

Sundance Energy Australia Limited (ASX: SEA)



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Sale of Interest in South Antelope Field

Disclaimer

This presentation includes forward-looking statements. These statements relate to Sundance's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "anticipate", "believe", "intend", "estimate", "expect", "may", "plan", "project", "will", "should", "seek" and similar words or expressions containing same.

The forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this presentation and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to Sundance, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this presentation sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation contains information on Sundance Energy's reserves and resources which has been reviewed by Brian Disney, a Colorado licensed Professional Engineer, who is qualified in accordance with ASX Listing Rule 5.11 and has consented to the inclusion of this information in the form and context in which it appears.

NOTE: All currency is presented in US dollars unless otherwise noted

Sale of Interest in South Antelope Field

Agenda

- Transaction metrics
- Strategic rationale
- Capital redeployment and track record of value accretive projects
- Activity pipeline
- Investment case summary



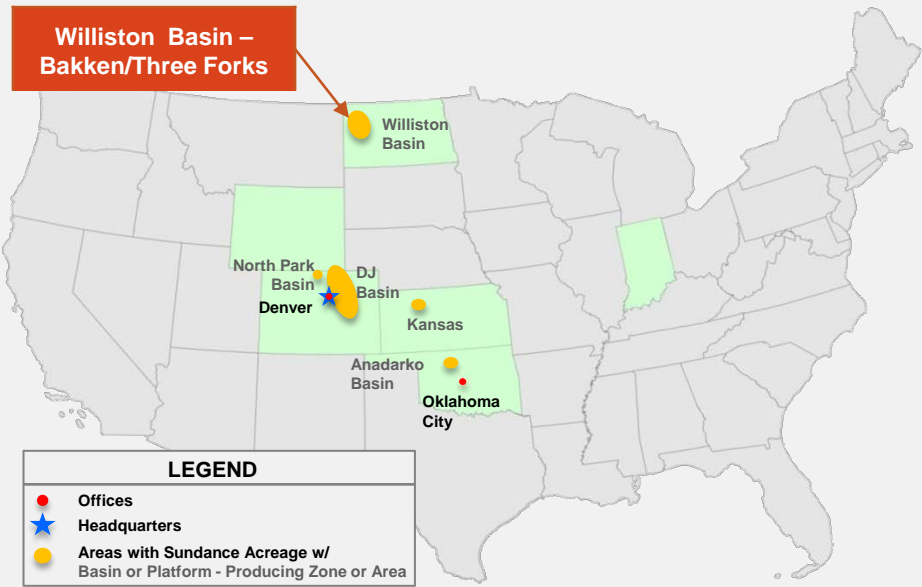
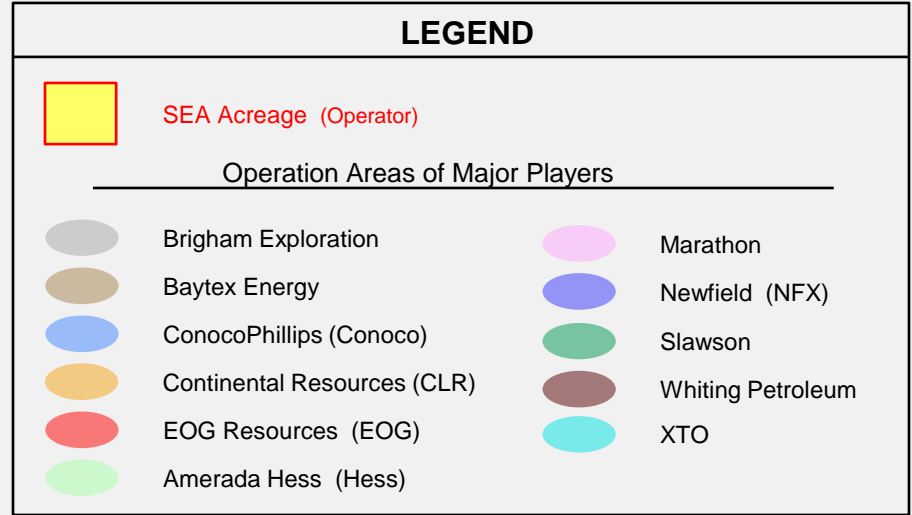
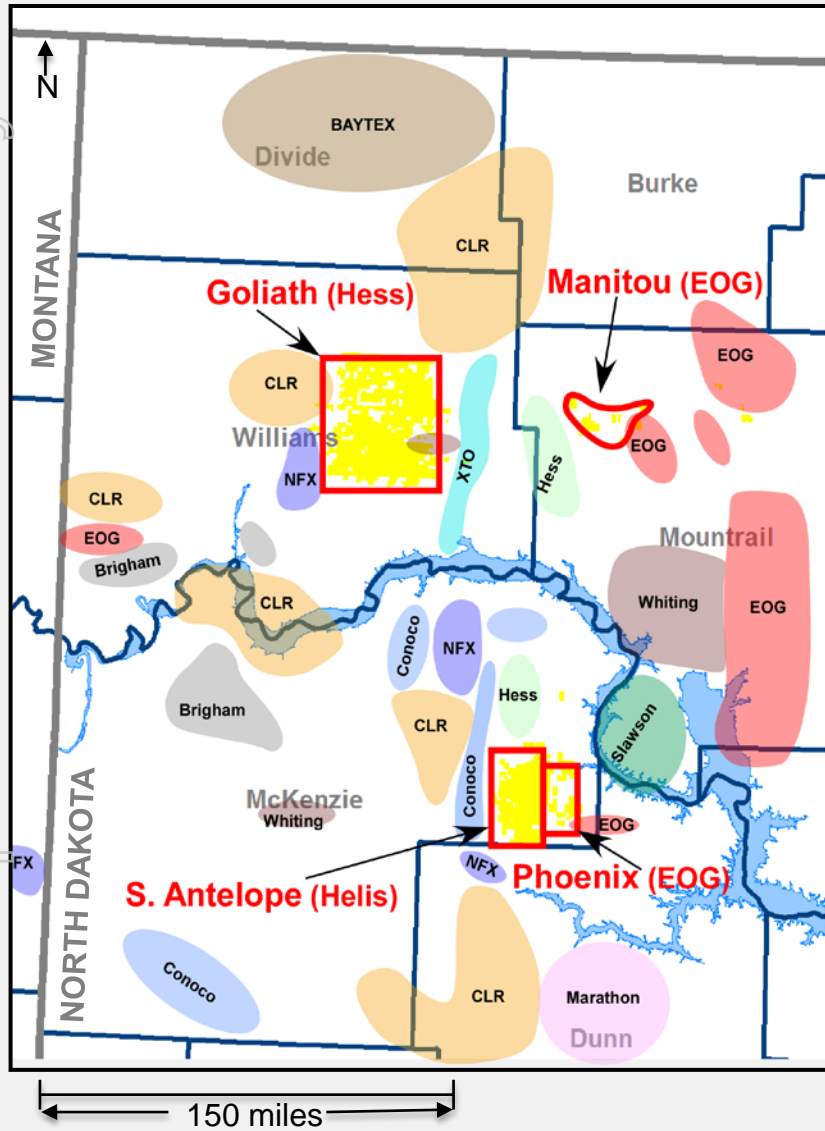
Sale of Interest in South Antelope Field

Key Points

- Transaction demonstrates strong buyer interest in Bakken assets
- Sundance retains its other Bakken assets – Phoenix, Goliath and Manitou
- Sale price of \$172.4M crystallises significant value in the Company
 - Generates a profit of ~\$150M, or 3x our total investment
 - Internal rate of return of 75% over the approximate 5 year life of the project
- Sale price of \$44,200/acre compares favourably to recent Bakken transactions
- Frees up significant capital to unlock value in our current portfolio and pursue value accretive high-interest, Company operated projects

Sundance Energy's Williston Assets

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Sale of Interest in South Antelope Field

South Antelope Field – key information (net basis)

- Sale of ~3,900 acres net to Sundance
- Reserve summary as of 30 June 2011:
 - 3.5 mboe 1P Reserves with pre-tax PV10 of \$60.9m
 - 12.2 mboe 3P Reserves with pre-tax PV10 of \$133m*
- 4.5 net producing wells as of 30 June 2012
 - ~183,000 boe net to Sundance produced in FY2012
 - 500 boepd net to Sundance in FY2012

* Reserves are based on the Company's Netherland Sewell escalating case reserve report as of 30 June 2011 using the forward Nymex strip as of the same date, starting at \$96.24/barrel and escalating to \$101.32/barrel in 2017 but held constant thereafter.

Sale of Interest in South Antelope Field

Transaction details

- Unique opportunity to sell with operator, Helis Oil & Gas, L.L.C.
- Sundance had a non-operated, minority working interest in South Antelope
- Sale price for Sundance's interest is \$172.4m in cash
- Binding and conditional PSA was executed on 23 August 2012 in the US
 - Normal closing conditions including confirmatory due diligence and closing of Helis acquisition
 - Buyer has placed a 10% deposit, approximately \$17.2M, in escrow
- QEP Energy Company, a subsidiary of QEP Resources, Inc. (NYSE: QEP)
 - Leading E&P company focused in the Rocky Mountains and Midcontinent regions of the US
 - Enterprise value of ~\$6.8bn with cash and undrawn credit facilities of ~\$1.5bn

Sale of Interest in South Antelope Field

Comparable Bakken transactions

	Date	Transaction Value (\$)	Sale price / 1P Reserves (boe)	Sale price / boepd	Sale price / acre
Sundance South Antelope Field	Aug 2012	\$172m	\$49.00	\$344,000 (1)	\$44,200
Cade & Holt and others sale to LINN Energy, LLC	Early 2011	\$163m	\$27.17	\$141,739	\$26,290
Concho Resources sale to LINN Energy, LLC	Early 2011	\$196m	\$4.17	\$145,185	\$17,511
Kodiak Oil & Gas Corp. acquisition	Early 2011	\$88m	N/A	\$440,000	\$3,520
Anschutz sale to Crescent Point	Mid 2011	\$164m	N/A	\$218.667	\$3,285
BTA sale to Kodiak Oil & Gas Corp.	Late 2011	\$235m	N/A	\$78,333	\$17,407
Brigham Exploration sale to Statoil ASA	Late 2011	\$4,705m	\$70.22	\$280,060	\$12,547
North Plains Energy sale to Kodak Oil & Gas Corp.	Late 2011	\$590m	\$29.95	\$168,571	\$11,800
Newfield Exploration sale to Continental Resources	Early 2012	\$276m	N/A	\$276,000	\$11,917
Baytex Energy sale to Magnum Hunter Resources	Early 2012	\$311m	\$6.94	\$240,154	\$6,171
GeoResources, Inc. sale to Halcon Resources	Early 2012	\$945m	\$29.81	\$135,348	\$11,962
Median (excluding Sundance)		\$256m	\$28.49	\$156,878	\$11,940
(1) FY 2011/2012 average daily production from the South Antelope field					

Sale of Interest in South Antelope Field

Strategic rationale

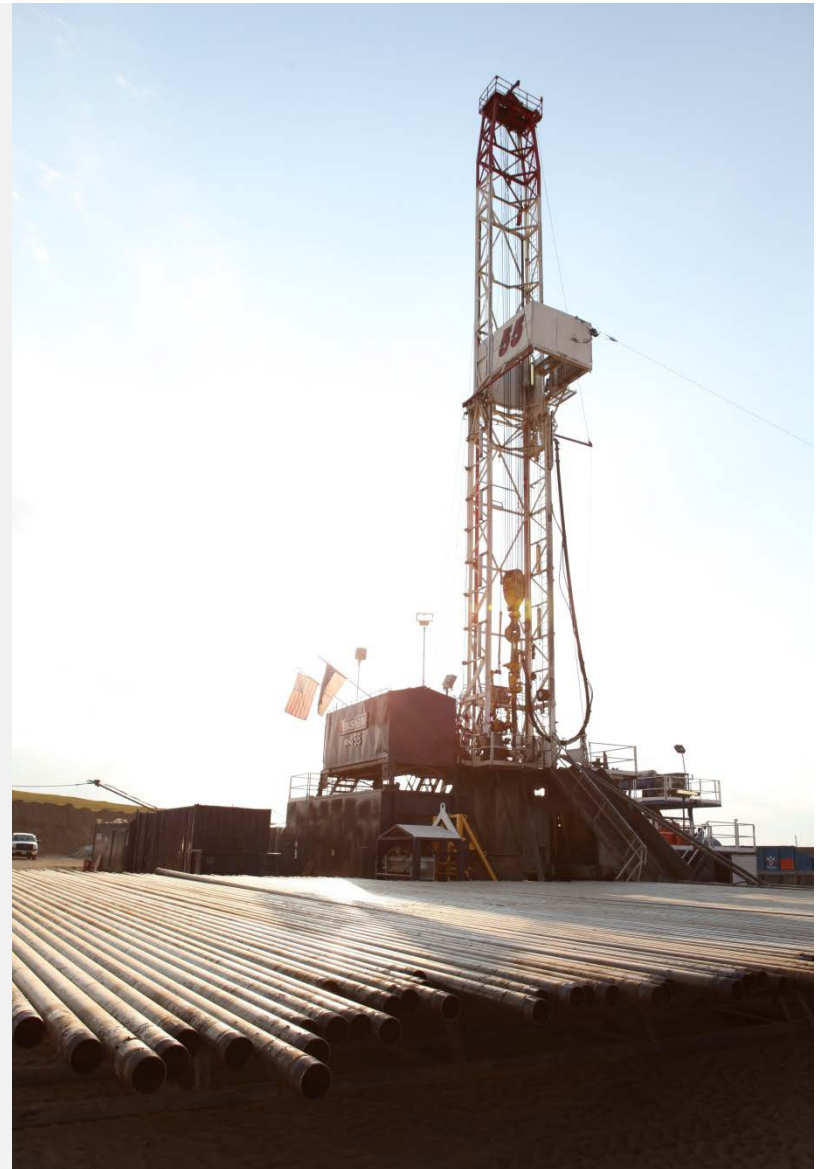
- South Antelope was a low working interest, non-operated asset
- Sundance's stated strategy is to redeploy capital towards projects with:
 - Higher working interests
 - Sundance as Operator
- Enables Sundance to control the pace and cost of its projects



Sale of Interest in South Antelope Field

Majority of tax gain expected to be deferred

- Intangible drilling credits
- Direct leasing in existing core areas
- Potential acquisitions in existing core or new development areas in the US
- Deferral of tax represents effective 'synergy' in transaction



Sale of Interest in South Antelope Field

Use of funds

- Proceeds from sale \$171m (net of ~\$1m in closing costs)
- Use of funds:

	US\$
Repayment of senior debt facility	\$25m (1)
Redeployment into existing projects	\$40m
Funds available	\$106m
Total	\$171m

(1) \$15m currently drawn against Sundance's senior debt facility but expected to increase to \$25m by closing, inline with the Company's previous guidance.

Sale of Interest in South Antelope Field

Investment parameters for acquisitions

- Operatorship
- High working interest
- Existing production
- Significant development and/or exploration upside
- Internal rate of return > 30%, depending on risk profile
- Focused on current basins where Sundance is active and evaluating other onshore North American basins

Sale of Interest in South Antelope Field

Strong track record of value accretive transactions

Prospect	Basin	Date	Transaction Value (US\$)	IRR	Comments
Ashland Prospect (Woodford Shale)	Oklahoma	Late 2007	\$46.4m	78%	Entire interest sold following re-adjusted focus to oil acreage
Phoenix Prospect (Bakken Shale)	Williston	Mid 2009	\$2.8m (1)	43%	Acquired acreage in 2007 Divested to EOG with retained interest
Niobrara Prospects	DJ	Mid-late 2010	\$10.5m (2)	>100%	Acquired acreage in 2008/2009 Divested to various parties while retaining ~25%
Arriba (Southern DJ Basin)	DJ	Early 2012	\$4.1m	81%	Acquired in 2009/2010 Divested because assets did not appear to have resource play potential
South Antelope field (Bakken Shale)	Williston	Aug 2012	\$172m	75%	Acquired in 2007/2008 Divested to QEP

(1) Plus \$1.1m in development cost carry.

(2) Plus \$5.1m in development cost carry.

Sale of Interest in South Antelope Field

Activity pipeline

Q3
Calendar 2012

Q4
Calendar 2012

- Reserves Upgrade (Sept 2012)
- Completion of South Antelope field transaction (Sept 2012)
- FY2012 Results (end Sept 2012)
- Mississippian results
- Wattenberg results

Investment case summary

Premier Locations

- Premier position in 3 of the leading US oil resource plays
- Growing acreage position in the Mississippian & Woodford

Strong Production

- Production up 100% from FY Q4'11 to FY Q4'12 of 1,541 boepd
- 24 month organic growth target ~5,000 boepd

High Interest

- 27 net well 2012 development program driving growth
- Four rig non-op Williston, operated DJ & Anadarko programs

Liquids Rich

- Current production & reserve base approximately 80% oil
- Liquids rich associated gas netted \$4.15/mcf in Q2 2012

Financial Strength

- Net cash position ~\$145m (after transaction & debt repayment)
- Ready to move on attractive acquisition targets

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Questions

Definitions

- “boe” is defined as barrel of oil equivalent, using the ratio of 6 Mcf of Natural Gas to 1 Bbl of Crude Oil;
- “mboe” is defined as a thousand barrels of oil equivalent, using the ratio of 6 Mcf of Natural Gas to 1 Bbl of Crude Oil;
- “mbbls” is defined as a thousand barrels of Crude Oil;
- “mcf” is defined as a thousand standard cubic feet of Natural Gas;
- “mmcf” is defined as a million standard cubic feet of Natural Gas;
- “bcf” is defined as a billion standard cubic feet of Natural Gas;
- “M” when used with \$ equals millions;
- “PDP” is defined as Proved Developed Producing Reserves;
- “1P Reserves” are defined as Proved Reserves which have a 90% probability that the quantities actually recovered will equal or exceed the estimate;
- “2P Reserves” are defined as Proved Reserves plus Probable Reserves and should have at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate;
- “3P Reserves” are defined as Proved Reserves plus Probable Reserves plus Possible Reserves and should have at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate;
- “Enterprise Value” or “EV” is defined as market capitalization less cash plus debt;
- “PV10” is defined as the discounted cash flows of the Company’s reserves using a 10% discount factor, taking into account the price case being used net of royalties, production taxes, lease operating expenses and future capital expenditures but before income taxes.