

ASX Announcement

Release Date: 21 September 2020



Senex awarded additional Atlas acreage, with Atlas production to be expanded by 50% to ~18 PJ/year

Senex Energy Ltd (Senex, ASX: SXY) today announced it had been awarded preferred tenderer status for natural gas acreage in the Surat and Bowen basins as part of the Queensland Government's domestic gas acreage tender process. The award includes additional highly valuable Atlas acreage immediately adjacent to Senex's existing development, and high-potential exploration acreage in the Bowen Basin on trend with the Scotia and Meridian gas fields.

Senex's established hub-and-spoke infrastructure model and demonstrated expertise in the efficient development of natural gas resources provide a unique opportunity to support Australia's gas-fired recovery from the COVID-19 recession.

Key highlights

- New Atlas acreage will enable rapid expansion of natural gas production to ~18 PJ/year, an increase of 50%
- New Atlas acreage development-ready, subject to project approvals, with immediate gas reserves booking upon grant of title: 1P reserve adds of 16 PJ, 2P reserve adds of 41 PJ and 3P reserve adds of 58 PJ
- Agreement in place with Jemena to expand the Atlas gas processing facility by 50% to 48 TJ/day sales gas
- Development drilling for expansion of production to be funded through free cashflow and existing debt facilities
- High-potential Bowen Basin acreage located on trend between the Scotia and Meridian gas fields, providing further scale and diversification to Senex's natural gas portfolio

Managing Director and Chief Executive Officer, Ian Davies said that Senex is uniquely positioned to contribute to Australia's gas-fired recovery from the COVID-19 recession.

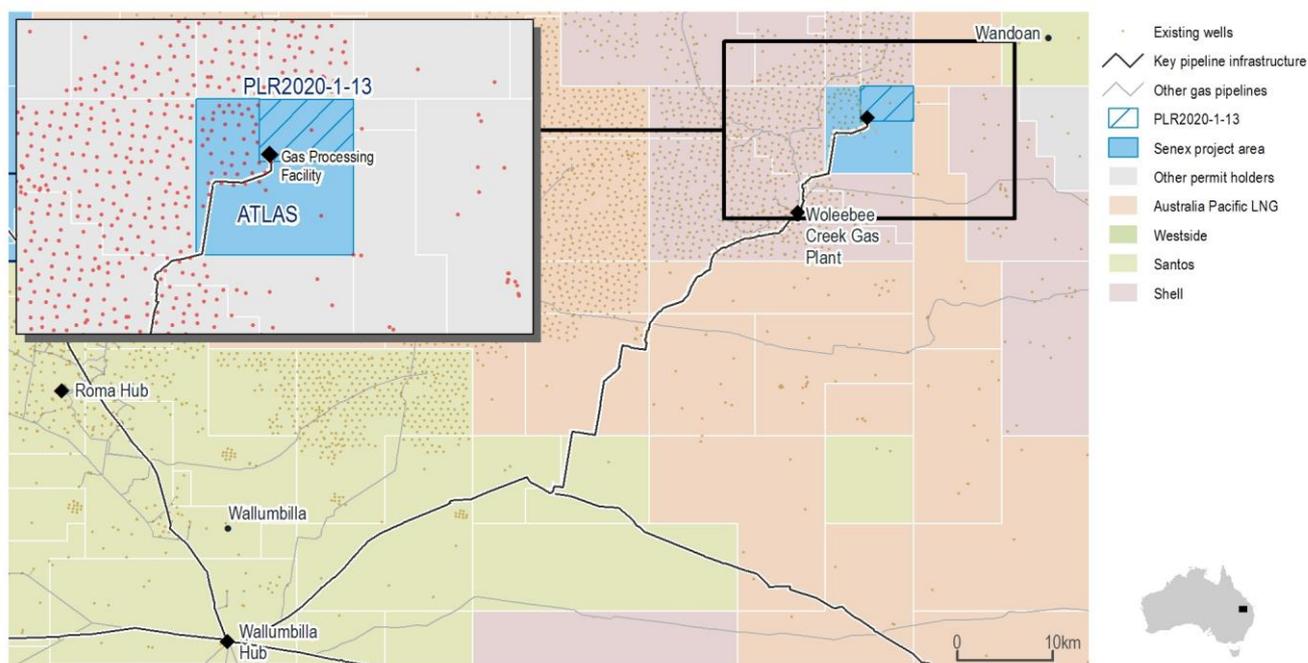
"Senex is a material new entrant in a strong domestic market with high barriers to entry. We are increasing the supply of natural gas on the east coast to help our manufacturing sector, and we are here for the long term.

"The Queensland Government's award of acreage to Senex strengthens our ability to leverage our established hub-and-spoke infrastructure model for accelerated supply of affordable natural gas to the domestic market.

"Senex is committed to investing for the long-term to unlock both development-ready and exploration opportunities. We welcome the proactive policies in place to encourage development of Australia's vast natural gas resources, which will help deliver affordable and sustainable gas supply," Mr Davies said.

Additional Atlas acreage (PLR2020-1-13)

The award of additional Atlas acreage enhances Senex's existing development. The contiguous block is bounded by prolific gas producing acreage, with resource quality and reservoir performance expected to be high-quality and consistent with that of Atlas.



The commercialisation plan to expand Atlas gas production by 50% to ~18 PJ/year will leverage Senex's existing hub-and-spoke infrastructure model:

- Existing Jemena gas processing facility to be expanded; availability for additional production volumes expected in the first half of 2022, subject to completion of definitive agreements with Jemena
- Existing Senex water management infrastructure to be utilised
- Development drilling for expansion of production to be funded by free cashflow and existing debt facilities
- Ongoing marketing of gas to Queensland manufacturers and other domestic users, providing further support for Australia's gas-fired recovery from the COVID-19 recession

Relevant metrics in relation to Atlas and the additional acreage award are set out in the table below.

	Existing Atlas	Additional acreage	Expanded Atlas	Change
Area (sq km)	58	18	76	↑ 31%
1P gas reserves (PJ)	94	16	110	↑ 17%
2P gas reserves (PJ)	234	41	275	↑ 18%
3P gas reserves (PJ)	234	58	292	↑ 25%
Planned production (TJ/day)	32		48	↑ 50%
Planned production (PJ/year)	~12		~18	↑ 50%

Bowen Basin natural gas exploration acreage (PLR2020-1-9)

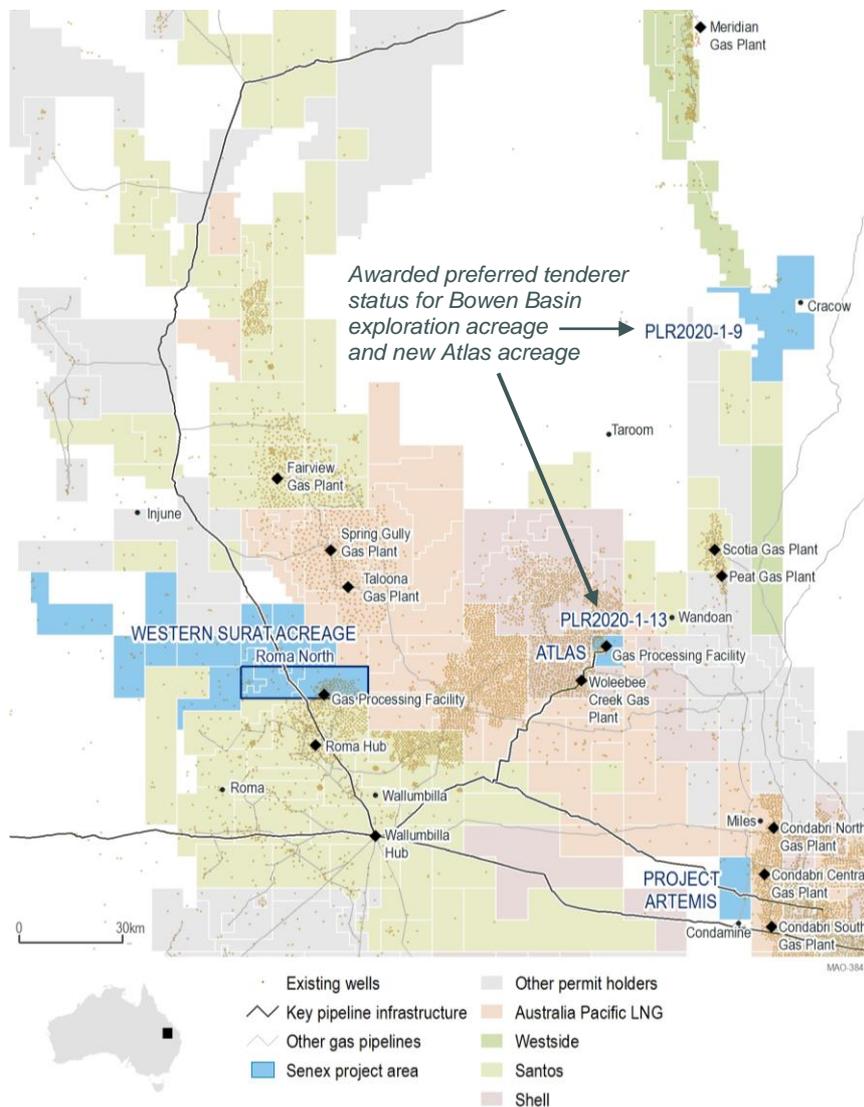
Senex has been awarded preferred tenderer status for the 486 sq km natural gas exploration block PLR2020-1-9, located on trend between the Scotia and Meridian gas fields in the Bowen Basin and close to existing infrastructure.

The Bowen Basin comprises successful producing gas developments including the Fairview, Arcadia, Peat, Scotia, Meridian and Moranbah fields. PLR2020-1-9 overlies a large regional fault system extending through to the Scotia and Peat fields, providing potential for high permeability and gas content.

Senex will undertake an initial four-year work program comprising geological studies, 2D seismic acquisition and an exploration well. Senex’s application for this acreage was submitted based on study results indicating potential for analogous development to the Scotia gas field.

A growing and diversified gas supply portfolio in the Surat and Bowen basins

Senex is building a gas supply portfolio of scale and diversification. Senex’s natural gas footprint in Queensland now comprises ~2,300 sq km of acreage across the Surat and Bowen basins, and includes material production (Roma North and Atlas), development-ready expansions (Roma North and Atlas) and appraisal and exploration opportunities (Western Surat Acreage, Project Artemis and the newly awarded Bowen Basin acreage).



Senex’s diversified gas supply portfolio in the Surat and Bowen basins

Webcast details

Senex Managing Director and CEO Ian Davies will host a webcast to discuss the award of new acreage.

Date: Monday, 21 September 2020

Time: 11.00am AEST (Brisbane, Sydney, Melbourne)

The webcast will be streamed live and can be accessed via the Senex company page on the Open Briefing website: <https://webcast.openbriefing.com/6562/>

A recording of the webcast will be available via the same link.

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About Senex

Senex is a growing Australian oil and natural gas explorer and producer. We are focused on creating sustainable value for all stakeholders through low-cost, efficient and safe operations in the Surat and Cooper basins. Senex is helping to meet the energy challenge on the east coast of Australia through natural gas development projects which include Atlas, Australia's first dedicated domestic gas acreage.

APPENDIX A – NOTES TO RESERVES ESTIMATES

The estimate of reserves for the new Atlas acreage Block PLR2020-1-13 is Senex's internal assessment of the estimated reserves over the block. It is not a booking of reserves by Senex. The grant of tenure to Senex will be necessary prior to booking reserves. Senex currently updates its reserves and resources position annually. Senex undertook analytical procedures to estimate the reserves for Block PLR2020-1-13, including:

- Interpretation of key geological and reservoir parameters
- Probabilistic assessment of subsurface uncertainties and statistical ranges for Gas-Initially-In-Place estimates
- Deterministic estimates of recoverable hydrocarbons

Senex prepares petroleum reserves estimates in accordance with the Petroleum Resources Management System published by the Society of Petroleum Engineers (SPE PRMS 2018). The date of this reserves estimate assessment is 21 September 2020. For further information on Atlas reserves, refer to the ASX announcement dated 14 July 2020. There have been no material changes to information or assumptions contained in that announcement.

The assessment of estimated reserves was prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator. This reserves statement is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator, Mr Peter Mills BEng (Electronics). Mr Mills (Chief Operating Officer) is a member of the Society of Petroleum Engineers and a full-time employee of Senex and has approved this statement as a whole and has provided written consent to the form and context in which the estimated reserves and supporting information are presented.

The deterministic method was used to prepare the estimates of reserves. For the Surat Basin, the reference point is the Wallumbilla gas hub, Queensland Standard engineering and geoscience methods, or a combination of methods, including volumetric analysis, analogy, and reservoir modelling, were used.

Additional disclosures for Block PLR2020-1-13

Description of Project: Block PLR2020-1-13 is adjacent to Senex's existing Atlas development (and also adjacent to the QGC block currently in development). Senex was awarded preferred tenderer status by the Queensland Government following a competitive tender, and, subject to grant of the Authority to Prospect (ATP), will be the 100% owner.

Classification of Reserves: All of Block PLR2020-1-13's estimated reserves are classified as undeveloped and it is expected that it will be produced through future investment in approximately 30 wells and related downstream infrastructure. Subject to grant of the ATP, reserve estimates are reported as 1P, 2P and 3P to reflect the status of development and production as at the reserve estimation date. Categorisation of reserves is based upon an incremental well spacing concept.

Refer to Atlas's original reserves estimates and accompanying notes on page 8 of Senex's 2018 Annual Reserves Statement dated 31 July 2018 for information on the following (which apply to Block PLR2020-1-13 as well) *Analytical Procedure used to estimate the reserves, Material Economic Assumptions, and Proposed Extraction Method and Processing.*

Project Status: Senex is now working with the Queensland Government to be granted the ATP tenure and will commence the process of moving the block to a Petroleum Licence immediately upon grant of the ATP. Senex's work program includes facilitating approvals, with the commercialisation plan to leverage Senex's existing hub-and-spoke infrastructure model and drill up to 30 wells over time, as outlined in this release.

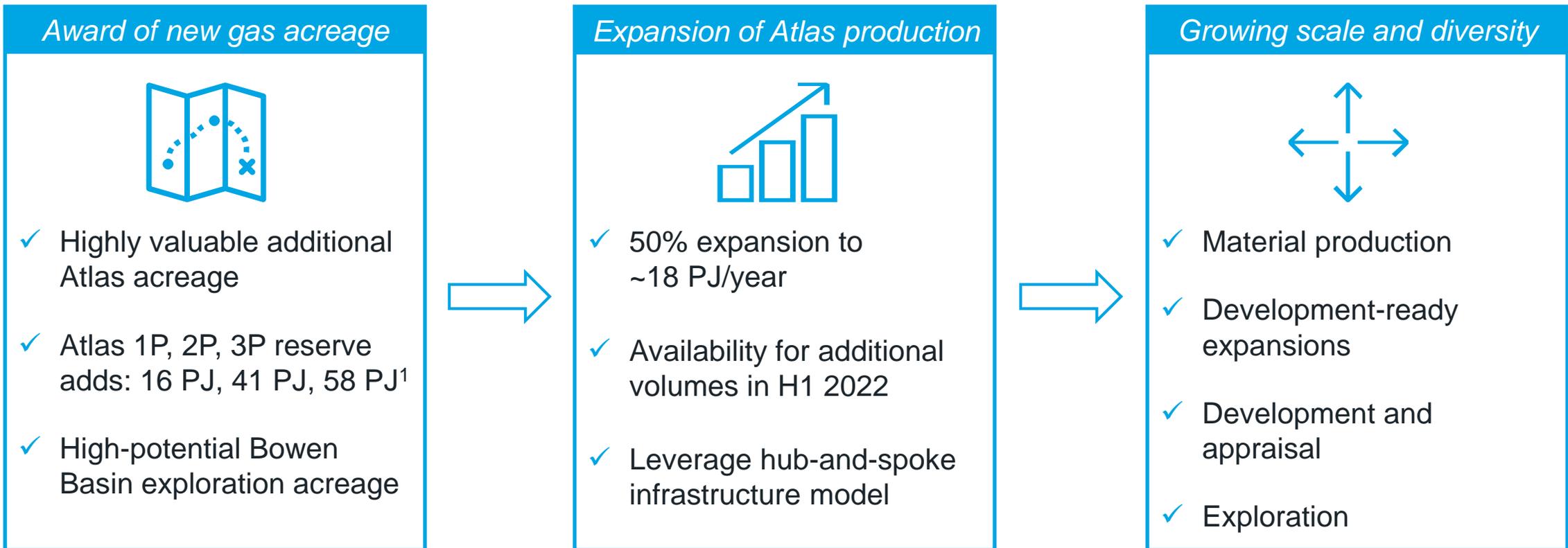


A growing and diversified gas supply portfolio

Ian Davies, Managing Director and CEO

21 September 2020

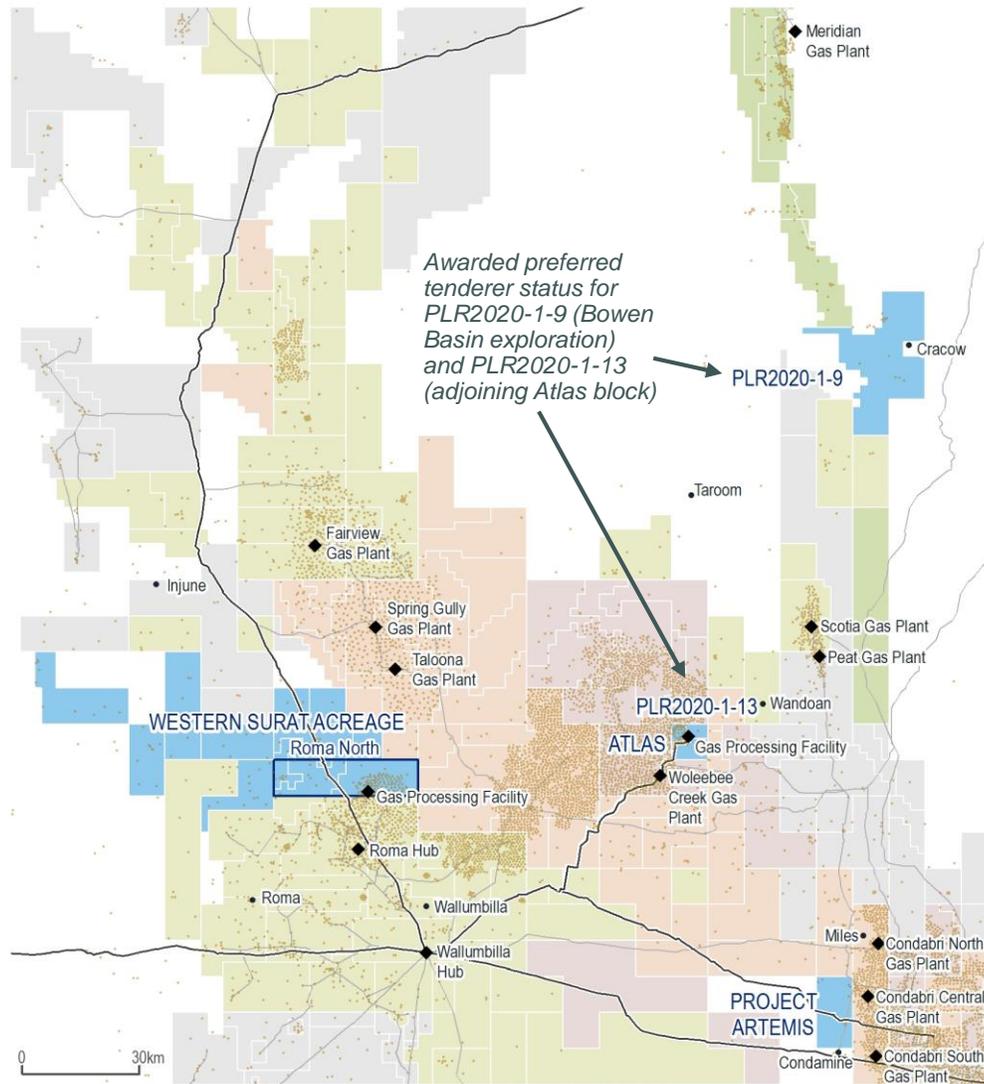
New natural gas acreage to fast-track production growth



Senex's hub-and-spoke infrastructure model is readily expandable to support Australia's gas-fired COVID-19 recovery

1. For further information and disclaimers, refer to the ASX release dated 21 September 2020

Building a gas supply portfolio with scale and diversity



780 PJ of 2P gas reserves to be developed, with material exploration upside to pursue

Current production

- >42 TJ/day, ramping to 48 TJ/day

Development-ready expansions

- Roma North: 8 TJ/day expansion underway
- Atlas: 16 TJ/day expansion to commence upon definitive agreements with Jemena

Development and appraisal

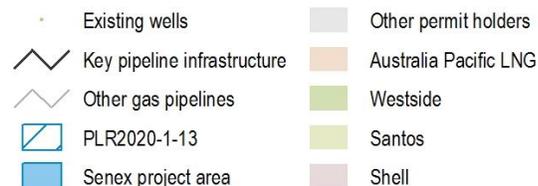
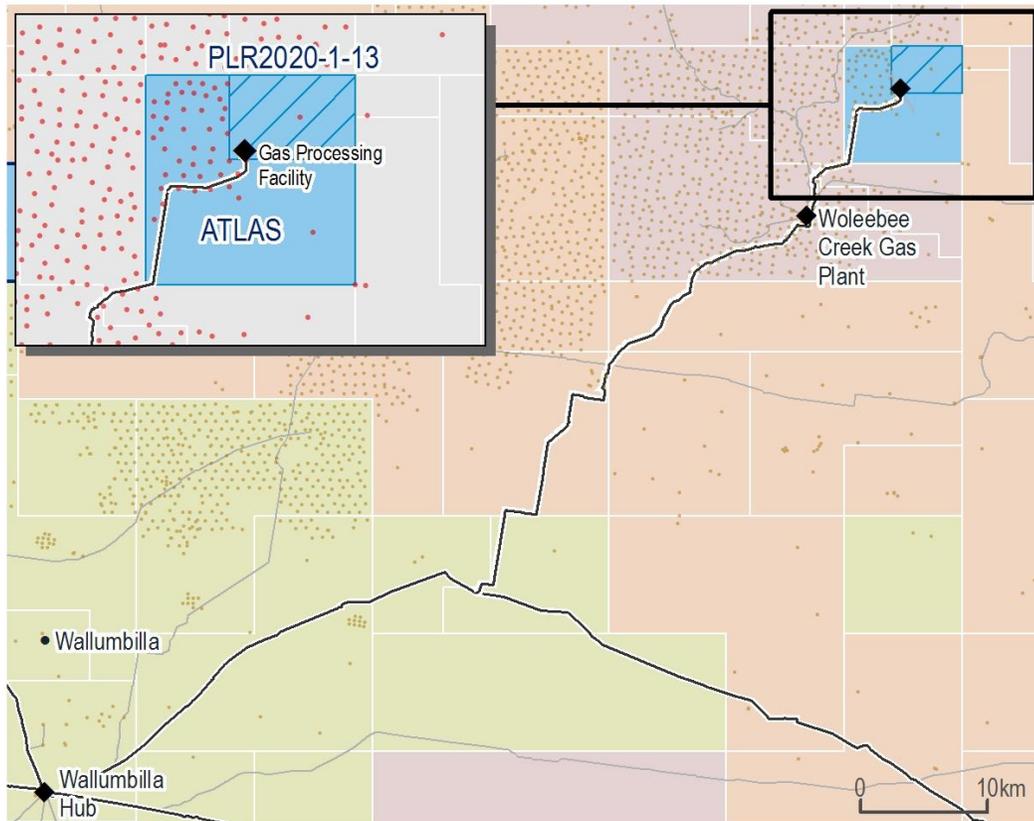
- Roma North: Mimas and Tethys blocks
- Western Surat Acreage: 222 PJ of undeveloped 2P reserves

High-potential exploration

- Project Artemis: Three exploration wells
- Bowen Basin acreage award: One exploration well



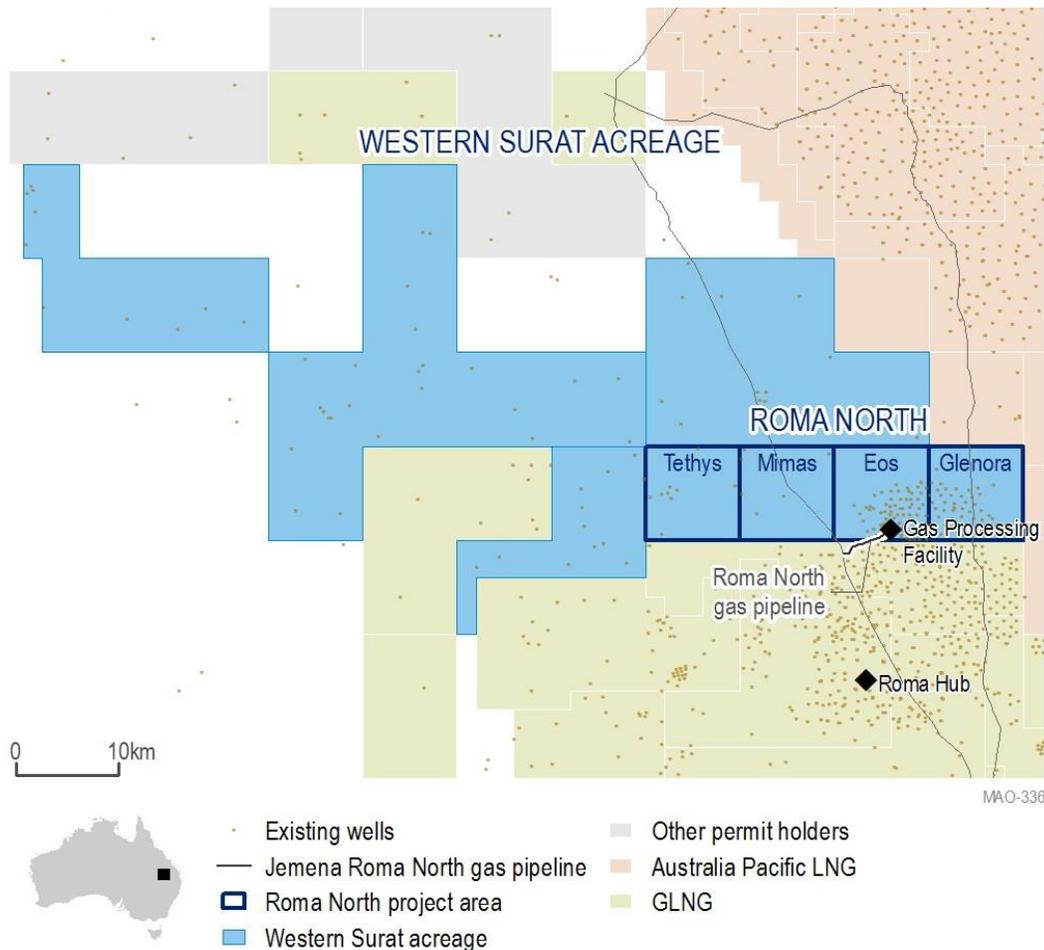
Atlas production to be expanded by 50% to ~18 PJ/year



Highly valuable additional Atlas acreage

- ✓ 18 sq km block immediately adjacent to existing development
- ✓ Acreage development-ready, subject to project approvals, with immediate gas reserves booking upon grant of title
 - ✓ Estimated 1P reserve adds of 16 PJ, 2P reserve adds of 41 PJ and 3P reserve adds of 58 PJ
- ✓ Additional acreage enables rapid expansion of production to ~18 PJ/year (+50%)
- ✓ Agreement in place with Jemena to expand gas processing facility, subject to completion of definitive agreements
- ✓ Availability for additional production volumes expected in H1 2022
- ✓ Development drilling for production expansion to be funded by free cashflow and existing debt facilities
- ✓ Commercialisation plan to expand production leverages Senex's existing hub-and-spoke infrastructure model
- ✓ Subject to an Australian Market Supply Condition

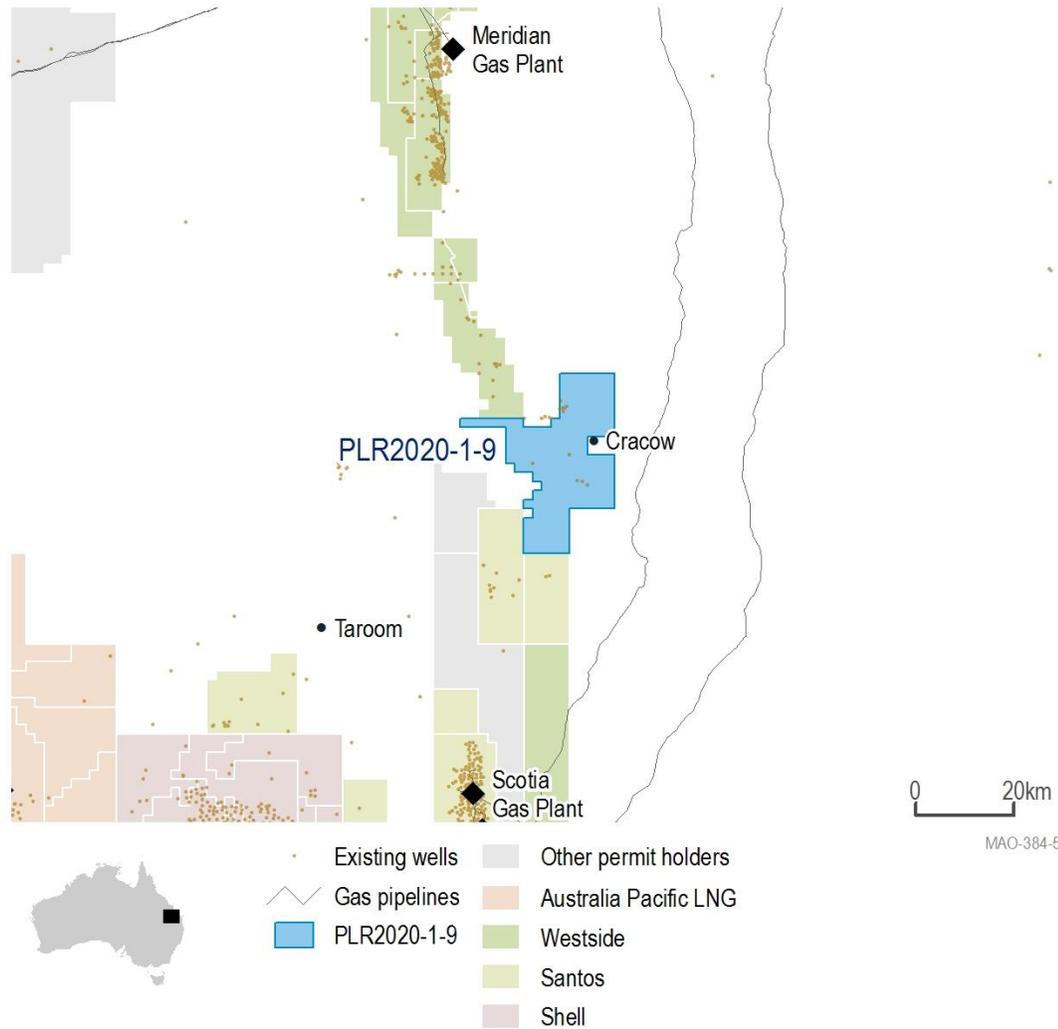
Significant running room in the Western Surat Acreage



Low-cost, high-return production expansions

- ✓ Initial expansion of Roma North gas processing facility underway
 - ✓ Expansion to 24 TJ/day (+8 TJ/day)
 - ✓ All long-lead items ordered by Jemena, including compressors
 - ✓ Expansion expected online in FY22
- ✓ Next focus on Roma North appraisal in Tethys and Mimas blocks
 - ✓ Potential to support production expansion to 50 TJ/day in accordance with GLNG gas supply agreement
 - ✓ Total 2P gas reserves of 283 PJ at Roma North
- ✓ Broader Western Surat Acreage to be fully appraised over time
 - ✓ Potential replication of Roma North gas processing facility
 - ✓ 222 PJ of undeveloped 2P gas reserves

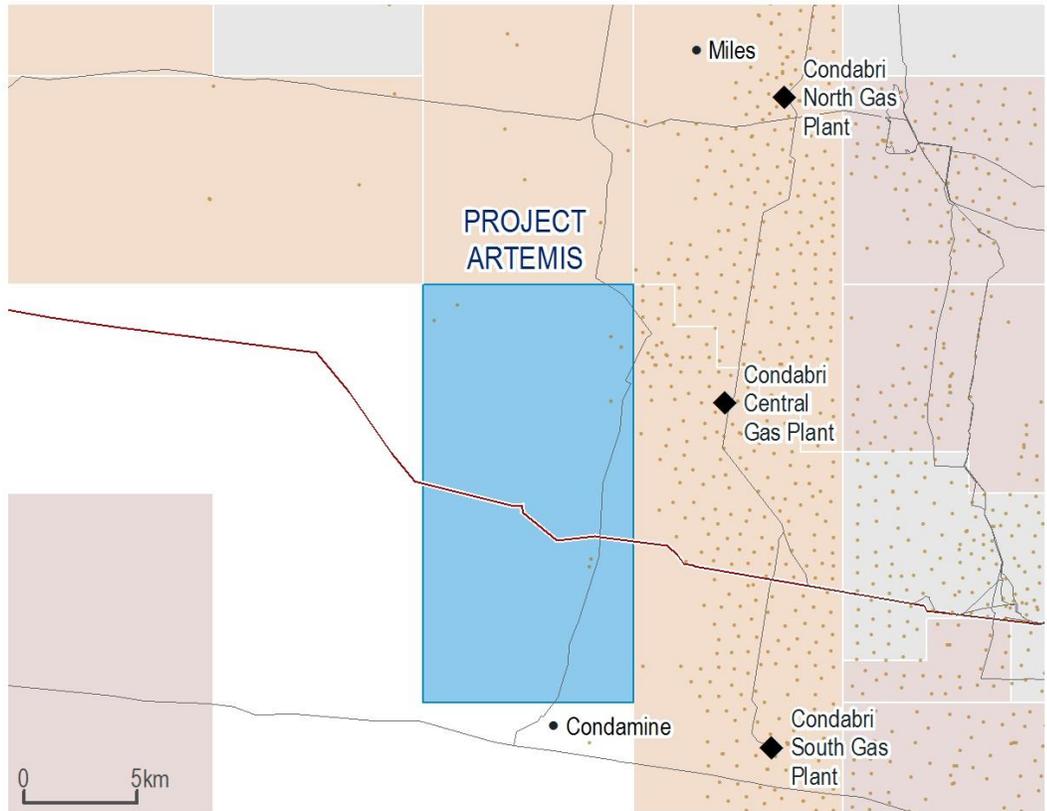
High-potential Bowen Basin exploration acreage



A potential Scotia gas field analogue

- ✓ 486 sq km high-potential exploration acreage (PLR2020-1-9)
- ✓ Located on trend between the Scotia and Meridian gas fields
- ✓ Potential for high permeability and gas content
- ✓ Close to existing infrastructure and pipeline transportation
- ✓ Initial four-year work program to assess drill locations
 - ✓ Geological studies and 2D seismic acquisition
 - ✓ One exploration well

Project Artemis adjacent to existing infrastructure



- Existing wells
- Gas pipelines
- Jemena Darling Downs pipeline
- Project Artemis
- Other permit holders
- Australia Pacific LNG
- Shell

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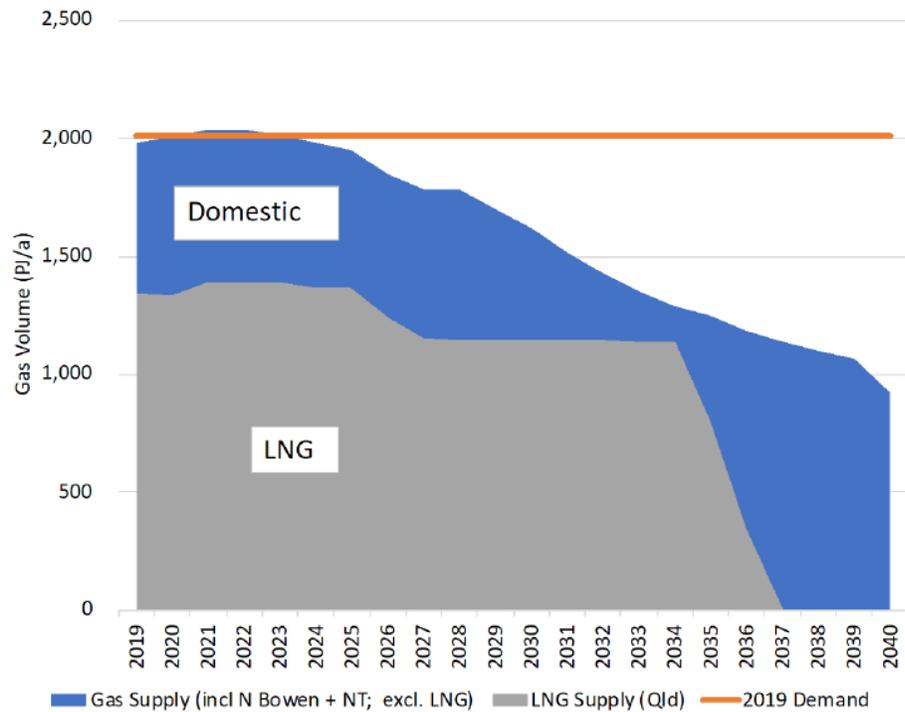


A significant gas resource with potential early commercialisation

- ✓ Preferred tenderer status awarded to Senex in 2019
- ✓ Authority to Prospect awarded to Senex in September 2020
- ✓ 153 sq km acreage located close to infrastructure and producing fields
- ✓ Large estimated volumes of gas in place in the Walloon and Permian coals
- ✓ Exploration tenure with initial six-year term and a committed four-year work program
- ✓ Minimal capital expenditure required over first two years
- ✓ Three exploration wells to be drilled by the end of FY23
- ✓ Subject to an Australian Market Supply Condition

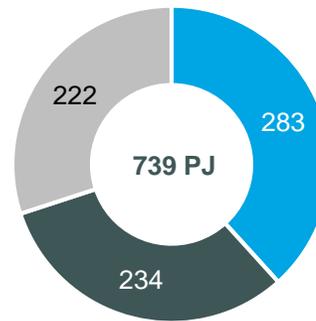
Additional Atlas acreage to add 41 PJ of 2P gas reserves

Forecast east coast gas supply vs 2019 demand¹



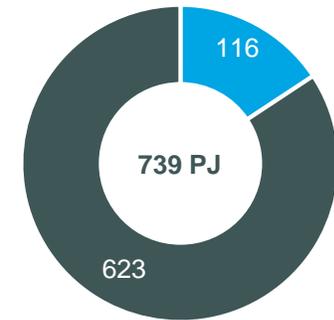
Surat Basin reserves at 30-Jun-20 (pre-new Atlas acreage)²

Surat Basin 2P Gas Reserves



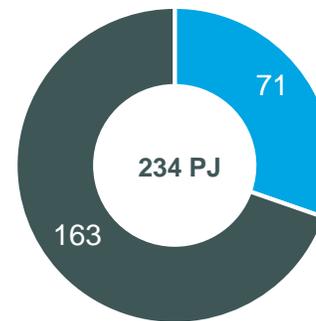
■ Roma North ■ Atlas ■ Other Western Surat

Surat Basin 2P Gas Reserves



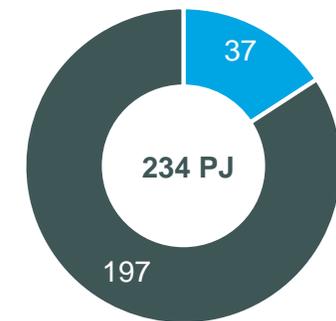
■ Developed ■ Undeveloped

Atlas 2P Gas Reserves



■ Developed ■ Undeveloped

Atlas Gas Contracting



■ Contracted ■ Uncontracted

1. Source: EnergyQuest, March 2020

2. Figures exclude new Atlas acreage; for further information, refer to the ASX announcement dated 14 July 2020; there have been no material changes to information or assumptions contained in that announcement

Key takeaways

Demonstrated expertise in developing gas resources

- ✓ Atlas greenfield gas development delivered in record time of less than two years
- ✓ Roma North gas development at plateau production 12 months ahead of schedule

New acreage to fast-track production growth

- ✓ 50% expansion at Atlas to ~18 PJ/year; additional 41 PJ of 2P reserves from new Atlas acreage
- ✓ Expected availability for extra volumes in H1 2022, subject to definitive agreements with Jemena

Diversified portfolio builds gas supply for a tightening market

- ✓ East coast gas market tightening from 2023; Governments supporting affordable gas supply
- ✓ Progressing expansions at Roma North and Atlas, with more planned

Supporting Australia's gas-fired COVID-19 recovery

- ✓ Committed to investing for the long-term to bring new affordable gas supply to market
- ✓ Focused on unlocking both development-ready expansions and exploration opportunities

Compliance statement

Important information

This presentation has been prepared by Senex Energy Limited (Senex). It is current as at the date of this presentation. It contains information in a summary form and should be read in conjunction with Senex's other periodic and continuous disclosure announcements to the Australian Securities Exchange (ASX) available at: www.asx.com.au. Distribution of this presentation outside Australia may be restricted by law. Recipients of this document in a jurisdiction other than Australia should observe any restrictions in that jurisdiction. This presentation (or any part of it) may only be reproduced or published with Senex's prior written consent.

Notes to the reserves estimates

Refer to Appendix A in the ASX release dated 21 September 2020 for notes in relation to the estimates for the new Atlas acreage Block PLR2020-1-13. For all other estimates in this presentation refer to the notes in the ASX announcement dated 14 July 2020. There have been no material changes to information or assumptions contained in that announcement.

Opinions and forward looking statements

This presentation contains opinions and forward looking statements (such as guidance, projections, forecasts, targets, outlooks) and other material. Unless expressly stated as guidance, a statement given in this presentation is not guidance. Opinions and forward-looking statements in this presentation involve known and unknown risks, assumptions and uncertainties, many of which are beyond Senex's control. Details on the key underlying assumptions used in this presentation are set out on this page and for a summary of the key risks facing Senex refer to the 2019 Annual Report. As a result, while it is believed that the expectations reflected in the opinions and forward looking statements in this presentation are reasonable they may be affected by a variety of variables and changes in the underlying assumptions on the basis on which they are formed which could cause actual outcomes or results to differ materially from that stated or implied by the opinions or forward-looking statements. Accordingly, Senex cautions against placing undue weight on such opinions or forward-looking statements.

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- accept no responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this presentation.

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