



32 Beulah Road, Norwood, South Australia 5067 ACN112 202 883  
 Telephone: +61 8 8363 0388 Facsimile: +61 8 8132 0766 www.sundanceenergy.com.au  
 Sundance Energy Australia Limited ABN 76 112 202 883

#### FOR IMMEDIATE RELEASE

General Manager  
 The Company Announcements Office  
 Australian Securities Exchange

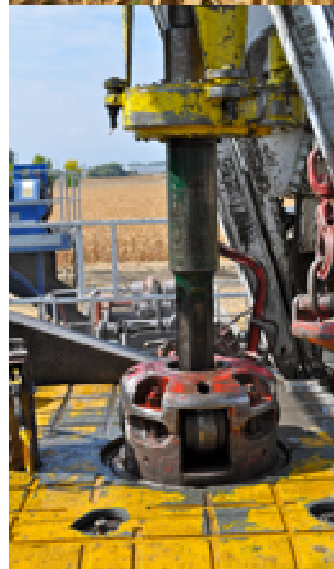
#### January 2012 Operations Update

Sundance Energy (“Sundance” or “the Company”) had net production for January 2012 of 33,298 barrels of oil equivalent (BOE) which equates to an average daily production rate of 1,074 BOE. This represents an increase of 8.6 percent from the average daily production rate reported for December 2011. Production mix for January production was 79% oil and 21% liquids rich natural gas.

The Company recorded initial production from four Sundance operated vertical wells drilled on the May Jon location on 25 January 2012 with an average initial flow rate of 85 BOE/day. Sundance has a 100% WI in one of these wells and a 50% WI in the other three wells. The four existing Sundance operated wells on the May Jon location which had been shut-in during the drilling of the new wells were brought back onto production in late January as well. These wells are located in the Wattenberg Field of the Denver-Julesburg Basin in Colorado.

Also during January, the Foreman 5-2/1H located on the Company’s South Antelope prospect was completed with an initial flow rate of 1,878 BOE/day and a 7-day flow rate of 2,152 BOE/day. The well was drilled by Sundance’s partner Helis Oil & Gas in McKenzie County North Dakota. Sundance has a 3.3% WI in the well.

To date for the current fiscal year, Sundance has brought a total of 40 gross (5.8 net) wells onto production through its developmental drilling campaigns in the Williston Basin and the Wattenberg Field of the Denver-Julesburg Basin. This brings the Company’s total producing well count to 147 gross (16.5 net) wells. As of the end of January, the Company was drilling or participating in drilling an additional 18 gross (1.6 net) wells.



For personal use only

The table below summarizes development activity since yearend across all of the Company's prospect acreage.

GROSS WELLS	PRODUCING			IN PROGRESS		
	1-Jul-11	New	31-Jan-12	Drilling	Waiting on Frac	Fracing
S. Antelope	23.0	7.0	30.0	3.0	4.0	1.0
Phoenix	16.0	2.0	18.0	-	-	1.0
Goliath	36.0	24.0	60.0	-	2.0	3.0
Manitou	7.0	-	7.0	-	-	-
<b>Williston Basin</b>	<b>82.0</b>	<b>33.0</b>	<b>115.0</b>	<b>3.0</b>	<b>6.0</b>	<b>5.0</b>
Wattenberg	21.0	6.0	27.0	-	-	-
Niobrara	-	1.0	1.0	1.0	1.0	-
<b>DJ Basin</b>	<b>21.0</b>	<b>7.0</b>	<b>28.0</b>	<b>1.0</b>	<b>1.0</b>	<b>-</b>
<b>Pawnee</b>	<b>3.0</b>	<b>-</b>	<b>3.0</b>	<b>-</b>	<b>-</b>	<b>2.0</b>
<b>Other</b>	<b>1.0</b>	<b>-</b>	<b>1.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>107.0</b>	<b>40.0</b>	<b>147.0</b>	<b>4.0</b>	<b>7.0</b>	<b>7.0</b>

NET WELLS	PRODUCING			IN PROGRESS		
	1-Jul-11	New	31-Jan-12	Drilling	Waiting on Frac	Fracing
S. Antelope	3.3	0.4	3.7	0.5	0.2	0.1
Phoenix	1.7	0.1	1.8	-	-	0.0
Goliath	0.6	0.7	1.3	-	0.0	0.1
Manitou	0.1	-	0.1	-	-	-
<b>Williston Basin</b>	<b>5.7</b>	<b>1.2</b>	<b>6.9</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>
Wattenberg	4.6	4.5	9.1	-	-	-
Niobrara	-	0.1	0.1	0.3	0.1	-
<b>DJ Basin</b>	<b>4.6</b>	<b>4.6</b>	<b>9.2</b>	<b>0.3</b>	<b>0.1</b>	<b>-</b>
<b>Pawnee</b>	<b>0.3</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>0.3</b>
<b>Other</b>	<b>0.1</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>10.7</b>	<b>5.8</b>	<b>16.5</b>	<b>0.8</b>	<b>0.3</b>	<b>0.5</b>

The following table details changes in status for wells in progress since our last update.

Well Name	Prospect	SEA Working Interest	18-Jan-12	31-Jan-12	IP DATE
<b>WILLISTON BASIN</b>					
Moberg 15-22/15H	S. Antelope	7.15%	Producing	Producing	24-Dec-11
BB Budahn A 150-95-0403H1	S. Antelope	0.81%	Producing	Producing	23-Dec-11
Go-Vial 156-98-13H-1	Goliath	5.00%	Producing	Producing	17-Dec-11
Beck Living Trust 15-2H	Goliath	2.11%	Producing	Producing	7-Dec-11
Go-Soine 156-97-32/29H	Goliath	3.38%	Producing	Producing	1-Dec-11
Moberg 4-20/21H	S. Antelope	6.48%	Producing	Producing	26-Nov-11
Foreman 5-2/1H	S. Antelope	3.35%	Fracking	Producing	22-Jan-12
Gabbert 4-2/11H	S. Antelope	7.16%	Fracking	Fracking	n/a
Go-Meyer 157-96-2116-1H	Goliath	1.79%	Waiting on Frac	Fracking	n/a
Go-Haug 156-97-21/16H	Goliath	3.18%	Waiting on Frac	Fracking	n/a
Henderson 1-28/33H	S. Antelope	6.65%	Waiting on Frac	Waiting on Frac	n/a
Jones 4-15/22H	S. Antelope	4.92%	Waiting on Frac	Waiting on Frac	n/a
Veeder 1-27/34H	S. Antelope	4.36%	Waiting on Frac	Waiting on Frac	n/a
Go-Golden Valley 157-96-28/33H	Goliath	2.04%	Waiting on Frac	Fracking	n/a
Stevenson 15-8H	Phoenix	2.70%	Waiting on Frac	Fracking	n/a
Go-Overbo-157-97-1423-H1	Goliath	1.71%	Waiting on Frac	Waiting on Frac	n/a
Go-Qualley	Goliath	2.85%	Waiting on Frac	Waiting on Frac	n/a
Go-Ron Anderson 157-97-13H	S. Antelope	3.05%	Drilling	Waiting on Frac	n/a
Dailey 4-12-13H	S. Antelope	34.11%	Drilling	Drilling	n/a
Lawlar 16-8/5H	S. Antelope	2.79%	Drilling	Drilling	n/a
BB Belquist 150-95-10/11H1	S. Antelope	8.79%	Drilling	Drilling	n/a
<b>DJ BASIN</b>					
Krier GV 25-62HN	Niobrara	11.55%	Producing	Producing	tbd
Jackson Draw 05-11	Niobrara	4.09%	Waiting on Frac	Waiting on Frac	n/a
May Jon 5S#8	Wattenberg	50.00%	Waiting on hookup	Producing	25-Jan-12
May Jon 5E#7	Wattenberg	50.00%	Waiting on hookup	Producing	25-Jan-12
May Jon 3-5D#5	Wattenberg	100.00%	Waiting on hookup	Producing	25-Jan-12
May Jon 5N#6	Wattenberg	50.00%	Waiting on hookup	Producing	25-Jan-12
Breeden 2-17H	Niobrara	33.75%	Drilling	Drilling	n/a
<b>OTHER ACTIVITY</b>					
Dennison 2-10	Pawnee	12.50%	Testing	Testing	n/a
Ninemire 1-13#1	Pawnee	25.00%	Testing	Testing	n/a

**United States**

**Eric McCrady, CEO**  
**Tel: US (303-543-5703)**

**Australia**

**Mike Hannell, Chairman**  
**Tel: (+61 8 8363 0388)**

**About Sundance Energy Australia Limited**

*Sundance Energy Australia Ltd (ASX: SEA) is an Adelaide-based, independent energy exploration Company, with a wholly owned US subsidiary, Sundance Energy, Inc., located in Colorado, USA. The Company is developing projects in the US, where it is primarily focused on large, repeatable resource plays from which it develops and produces oil and natural gas reserves from unconventional formations. A comprehensive overview of the Company can be found on Sundance's website at [www.sundanceenergy.com.au](http://www.sundanceenergy.com.au).*