

Senex delivers \$8.9 million net profit after tax following a 248% increase in oil production for 2012

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Senex Energy Limited (Senex) today announced a strong result of \$8.9 million net profit after tax for 2011/12 underpinned by a 248% increase in oil production from the Company's Cooper Basin oil fields.

2012 results highlights

- Strong safety culture with no lost time injuries
- Record net oil production of 601,647 barrels, up 248%
- Net 2P oil and gas reserves increased to 31.8 mmboe, up 54%
- Group revenue of \$70.4 million, up 463%
- Net profit after tax¹ of \$8.9 million, up \$12.4 million
- EBITDA² of \$19.7 million, up \$23.4 million
- Strong cash position with \$124 million at 30 June 2012, up 193%
- Share price up 97%, from \$0.36 to \$0.71, with inclusion in S&P/ASX 200 index

Senex Managing Director Ian Davies said the Company delivered very positive results in a year of significant capital expenditure and intense business growth.

"The business more than doubled in terms of market capitalisation in 2011/12 and was admitted to the S&P/ASX 200 index in April 2012. These achievements reflect growing market awareness of our successful growth strategies over the last two years, particularly in terms of the accelerated development of our high margin oil business in the Cooper Basin," he said.

Senex delivered record oil production in 2011/12, oil and gas reserves growth, and exploration, appraisal and development drilling success. At the same time, Senex undertook substantial investment in oil field facilities and pipelines.

"The Company is in an excellent financial position to undertake its extensive oil and gas exploration, appraisal and development programs in 2012/13. With cash at hand of more than \$165 million and no debt, all of our planned programs are fully funded.

“Looking ahead, Senex plans to build on the momentum it has gained in recent years. We are targeting net oil production of one million barrels for 2012/13, which represents a further 66% improvement. This is based on an aggressive exploration, appraisal and development program during the year with more than 20 operated oil wells planned,” he said.

Senex and its partners in Queensland’s Surat Basin will drill 17 coal seam gas wells to build 2P reserves and further define this material gas resource.

At the same time, Senex is focused on proving up a world class unconventional gas resource in the South Australian Cooper Basin. Senex will drill twelve dedicated unconventional gas exploration wells over 18 months on the back of very encouraging exploration results in 2011/12.

“I am convinced that unconventional gas will transform the energy industry in Australia; both for domestic and international customers. I am also convinced that Senex is extremely well placed to realise the value of this resource.

“Senex’s strong performance in 2011/12 across all metrics demonstrates that we have the energy to deliver,” he said.

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¹ NPAT – Net profit after tax is equal to ‘Profit/(loss) after tax’ per the audited consolidated Statement of Comprehensive Income on page 61 of the financial report.

² EBITDA – Earnings before interest, tax, depreciation, amortisation and impairment can be reconciled to the audited financial report as follows:

	2011/12 \$'000	2010/11 \$'000	2009/10 \$'000
Profit/(loss) after tax	8,860	(3,516)	2,589
Add back:			
Interest	(3,336)	(2,556)	(1,217)
Tax	1,681	(12,006)	102
Depreciation	639	191	8
Amortisation and impairment	11,856	14,209	969
EBITDA	19,700	(3,678)	2,451

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