



15 May 2013

Manager of Company Announcements
ASX Limited
Level 8 Exchange Plaza
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PERTH WA 6000

By E-Lodgement

Initial Contingent Resource estimate of 176 BCF in Hornet Field

Orca Energy Limited (ASX: OGY) is pleased to provide the following update with respect to its exploration for gas in the Southern Cooper Basin (PEL 115, OGY - 20%).

The Operator of PEL 115, Senex Energy Limited (ASX: SXY) has prepared an initial assessment of the resources associated with the Hornet-1 well and surrounding area, now designated the Hornet Field, which straddles the PEL 115 Hornet Block and PEL 516.

Senex assess the Prospective Resources for the whole field could be as high as 2.9Tcf (high case estimate). The Contingent Resource associated within the Hornet Block of PEL 115 of 176BCF gross (35BCF net to Orca) is assessed with a higher confidence due to data gathered from Hornet-1 and Kingston Rule-1 in 2013, with both wells located in PEL 115 and having flowed gas.

Further information is included in the attached release from Senex Energy Ltd.

Commenting on the news Executive Director of Orca Energy, Greg Bandy said, *"Establishing a Contingent Resource of 35BCF net to Orca is a material milestone for the Company. We are extremely pleased with the results of this year's exploration operations and the further potential in both PEL 115 & PEL 110."*

For and on behalf of the Board

Greg Bandy
Executive Director

BOARD & MANAGEMENT

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EXECUTIVE DIRECTOR

Mr Jason Bontempo
NON-EXECUTIVE DIRECTOR

Mr Jeremy King
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OGY

Major new conventional gas field identified at Hornet

Release Date: 15 May 2013

Senex Energy Limited (Senex, ASX: SXY) has identified up to 2.9 trillion cubic feet (Tcf) of prospective resource in a conventional stratigraphic reservoir, including 141 billion cubic feet (Bcf) of 1C contingent resource, in a new gas field named Hornet (refer Figure 1). The field is located less than 30 kilometres from the APA Group Moomba to Sydney gas pipeline.

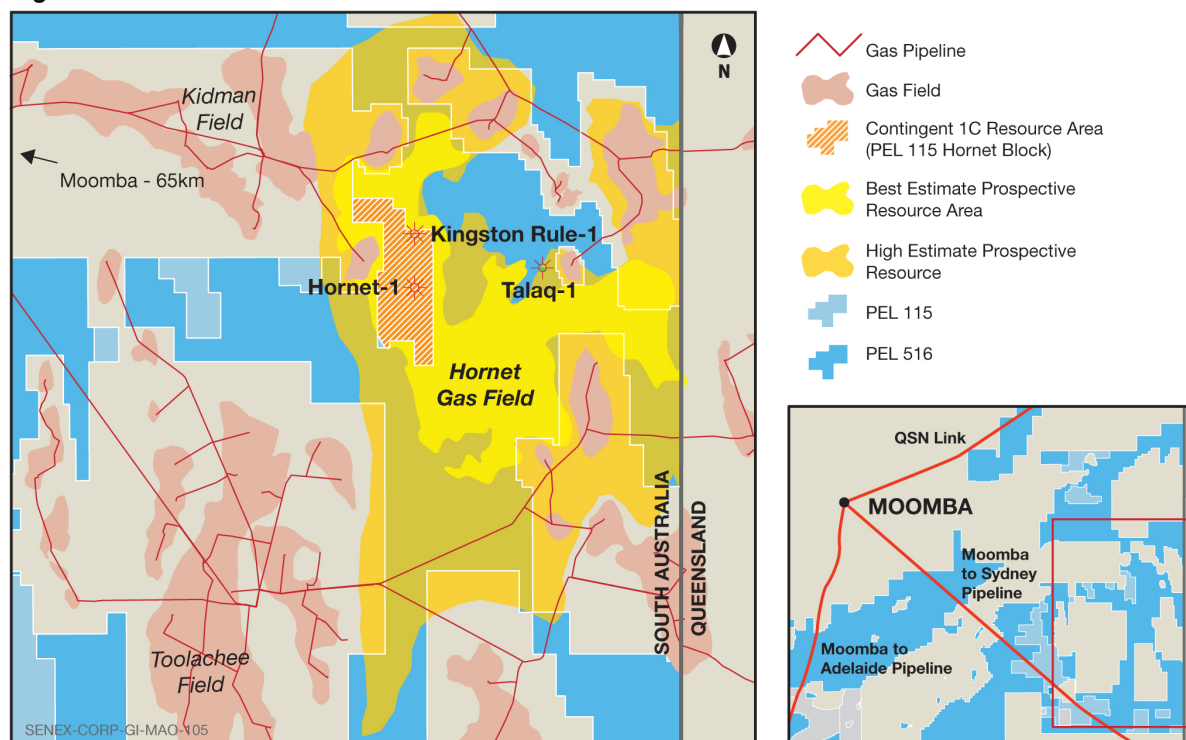
Table 1 describes Senex’s net contingent and prospective resources (estimated recoverable gas, net of CO₂ and fuel) identified within the same continuous stratigraphic trap in the Mettika Embayment in southern Cooper Basin permits PEL 115 (Senex 80% and Operator; Orca Energy Limited (Orca, ASX: OGY) 20%) and PEL 516 (Senex 100%).

Table 1: Hornet resource estimate (net to Senex)

Contingent resource	Prospective resource ²		
1C	High estimate	Best estimate	Low estimate
141 Bcf ¹	2,949 Bcf	771 Bcf	183 Bcf

¹ 1,000 Bcf = 1 Tcf ² Prospective resource includes contingent resource

Figure 1: Hornet Gas Field



ABOUT HORNET GAS FIELD

Recently acquired production logging data obtained from the Kingston Rule-1 and Hornet-1 wells confirm the existence of a conventional, tight gas reservoir at an average depth of 2,500 metres in the Mettika Embayment in the southern Cooper Basin.

The wells have recently flowed gas at stabilised rates up to 2.2 million standard cubic feet per day (**mmscfd**) and are located in the PEL 115 Hornet Block. PEL 115 Hornet Block is approximately seven kilometres southeast of Kidman gas field, operated by Santos Limited on behalf of the South Australian Cooper Basin Joint Venture (**SACBJV**), and 15 kilometres northeast of the Toolachee gas field, also operated by Santos.

The gas accumulation is defined within a stratigraphic trap that extends both to the north, south and east from PEL 115 Hornet Block into Senex's 100% owned PEL 516. Much of this area is covered by 3D seismic and close spaced 2D seismic. In addition, 37 wells have been drilled by the SACBJV within the Hornet Gas Field resource area, providing rigorous subsurface control.

Interpretation of geological and geophysical data indicates the gas accumulation intersected by these wells has reservoir characteristics similar to many existing Santos operated fields that produce conventional gas from the Patchawarra Formation.

Senex is now planning an appraisal program to confirm the extent of the Hornet Gas Field and provide information required for early commercialisation. This work will consider issues such as drilling and subsurface design to optimise flow rates and ultimate economic recovery which will determine field economics.

Senex Managing Director Ian Davies said the field was well placed for early commercialisation.

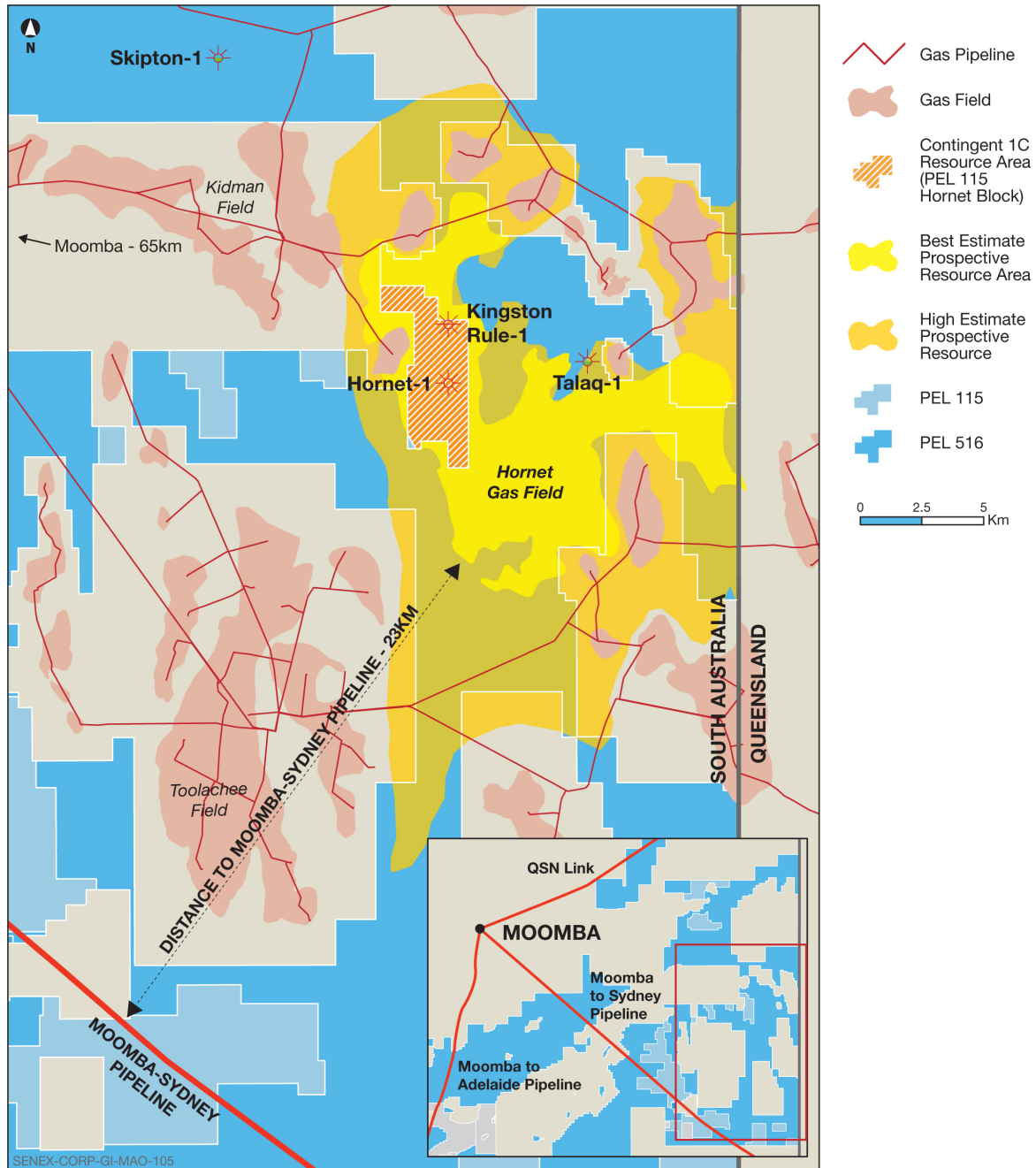
"The shallow depth, low CO₂, proximity to pipeline infrastructure with available capacity, and conventional reservoir characteristics of this resource are advantageous for early commercialisation.

"We have a high level of confidence about the nature of this accumulation because of the strong control provided by a large number of wells that have been previously drilled in the area by Senex and others including the Santos operated South Australian Cooper Basin Joint Venture. The next step is to optimise well design to achieve commercial flow rates and gas recovery, with our first appraisal well spudding early in the September quarter," he said.

Competent person statement

Unless otherwise indicated, the statements contained in this announcement about Senex's reserves and resources estimates have been compiled by Mr James Crowley BSc (Hons), who is General Manager – Exploration and Development, a full time employee of Senex, in accordance with the definitions and guidelines in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers (SPE PRMS). Mr Crowley consents to the inclusion of the estimates in the form and context in which they appear. Senex's reserves and resources are consistent with the SPE PRMS.

Figure 2: Hornet gas field proximity to infrastructure



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