

ASX Announcement

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Senex and GLNG to supply Roma North natural gas to the domestic market; Senex FY20 guidance upgraded

Key points:

- **Senex Energy Ltd (Senex, ASX: SXY) and GLNG have agreed a short-term re-direction of around 1 PJ of natural gas from Roma North to the domestic market.**
- **Re-direction follows GLNG's currently lower LNG offtake requirements and material production outperformance at Roma North.**
- **Surat Basin production continues to perform strongly, currently producing above 34 TJ/day; Atlas drilling campaign further reduced.**
- **FY20 guidance upgraded: production guidance increased to 2.0 – 2.1 mmboe (previously 1.8 – 2.0 mmboe); EBITDA guidance increased to \$45 – 55 million (previously \$40 – 50 million).**

Part of Roma North gas production to be re-directed to domestic market

Senex will reduce natural gas supply to GLNG by around 1 PJ over the period June to August 2020 at GLNG's request, following currently lower LNG offtake requirements at GLNG.

Senex and GLNG have agreed to re-direct these volumes to the Wallumbilla natural gas supply hub. Senex will market this natural gas, together with higher than expected production from Atlas, to east coast gas customers as a part of its supply portfolio.

Continued production outperformance and further reduction in Atlas drilling campaign

Natural gas production continues to outperform at both Roma North and Atlas in the Surat Basin, with production now exceeding 34 TJ/day. Given continued production and reservoir outperformance, Senex will further reduce the number of wells to be drilled at Atlas to 45 wells from 50 wells (previously reduced from 60 wells). Additional wells to maintain plateau production are to be drilled in the next campaign.

Senex expects to complete the current drilling campaign in the coming weeks, with final wells to be brought into production during June 2020. Atlas water infrastructure is also on schedule to commence commissioning and water intake in June, with completion of all works expected in early FY21.

FY20 production and EBITDA guidance upgraded

Following strong production performance across Senex's Surat Basin assets, and assuming continued normal operations in the current pandemic environment, Senex has increased its full year FY20 production guidance to 2.0 – 2.1 mmboe (previously 1.8 – 2.0 mmboe). Senex has also increased its full year FY20 EBITDA guidance to \$45 – 55 million (previously \$40 – 50 million).

Comments from Managing Director and CEO

Managing Director and CEO Ian Davies said, “In October 2018, Senex reached the Final Investment Decision for our \$400 million capital program in the Surat Basin. Less than two years later, the transformational Roma North and Atlas natural gas development projects have established Senex as an important producer of gas for the east coast market.

“Today, together with our infrastructure partner Jemena, Senex has successfully constructed 56 terajoules a day of gas processing capacity, drilled 78 wells of the 80 well campaign, built a portfolio of high-quality domestic gas customers, and seen gas production increase rapidly to a current rate of more than 34 terajoules a day.

“Our announcement today of an increase in full year FY20 production and EBITDA guidance further reinforces the underlying strength of our transformed east coast natural gas business and our ability to adapt and grow in the current lower oil price environment”, Mr Davies said.

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About Senex

Senex is an ASX-listed, growing and independent Australian oil and gas company with a 30-year history. We manage a strategically positioned portfolio of onshore oil and gas assets in Queensland and South Australia, with access to Australia’s east coast energy market. Senex is focused on creating sustainable value for shareholders by leveraging our capability as a low cost, efficient and safe explorer and producer.