

Sundance Energy Australia Limited (ASX: SEA)

*Investor Presentation
September 2012*



Focused Strategy Delivering Results

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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

Company Profile

Sundance Energy (ASX: SEA) is an independent energy company focused on the exploration, development and production of large, repeatable resource plays in North America.

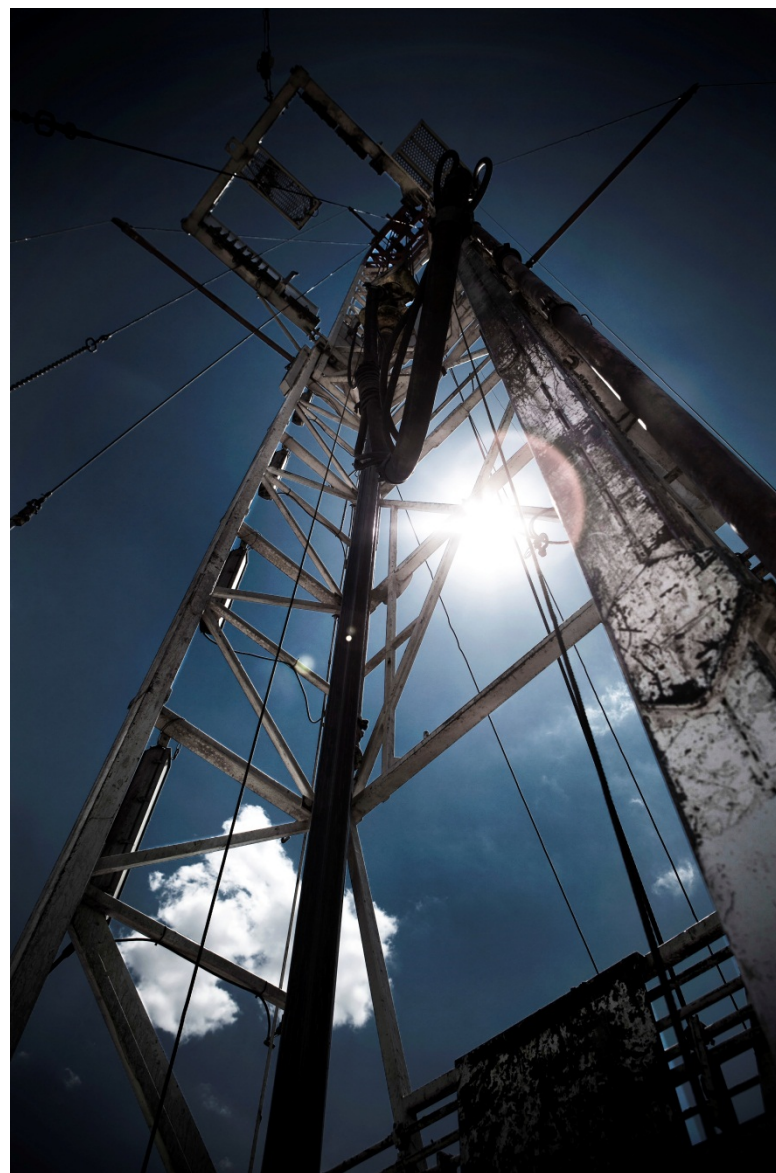
The Company's current activities are focused on the Greater Anadarko, Denver-Julesburg and Williston Basins.

Market Data as of 31 August 2012

Share price	A\$0.68
Market capitalisation	A\$188M
Issued shares	277M

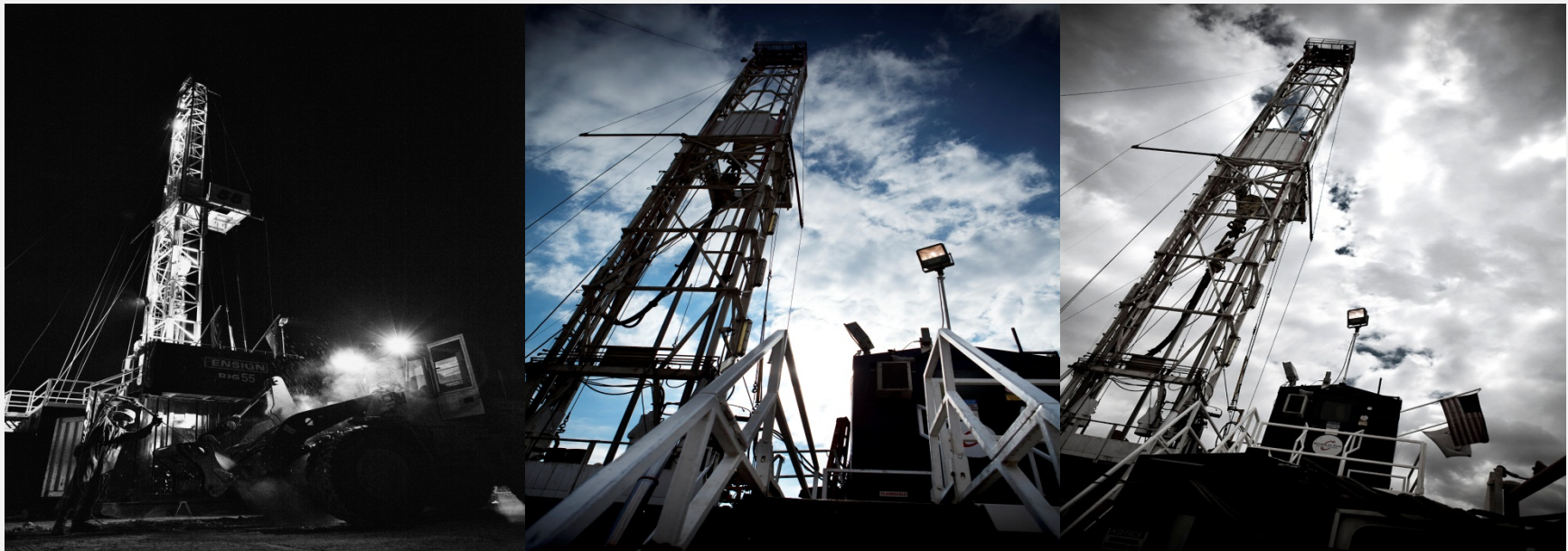
Company Data as of 30 June 2012

Production (FY12 Q4 Average)	1,541 boepd
2P Reserves (30 June 2011)	16.2 mmboe
2P PV10 (30 June 2011)	\$194M
Cash	\$15M
Debt	\$15M



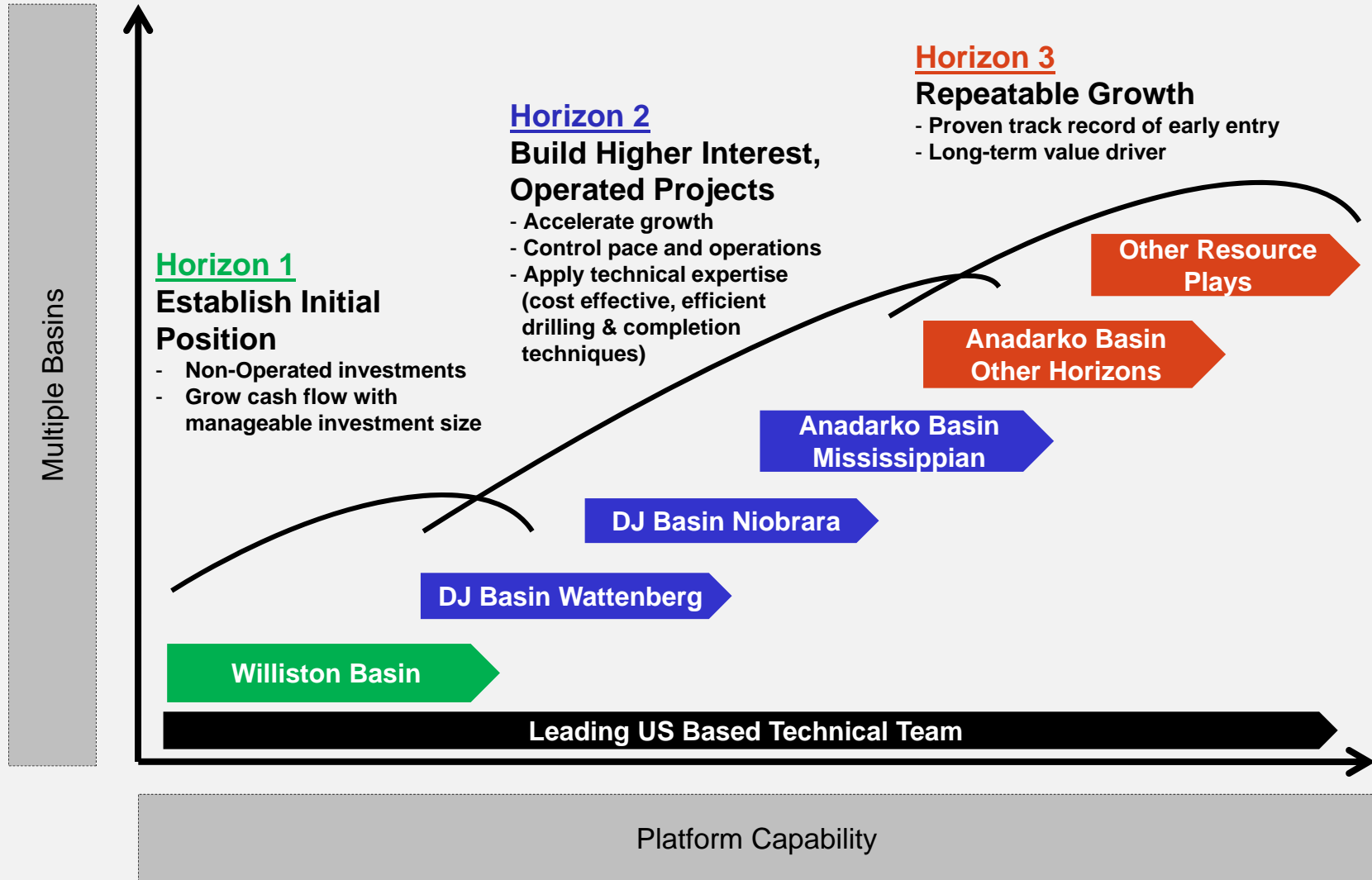
Strategy

Early/opportunistic entry	→	Cost & capital efficiency
High quality, diverse assets	→	Greater opportunity & lower risk
Develop SEA operated assets	→	Faster, Company controlled growth
High working interests	→	Increased materiality & control
Cash flow & repeatability	→	Sustained growth



Strategy

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Investment Thesis

Proven track record

- Track record of value-adding transactions
- Average IRR > 75% on last five major transactions

Financial strength

- Net cash position ~\$145M after closing South Antelope sale
- Ready to move on attractive acquisition targets

Production growth

- Q4 FY12 production of 1,541 boepd up 100% from Q4 FY11
- 24 month growth target ~5,000 boepd

Premier acreage

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

Liquids rich

- Current production & reserve base approximately 80% oil
- Liquids rich associated gas netted \$4.15/mcf in Q4 FY12

South Antelope Sale Rationale

Proven Track Record

➤ Strategic

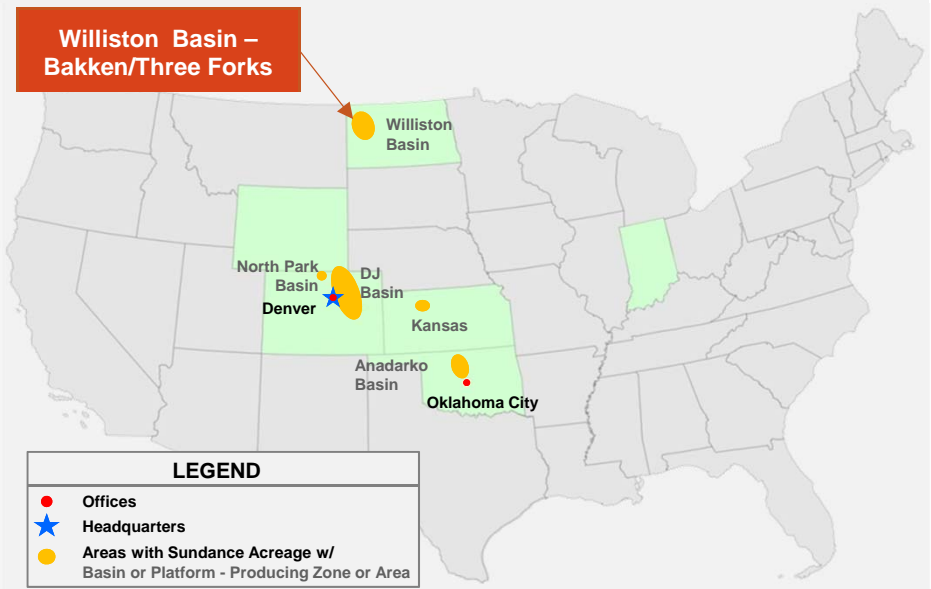
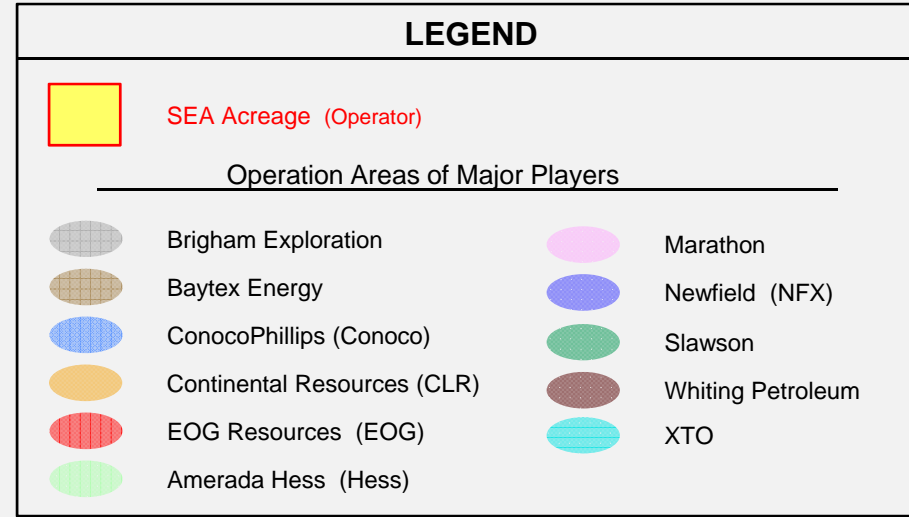
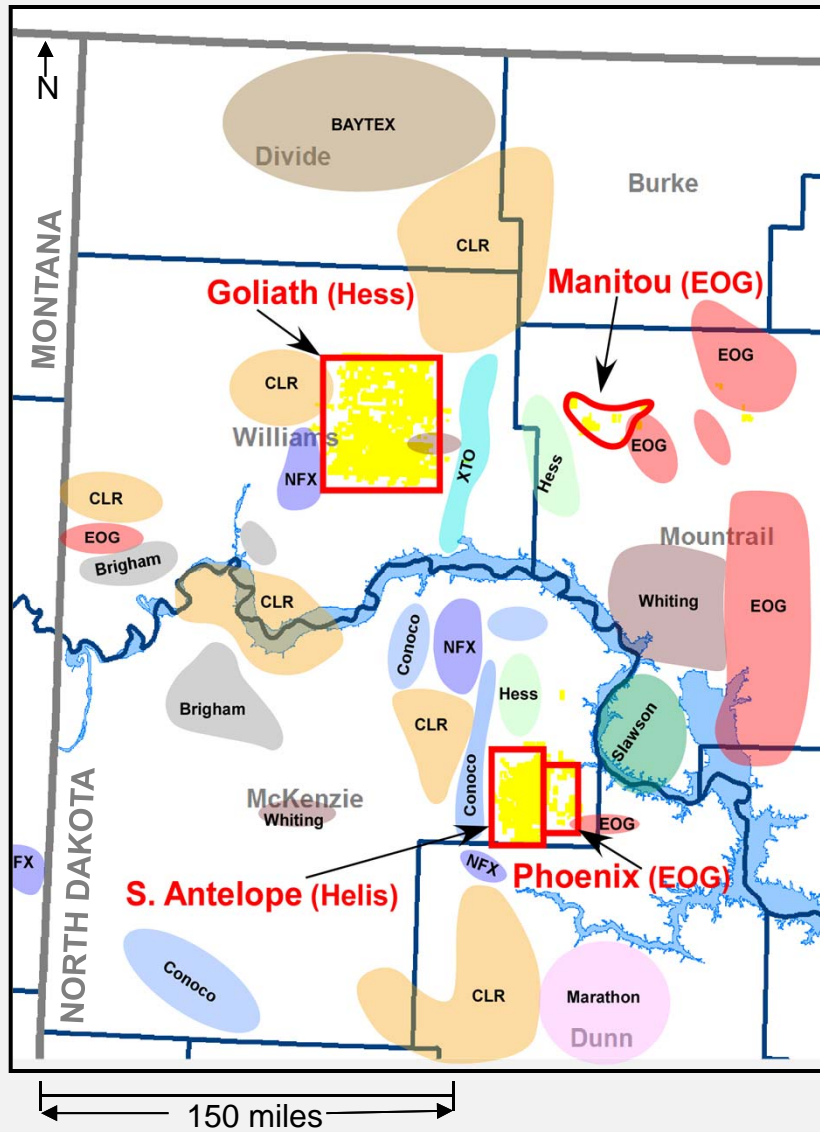
- Low working interest, non-operated asset
- Transformational capital event
 - Unlock premium asset value in existing portfolio
 - Pursue opportunistic mergers & acquisitions

➤ Financial

- Sale price of \$172.4M crystallises significant value
 - Generates a profit of \$150M, or 3x our initial investment
 - Internal rate of return of 75% over the approximate 5 year life of the project
- 10% deposit provides reasonable certainty of transaction closing
- Sale price compares favourably to recent Bakken transactions

Sundance Energy's Williston Assets

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South Antelope Sale Proceeds – Use of Funds

Proven Track Record

- Net proceeds from sale ~\$171M
- Use of funds:

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

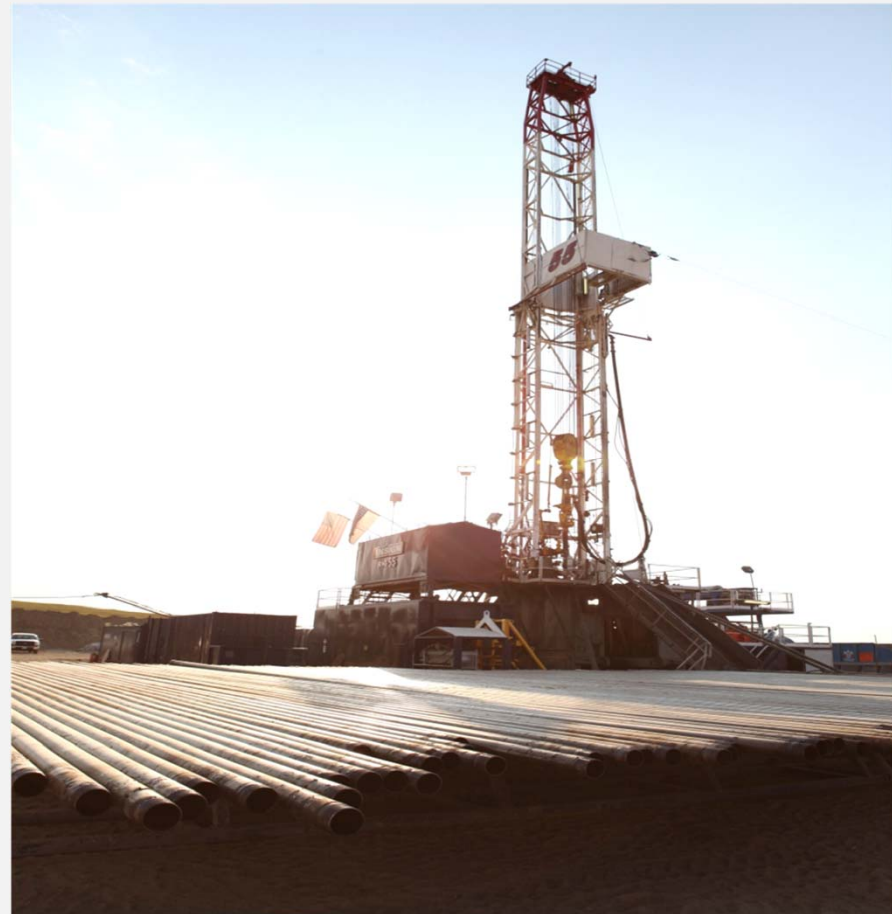
(1) \$15m drawn against Sundance's senior debt facility at 30 June 2012 - expected to increase to \$25m by closing, inline with the Company's previous guidance.



South Antelope Use of Funds – Acquisition Profile

Proven Track Record

- Operatorship
- High working interest
- Existing production
- Remaining development
- Exploration upside
- Current or new basins



Value Added Transactional History

Proven Track Record

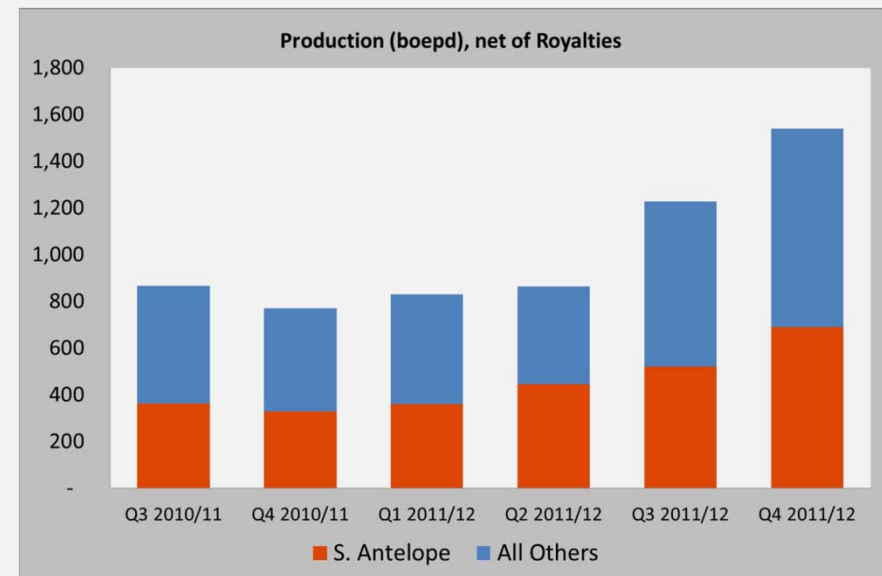
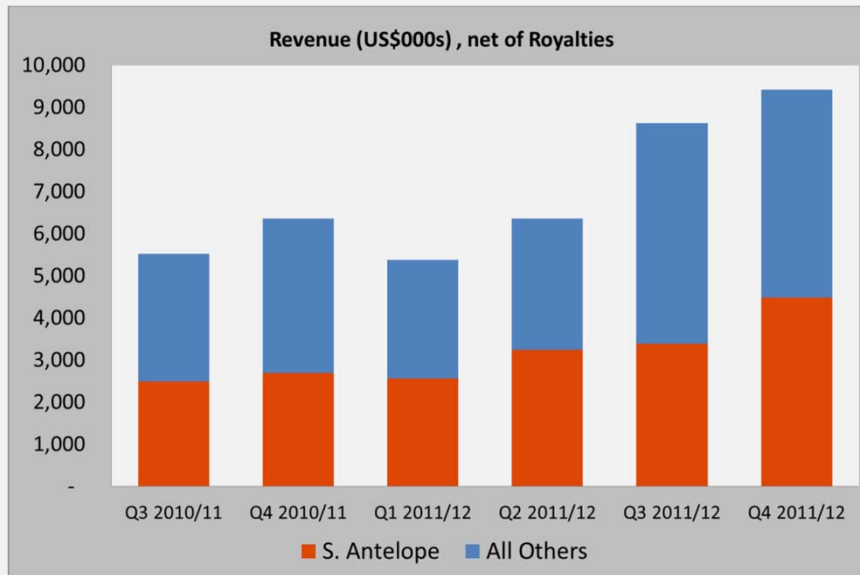
Prospect	Basin	Date	Transaction Value	IRR	Comments
Ashland Prospect (Woodford)	Arkoma	Late 2007	\$46.4M	78%	Entire interest sold following re-adjusted focus to oil acreage
Phoenix Prospect (Bakken/Three Forks)	Williston	Mid 2009	\$2.8M ⁽¹⁾	43%	Acquired acreage in 2007 Divested to EOG with retained interest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

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

(2) Plus \$4.5m in development cost carry.

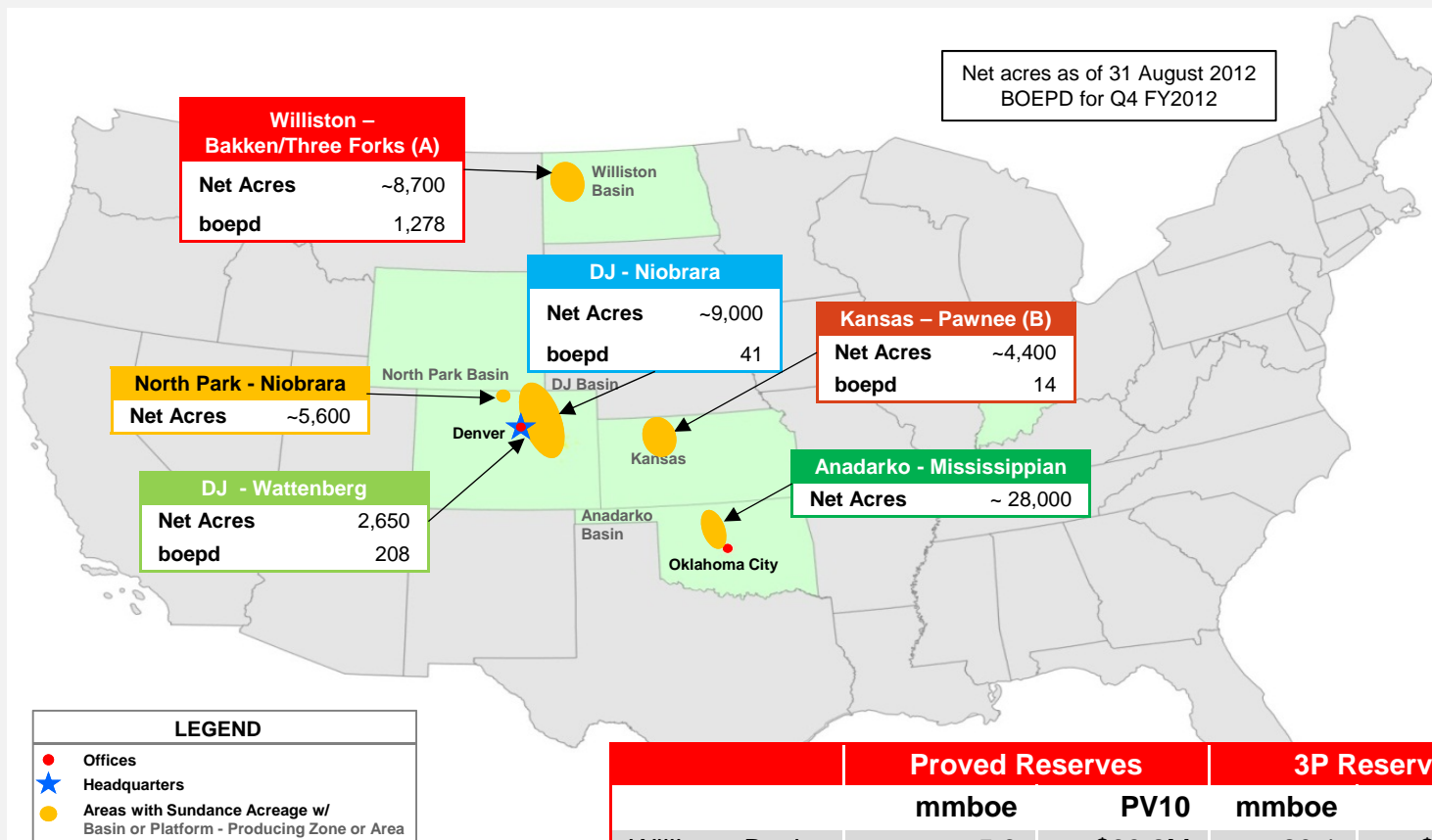
Strong Production and Cash Flow Growth

Production Growth



Premier Acreage Position

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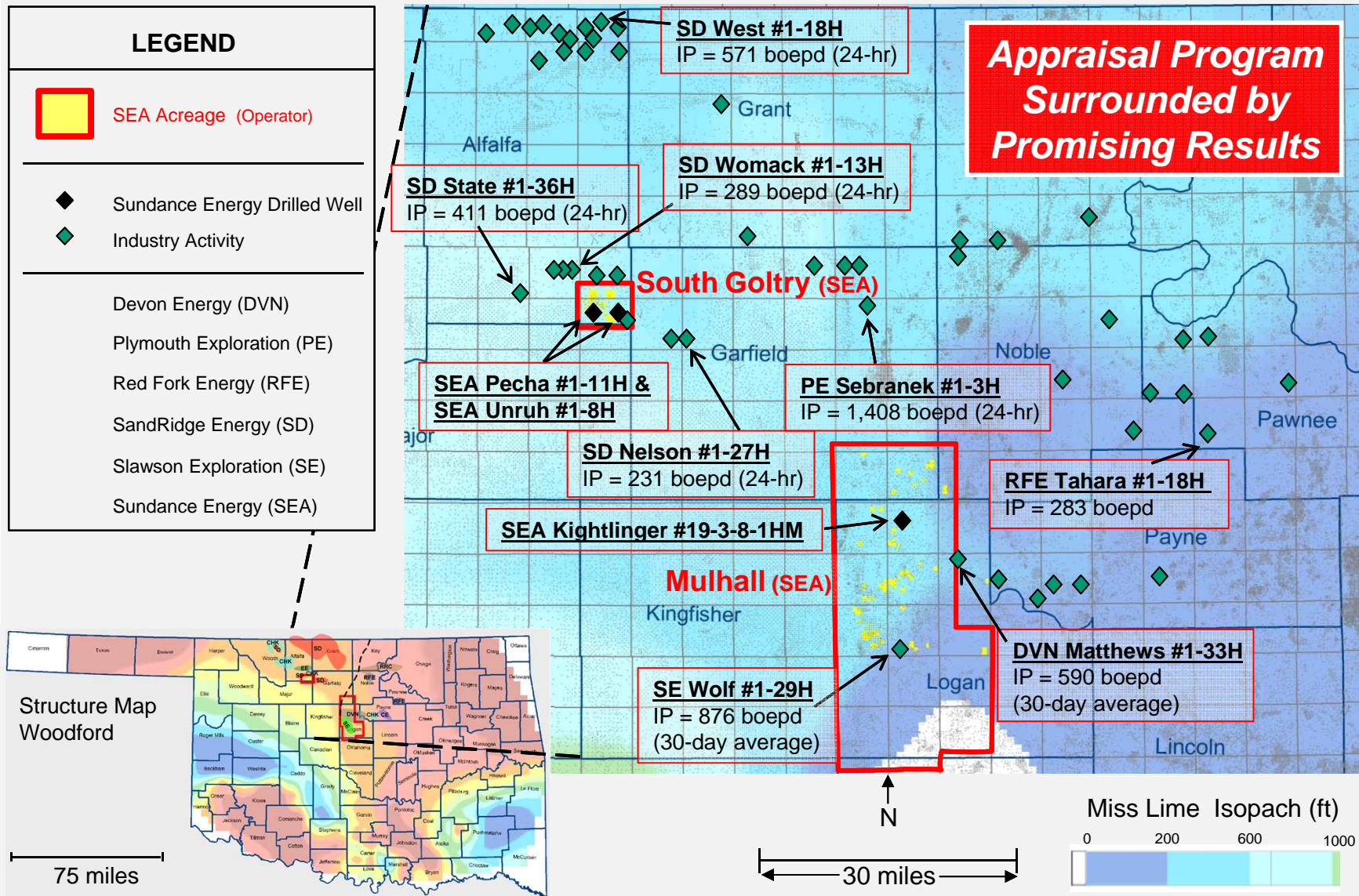
Notes:
 (A) Prior to South Antelope sale
 (B) Pawnee Prospect sold in July 2012

	Proved Reserves		3P Reserves	
	mmboe	PV10	mmboe	PV10
Williston Basin	5.6	\$93.2M	20.1	\$207.7M
DJ Basin	0.6	\$8.8M	6.1	\$98.6M
Other	-	\$1.0M	-	\$1.0M
Total	6.2	\$103.0M	26.2	\$307.3M

(1) Netherland Sewell 30 June 2011, Escalated Price Case Reserve Report
 (2) Excludes majority of DJ-Wattenberg & Anadarko Basin assets

Anadarko Basin: Operator Activity

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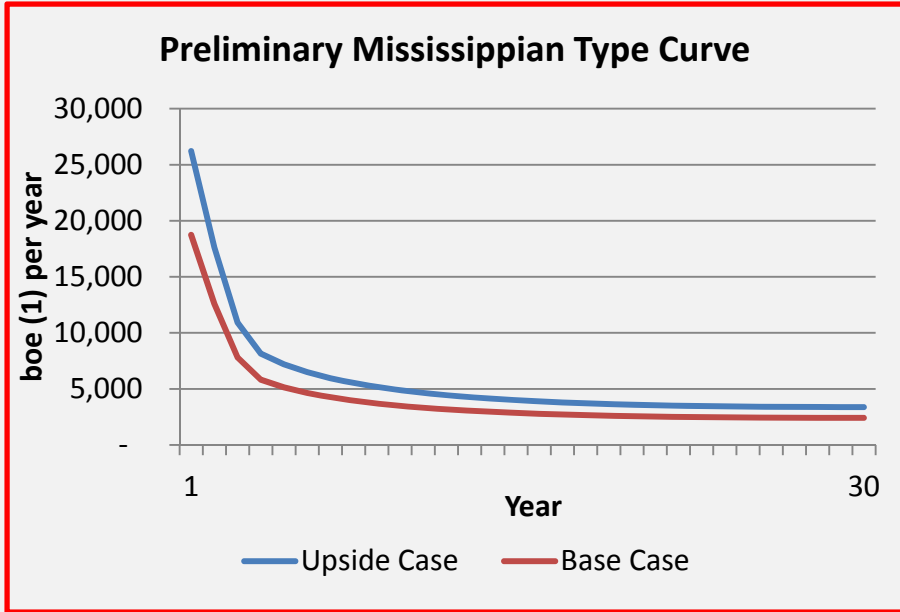


Attractive Scoping Economics for Mississippian

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Sundance Scoping Estimates	Anadarko Basin Miss. Lime
Sundance net acres	28,000
Well cost	\$3.2M - \$4.2M
Estimated total reserves (mboe)	150 - 250 ⁽¹⁾
Development costs per boe	\$12 - \$18
IRR	30 - 70%+
Estimated NPV per well	\$1.5M - \$4.0M

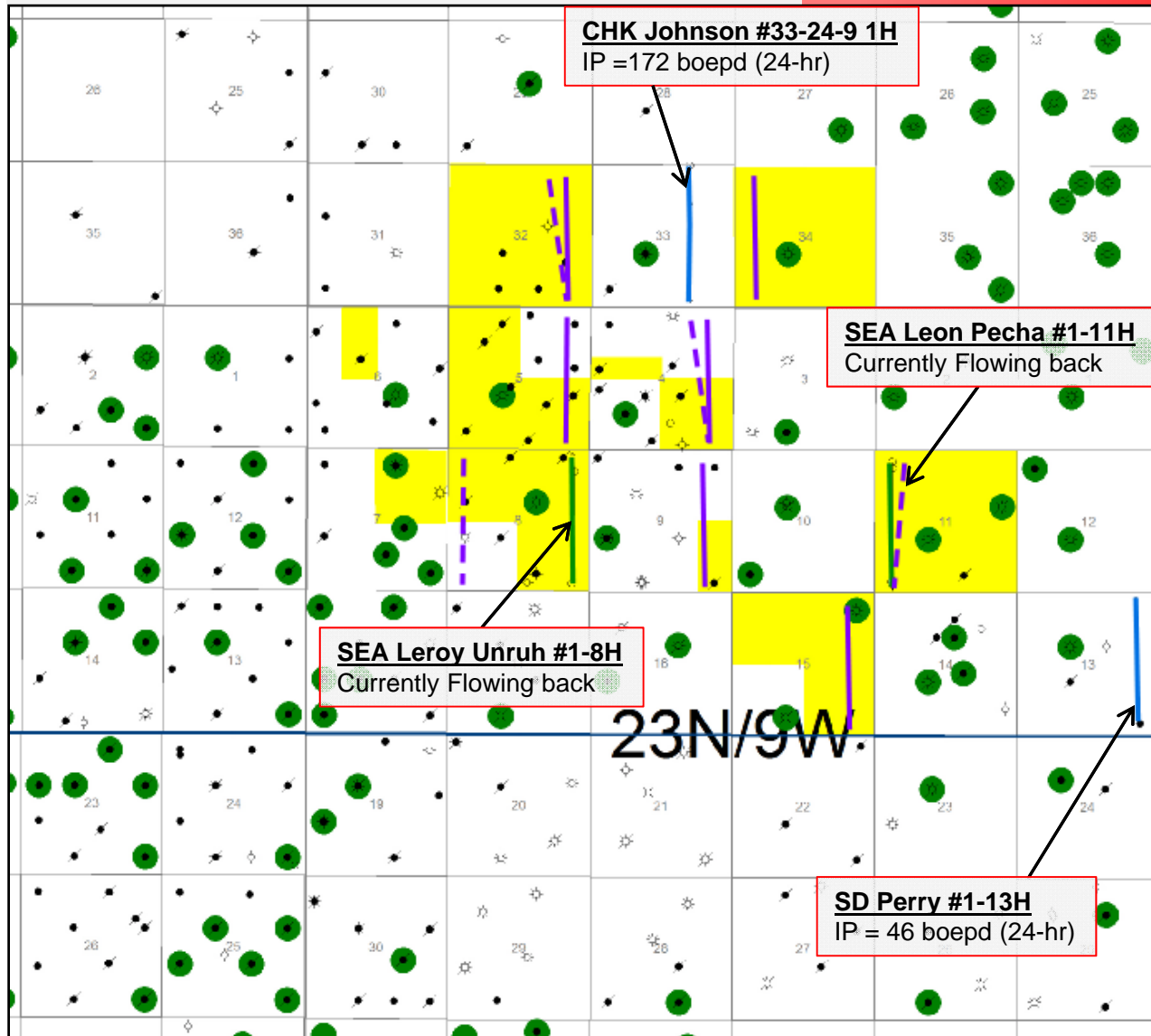
(1) 39:1 economic conversion for natural gas









South Goltry – 2012-13 Appraisal/Development Program

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Production Growth

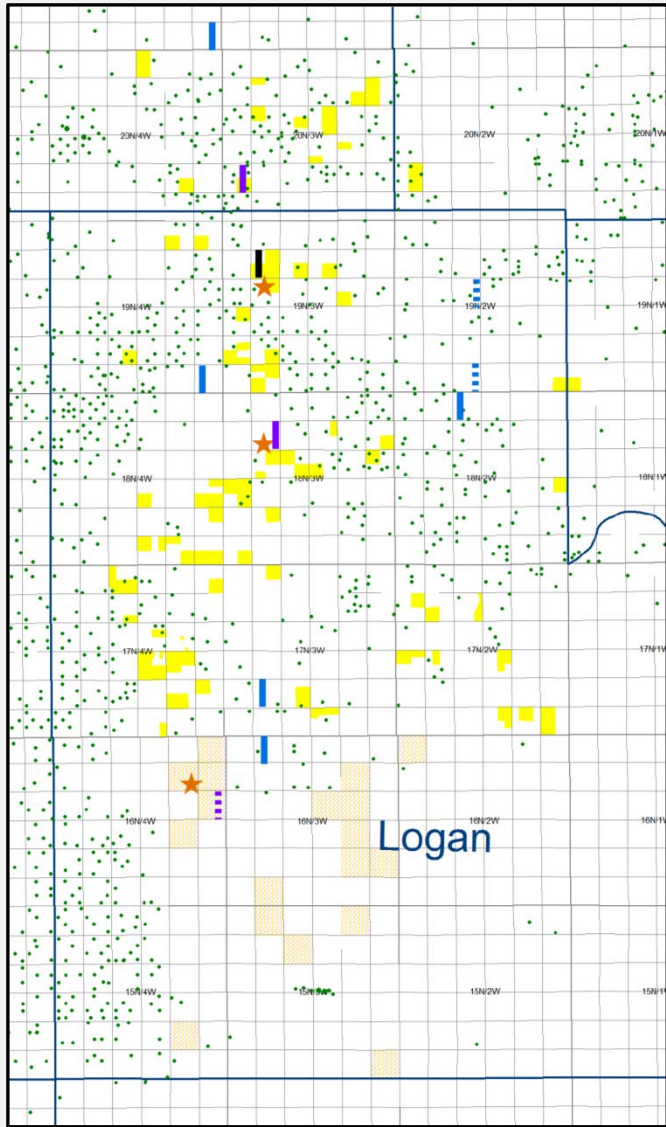


LEGEND	
	SEA Acreage (SEA Operator)
	Vertical Miss Lime Producers
	SEA Well
	Competitor Well
	SEA 2013 Planned MSSP Well
	SEA 2013 Planned WDFD Well

Mulhall- 2012 Development Program

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Production Growth



LEGEND	
	SEA Acreage (SEA Operator)
	SEA <100% Acreage
	Vertical Miss Lime Producers
	SEA Kightlinger 19-3-8-1HM
	Competitor MSSP Well
	Competitor WDFD Well
	SEA 2012 Planned MSSP Well
	SEA 2012 Planned WDFD Well
	SEA 2012 Planned SWD Well

Greater Anadarko Basin 2012 Program Overview

Leasing

- Added ~28,000 acres in 8 months at an avg. cost of ~\$335/acre
- Target **40,000** acres in 2012 & additional **40,000** acres in 2013

Appraisal

- Alfalfa County appraisal underway with 2 operated wells
- Logan County appraisal with 4-6 wells in 2nd half of 2012

Development

- 2+ rig program dependent on economy and results
- Alfalfa & Logan development & testing of additional prospects

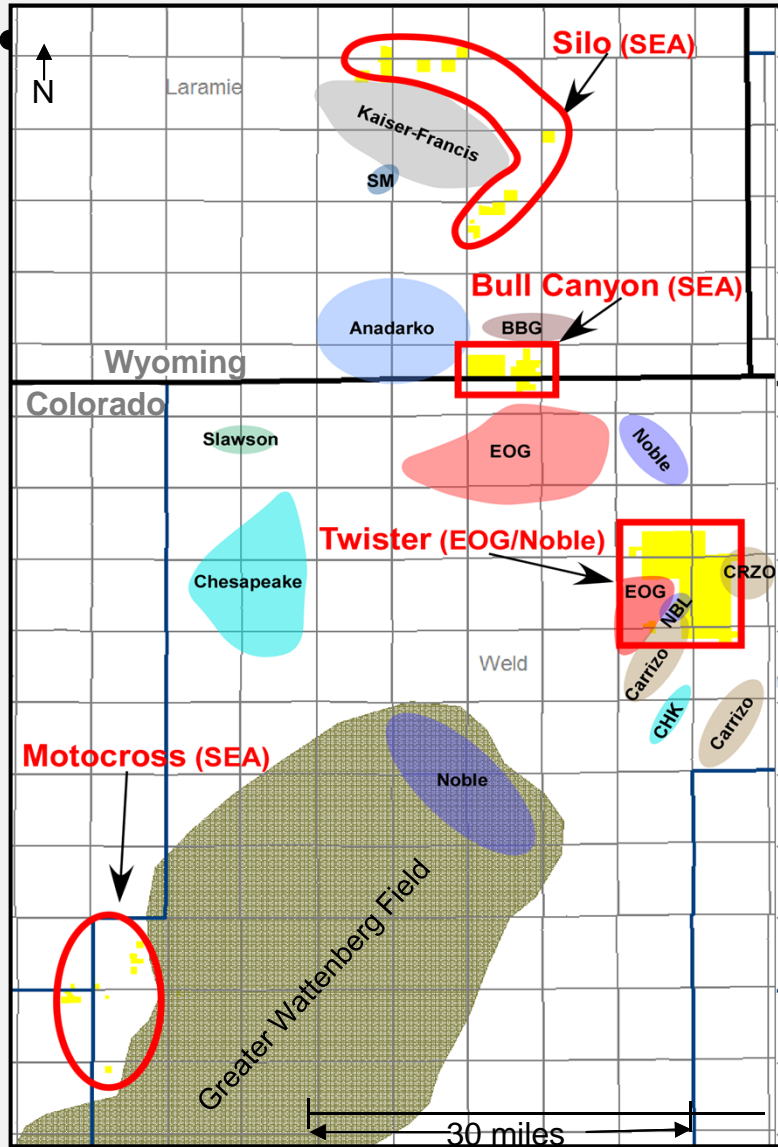
Reserves

- 100+ net well locations added to 30 June 2012 reserve report
- Potential reserves 150,000-250,000⁽¹⁾ boe per well

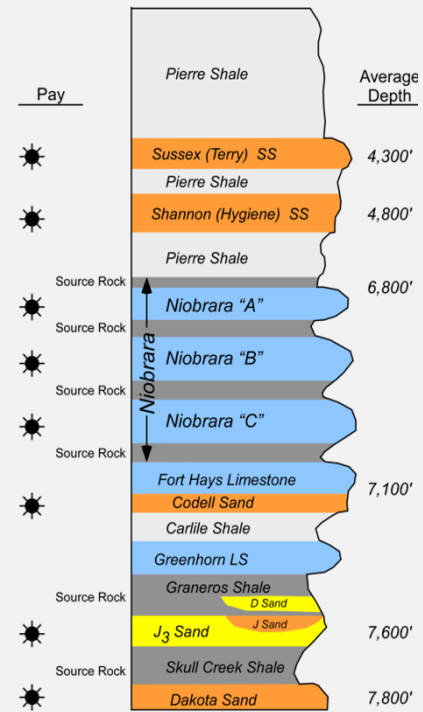
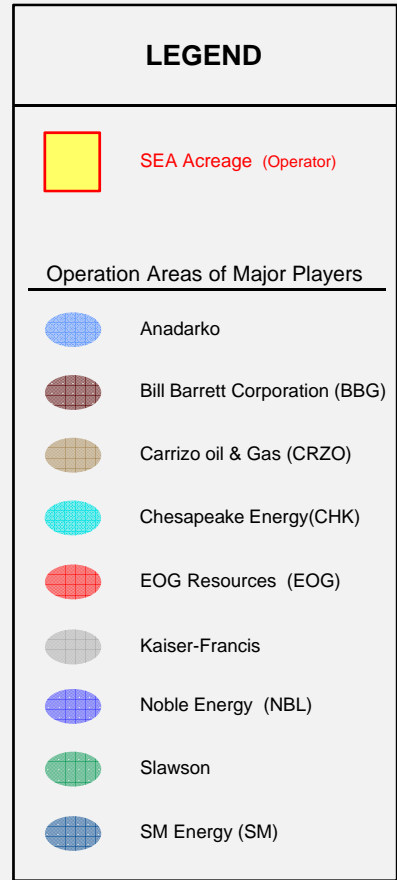
(1) 39:1 economic conversion for natural gas

Denver-Julesburg Basin Overview

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Production Growth



DJ Vertical Wattenberg 2012 Program

➤ Investment rational

- Quick SPUD to sales
- Good risk adjusted returns
- Limited capital at risk per well

➤ Vertical well program

- 10 gross, 8 net drilled & completed
- 100% success rate
- 15 well program in process

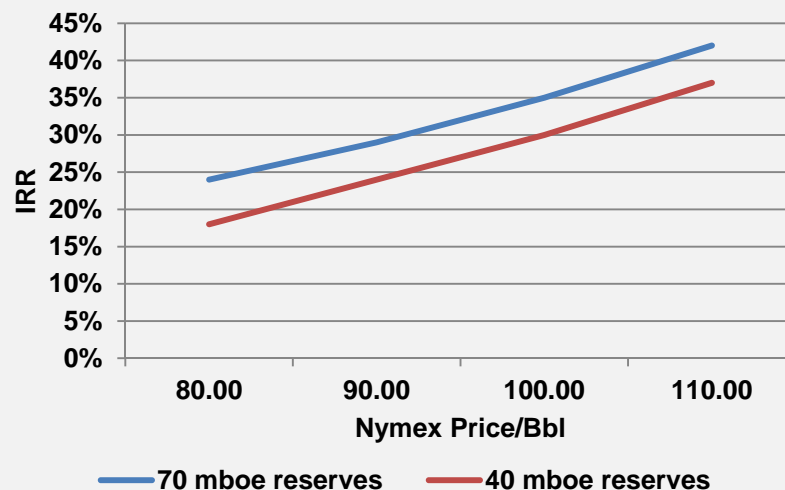
➤ Horizontal well program

- Seismic planning & interpretation
- Planning for 2013
- Attractive results from NBL & APC

Sundance Estimates

Sundance net acres	2,650
Spacing assumption (acres)	20
Possible Sundance net wells	125
Well cost	\$0.6M - \$0.8M
Development costs per boe	\$12 - \$18
Estimated NPV per well	\$0.3M - \$1.0M

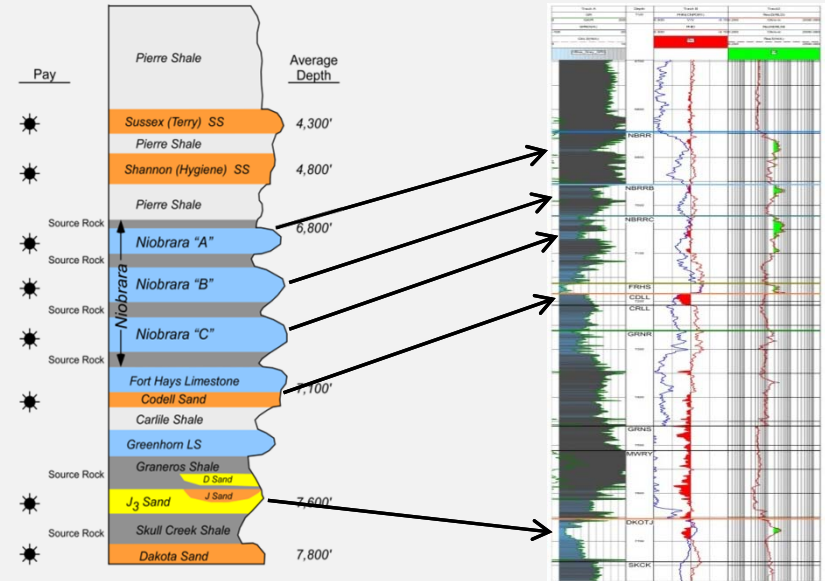
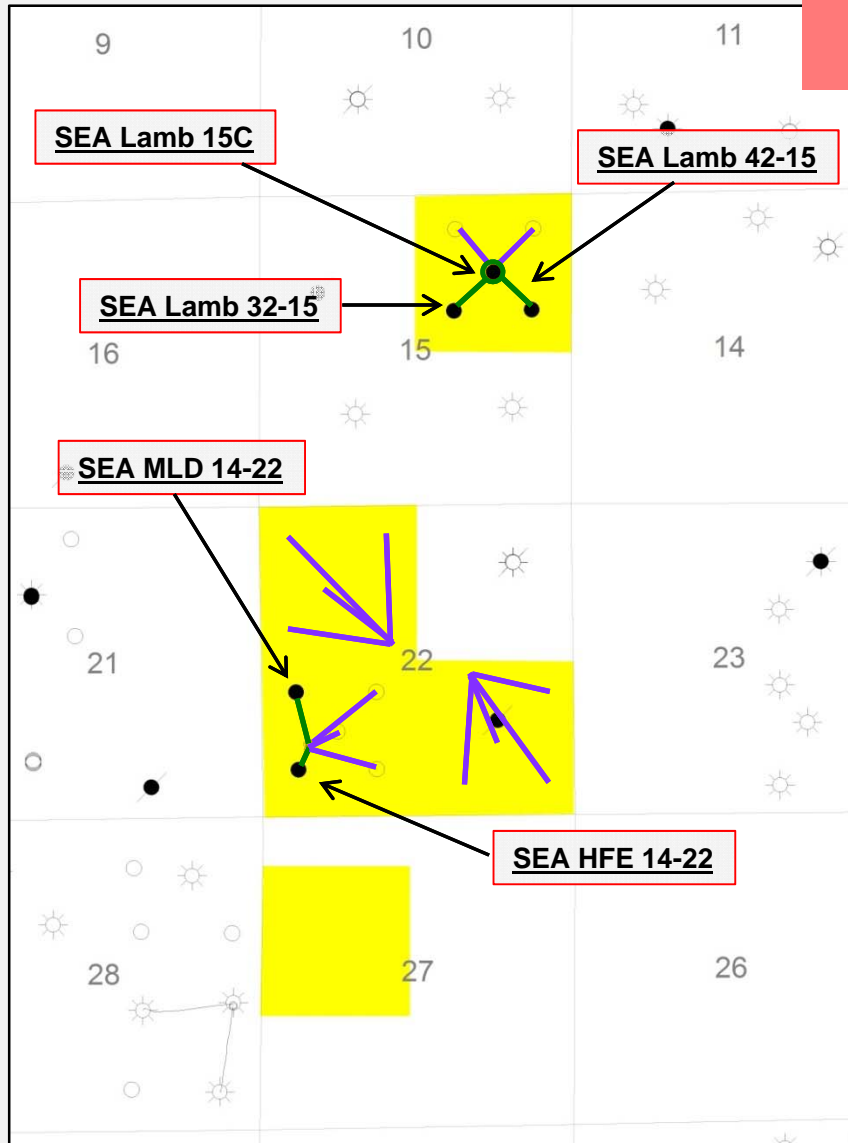
Rate of Return Sensitivities



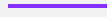


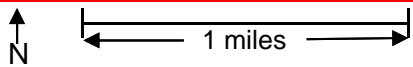
Wattenberg - 2012 Development Program (T4N-R68W)

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Production Growth



LEGEND	
	SEA Acreage (SEA Operator)
	Producing Wellbore
	2012 Drilling Schedule



DJ Horizontal Niobrara 2012 Program

Production Growth

➤ Company operated

- Breeden (SEA 33.75%)
 - 24-hour peak flow of 294 bopd
 - Currently optimizing rod pump
- 1-2 additional gross operated wells in 2012

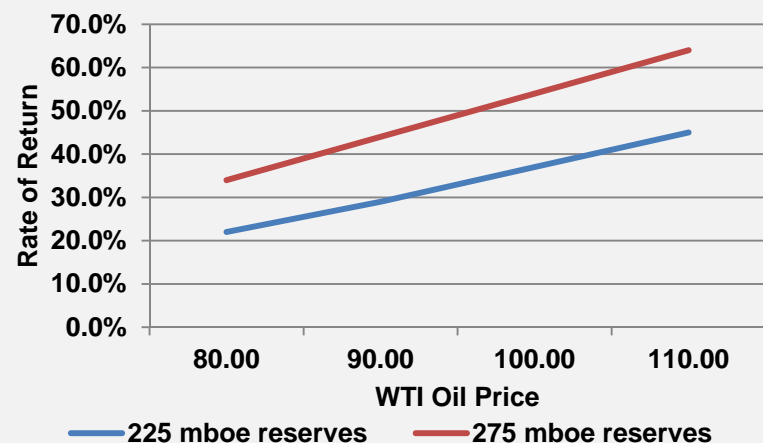
➤ Non-operated

- Noble operated Krier (SEA 11.55%)
 - 24-hour peak flow of 742 boepd
 - 30 day average of 324 boepd
- Limited development until 2013

Sundance Estimated Economic Metrics

Sundance net acres	9,000
Well cost	\$4M - \$6M
Estimated total reserves (mboe)	225 - 358
Development costs per boe	\$15 - \$18
Estimated NPV per well	\$3M - \$9M

Rate of Return Sensitivities



Activity Pipeline

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Redeployment of sale proceeds to accelerate growth trajectory

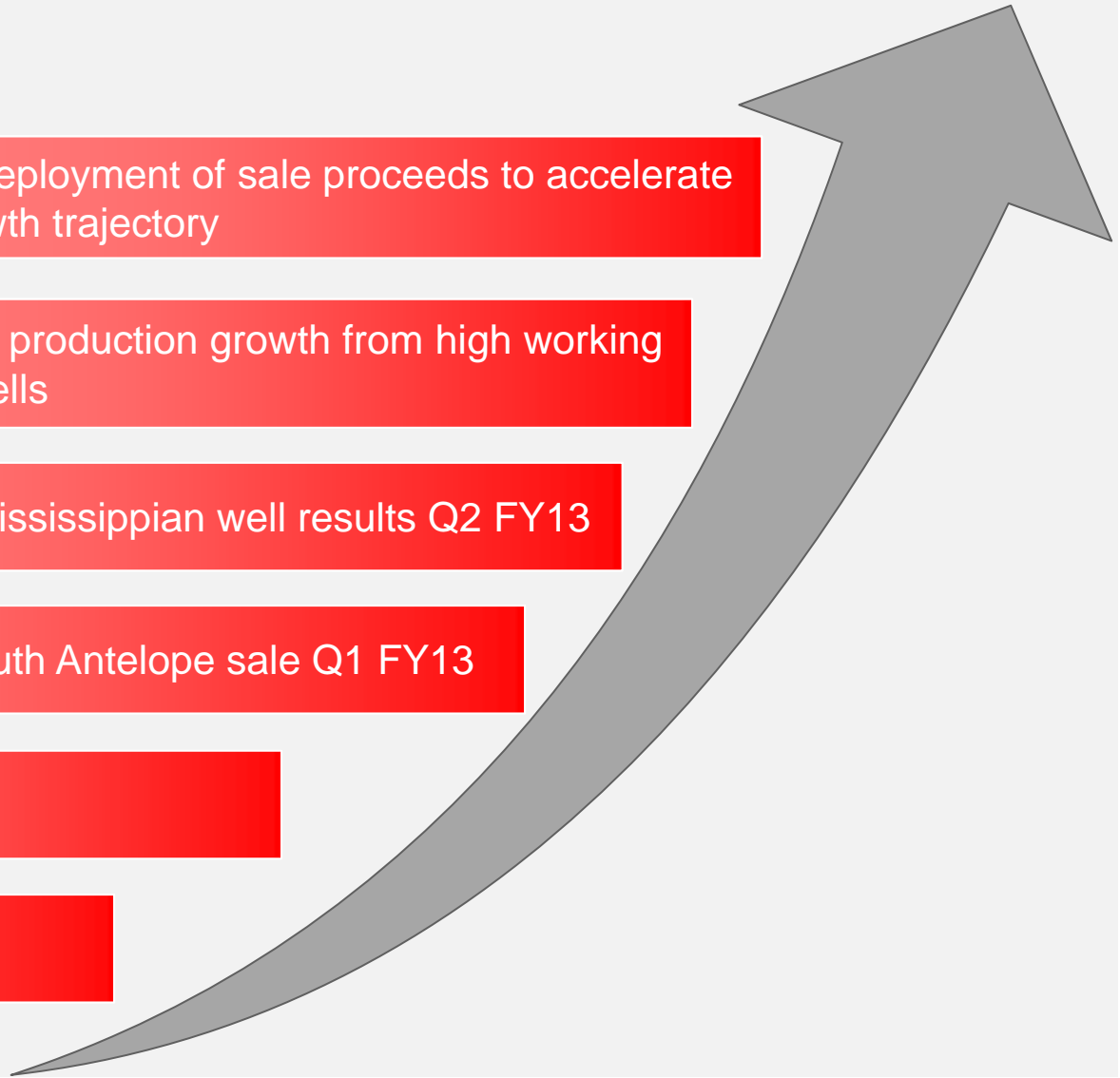
Continued production growth from high working interest wells

Wattenberg & Mississippian well results Q2 FY13

\$145M cash from South Antelope sale Q1 FY13

FY2012 Financial Results

Reserves upgrade Q1 FY13



Investment Thesis

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- 24 month organic growth target ~5,000 boepd

Premier acreage

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

Liquids rich

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- Liquids rich associated gas netted \$4.15/mcf in Q4 FY12

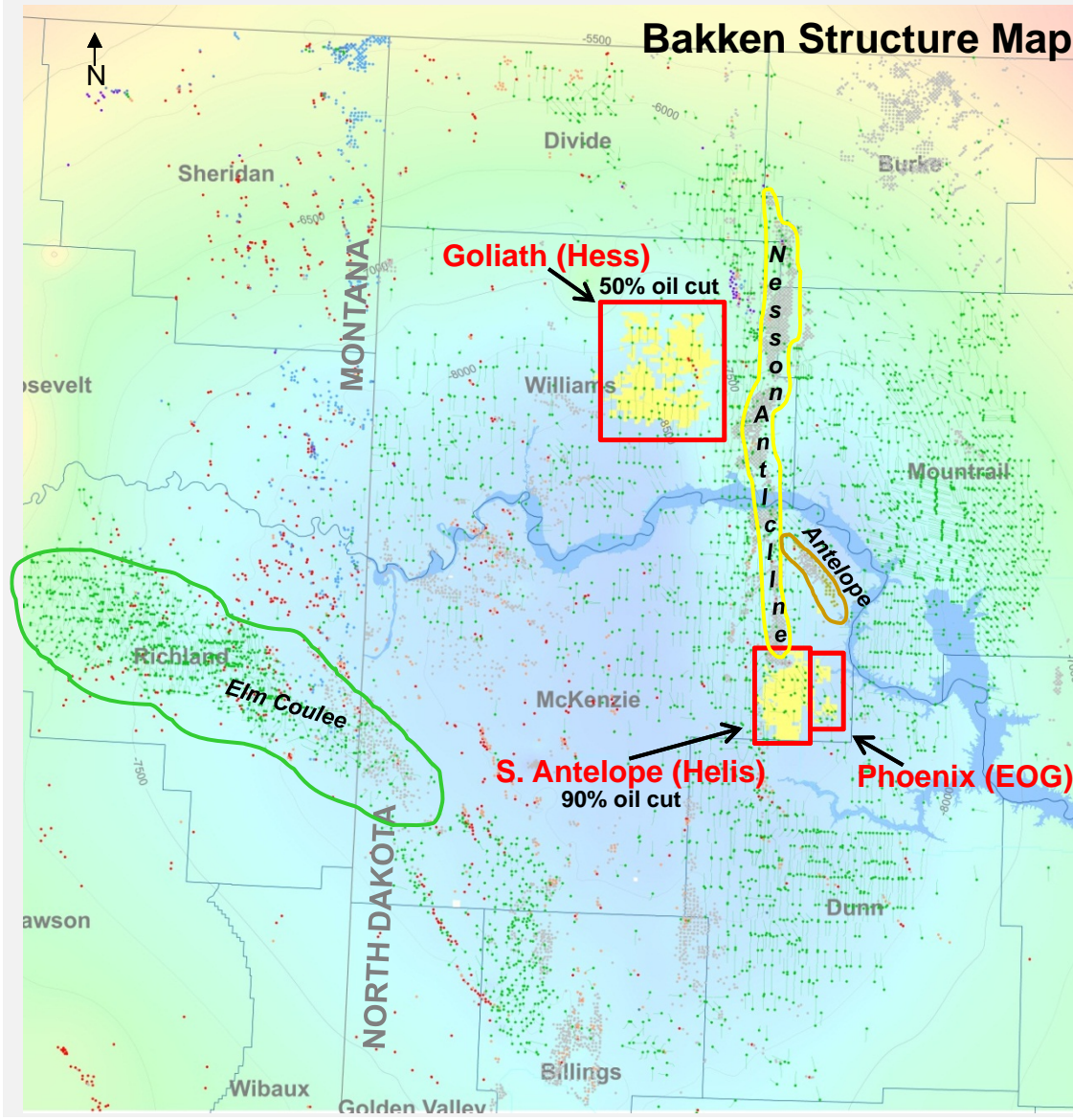
Appendices

Key Financial Guidance – Calendar 2012

	Previous	S Antelope Impact	Revised (1)
Production (boe)	500,000-700,000	125,000-200,000	375,000-500,000
Production (boepd)	1,370-1,918	343-548	1,027-1,370
Exit rate production (boepd)	2,000-3,000	800-1400	1,200-1,600
% production oil	70-75%	n/a	70-75%
% production natural gas	25-30%	n/a	25-30%
Natural gas liquids (btu/mcf)	1,200-1,300	n/a	1,200-1,300
WTI Oil Price Differential (per bbl)	minus \$10-\$14	n/a	minus \$10-\$14
Henry Hub Gas Price Differential (per mcf)	plus \$1-\$2	n/a	plus \$1-\$2
Lease operating expenses (per boe)	\$5-\$7	\$0.50	\$5.50-\$7.50
Production taxes (% unhedged oil & gas sales)	10-11%	11%	9.5-11%
Cash general & administrative (per boe)	\$10-\$12	\$2-3	\$12-\$15
Non-cash general & administrative (per boe)	\$2-\$3	n/a	\$2-\$3
Cash interest expense (thousands)	\$350-\$500	\$200	\$150-\$300
Income tax rate	38.5-39.5%	n/a	38.5-39.5%
% of income tax that is current	<5%	n/a	<5%
(1) Before redeployment of net proceeds from sale of S Antelope			

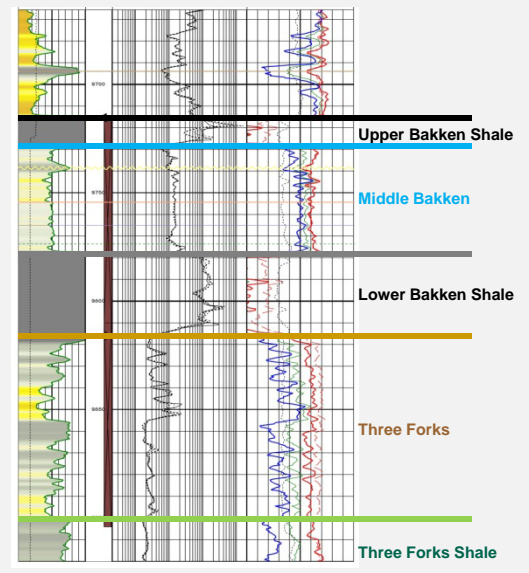
Williston Basin – Producing Formation

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Key Reservoir Characteristics:

- depth (~11,000 ft)
- pressure (.67 psi/ft)
- GOR = 1,000
- Oil gravity = 45 API

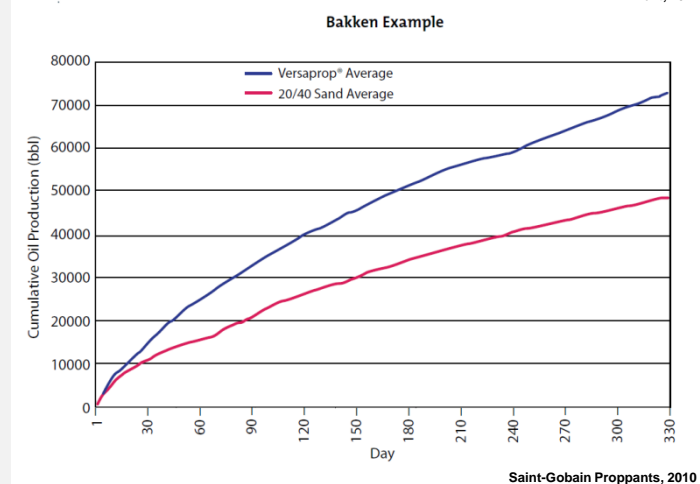
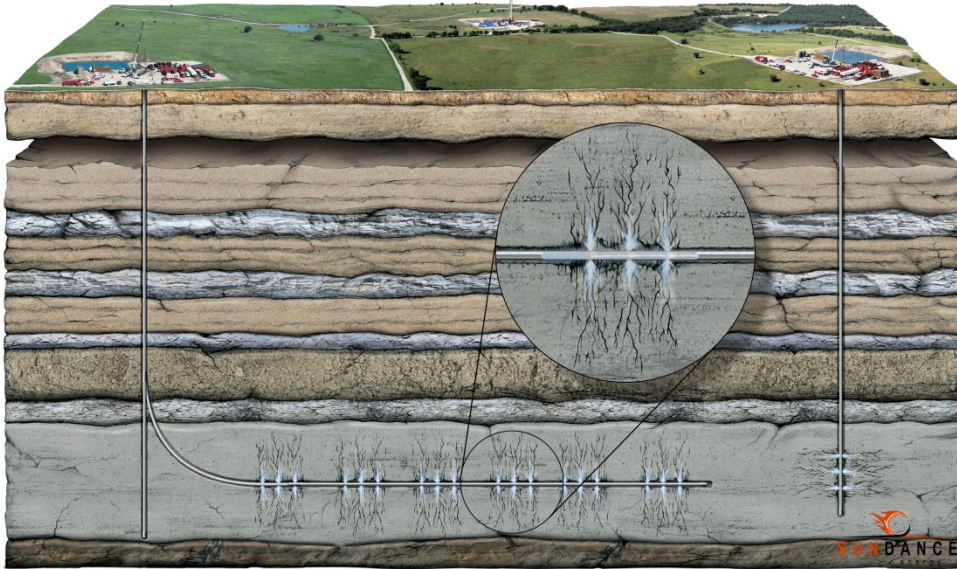


LEGEND			
	SEA Acreage (Operator)		
Producing Formation			
●	Bakken / Three Forks	●	Nisku
●	Duprow	●	Ratcliff
●	Lodgepole	●	Red River
●	Madison / Midale	●	Winnipeg
		●	Winnepogosis



150 miles

South Antelope – Completions



Completion Parameters:

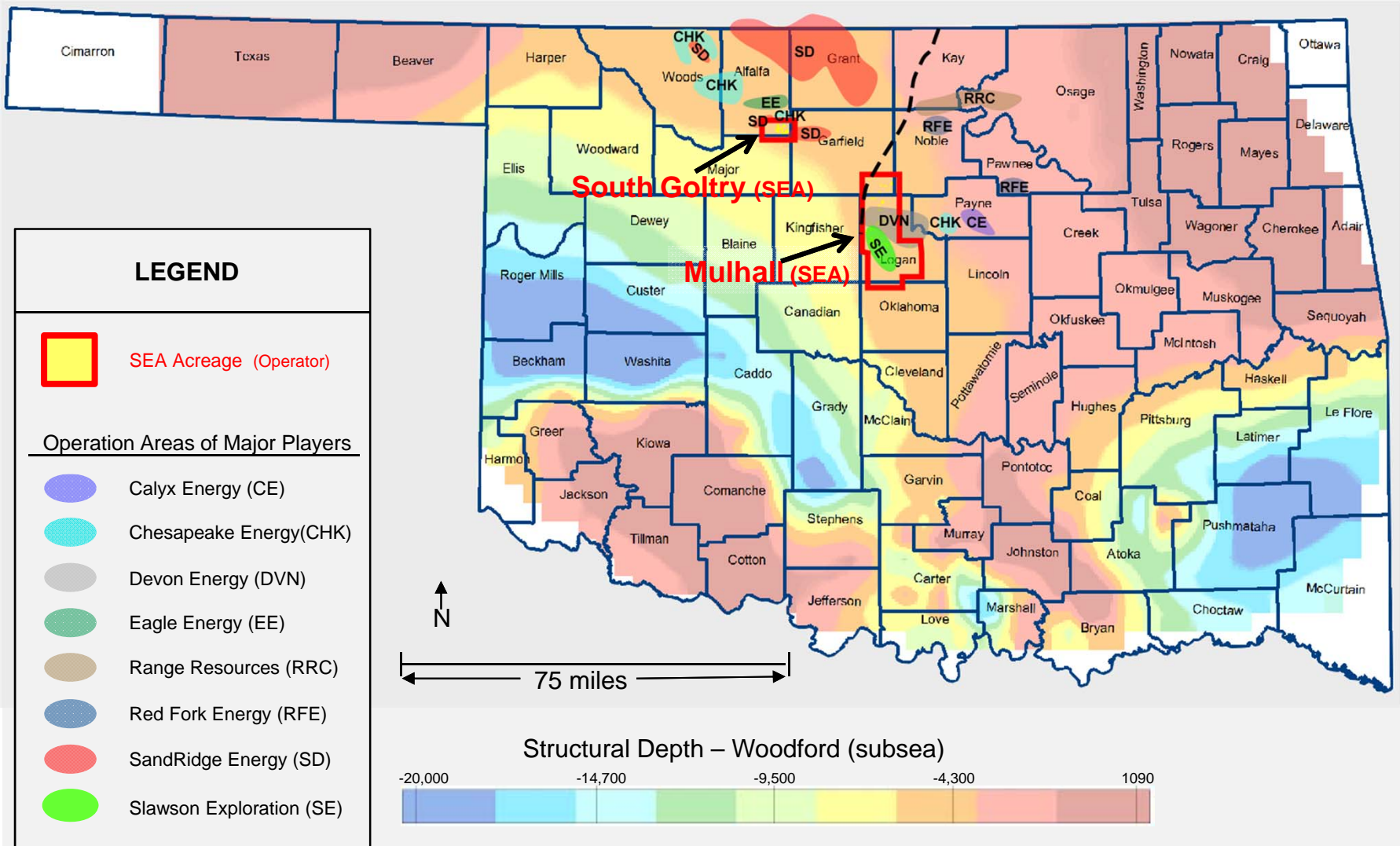
- Swell packers
- Plug & perf technique
- 3 perf clusters/stage
- 100% ceramic
- 30 stages (10,000 ft lateral)
- 125,000 lbs/stage

Completion Benefits:

- Wellbore is open to any natural matrix or fracture contribution
- Perf technique results in 3 fracture initiation points / stage
- Higher conductivities as a result of 100% ceramic

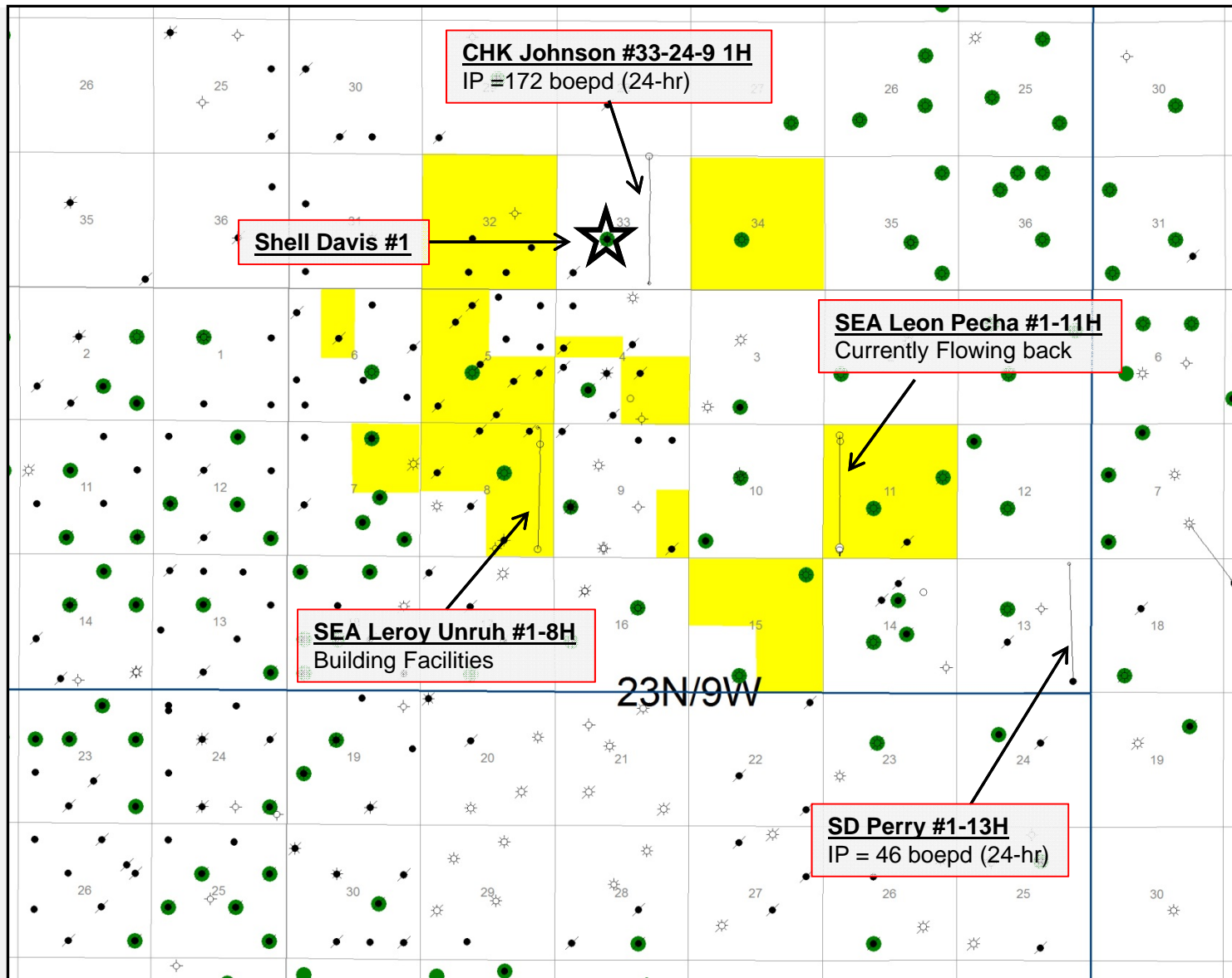
Greater Anadarko Basin: Mississippian & Woodford

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Mississippian – Core to Log

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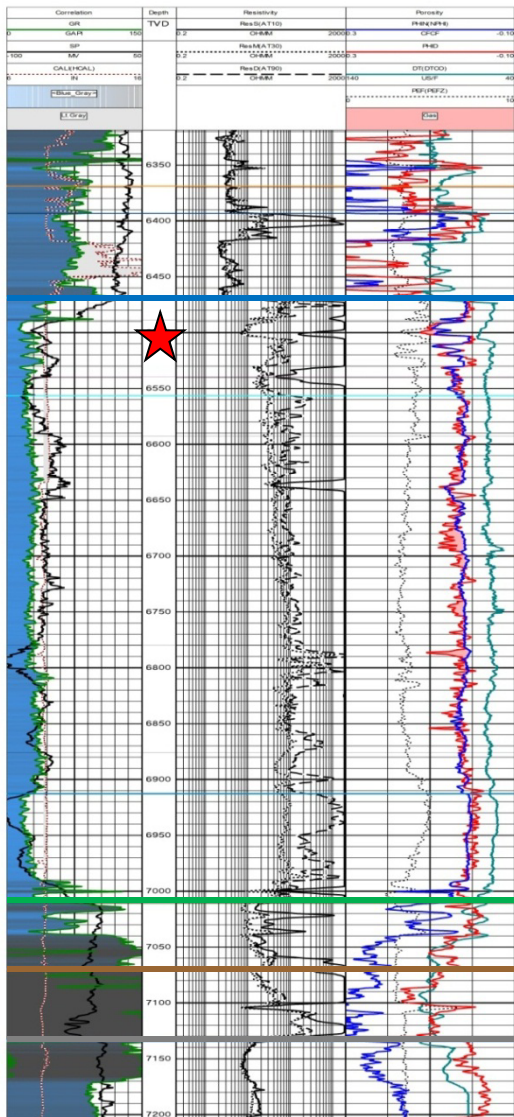
Mississippian – Core to Log

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South Goltry – Petrophysical Evaluation

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Leon Pecha #1-11H

- Mississippian:**
- 570 ft thick; target zone ~25 ft
 - Average log porosity in target zone: 10%
 - Average core porosity in target zone : 10.3%
 - Core Permeability in target zone: 4.2 md

- Woodford:**
- 95 ft thick
 - Average effective log porosity in target zone: 5.5%
 - Average core porosity in target zone : 4.2%
 - Core Permeability in target zone: 205 nd
 - Ave. TOC: 5.5%
 - $R_o = > 0.81$

Appendices

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.