

Senex Energy Limited Corporate Governance Statement for FY16

The Board of the Company considers that good corporate governance is important to the creation of shareholder value. Having an appropriate and effective corporate governance system in place will also help to deliver against stakeholder expectations.

The Company's corporate governance practices and policies have been modelled on the recommendations contained in the ASX Corporate Governance Council's Principles and Recommendations (3rd Edition) (ASX Guidelines). Senex complies with Recommendations within all eight Principles.

The following corporate governance policies were in place during FY16:

- Code of conduct
- Compliance policy
- Conflicts of interest policy
- Diversity policy
- Disclosure and communications policy
- Privacy policy
- Risk management policy
- Remuneration policy
- Securities trading policy
- Whistleblower policy

This Corporate Governance Statement should be read in conjunction with the Directors' report on pages 51 to 82 of the 2016 Annual Report and the Remuneration Report on pages 51 to 82 of the 2016 Annual Report.

Principle 1 – Lay solid foundations for management and oversight

Board responsibilities

The Board has adopted a formal charter to ensure that it is well equipped to discharge its responsibilities. The charter defines the functions reserved to the Board and those delegated to management to facilitate accountability to the Company and its shareholders. A copy of the Board charter is available on the Company's website in the corporate governance section. The Board Charter continues to be appropriate to the Company's needs.

The Board has established two standing committees - the audit and risk committee and the remuneration and nomination committee. The composition, structure, purpose and responsibilities of those committees are described in more detail below. The Board may also delegate specific functions to ad-hoc committees from time to time on an 'as needs' basis. The Board charter contains a procedure for the Directors to obtain independent professional advice at the expense of the Company.

Director Appointments and Resignations

Former Chairman of the Board Mr Denis Patten retired by rotation at the Company's Annual General Meeting and chose not to stand for re-election. Mr Patten made an immense contribution to the growth and development of the Company over the previous seven years.

Following appropriate background investigation, the Board appointed Dr John Warburton as a director in March 2016 to fill the vacancy left by the retirement of Mr Patten. Dr Warburton brings a wealth of global petroleum industry knowledge and expertise. His broad ranging international experience extends across conventional and unconventional petroleum plays and indigenous cultures and will enhance the Board's ability to strategically, commercially and technically high grade opportunities in the field of exploration. The Chairman, other Directors and Senior Executives provided to Dr Warburton an appropriate induction to the Company and its operations.

Management performance

The Company provides a letter of appointment to each Director and Senior Executive at the time of joining the Company, together with key Company documents and information setting out the terms of their appointment, duties, rights and responsibilities and entitlements on termination. The Company also provides an induction to the corporate structure, governance, management systems and operations.

The Company undertakes an annual performance evaluation process for all Senior Executives and did so in FY16. The Remuneration Report on pages 51 to 82 of the 2016 Annual Report sets out details of the FY16 annual performance evaluation process undertaken for Senior Executives.

The Company Secretary works closely with the Chairman of the Board to ensure the proper and efficient functioning of the Board and its various sub-committees.

Principle 2 – Structure the Board to add value

Composition of the Board

The composition and operation of the Board is determined in accordance with the following principles and guidelines:

- The Board, advised by the remuneration and nomination committee, determines the size and composition of the Board and each Board committee, subject to the terms of the Constitution.
- The directors should bring appropriate qualifications and experience to the Board in order to contribute to business needs and the Company's overall strategy.
- The Board should comprise a majority of independent non-executive directors.
- The Chairman must be an independent non-executive director.
- The Board and each Board committee should meet regularly in a pre-arranged cycle and follow agreed meeting guidelines to ensure all directors are made aware of all agenda items and are provided with all necessary information to enable them to participate in informed discussion.

The Directors in office at the date of this statement are:

Name	Position
Trevor Bourne	Chairman, Independent Non-executive Director
Ian R Davies	Managing Director and Chief Executive Officer
Ralph H Craven	Independent Non-executive Director

Timothy BI Crommelin	Non-executive Director
Debra L Goodin	Independent Non-executive Director
John Warburton	Independent Non-executive Director (appointed 15 March 2016)
Benedict M McKeown	Non-executive Director
Yanina A Barila	Alternate Director appointed by Mr McKeown and by Mr Crommelin

Further information regarding Board committee meetings and the level of attendance by committee members for FY16 is set out in the Directors' report at page 56 of the 2016 Annual Report.

Independence

The Company has complied with recommendation 2.1 of the ASX Guidelines during much of FY16. A majority of the Non-executive Directors were considered to be independent throughout FY16.

The independent Directors at the date of this report are Mr Bourne (Chairman), Dr Craven, Ms Goodin and Dr Warburton. The roles of Chairman and Managing Director are exercised by different individuals.

Mr Davies is the Managing Director and Chief Executive Officer. Mr McKeown is a Partner with The Sentient Group which is a substantial shareholder in the Company. Mr Crommelin is the Executive Chairman of Morgans Financial Limited (Morgans), a material professional advisor to the Company. As a result of these roles and relationships, these three Directors are not considered to be independent.

Details of each Director's skills, experience and expertise relevant to the position of Director are detailed on pages 44 to 45 of the 2016 Annual Report.

Remuneration and nomination committee

The Board has a remuneration and nomination committee, which has three primary functions:

- support and advise the Board on remuneration and remuneration-related matters;
- to advise the Board on alignment of the interests of employees and shareholders in remuneration matters; and
- examine the selection and appointment practices of the Company in relation to the Board and Senior Executives and advise the Board regarding these matters.

The remuneration and nomination committee has a charter which sets out its roles and responsibilities, composition and structure and can be found on the Company's website in the Corporate Governance section.

Director performance review and evaluation

It is the policy of the Board to ensure that the directors are equipped with the knowledge and information they need to discharge their responsibilities effectively. Performance of Directors is continually monitored by the Chairman of the Board. The composition of skills and experience of the Board is shown in the table below.

Skills and experience	Senex Board representation out of 8 Directors (including Managing Director and CEO and an Alternate Director)
Industry experience: Experience in the resources and energy sector, with an upstream explorer / producer or service provider.	7
Financial expertise: Senior executive experience in financial accounting and reporting; qualification in accounting or finance.	8
Strategy: Prior experience in setting and delivering company strategy.	8
Risk Management: Prior experience in risk management and internal controls.	8
Directorships: Tenures as a non-Executive Director or member of governance bodies outside Senex.	7
Health, safety and sustainability: Experience in oversight of health, safety, environmental and sustainability issues in an organisation	5

The Board, through the remuneration and nomination committee, will review the performance of each Director who is retiring by rotation under the Constitution and seeking re-election. The results of this review will form the basis of the Board's recommendation to shareholders on the proposal for re-election of the Director. The Board has not formally documented the results of performance evaluations to date. A Director whose performance is unsatisfactory may be asked to retire.

Diversity

The Company has a diversity policy which aims to create a workplace culture that attracts and retains well-qualified, diverse and motivated people. The sustainable development section of this annual report contains a breakdown of the number of men and women employed by the Company and their relative seniority. A copy of the Company's diversity policy is available on the Company's website in the Corporate Governance section.

[Principle 3 – Promote ethical and responsible decision-making](#)

Code of conduct

The Company has a code of conduct that sets out standards of behaviour expected of its Directors, employees, and contractors. The code of conduct is available on the Company website in the Corporate Governance section.

Securities dealings

The Company has a securities trading policy that regulates dealing in its securities by directors, executives and employees (personnel) and their associates. The Board restricts

personnel from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security price. Personnel are required to ensure that their associates comply with the same restrictions under the policy.

The policy prohibits personnel from dealing in any securities, not just the Company's securities, if they are in possession of price sensitive information not available to the market. The *Corporations Act 2001* (Cth) also prohibits the purchase or sale of securities whilst a person is in possession of inside information.

In addition to the overriding prohibition on dealing when a person is in possession of inside information, personnel and their associated parties are prohibited from dealing in the Company's securities during certain blackout periods determined and advised to personnel by the Company Secretary, Chief Executive Officer or Chairman of the Board, as follows:

- the period, typically 14 days, prior to, and the day of release by ASX of the Company's annual and half yearly reports;
- the period prior to release by ASX of a significant announcement by the Company; and
- such other times as the Company Secretary, Chief Executive Officer or Chairman determines and advises.

The policy also prohibits short term trading. A copy of the securities trading policy is available on the Company's website in the Corporate Governance section.

As required by ASX Listing Rules, the Company notifies ASX of any transaction conducted by directors in the securities of the Company.

Certain personnel, including all directors, the Chief Executive Officer, the Chief Financial Officer, the Company Secretary and other executives reporting directly to the Chief Executive Officer are designated personnel under the policy, and are subject to additional restrictions. Designated personnel are required to obtain approval from the Company Secretary, Chief Executive Officer or Chairman before any dealing in Senex securities and to notify the Company Secretary of any completed dealing.

Handling Conflicts of Interest

Wherever the Company considers a proposal to enter into a transaction with a business connected with one of the Company's directors or other key management personnel (a related party transaction), the Company implements policies and procedures to ensure the probity of conduct and management of any potential conflict of interest that may arise. A copy of the conflicts of interest policy is available on the Company's website in the Corporate Governance section.

The Board has determined that a director or executive who has an interest in Senex shares is not, solely on the basis of that interest, in a position where their obligations to the company conflict with their personal interest, because their interest aligns with the interests of the Company's shareholders as a whole.

The directors need to be mindful of their obligations to identify, disclose, monitor and manage any conflict of interest. A director who has a material personal interest in a matter being considered at a directors' meeting must not be present while the matter is being considered at the meeting or vote on the matter unless the rest of the board have passed a consent resolution.

The board and management consider certain matters before entering into a related party transaction:

- the nature and extent of the interest disclosed and its relation to the affairs of the company; and

- the expertise and experience of the director concerned and the likely impact of excluding them from consideration of all aspects of a transaction, as opposed to merely excluding them from consideration of entering into the related party transaction.

Mr Crommelin, a non-executive director of the Company, is Executive Chairman of Morgans, and has given standing notice of a potential conflict of interest in any interaction or dealing between the Company and Morgans. From time to time, the Company may engage Morgans to provide corporate advisory services for a potential corporate transaction.

Morgans has been a consistent long term follower and supporter of the Company since 2009 (when it was Victoria Petroleum) and especially since 2010 when the Company moved to Brisbane, renamed itself as Senex, acquired a new management team and adopted its current growth strategy. Morgans has transacted a significant share of market turnover of Senex shares over that period, both retail and institutional, and in particular, Morgans' retail clients represent a significant proportion of the company's retail shareholders.

The Company disclosed in the 2015 annual report that in FY15 the Board approved the engagement of Morgan Corporate Ltd as an additional adviser in a strategic review project. The background to that engagement and the manner in which it was recommended, considered, approved and executed were described in the 2015 annual report. That engagement continued during FY16.

Mr Crommelin did not participate in the board discussion of the proposal or in the board decision to approve the engagement of Morgan Corporate, and did not participate in negotiation of the terms of engagement on either side.

When considering the potential involvement of Morgans in connection with the provision of corporate advisory services, the board, with Mr Crommelin abstaining, considered the valuable insight that Mr Crommelin provided in all board discussions, and particularly in any board discussion that required consideration of a corporate investment opportunity, investment market perceptions, or execution of any corporate finance transaction.

Mr Crommelin took no part in negotiating the arrangements regarding the engagement of Morgans to provide corporate advisory services. The Company did not pay any amount in FY16 to Morgans for the provision of corporate advisory services. Further disclosure of this engagement is made in Note 31 (Key Management Personnel) to the Company's financial statements in the 2016 Annual Report.

Principle 4 – Safeguard integrity in financial reporting

Audit and risk committee

The Chairman of the audit and risk committee, Ms Goodin, is an independent Non-executive Director (the Chairman of the Board cannot chair the audit and risk committee). The audit and risk committee comprises three non-executive directors, of whom two are independent. Until his retirement in November 2015, Mr Patten was also a member of the committee as an independent non-executive director. All members of the committee are financially literate and possess sufficient financial expertise and knowledge of the industry in which the Company operates.

It is the responsibility of the audit and risk committee to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and the efficiency of significant business processes, risk management, safeguarding of assets, maintenance of proper accounting records, and reliability of financial information. The audit and risk committee charter setting out its role, responsibilities, composition and structure can be found on the Company's website in the Corporate Governance section.

Principle 5 – Make timely and balanced disclosure

The Company has adopted policies and procedures to ensure compliance with its continuous disclosure obligations, and to ensure accountability at senior management level for that compliance. The Company's disclosure and communications policy sets out the framework for the Company to ensure timely and balanced disclosure.

The Company is committed to providing timely, full and accurate disclosure and to keeping the market informed through quarterly releases detailing exploration, development and production, and through annual and half-yearly reports to shareholders. The disclosure and communications policy is available on the Company's website in the Corporate Governance section.

All material matters are disclosed to the ASX immediately (and subsequently to the media, where relevant), as required by ASX Listing Rules. All material investor presentations are released to ASX and are posted on the Company's website. Shareholders can subscribe to a free email notification service and receive notice of any announcement released by the Company.

Principle 6 – Respect the rights of shareholders

In FY16 the Company significantly refreshed its internet presence through a new website with a more user friendly structure. The new website continues the Company's commitment to providing a high standard of communication to all stakeholders to allow them to make informed decisions regarding risks and potential returns from the Company's assets and operations.

The Company actively encourages participation at shareholder meetings and regularly provides information to the public about the Company and its operations, including through its free email notification service. Communications with investors are handled by a dedicated investor relations function. The Company's share registry provider (Link Market Services) accepts email communication from shareholders on behalf of Senex.

The Company's disclosure and communications policy contains details of the manner in which the Company seeks to promote effective communication, and is available on the Company's website in the Corporate Governance section.

The Company's external auditor attended the 2015 annual general meeting in order to answer questions from shareholders.

Principle 7 – Recognise and manage risk

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Company's senior executives have designed and implemented risk management and internal controls consistent with the risk appetite that is set by the Board.

Risk management is an area of ongoing focus and one that has seen considerable improvement in FY16. The Company has this year updated its risk management policy to set out its approach to risk identification, control, management and reporting. The Company also adopted a compliance policy in FY16 to enhance the culture of compliance at Senex. Copies of the risk management and compliance policies are available on the Company's website in the Corporate Governance section.

The Company's risk management framework is discussed further below, including further detail regarding the material risks facing the Company's business.

The Board received assurance from Mr Davies as Managing Director and Mr Yerbury as Chief Financial Officer that the declaration provided in accordance with section 295A of the *Corporations Act 2001* was founded on a sound system of risk management and internal control which was operating effectively.

The Company does not currently have an Internal Audit function for a number of reasons:

- the Company considers that its business cycle is relatively straightforward;
- first line of defence controls are very strong;
- external auditors provide a high level of financial assurance;
- the Company's Health Safety and Environment team act as a quasi-internal audit / compliance function for operational matters; and
- external consultants assist with assurance activities.

The Board, with advice from the audit and risk committee, reviews annually the need for an in-house internal audit function.

Principle 8 – Remunerate fairly and responsibly

Remuneration Policy Framework

The Company has a remuneration policy that provides a framework for the structure and operation of remuneration systems, within the context of the Company's long-term financial stability and risk management framework.

It provides for fixed and performance based remuneration for employees, including executive directors and includes a component of equity remuneration. The policy also contains provisions for the clawback of remuneration in certain circumstances.

The remuneration of Non-executive Directors is structured separately from that of the executive directors and Senior Executives.

The Remuneration Report on pages 51 to 82 of the 2016 Annual Report sets out details of the Company's policies and practices for remunerating directors (executive and non-executive), key management personnel and employees.

Dr Craven, an independent Non-executive Director, chairs the Company's remuneration and nomination committee, which comprises three Non-executive Directors. The charter for the remuneration and nomination committee can be found on the Company's website in the Corporate Governance section.

Senex Enterprise Risk Management Framework

At Senex, risk management is an integral part of everything we do, from setting and evaluating successful strategy to organising and planning jobs on the ground. The “Senex Enterprise Risk Management (ERM) Framework” enhances governance, reliability of decisions and decision making, brand and reputation, communication, and the ability to take on new opportunities. Senex’s ERM has been developed in accordance with AS/NZS ISO 31000:2009, the Australian and international standard for risk management. Given the nature of Senex’s business it is essential that the entire organisation shares a common language around risk identification and management – this extends from our operations in remote areas through to our corporate teams based in Brisbane.

Approach

The Senex ERM incorporates an entity-level view of risk, an understanding of risk management options and the use of consistently developed risk information to support decision making and management practices. The Senex ERM helps us focus on the most relevant risks to achieving organisation goals, from operational and business activities through to strategy implementation. The Senex ERM approach is designed around key attributes as illustrated in Figure 1:

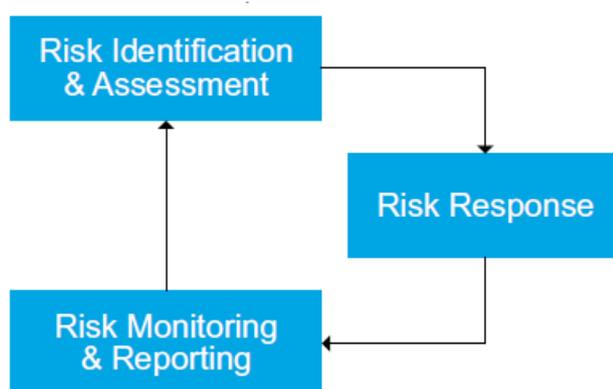


Figure 1 Senex ERM Process

During the year, Senex invested time in improving our risk management framework based on guidance in the Australian standard and the following key principles:

- Clear governance and management structure and documentation
- Defined type of activities to be risk assessed
- Defined key roles and responsibilities
- Common risk definitions and categories
- Common risk assessment tools and techniques
- Consistent risk assessment recording (i.e. risk registers, forms, etc.)
- Consistent risk assessment event format (i.e. meetings, workshops, etc.)

The process of identifying, assessing and managing material business risks is designed to manage rather than eliminate risk and where appropriate accept risk to generate returns. The acceptance and management of corporate level risk is ultimately included in the company’s strategy at the highest level.

Governance

The framework includes clearly defined oversight responsibilities for the Board, who are supported by the Audit & Risk Committee, and the Executive Committee to enable effective risk identification, evaluation and management across Senex. The key responsibilities

throughout Senex are outlined in Table 1 below. Figure 2 depicts the ERM Governance structure in Senex outlining key roles, responsibilities and their subsequent responsibility for maintaining critical ERM documentation.

Table 1 Senex ERM Roles & Responsibilities

Board	Encompasses both compliance and performance aspects as outlined in the Board Charter. The Board retains the ultimate responsibility for risk management. The Board establishes Group Risk appetite and is responsible for ensuring that an adequate risk framework is in place and operating effectively.
Audit and Risk Committee (ARC)	Assist the Board and ensure that the Company's internal risk management and control framework is effectively monitored, measured, guided and controlled.
Chief Executive Officer (CEO)	Accountable for demonstrating to the Board that the Senex ERM is founded on a sound system of risk management and is operating effectively.
Executive Committee (ExCo)	Oversee implementation of the ERM Framework and ensure that the company operates within the 'risk appetite' set by the Board.
Risk Management Working Group (RMWG)	Review the effectiveness of the ERM Processes and the appropriateness of the control measures applied to reduce risks to acceptable levels.
Chief Risk Officer (CRO) (at Senex, this is the Chief Financial Officer)	Ensure the ERM Framework is adequately utilised to assess and manage risks across the business. The CRO is also responsible for coordinating the audit process and communicating risk status, profile and new/emerging risks.
Business Functions	Monitor the key business and operational/financial activities, progress towards objectives and identify developments which require intervention (e.g. forecasts and budgets). Ensure controls are implemented and report systematically and promptly to ExCo any perceived new risks or failures of existing control measures.
Employees	Understand their responsibility for individual risks. Recognise how they can enable continuous improvement of risk management response. Realise that risk management and risk awareness are a key part of the Senex culture.

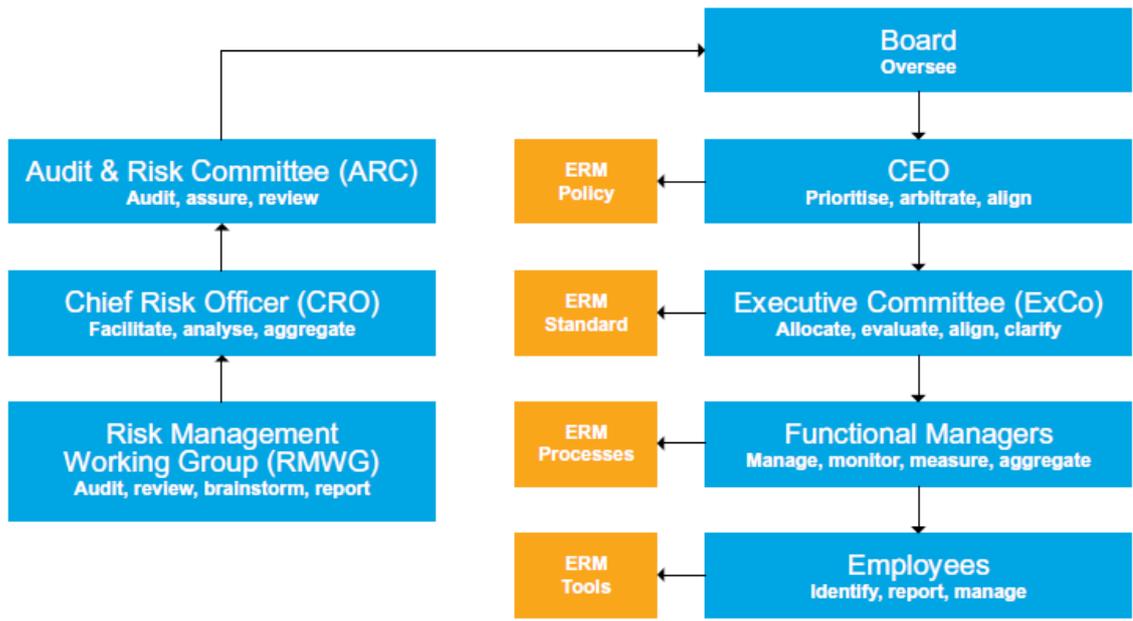


Figure 2 Senex ERM Governance

Material Business Risks

The principal risks and uncertainties in this section have been categorised into strategic risks (commercial, geopolitical, market and industrial), financial risks (financial, foreign exchange-interest rate-inflation, credit and liquidity and reputation), operational risks (exploration & development, operations, projects, people and health-safety-environment) and compliance risks (stakeholder and governance). The principal risks and uncertainties outlined in this section may materialise independently, concurrently or in combination and may impede Senex's ability to meet strategic objectives, either directly or by triggering a succession of events that in aggregate become material to Senex.

The risks outlined below are those that Senex believes are its material business risks as at 30 June 2016, are short-term as well as long-term in nature, and there may or may not be any significant change year-on-year. The commentary provided on each risk below is intended to highlight significant changes in profile of individual risks or describe our experience of the risk over the course of Financial Year 2016.

Exploration and development risk: Senex financial condition is directly related to our ability to acquire, discover and develop new resources.		Category: <i>Operational</i>
Cause: Exploration and drilling activities are inherently risky and dependent on access to prospective acreage, funding and analysis of data. In addition, changes in global economic conditions may impact economic assumptions and commerciality of discoveries.	Impact: Senex's future financial condition is directly related to the success of our exploration (and acquisition) efforts and our ability to generate future reserves and production.	
Mitigations: Senex is analysing existing acreage for exploration drilling prospects by applying best-in-class technologies and processes to the evaluation of the extensive Cooper Basin geoscience database. Senex has a range of conventional development and enhanced oil recovery projects in progress and is actively pursuing acquisition targets.		

Joint ventures: Senex operates the majority of the tenements we hold, our growth strategy is dependent on technical and commercial alignment within joint ventures.		Category: <i>Operational/Strategic</i>
Cause: Market conditions have impacted the availability of investment capital, which then impacts the approach to prioritisation of exploration and development opportunities.	Impact: Delayed investment approvals may impact Senex cash flow and growth strategy.	
Mitigations: We encourage and promote ongoing and open dialogue with our joint ventures, including appropriate planning of activities.		

Geographic concentration: At present, all of Senex's revenue is derived from oil and gas production in the Cooper Basin.		Category: <i>Operational/Strategic</i>
Cause: Oil and gas operational activities currently focused on Cooper Basin, leaving Senex exposed to downsides associated with weather conditions and infrastructure failure.	Impact: Issues in the Cooper Basin could impact revenue flows or result in cost overruns.	
Mitigations: We are actively investigating alternate routes to market and new ventures outside of the Cooper Basin. We also ensure that appropriate insurance is in place to mitigate the impact of business interruption. In addition we are developing a major gas project in the Surat Basin.		

Safety and health: High levels of safety management are required to minimise the risk of harm to employees, contractors and communities near our operations, particularly in remote locations.	Category: <i>HSE/Operational</i>
Cause: Oil and gas operational activities are inherently hazardous, such as drilling and driving in remote areas.	Impact: In addition to injury or damage to health, impacts may include reputational damage and fines.
Mitigations: Health and safety are a very high priority for Senex. We have developed detailed management plans, including detailed communication protocols. We also continue to fund a night-vision equipped helicopter and support the Royal Flying Doctor Service in the Cooper Basin for emergency response.	

Hydrocarbon spills and leaks: High levels of environmental management are required to minimise the risk of harm to habitat, employees, contractors and communities near our operations from a loss of containment of oil or gas.	Category: <i>HSE/Operational/Financial</i>
Cause: Oil and gas operational activities involve the storage and transport of the produced oil and gas as well as waste materials.	Impact: In addition to environmental damage, impacts may include safety issues, reputational damage and fines.
Mitigations: Environmental management is a very high priority for Senex. We have developed detailed standard procedures to prevent, monitor and limit the impact of our operations on the environment.	

Regulatory change: Changes to regulatory or fiscal regimes may significantly impact Senex financially and operationally.	Category: <i>Strategic</i>
Cause: Governments are under increasing pressure from activist groups and the general public to more restrictively regulate certain aspects of the oil and gas industry.	Impact: Approvals for Senex projects may be delayed or denied, or costs associated with the projects may impact their economic viability.
Mitigations: We actively monitor regulatory and political developments on a continuous basis and seek to engage constructively in public discussions where appropriate.	

Commodity prices: The price obtained by Senex from oil and gas production is subject to both USD price volatility and AUD/USD exchange rate volatility.	Category: <i>Strategic</i>
Cause: Commodity prices and exchange rates are determined by global supply and demand and the state of the global economic environment.	Impact: Price and exchange rate volatility impacts Senex's revenue, cash flows and asset values. Sustained periods of low oil price may impact the viability of growth projects.
Mitigations: We actively review capital expenditure programs and hedging programs to mitigate commodity and exchange rate volatility.	

Access to infrastructure: Facilities for storing, transporting and processing Senex's oil and gas are critical to continued delivery to market.	Category: <i>Operational</i>
Cause: Our operations are in remote locations and we often rely on third parties to process and transport our oil and gas to market.	Impact: Senex's sustainability and growth may be impacted by the failure to obtain appropriate supporting facilities. Our ability to deliver oil and gas to purchasers may be delayed or face increased costs.
Mitigations: We seek to work closely with suppliers of infrastructure to mitigate the risk of	

delays or failure. We continue to explore alternative routes to market to diversify risk where possible.

Access to funding: Senex's ability to fund operations and future growth.	Category: <i>Strategic/Financial</i>
Cause: Volatility or uncertainty in capital markets could restrict willingness of debt and equity investors to provide additional capital.	Impact: Senex's growth aspirations require the investment of significant capital to generate returns. Our ability to explore for and develop oil and gas reserves is dependent on our ability to generate and otherwise access capital to fund these activities.
Mitigations: We have internal prudent expenditure management and forecasting with a Board approved budget to maximise cash available from operations. Senex prioritises balance sheet strength to ensure the ability to access suitable funding. Senex actively seeks partnering opportunities to assist in funding key activities on a project-by-project basis.	