

Senex Energy Limited

Bell Potter “Unearthed Conference”

11 February 2021

Ian Davies, Managing Director and CEO
Mark McCabe, Chief Financial Officer

Investment highlights

Senex transformation delivering balance sheet strength, cashflow resilience, dividends and production growth

 <p>Core focus on cash generation and balance sheet strength, shareholder returns and low-risk high-return growth</p>	 <p>Commencement of dividends from FY22 from strong and resilient natural gas production cashflows</p>	 <p>Targeting annual production of >10 mmboe (60 PJe) by end FY25 from best-in-class project execution</p>	 <p>Sale of Cooper Basin business to Beach Energy for \$87.5m provides cashflow stability for dividends and accelerated Surat Basin growth</p>
 <p>Foundation Asset Base¹ following Cooper sale:</p> <ul style="list-style-type: none"> • Production 20PJ/year • EBITDA \$85-95m/year • FCF \$40-60m/year • Portfolio of material growth opportunities 	 <p>\$30 million proforma net cash (\$155m cash on hand)² following Cooper Basin sale</p>	 <p>Dividend policy to target 20-30% payout of free cashflow³</p>	 <p>Leverage ratio targeting 1.0x Net Debt:Adjusted EBITDA through the cycle</p>

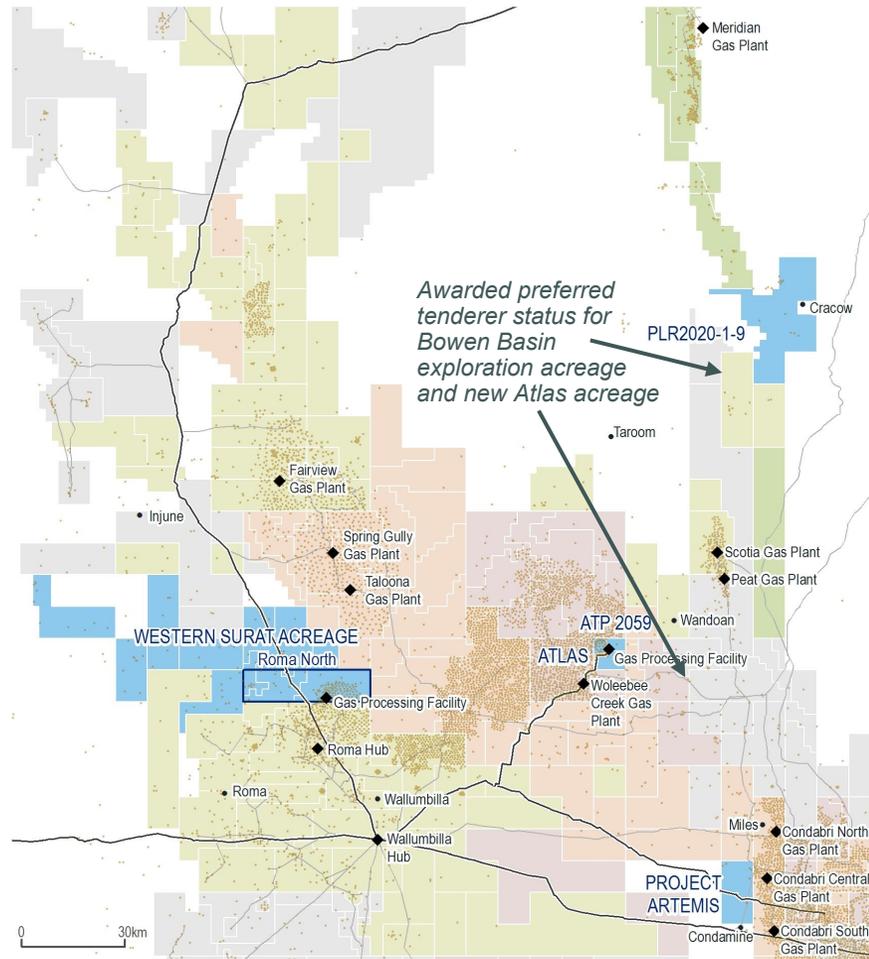
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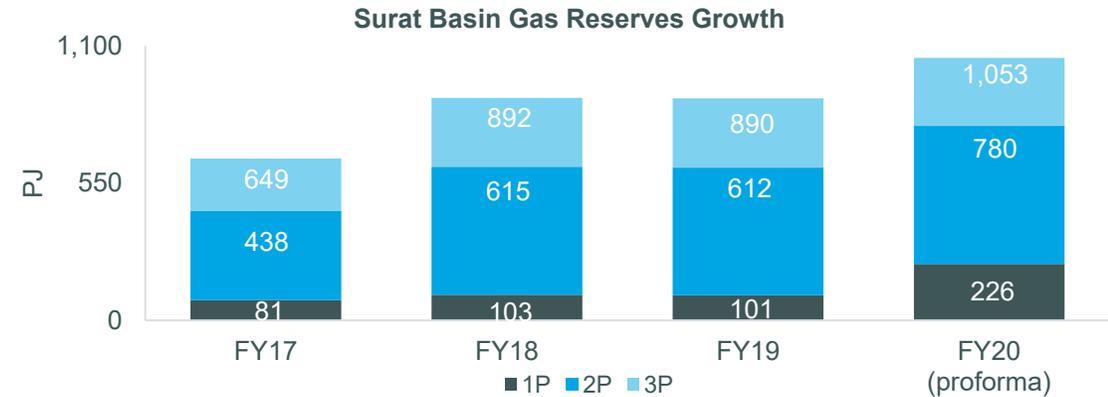
2. As at 30 September 2020 and before transaction completion adjustments

3. Free cashflow is Operating cashflow less principal payments for lease liabilities, less sustaining capital expenditure

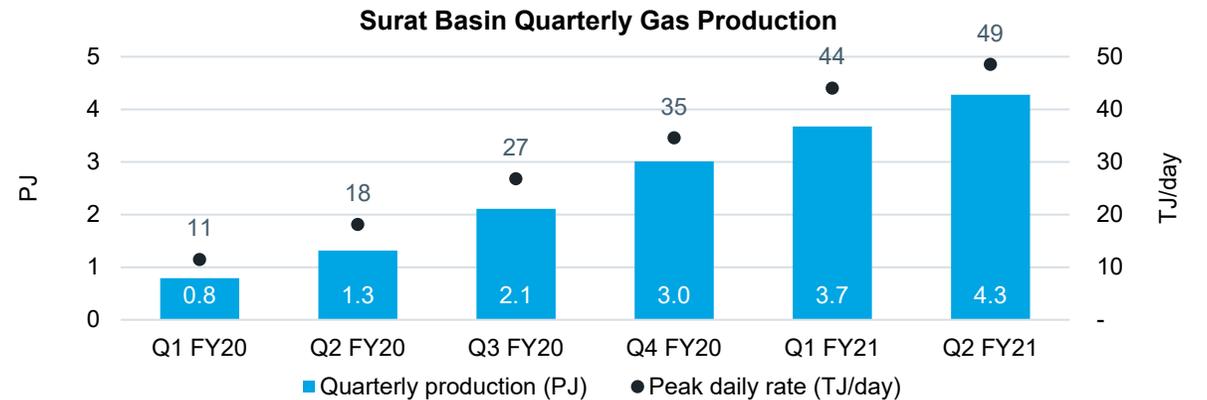
A diverse gas portfolio of scale with exploration upside



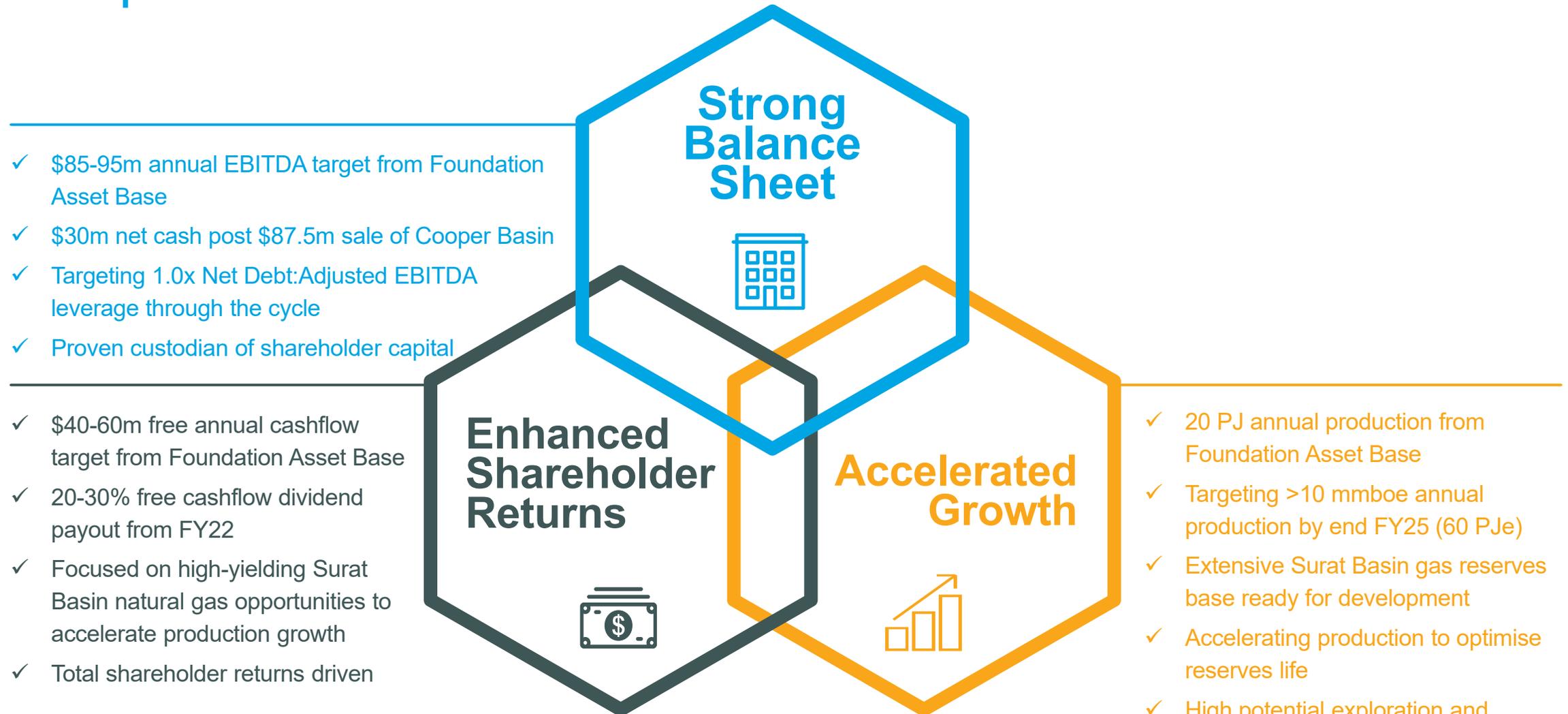
Over 1,000 PJ of Surat Basin 3P natural gas reserves



Strong production growth: - >50 TJ/day achieved in Q3 FY21



Our priorities



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Caring for our people, environment and community

Safe and secure



24/7 aeromedical coverage for the Cooper Basin



Increased focus on safety culture



Improved safety performance



COVID-19 Pandemic Management Plan and COVIDSafe Office Plan in operation

Environmentally responsible



10-year water supply and irrigation agreement to drought-proof a landholder's property



0 serious incidents



Strong environmental management



Advanced climate change priorities

Community partner



More than 30 community partnerships



\$37 million direct spend with 56 regional businesses



Shortened payment terms to support 400 small businesses



124 rooms booked in local accommodation each week

Capable people



Supported employees through the COVID-19 pandemic



Increased focus on health, wellbeing and social connection



Advanced leadership capability

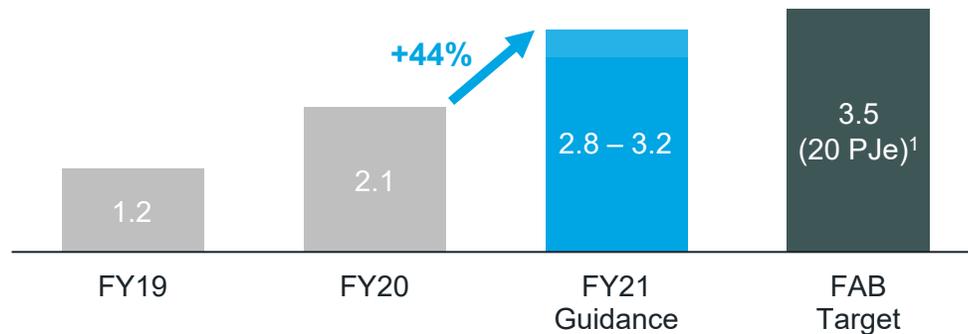


Created local jobs

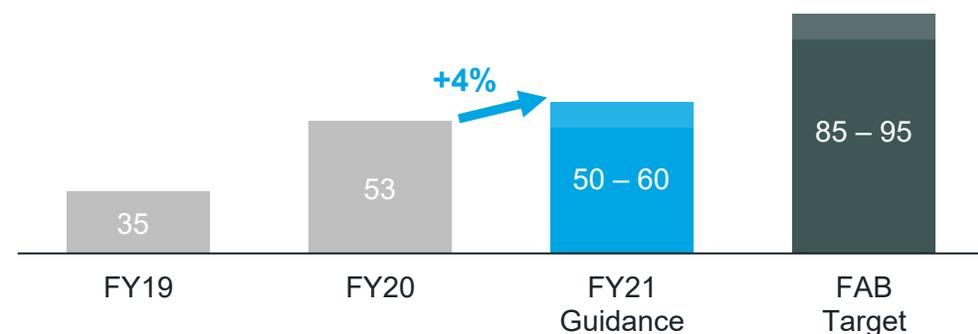
FY21 guidance and Foundation Asset Base (FAB) targets

Re-stated for sale of Cooper Basin business and Roma North expansion FID

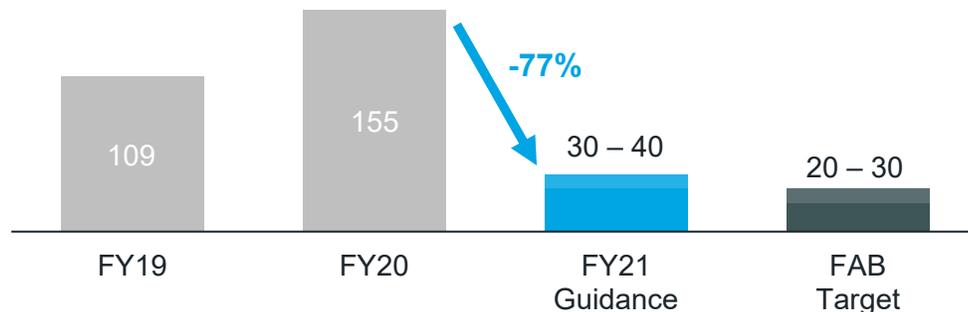
FY21 Production: 2.8 – 3.2 mmboe



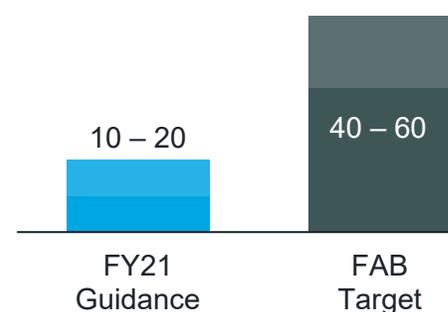
FY21 Underlying EBITDA: \$50 – 60 million



FY21 Capital expenditure: \$30 – 40 million



FY21 FCF: \$10 – 20 million



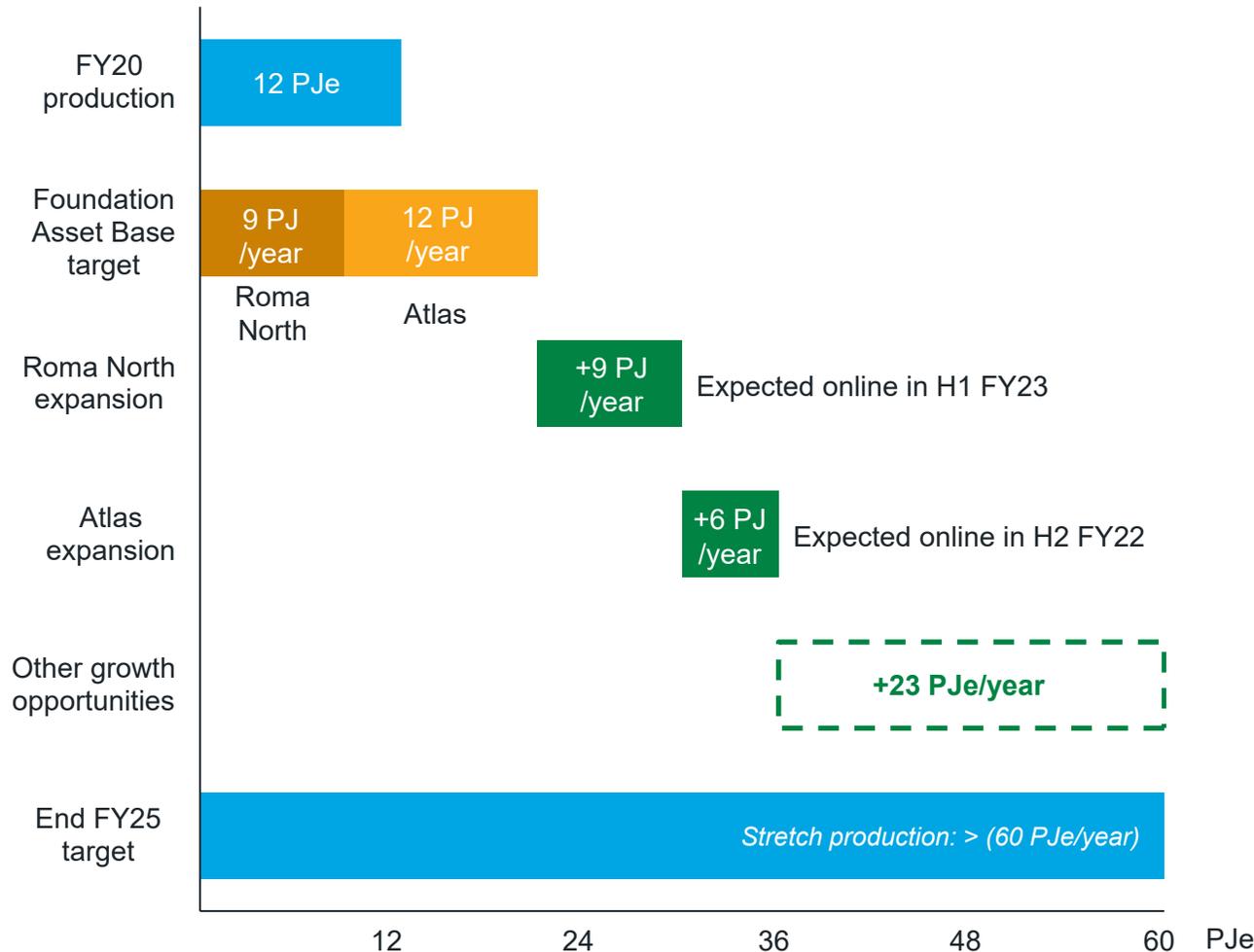
- ✓ \$87.5m Cooper Basin cash consideration
- ✓ ~\$30m net cash post sale of Cooper Basin business

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NB. For further assumptions relating to FY21 guidance and definitions and assumptions relating to Foundation Asset Base targets, refer to Compliance Statement

Accelerating growth to achieve >10 mmboe/year by end FY25

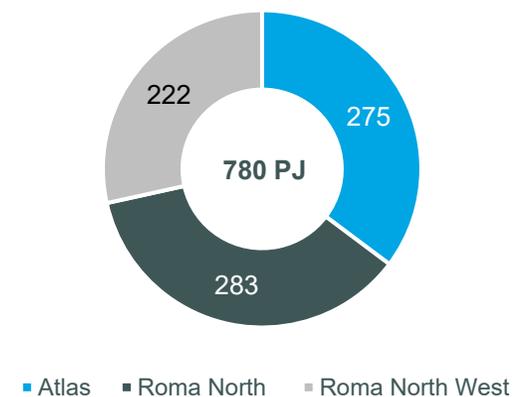
Accelerating production growth and optimising reserves life of Senex’s extensive natural gas position



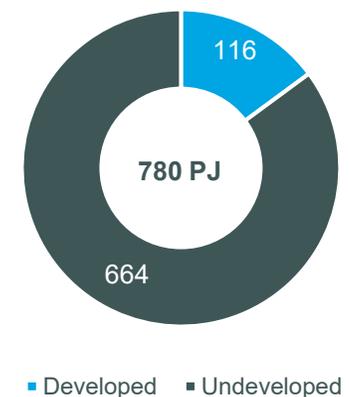
Production target

Targeting five-fold growth in annual production to >10 mmboe (60PJe) by the end of FY25 primarily through development of Senex’s extensive reserves position

Surat Basin 2P Gas Reserves



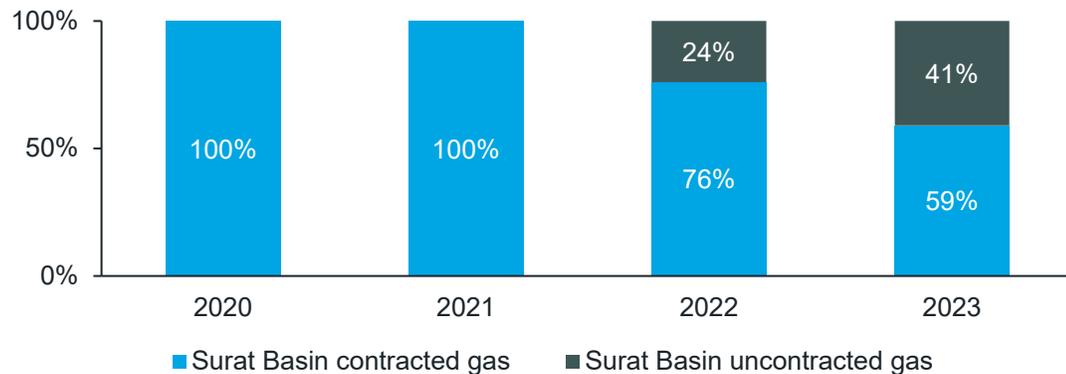
Surat Basin 2P Gas Reserves



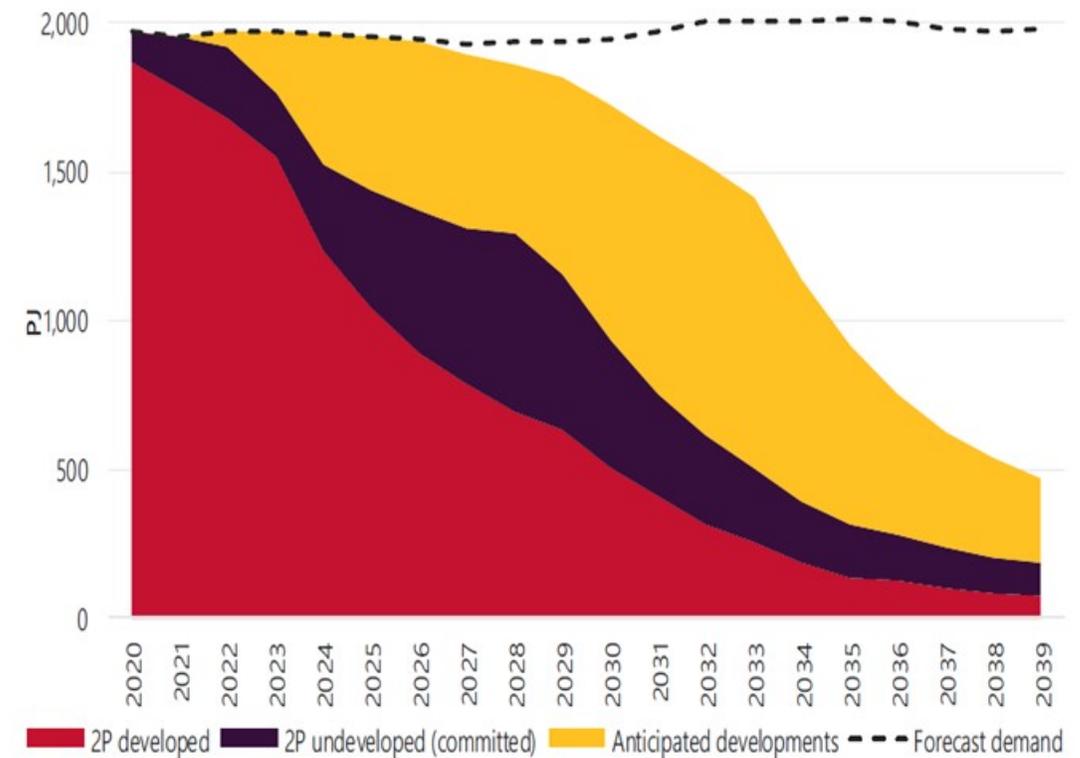
Material and resilient gas portfolio in tightening market

Gas is a critical enabler of Australia’s economy, supporting manufacturing and jobs

Gas volumes now fully contracted for 2020 and 2021



East coast demand-supply fundamentals remain tight



- More than 300 PJ of gas under firm gas contracts to domestic customers and GLNG with attractive pricing and terms
 - Fixed price domestic contracts
 - Material downside protection from low oil prices on oil-linked LNG contract (GLNG) with full upside participation to oil price recovery
- Term contract negotiations for Atlas gas remain ongoing
- Atlas gas supporting manufacturing and jobs

Source: GSOO March 2020
 Projected eastern and south-eastern Australia gas production: existing projects, committed and anticipated developments; Central scenario, 2020 – 2030

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Compliance Statement

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Opinions and forward looking statements in this presentation have been formed on the key concepts and assumptions outlined below. They have not been subject to audit or review Senex’s external auditors.

Foundation Asset Base (FAB)

References throughout this presentation to **Foundation Asset Base** relate to full year performance from the following assets:

- Atlas gas assets; 12 PJ/year (32 TJ/day) nameplate capacity
- Roma North gas assets; 9 PJ/year (24 TJ/day) nameplate capacity

The Foundation Asset Base **does not** include additional capital expenditure on exploration, appraisal, development or infrastructure, however **does** include maintenance capital expenditure and sustaining capital expenditure to maintain plateau production at Atlas and Roma North. Foundation Asset Base plateau production and earnings targets expected during H1 FY22 following Roma North expansion.

Financial metrics / assumptions

- US\$51.3/bbl Brent oil price
- A\$:US\$ exchange rate of 0.69
- Atlas uncontracted gas price (ex-Wallumbilla) of \$8.00/GJ
- Atlas contracted gas price per existing gas sales agreements
- Roma North oil-linked gas price per existing gas sales agreement
- Unit operating costs are all-in, including field operating costs, tolls, tariffs and royalties
- Various other economic and corporate assumptions.

Project-related assumptions

- Assumptions regarding drilling results;
- Expected future development, appraisal and exploration projects being delivered in accordance with their current project schedules.

Financial definitions

- EBITDA = Earnings before interest, tax, depreciation and amortisation
- Adjusted EBITDA = EBITDA less principal payments on lease liabilities
- FCF = Free cashflow = Operating cashflow less principal payments for lease liabilities, less sustaining capital expenditure; guidance and targets assume no movement in working capital
- Sustaining capital expenditure = Capital expenditure required to maintain Surat Basin production at plateau
- FCF breakeven = The average annual oil price whereby cashflows from operating activities before tax equate to cashflows from investing activities less discretionary expenditure
- ND = Net debt = Interest bearing liabilities (excluding capitalised transaction costs) less cash and cash equivalents. Lease liabilities are not included in Net Debt
- Net Debt:Adjusted EBITDA = Net Debt divided by Adjusted EBITDA

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