ASX Announcement

Senex
Senex Energy Limited

Senex executes H1 FY17 hedging program

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Senex Energy Limited (Senex, ASX: SXY) has responded quickly to the sharp increase in the Brent oil price, securing a series of put options for the first half of the 2017 financial year.

The put options provide revenue protection over 400,000 barrels of oil, without limiting Senex's exposure to the upside from higher oil prices. These put options guarantee a Brent oil floor price of US$45 per barrel (~A$62 equivalent) over the six month period, and Senex will fully participate in any rise in Brent oil prices above this level. The details of the hedging program are below.

Senex Managing Director Ian Davies said the implementation of the program provides downside risk protection and allows the Company to cover its operating and corporate cash costs as well as lock in a margin on its oil sales.

"We are committed to remaining agile in this volatile environment and have taken decisive steps to ensure the Company remains cash-flow positive before capital expenditure in H1 FY17.

"Coupled with our recent success in reducing our cost base in support of profit margins at lower prices, our ability to lock these hedges away quickly demonstrates the Company's resilience in a low oil price environment," he said.

Details of hedging program:

Type of option	Put options over ICE Brent
Strike price	US$45/bbl
Volume	400,000 bbls
Tenor	H1 FY17 (1 July 2015 – 31 December 2015)
Premium	US$2.4 million
Upside to oil price preserved	Yes

FURTHER INFORMATION

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ABOUT SENEX ENERGY

Senex is a growth focused exploration and production company based in Brisbane. With a 30-year operating history, Senex holds extensive onshore oil and gas acreage in the Cooper and Surat Basins. Senex operates the majority of its assets, produces over one million barrels of oil annually, and is successfully developing a gas business including the Western Surat Gas Project in Queensland.