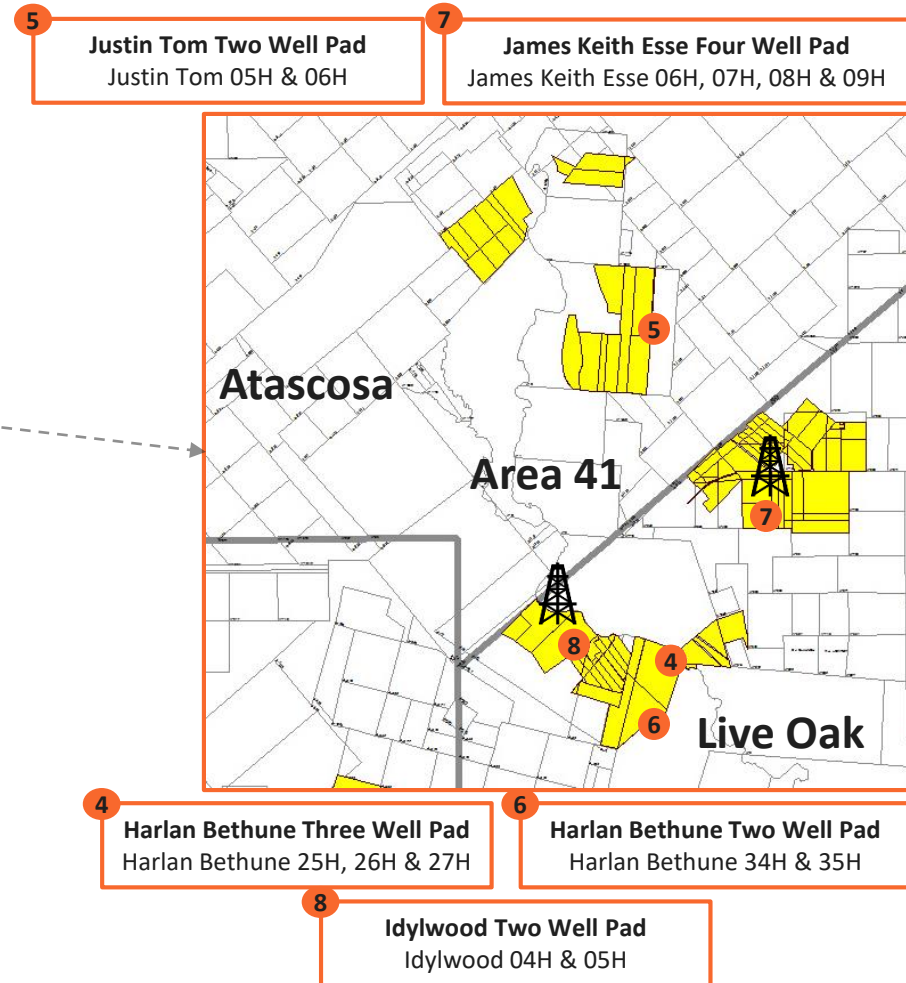
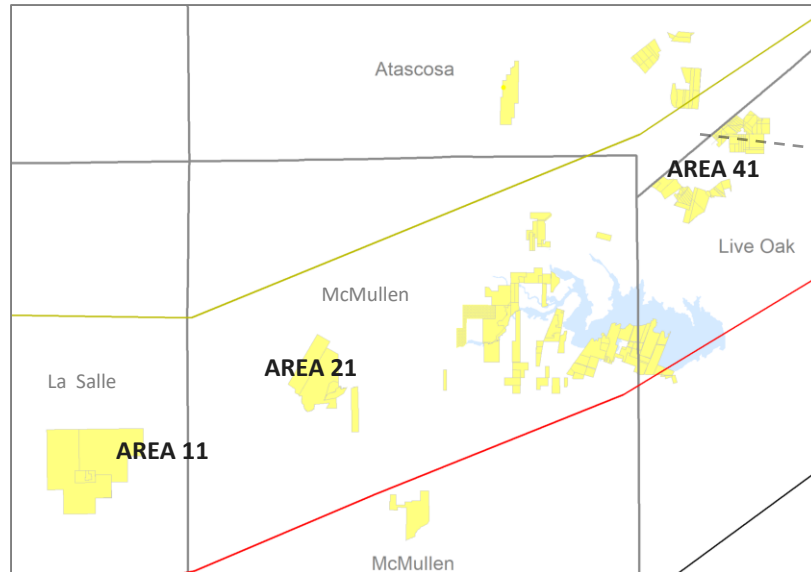




Year to Date 2018 Development – Newly Acquired Acreage

Newly Acquired Acreage Development Detail

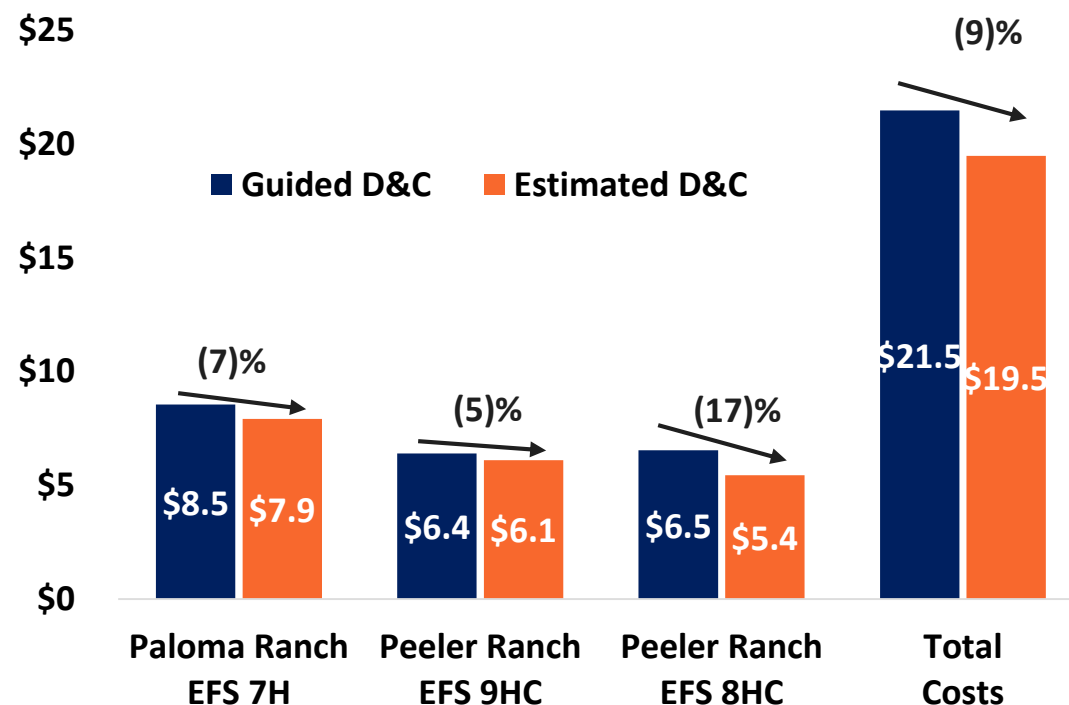
- 5 wells drilled, completed and brought online
- 2 DUC wells drilled and awaiting completion
- Currently drilling the Idylwood 04H & 05H two well pad and James Keith Esse 06H, 07H, 08H & 09H four well pad
- Currently fracking the two well Justin Tom 05H & 06H pad



Year to Date 2018 Development – Guided vs Estimated Well Costs⁽¹⁾



Guided D&C Costs vs Estimated D&C Costs (\$US Millions)



- Year to date estimated well drilling & completion costs have been in line with Sundance guidance on both a well-by-well and total basis
- More recent wells have been drilled with more efficient Patterson built-to-suit rigs, facilitating lower drilling days and less Non-Productive Time

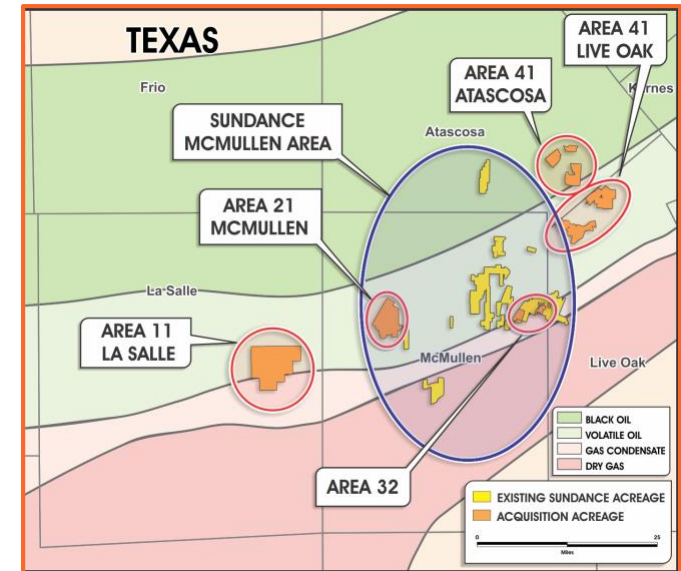
(1) Estimated per well costs are still preliminary and subject to further revision.



Premier Asset Base & Drilling Inventory

Over 12 Years of Highest Quality Tier 1 Eagle Ford Drilling Inventory ⁽¹⁾

- ~56,500 net acres primarily in the Eagle Ford's Oil and Volatile Oil Windows
- Highly attractive single well economics (65% IRR or higher) across assets at existing commodity prices⁽¹⁾
- Area 41 Live Oak locations have IP-30's >580 bbl/d with greater than 80% % liquids by volume



Drilling Inventory By Location

Area Formation	Acquired Inventory					Legacy Inventory			Total
	Atascosa EGFD	La Salle EGFD	Live Oak EGFD	McMullen 21 EGFD	McMullen 32 EGFD	McMullen EGFD	Atascosa EGFD	Dimmit EGFD	
Tier 1 Locations	33	81	116	12	6	⁽²⁾ 205	3	11	467
Tier 2 Locations	-	-	-	-	-	-	-	135	135
Total Locations	33	81	116	12	6	205	3	146	602

Note: Please see glossary for defined terms; figures shown per Company's internal estimates.

(1) Internal Company estimates using Strip NYMEX pricing as of 1 February 2018; assumes 2-rig drilling program.

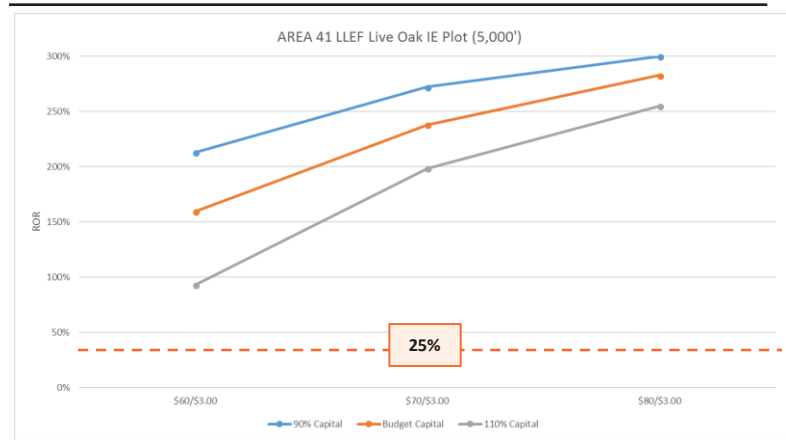
(2) Includes 104 net McMullen area ULEF locations.

Highly Attractive Returns Across Asset Base



Well level returns withstand stress-testing under different commodity pricing and capital cost scenarios

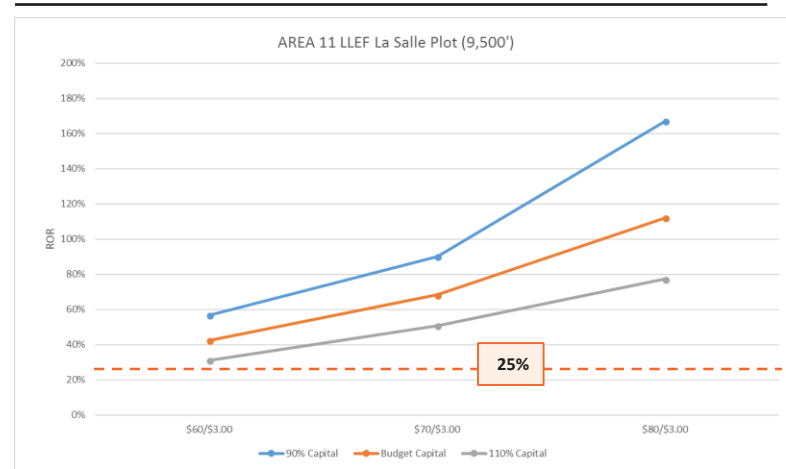
Live Oak County



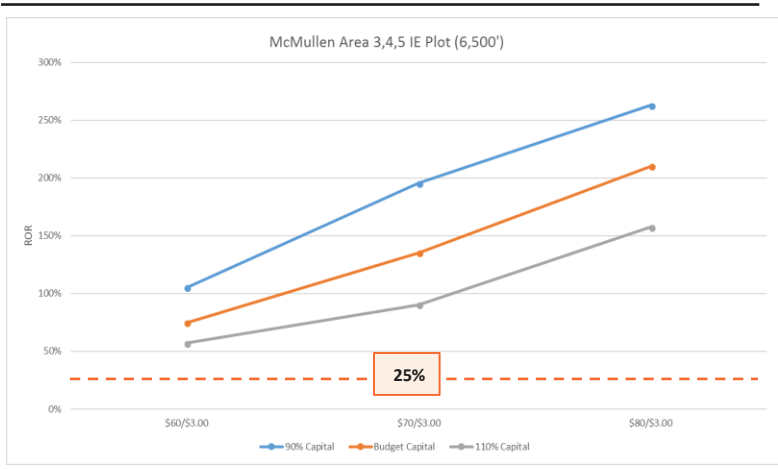
Atascosa County



La Salle County



McMullen County

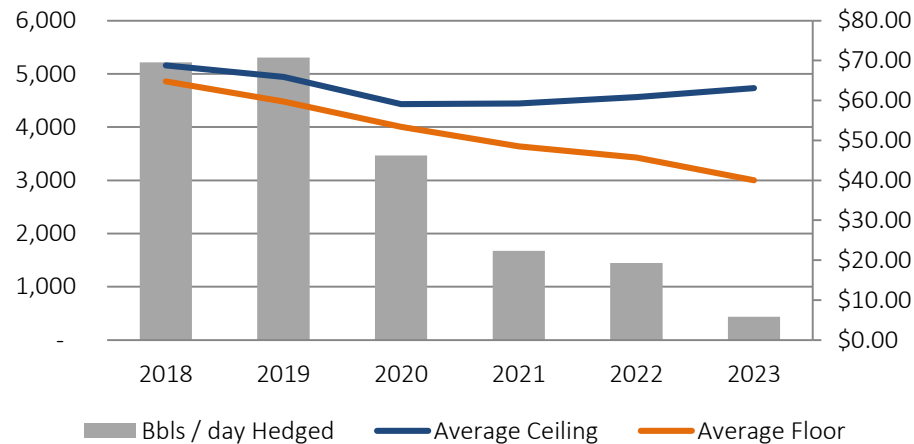




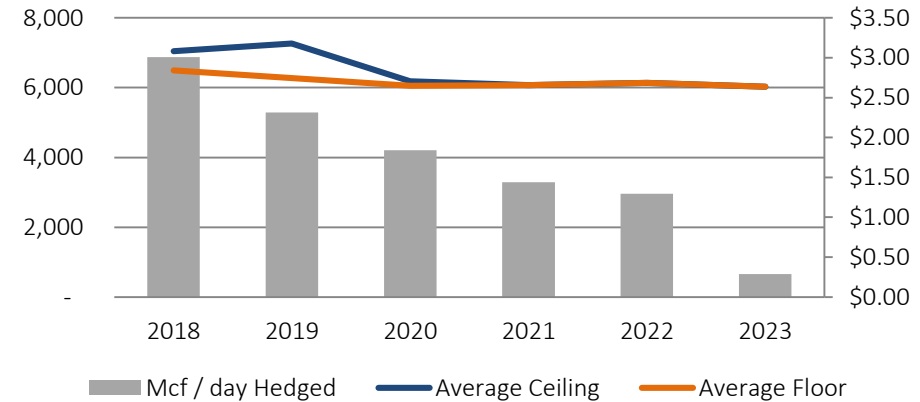
Proactive Hedging Program Provides Downside Protection

Hedging covers ~63% of 2018 and ~39% of 2019 forecast oil production⁽¹⁾

Oil Hedges⁽¹⁾



Gas Hedges⁽¹⁾



Oil Hedges⁽¹⁾

Crude	Hedge Contracts ⁽¹⁾		Weighted-Avg. Pricing	
	Bbl	Bbl/d	Floor	Ceiling
2018	810,500	5,297	\$64.77	\$68.73
2019	1,937,000	5,307	\$59.74	\$65.91
2020	1,266,000	3,468	\$53.36	\$59.09
2021	612,000	1,677	\$48.49	\$59.23
2022	528,000	1,447	\$45.68	\$60.83
2023	160,000	438	\$40.00	\$63.10
Total	5,313,500		\$55.70	\$63.36

Gas Hedges⁽¹⁾

Gas	Hedge Contracts ⁽¹⁾		Weighted-Avg. Pricing	
	Mcf	Mcf/d	Floor	Ceiling
2018	1,055,000	6,895	\$2.84	\$3.08
2019	1,932,000	5,293	\$2.75	\$3.18
2020	1,536,000	4,208	\$2.65	\$2.70
2021	1,200,000	3,288	\$2.66	\$2.66
2022	1,080,000	2,959	\$2.69	\$2.69
2023	240,000	658	\$2.64	\$2.64
Total	7,043,000		\$2.71	\$2.88

(1) All figures representative of Sundance's hedge book through 2023 as at 15 August 2018.



- 12+ years of highly attractive Tier 1 drilling inventory with \$963.6 MM of 2P PV10 as at year end 2017⁽¹⁾
- 1P & 2P reserves PV-10 values increase by \$262 MM and \$367 MM respectively at current strip prices⁽²⁾
- Sundance is successfully executing 2018 development plan according to timeline and capital expenditure plan
- In place fixed-price, long term contracts for rigs and dedicated frac crew provides certainty, cost controls, and ability to realize greater operational improvements over time
- Substantial development and operating cost savings initiatives identified and underway
- Executed new midstream and physical offtake contracts providing firm capacity at market rates to process and transport all products to Gulf Coast export markets for premium Brent/LLS based pricing
- Fully funded capital program drives 2019 production to 21,000-22,000 boe/d and EBITDAX to \$250-\$275m⁽³⁾
- Development program drives debt to EBITDAX below 2x in 2019⁽³⁾
- Sundance positioned to be self funding and free cash flow positive by EOY 2019⁽³⁾

(1) As prepared by Ryder Scott at December 31, 2017 based on NYMEX strip pricing.

(2) Per internal Company estimates as at 1 July 2018 using 2 July 2018 Strip NYMEX pricing.

(3) Internal Company estimates using Strip NYMEX pricing as of 14 May 2018.