

Senex Energy accepts Beach Energy offer for its stake in Impress Energy, realising \$15 million

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Senex Energy Limited (Senex) has today decided to sell its 20 per cent holding in Impress Energy Limited into Beach Energy Limited's on-market takeover offer.

The sale of Senex's holding in Impress Energy realises approximately \$15 million, an annualised return on Senex's investment of over 45%. This cash injection increases Senex's cash holdings to approximately \$63 million.

This decision was reached after agreeing merger terms with Stuart Petroleum Limited, which will create a substantial oil and gas exploration and production company with a market capitalisation in excess of \$345 million.

Senex Managing Director Ian Davies said that the decision to sell into the Beach Energy offer was taken after careful consideration of the risks and benefits of retaining the Impress Energy holding.

"We are firmly of the view that Beach Energy's bid materially undervalues Impress Energy's main assets on the western flank of the Cooper Basin. However, we also believe it is wiser to invest the \$15 million in our upcoming exploration and development program and deliver real value for our shareholders.

"Further, we place enormous value in the quality of the relationship with our newest partner in the Cooper Basin, Beach Energy. We look forward to working closely with Beach to increase the value of our joint venture permits on the Cooper Basin western flank, of which we hold a 60% interest and are the Operator, and also to cooperating in joint infrastructure projects," he said.

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About Senex

Senex Energy Limited is the new name for Victoria Petroleum NL - a respected energy business with more than a quarter of a century of experience in Australia's oil and gas industry. In July 2010 the company was rejuvenated with the appointment of a new management team, the relocation of its head office from Perth to Brisbane, and the decision to focus the business on its valuable acreage on Australia's east coast. The dynamic energy business is pursuing rapid growth in its oil production business in the Cooper Basin, and is working to build a valuable and highly profitable east coast gas business. Find out more by visiting www.senexenergy.com.au