

# ***Sundance** Energy Australia Limited (ASX: SEA)*



January 2015

*Execute – Deliver – Grow*

# Disclaimers

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Sundance’s results are reported under Australian International Financial Reporting Standards.

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## Reserves

This presentation contains information on Sundance Energy's reserves and resources which has been reviewed by David Ramsden-Wood, Professional Engineer, who is licensed in Alberta Canada and is qualified in accordance with ASX Listing Rule 5.11. Mr. Ramsden-Wood, VP of Reservoir Engineering and Business Development, has consented to the inclusion of this information in the form and context in which it appears.

## Reserve Estimates

The Company's Reserve estimates are calculated by Netherland, Sewell & Associates, Inc. as at 1 January 2015 in accordance with SEC guidelines. Although current market prices have fallen significantly, under SEC guidelines, the commodity prices used in the December 31, 2014 and December 31, 2013 reserve estimates were based on the 12-month unweighted arithmetic average of the first day of the month prices for the period January 1, 2014 through December 1, 2014, and for the period January 1, 2013 through December 1, 2013, respectively, adjusted by lease for transportation fees and regional price differentials. For crude oil volumes, the average West Texas Intermediate posted price of \$91.48 per barrel used to calculate PV-10 at December 31, 2014 was down \$1.94 per barrel from the average price of \$93.42 per barrel used to calculate PV-10 at December 31, 2013. For natural gas volumes, the average Henry Hub spot price of \$4.35 per million British thermal units ("MMBTU") used to calculate PV-10 at December 31, 2014 was up \$0.68 per MMBTU from the average price of \$3.67 per MMBTU used to calculate PV-10 at December 31, 2013. All prices were held constant throughout the estimated economic life of the properties.



# Assets in Leading US Liquids Basins

<b>Ticker:</b>	<b>SEA (ASX Listed)</b>	<b>2014 EBITDAX:</b>	<b>\$122.2 million</b>
<b>Share count:</b>	<b>549.3 million</b>	<b>Proved reserves:</b>	<b>26.0 mmboe (66% oil)</b>
<b>Market capitalization:</b>	<b>A\$258 million</b>	<b>3P reserves:</b>	<b>147.7 mmboe (68% EGFD)</b>
<b>Enterprise value:</b>	<b>\$267 million</b>	<b>4Q14 daily production:</b>	<b>8,932 boed (71% oil)</b>
		<b>2014 Exit Rate:</b>	<b>9,434 <sup>(1)</sup></b>

## Greater Anadarko Mississippian / Woodford

Net acres: ~32,000  
1P reserves: 7.8 mmboe<sup>(2)</sup>  
Production: 1,522 boed

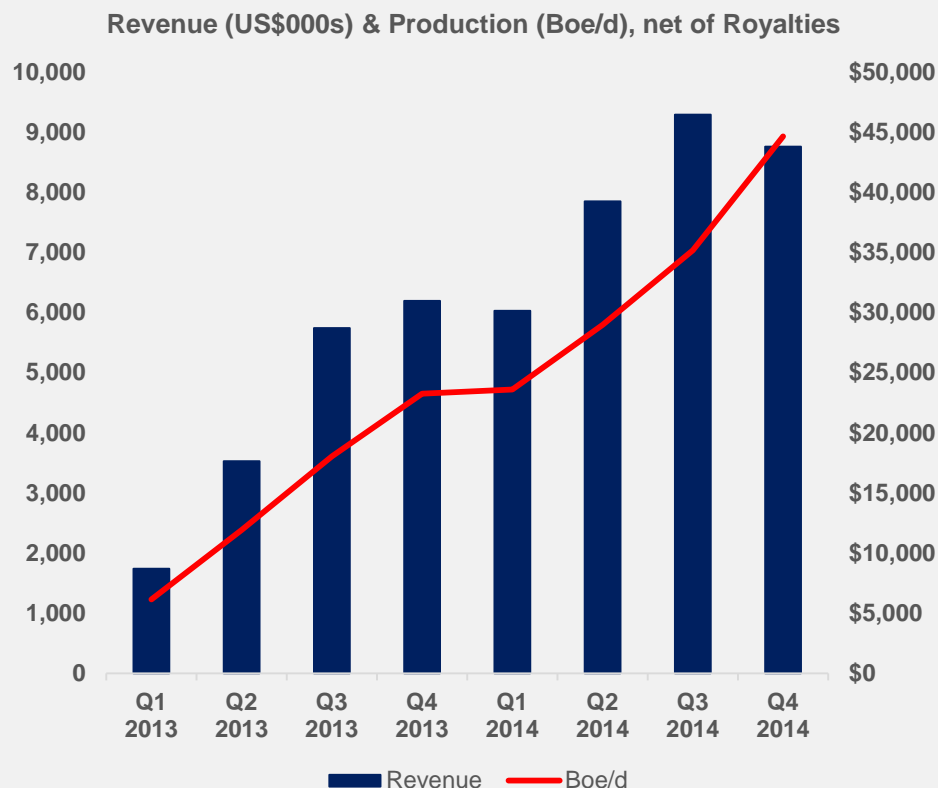
## South Texas Eagle Ford

Net acres: ~21,000  
1P reserves: 18.1 mmboe  
Production: 7,300 boed

# Quarterly Overview

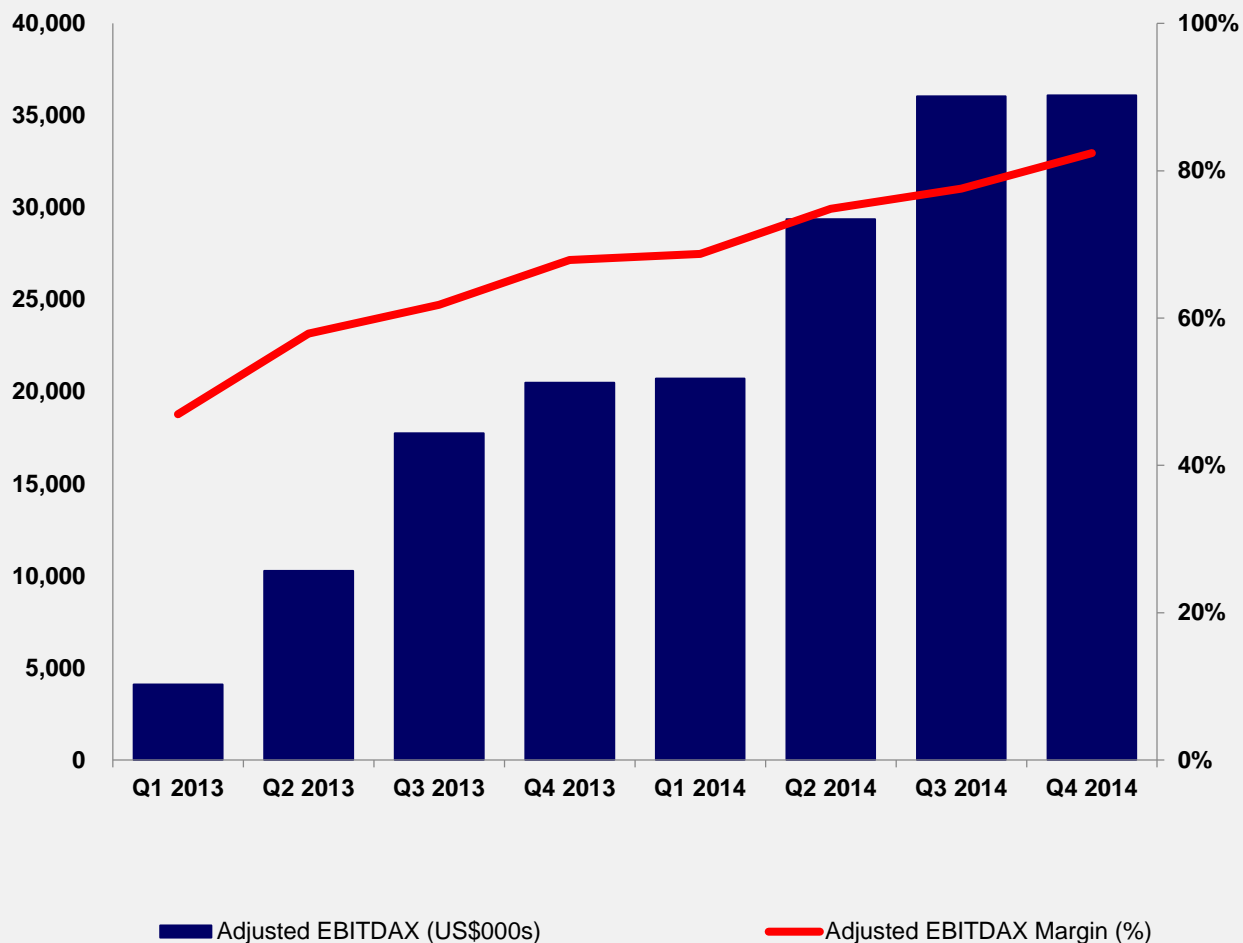
- Exceeded exit rate production guidance of 8,000 – 9,000 boepd with 9,434 boepd
- Average production of 8,932 boepd (net of royalties) in the fourth quarter of 2014
  - An overall increase of 27% from Q3 2014
- Generated fourth quarter 2014 revenue of \$43.8MM and Adjusted EBITDAX of \$36.1MM
  - 82% Adjusted EBITDAX margin in lower price environment
- Uplift in reserves as compared to reserves at 1 January 2014<sup>(1)</sup>:
  - Proved PV10 increased to \$531.7 million, up \$272.9 or 105%, and Proved Reserves increased to 26.0 mmboe, up 11.3 mmboe of 77%
  - Proved PV10 of 2P Reserves increased to \$765.1 million, up \$395.7 million or 107%, and 2P Reserves increased to 54.1 mmboe, up 28.7 mmboe or 113%.
- Production highlights include:
  - 14 gross (10.4 net) Eagle Ford wells brought into production in the fourth quarter of 2014
  - A total of 35 gross (26.1 net) Eagle Ford wells brought into production YTD

# Production and Revenue Trend

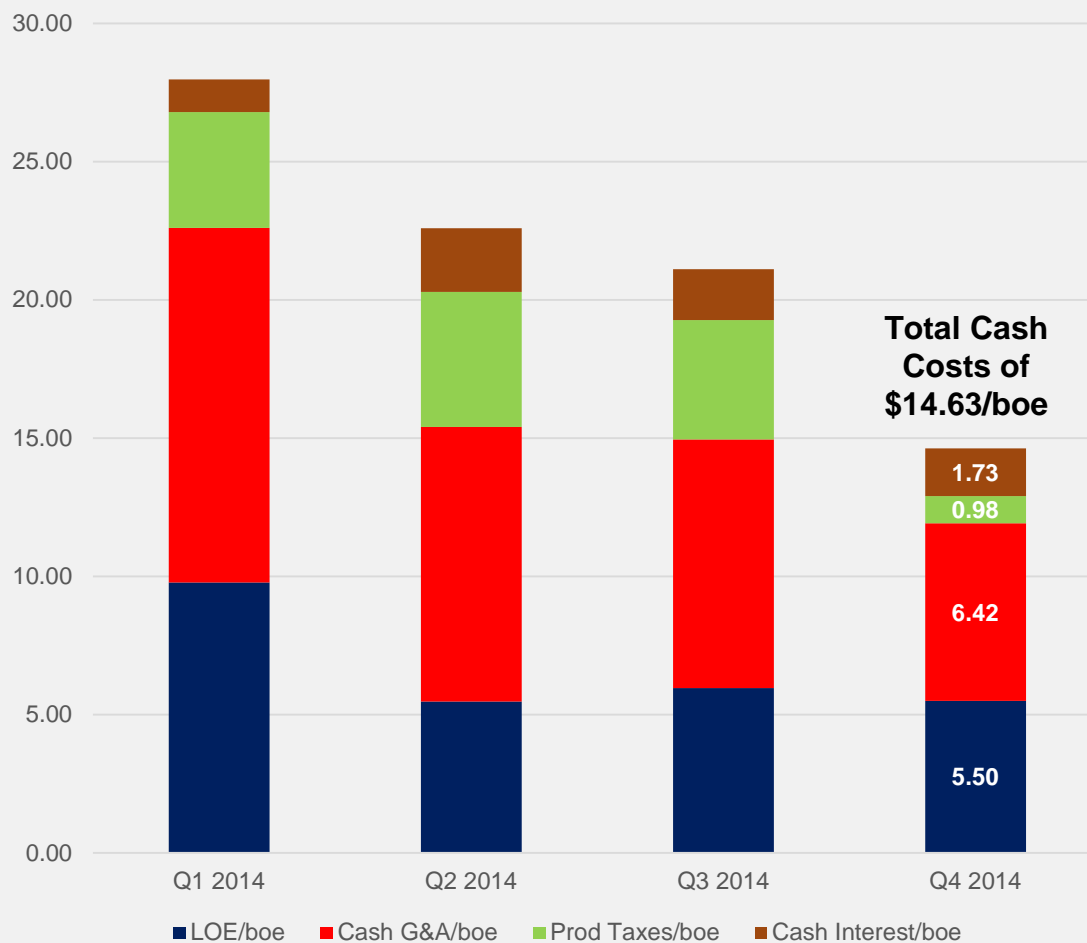


- Increased production by ~1,897 boepd (27%) compared to Q3 2014
- Exit rate production exceeded Company expectations and ave. rate production in line with full year guidance of:
  - Exit rate of 8,000 - 9,000 boepd
  - Ave. rate of 6,700 - 7,500 boepd
- Generated \$44MM in revenue in Q4 2014
- Realized oil price of \$73.39/bbl and natural gas price of \$1.24/mcf in Q4 2014
- Mark-to-market hedge position value:
  - ~\$9.5MM at 31 December 2014
  - ~\$11.7MM at 28 January 2015

# Adjusted EBITDAX Trend



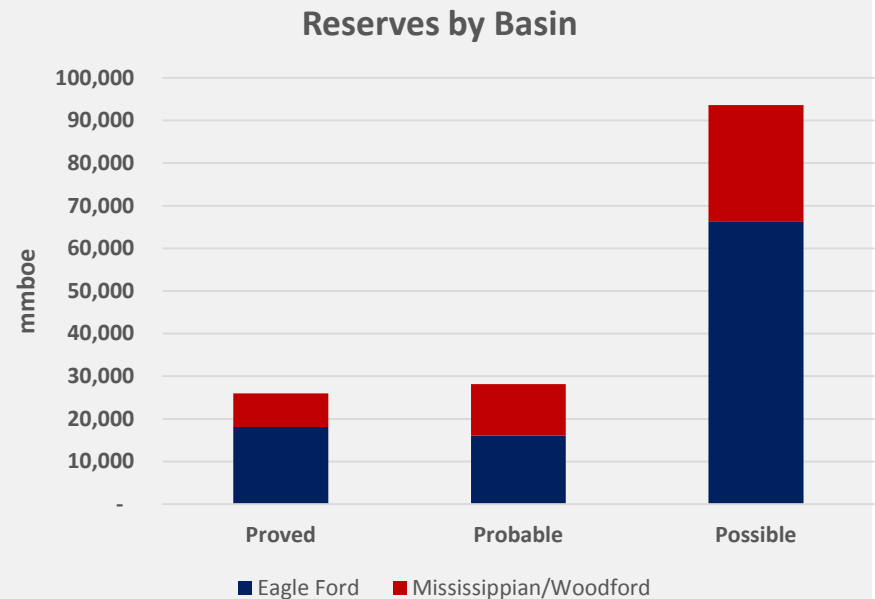
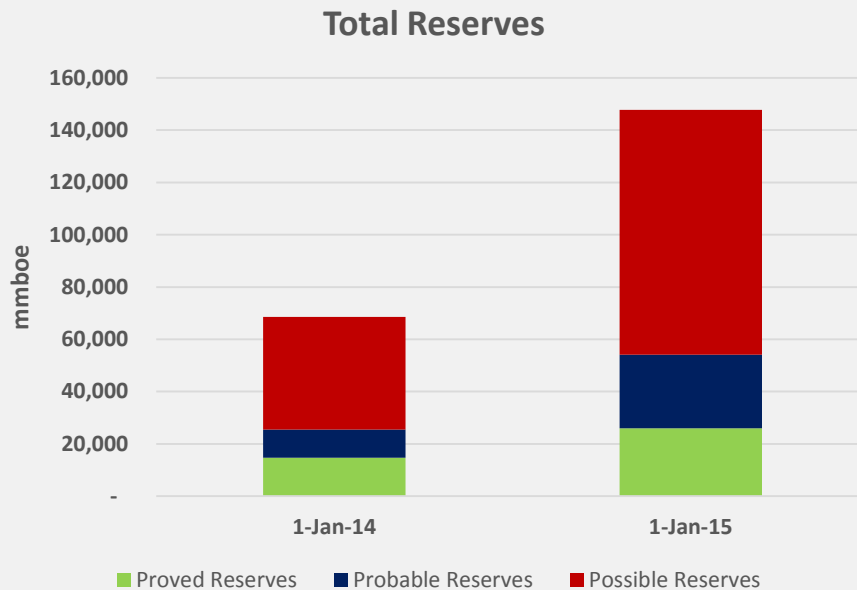
# Cash Costs per boe



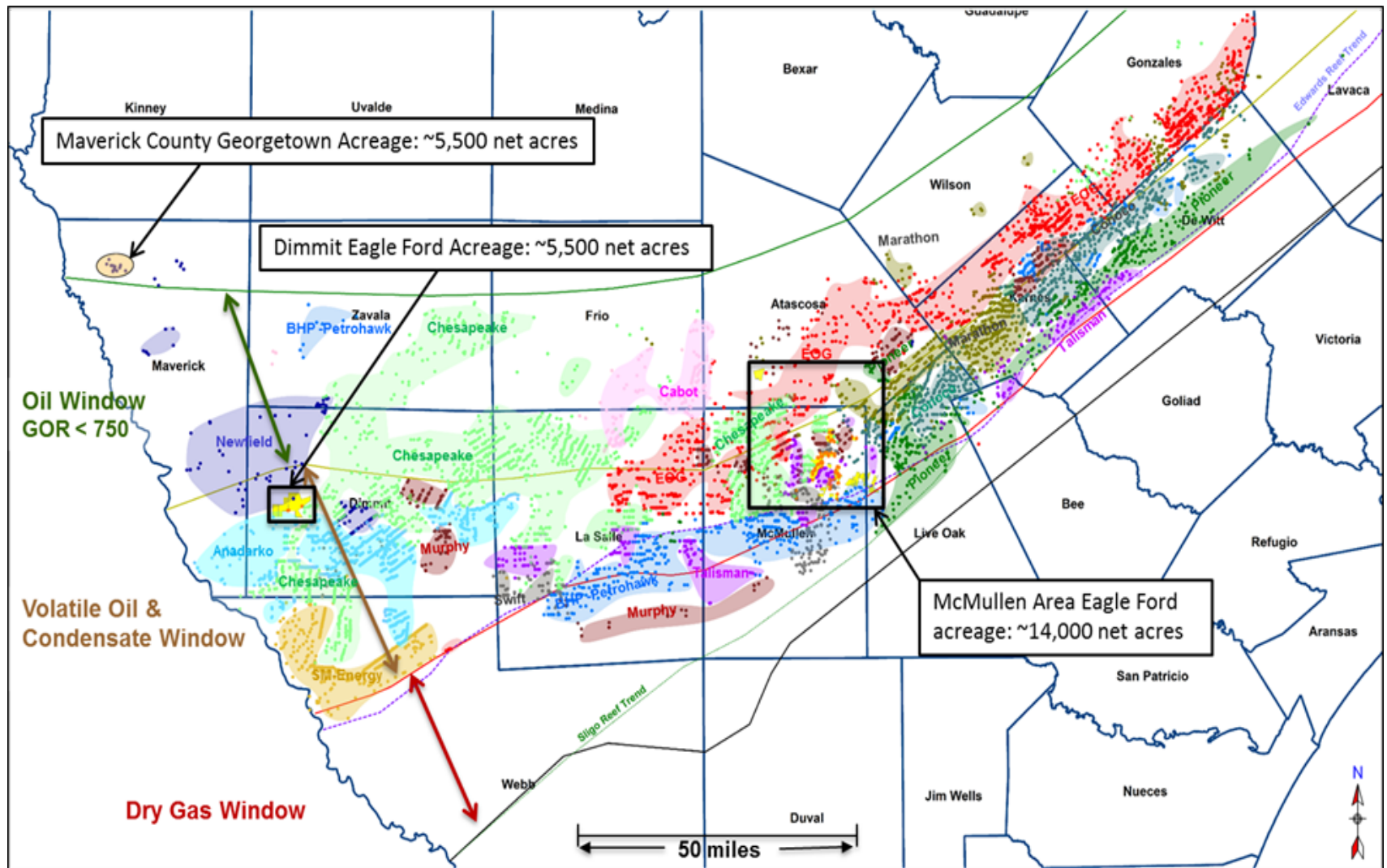


# Reserves Upgrade

- Proved PV10 increased to \$531.7 million (A\$651.8 million), up \$272.9 million or 105%, and Proved Reserves increased to 26.0 mmboe, up 11.3 mmboe or 77%
- The PV10 of 2P Reserves increased to \$765.1 million (A\$937.9 million), up \$395.7 million or 107%, and 2P Reserves increased to 54.1 mmboe, up 28.7 mmboe or 113%
- The PV10 of 3P Reserves increased to \$1.5 billion (A\$1.8 billion), up \$864.2 million or 139%, and 3P Reserves increased to 147.7 mmboe, up 79.2 mmboe or 116%



# Eagle Ford Project

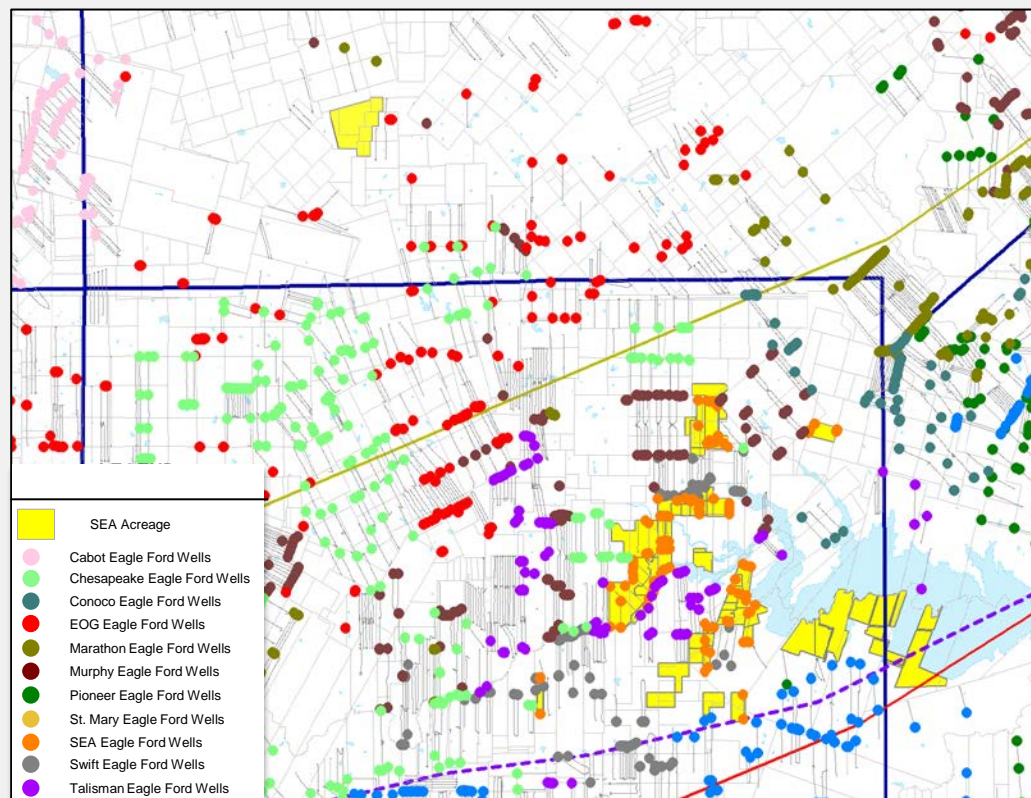


# McMullen Project Overview

## Well Assumptions<sup>(1)</sup>

## McMullen Area Eagle Ford well control

	McMullen
Gross (net) locations	~166 (~117)
Spacing assumptions	40 – 80 acres
Average Lateral Length	6300'
Well cost	\$6.0 - \$7.0 million
EUR (mboe)	375 - 525
Estimated oil	65% - 80%
LOE per boe	\$5.00 - \$7.00

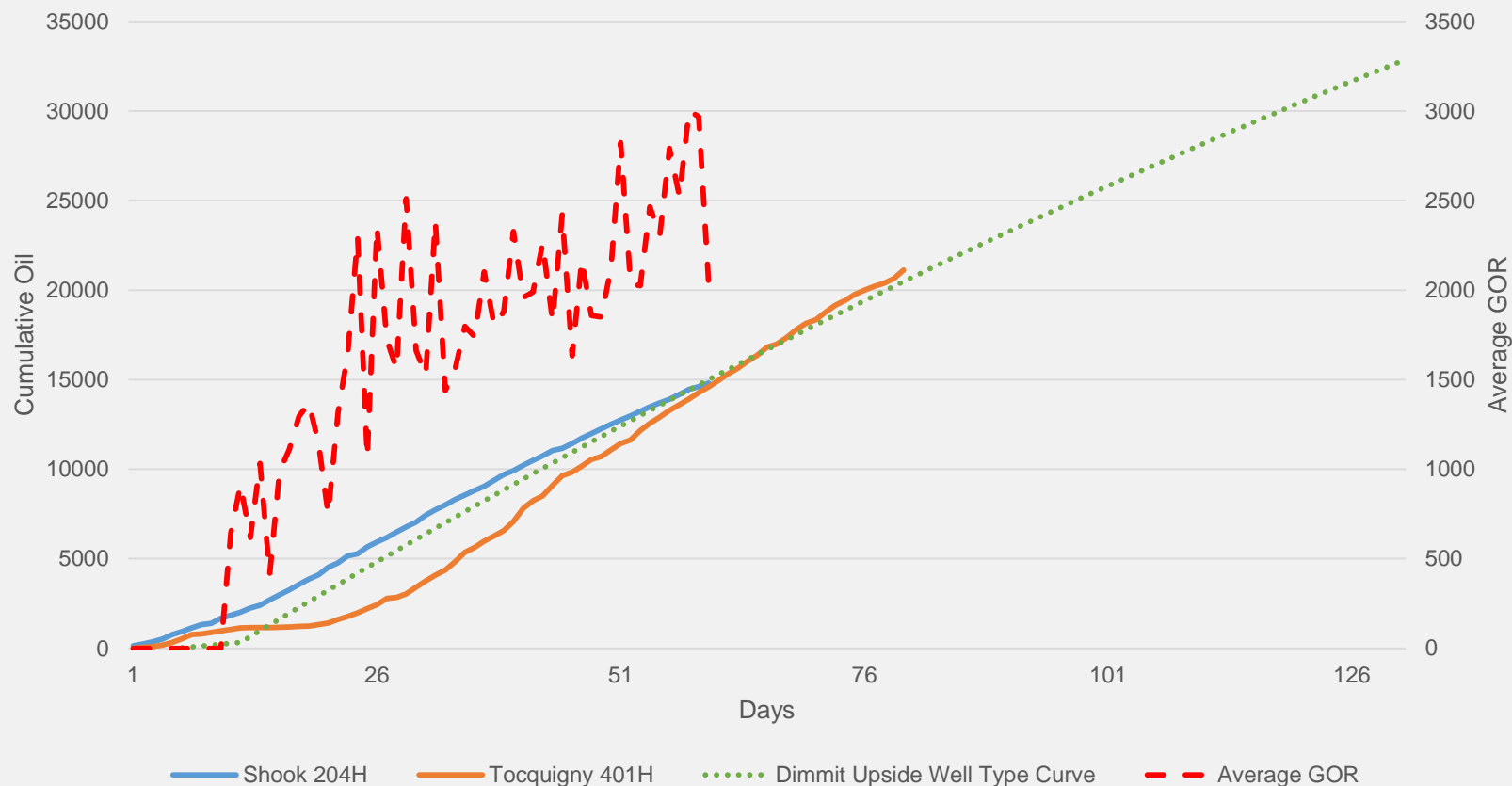


Source: Company filings and press releases  
(1) Based on internal Sundance estimates

# Dimmit Eagle Ford Results

- Shook 204H 30-day IP of 11,872 bo and 30,817 mcf (~567 boepd)
- Tocquigny 401H 30-day IP of 10,881 bo and 30,429 mcf (~532 boepd)

Normalized Dimmit Well Performance

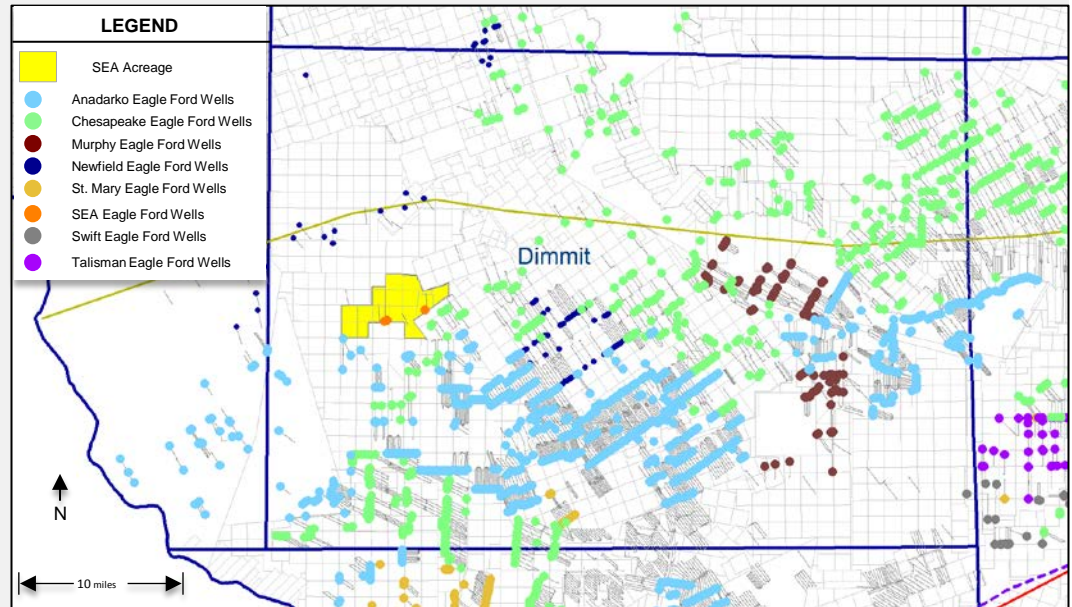


# Dimmit County Overview

## Well Assumptions<sup>(1)</sup>

	Dimmit
Gross (net) locations	~111 (~67)
Spacing assumptions	40 – 80 acres
Average Lateral Length	7300'
Well cost	\$5.0 - \$7.0 million
EUR (mboe)	350 - 500
Estimated oil	55% - 60%
LOE per boe	\$5.00 - \$7.00

## Dimmit Eagle Ford well control



# **Appendix**



# Experienced Board and Management

## Board of Directors

### Mike Hannell, Chairman

45 years' experience in upstream and downstream petroleum industry. Previously held senior positions with Santos Ltd and Mobil Oil.

### Eric McCrady, Managing Director & CEO

Previously CFO of Sundance Energy. More than 15 years' entrepreneurial experience with an extensive track record in M&A, JVs, IPOs, privatization transactions, and senior and mezzanine debt transactions.

### Damien Hannes, Non-Executive Director

More than 25 years' finance experience; most recently, 15 years with Credit Suisse in Asia Pacific region.

### Weldon Holcombe, Non-Executive Director

More than 30 years' technical, operational and managerial experience in leading US unconventional resource plays. Most recently Executive VP, Mid-Continent Region for Petrohawk Energy Corporation.

### Neville Martin , Non-Executive Director

Former partner and current consultant at Minter Ellison in Adelaide. 40 years' experience in corporate law and mining and gas law. Former state president of the Australian Mining & Petroleum Law Association.

## Management

### Eric McCrady, Managing Director & CEO

Previously CFO of Sundance Energy. More than 15 years' entrepreneurial experience with an extensive track record in M&A, JVs, IPOs, privatization transactions, and senior and mezzanine debt transactions.

### Cathy Anderson, Chief Financial Officer

Certified Public Accountant with over 25 years' experience with companies including Key Production (predecessor of Cimarex), OptiGas and Arthur Andersen.

### Grace Ford, Vice President, Exploration & Development

More than 15 years' geologic experience in exploration, development, resource play evaluation, well design/ development/completion and reservoir characterization with companies including EOG Resources, Baytex Energy USA and Marathon.

### Mike Wolfe, Vice President, Land

More than 30 years' senior land experience in the oil and gas industry with companies such as Cimarex and Texaco. Experience encompasses field leasing, title, lease records and management of multi-rig drilling programs.

### David Ramsden-Wood, VP, Reservoir Engineering & Business Dev.

Professional Engineer licensed in Canada with more than 15 years' engineering experience across all engineering disciplines with a focus on reservoir engineering, strategic & financial planning and production engineering with companies including Enerplus, Anadarko and Canadian Hunter.

### John Whittington, Vice President, Operations

More than 20 years' experience focused on the development and optimization of onshore US resource plays with a particular focus on completion optimization and production operations with companies including Triangle Petroleum, EOG, Schlumberger, and Apex Petroleum Engineering.