19 August 2021

Senex delivers strong full-year production and earnings growth, increases full-year dividend

Senex Energy Limited (Senex, ASX:SXY) today reported full-year FY21 results, delivering a strong increase in production, sales revenue and EBITDA. Increased free cashflow generation supports a full-year dividend of 5 cents per share, taking total FY21 dividends to 13 cents per share[1].

FY21 performance summary[2]

- Natural gas production of 17.3 PJ (3.0 mmboe), up 140%; sales revenue of $109.6 million, up 103%
- Underlying EBITDA of $54.5 million, up 178% and at the mid-point of guidance
- Underlying NPAT returned to a profit of $5.4 million, up $11.7 million from a prior-year loss of $6.3 million
- Statutory NPAT of $65.7 million after tax-benefit recognition
- Net cash of $26 million, up $71 million
- Surat Basin 1P gas reserves of 261 PJ, up 24%; 2P gas reserves of 767 PJ, up 4%
- Free cashflow of $25.1 million, with final dividend declared of 5 cents per share, taking total FY21 dividends to 13 cents per share

Commenting on the FY21 results, Senex Managing Director and CEO Ian Davies said Senex's continued outperformance had strengthened its foundations as a low-cost, low-carbon, high-return business with a long-life asset base and high growth trajectory.

"The 2021 financial year was pivotal in the transformation of Senex. We exited our legacy Cooper Basin oil business, supporting our strong balance sheet, and cemented our position as a leading new natural gas supplier committed to Australia's low-carbon energy future.

"We achieved consistent and considerable progress throughout the year. Our production, reserves, earnings, balance sheet, growth outlook and dividend – including excellent safety performance with not a single recordable injury during a very turbulent year – all demonstrated the strength and resilience of our strategy.

"Having safely and seamlessly delivered our initial $400 million Surat Basin natural gas development projects in 2020, we more than doubled production and close to tripled EBITDA in 2021.

"We have strengthened our balance sheet, finished FY21 with more than $100 million in cash reserves, and we are generating significant free cashflow to pursue our end-FY25 production target of 60 PJe/year.

"With the 50 per cent expansion of Atlas to 18 PJ/year announced this week, Senex will deliver material production growth in the year ahead for a tightening east coast gas market.

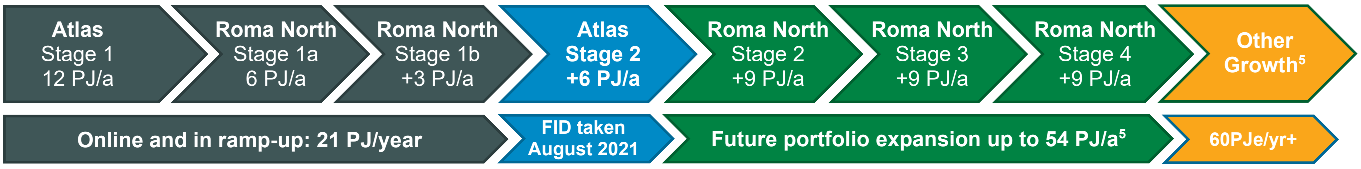
"In doing so, we continue to support the economy and jobs, and supply affordable and reliable natural gas for industry as Australia transitions to a lower carbon future", Mr Davies said.

[1] 4 cents per share ordinary dividend and 4 cents per share special dividend declared at the FY21 half-year results
[2] Unless otherwise noted, results are against pcp and stated on a "Continuing Operations" basis (i.e. exclude Cooper Basin business contribution).

Senex natural gas portfolio and organic growth plans

The Atlas expansion project investment decision announced this week will take the production capacity of Senex's portfolio to 27 PJ/year[3], realising annual EBITDA of more than $130 million/year at prevailing prices[4].

Senex holds Surat Basin 2P gas reserves of 767 PJ at Atlas and Roma North. This large reserve base supports a master development plan to continue expanding portfolio production up to 54 PJ/year from these areas, with a 2P remaining reserve life of 14 years.



Senex has substantially contracted its existing gas supply for calendar years 2021 and 2022, with material uncontracted supply from calendar year 2023, coinciding with a materially tightening southern gas market and increasingly supportive pricing.

The progression of Atlas to 18 PJ/year is the next phase of growth to drive Senex towards its stated annual production target of more than 60 PJe/year by the end of FY25.

FY22 guidance

Senex entered into a high level of hedging for FY22 in anticipation of the expansion projects at Atlas Stage 2 and Roma North Stages 1b & 2. Approximately 85% of sales volumes for FY22 are to be sold at fixed prices, reducing to around 30% in FY23. Senex expects an average realised price of approximately $7.50/GJ[6] in FY22 and provides the following guidance:

Item	FY21A	FY22 guidance	Change
Production	17.3 PJ (3.0 mmboe)	21 – 23 PJ (3.6 - 4.0 mmboe)	+27%
Sales (Senex own product)	15.5 PJ (2.7 mmboe)	19 – 21 PJ (3.3 - 3.6 mmboe)	+29%
EBITDA (underlying)	$54.5 million	$75 – 85 million	+47%
Capex	$33.1 million	$70 – 80 million	+127%
Free cashflow (FCF)	$25.1 million	$50 – 60 million	+119%
Ordinary dividends	9 cps	Target 20-30% of FCF	n/a

Dividends

The Senex Board has determined to pay Senex shareholders an ordinary dividend of $0.05 per share (unfranked) (**Final Dividend**). The Final Dividend will be paid on 24 September 2021 (**Dividend Payment Date**), with a record date of 1 September 2021 (**the Dividend Record Date**). Further details are provided in the ASX Appendix 3A.1 (notification of dividend).

[3] 18 PJ/year at Atlas, 9 PJ/year at Roma North before further expansions.
[4] Sales gas of 27 PJ/year expected from Q2 FY23, assumes A$8.50/GJ average gas sales price; not guidance or forecast.
[5] Future investment decision not yet taken and subject to future appraisal and final internal approvals.
[6] Before hedging gain/loss (settled monthly), assumes Brent price of US$68/bbl and AUD/USD of 0.74.

The Final Dividend, coupled with the interim dividend of $0.04 per share and the special dividend of $0.04 per share (re-based for share consolidation) takes total dividend payments for FY21 to $0.13 per share. Total ordinary dividend payments in respect of FY21 of $0.09 per share reflect a dividend yield of 2.8%[7].

The Company has implemented a Dividend Reinvestment Plan (DRP), allowing eligible shareholders to elect to invest dividends in ordinary shares that rank equally with Senex ordinary shares. The "DRP price for shares" under the DRP for the Final Dividend will be calculated as the average of the daily volume weighted average price of Senex ordinary shares on each of the five consecutive trading days after the Dividend Record Date of 1 September 2021, being 2 September 2021 to 8 September 2021. The last date for receipt of applications to participate in, or to cease or vary participation in, the DRP is by 5pm (AEST) on 2 September 2021. The Directors have determined that a discount of 4 per cent shall apply to the DRP price for shares for the Final Dividend.

Shareholders who have not elected to participate in the DRP will receive their dividend in the ordinary way (cash). Cash dividends will only be paid by direct credit, and not by cheque. Shareholders are encouraged to update their payment instructions prior to the record date by going online at www.computershare.com.au/easyupdate/sxy

RESULTS WEBCAST

A pre-recorded video presentation of Senex's FY21 results is available on Senex's website from this page.

Senex Managing Director and CEO Ian Davies and Chief Financial Officer Mark McCabe will hold a live question and answer webcast for analysts and investors today:

Time: 11.00am AEST

Date: Thursday, 19 August 2021

The webcast can be accessed via the Senex company page on the Open Briefing website: https://webcast.openbriefing.com/7737/. A recording of the webcast will be available at https://www.openbriefing.com/OB/7737.aspx later that day.

Disclaimer and important notice

This announcement is subject to the same "Compliance Statement" contained in slide 2 of Senex's investor presentation titled "FY21 Full-Year Results" dated 19 August 2021.

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About Senex

Senex is an established, rapidly growing and low-carbon Australian natural gas producer. Our long-life Surat Basin assets contribute around 20 petajoules of natural gas per year into the east coast gas market to support our customers. Senex is focused on sustainably delivering balance sheet strength, resilient cashflows, growing dividends to support Australia's energy needs as it transitions to a lower carbon future.

[7] Dividend yield based on a share price of $3.17 representing the 5-day VWAP up to and including 18 August 2021

FY21 Full-Year Results

Senex Energy Limited

Ian Davies, Managing Director and CEO
Mark McCabe, Chief Financial Officer

19 August 2021

Picture: Produced water beneficially used to meet the needs of local agriculture

Compliance Statement

Important information

This presentation has been prepared by Senex Energy Limited (Senex). It is current as at the date of this presentation. It contains information in a summary form and should be read in conjunction with Senex's other periodic and continuous disclosure announcements to the Australian Securities Exchange (ASX) available at: www.asx.com.au. Distribution of this presentation outside Australia may be restricted by law. Recipients of this document in a jurisdiction other than Australia should observe any restrictions in that jurisdiction. This presentation (or any part of it) may only be reproduced or published with Senex's prior written consent.

Opinions and forward looking statements

This presentation contains opinions and forward looking statements (such as guidance, projections, forecasts, targets, outlooks) and other material. Unless expressly stated as guidance, a statement given in this presentation is not guidance. Opinions and forward-looking statements in this presentation involve known and unknown risks, assumptions and uncertainties, many of which are beyond Senex's control. Details on the key underlying assumptions used in this presentation are set out on this page and for a summary of the key risks facing Senex refer to the 2020 Annual Report. As a result, while it is believed that the expectations reflected in the opinions and forward looking statements in this presentation are reasonable they may be affected by a variety of variables and changes in the underlying assumptions on the basis on which they are formed which could cause actual outcomes or results to differ materially from that stated or implied by the opinions or forward-looking statements. Accordingly, Senex cautions against placing undue weight on such opinions or forward-looking statements.

No investment advice

The information contained in this presentation does not take into account the investment objectives, financial situation or particular needs of any recipient and is not financial advice or financial product advice. Before making an investment decision, recipients of this presentation should consider their own needs and situation, satisfy themselves as to the accuracy of all information contained herein and, if necessary, seek independent professional advice.

Disclaimer

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- give no warranty, representation or guarantee as to the accuracy or likelihood of fulfilment of any assumptions upon which any part of this presentation is based or the accuracy, completeness or reliability of the information contained in this presentation;
- accept no responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this presentation.

Assumptions

Opinions, projections, forecasts, targets, and outlook statements given in this presentation are not guidance. As explained above, forward looking statements involve uncertainty and are subject to change. Opinions and forward looking statements in this presentation have been formed on the key concepts and assumptions outlined in this presentation and below. They have not been subject to audit or review by Senex's external auditors.

Financial Metrics/Assumptions

Guidance for FY22 is based on the following assumptions:

- US$68/bbl Brent oil price
- A$:US$ exchange rate of 0.74
- Atlas contracted gas price per existing gas sales agreements
- Roma North oil-linked gas price per existing gas sales agreement
- FY22 expected average gas price of approximately $7.50/GJ

Project-related assumptions

- Assumptions regarding drilling results;
- Expected future development, appraisal and exploration projects being delivered in accordance with their current project schedules.

Reserves

The estimates of reserves contained in this presentation are as at 30 June 2021. For further information on reserves, refer to ASX announcement dated 9 August 2021. Senex is not aware of any new information or data that materially affects the estimates of reserves and the material assumptions and technical parameters underpinning the estimates in that ASX release continue to apply and have not materially changed.

Financial definitions

- EBITDA = Earnings before interest, tax, impairment, depreciation and amortisation
- Adjusted EBITDA = EBITDA less principal payments on lease liabilities
- FCF = Free cashflow = Operating cashflow less principal payments for lease liabilities, less sustaining capital expenditure; guidance and targets assume no movement in working capital
- Sustaining capital expenditure = Capital expenditure required to maintain Surat Basin production at plateau
- FCF breakeven = The average annual oil price whereby cashflows from operating activities before tax equate to cashflows from investing activities less discretionary expenditure
- ND = Net debt = Interest bearing liabilities (excluding capitalised transaction costs) less cash and cash equivalents. Lease liabilities are not included in Net Debt
- Net Debt = Adjusted EBITDA = Net Debt divided by Adjusted EBITDA

Agenda

Topic
Highlights
Operating and financial results
Portfolio growth
Key takeaways
Q&A

Unless otherwise noted, all financial and operating results are stated on a "Continuing Operations" basis (i.e. exclude the Cooper Basin business contribution)

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Highlights

Atlas well site in the Surat Basin

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Highlights of a pivotal year in our transformation

Leading new east coast natural gas supplier committed to low-carbon energy future

Accelerated growth

- ✓ FY21 production up 140%
- ✓ 1P reserves of 261 PJ[1], up 24%
- ✓ 2P reserves of 767 PJ[1], up 4%
- ✓ Roma North capacity expanded 50% to 9 PJ/year
- ✓ FEED to further expand Roma North to 18 PJ year
- ✓ FID taken to expand Atlas to 18 PJ/year from 12 PJ/year

Enhanced shareholder returns

- ✓ FY22 free cashflow guidance of $50m-$60m, up 119% on FY21A[2]
- ✓ 20-30% free cashflow dividend payout policy
- ✓ FY21 final dividend increased 25% to 5 cents per share[3]
- ✓ FY21 total dividend of 13 cents per share[4]
- ✓ Non-underwritten DRP introduced
- ✓ Strong organic growth pipeline

Strong financial performance[5]

- ✓ Underlying EBITDA of $54.5m, up 178%
- ✓ Underlying NPAT of $5.4m, up $11.7m
- ✓ Statutory NPAT of $65.7m after tax benefit recognition
- ✓ Net cash of $26m; up $71m
- ✓ $125 million debt facility, drawn to $75 million
- ✓ More than 300 PJ of gas under firm gas contracts

People, environment, community

- ✓ 0 recordable injuries
- ✓ 0 environmental incidents
- ✓ Low-carbon Surat Basin natural gas portfolio
- ✓ Progressed electrification studies of Roma North 18 PJ/year expansion
- ✓ Strong government, community and landholder engagement
- ✓ >$13m spent with 50 local suppliers

Notes (not replicated on future slides)

1. For further information on reserves, refer to ASX announcement dated 9 August 2021
2. Refer FY22 guidance on slide 9
3. Compared to interim ordinary dividend of 4 cents per share
4. Total dividend rebased for share consolidation, includes special dividend.
5. For reconciliation of Statutory NPAT to Underlying NPAT and Underlying EBITDA, refer to slide 26. Net cash as at 30 June 2021.

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Commitment to our people, environment and community

Unwavering focus on continual improvement

People

Enhanced safety outcomes and new initiatives

- Continued implementation of COVID-19 protocols and business continuity measures to keep our people and communities safe
- Improvement in safety performance and reduction in high-risk activity:
  - LTIFR decreased to nil (FY20: 2.9)
  - TRIFR decreased to nil (FY20: 8.7)
- Continued focus on managing risks, safety leadership and risk management

Environment

Strong environment and carbon standards

- Continuing strict focus on managing our disturbance footprint
- Water supply from operations to meet the needs of local agriculture in the Roma community
- Progressing additional options to maximise beneficial reuse of produced water
- Prioritising low-carbon Surat Basin natural gas business
- Electrification studies underway for Roma North expansion to reduce carbon footprint and increase operational efficiency

Community

Continuing engagement with our communities

- Launched extension of RFDS partnership to Queensland, supporting distribution of medical chests to properties in the Surat Basin
- Community information sessions held in Roma, Miles and Wandoan
- Ongoing support for Surat Basin community groups including Roma’s ColourXplosion fun run supported by 400 participants; Wandoan Photo Challenge, and agricultural shows in Roma and Wandoan
- Continued shorter payment terms for local small businesses

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Senex continues to deliver

Outstanding Surat Basin project delivery has positioned Senex for growth and dividends

Production
17.3 PJ (3.0 mmboe)
+140%

Sales revenue
$110 million
+103%

Underlying EBITDA
$55 million
+178%

Net cash
$26 million
+$71m

Surat Basin 2P gas reserves
767 PJ
+4%

Free cashflow
$25 m

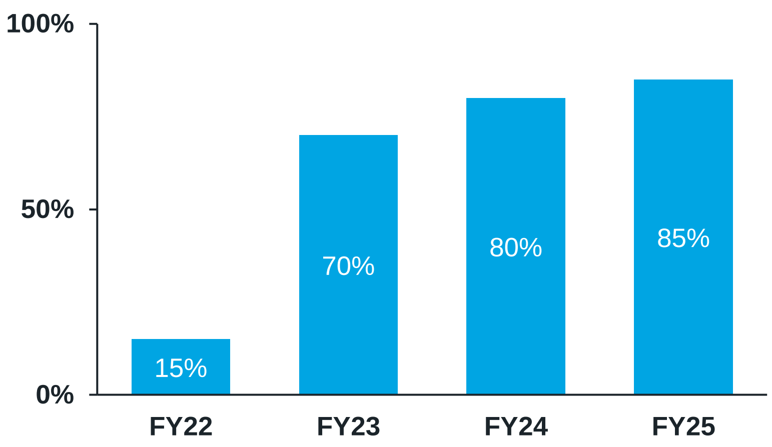
FY21 Dividends
13 cps

Market conditions supporting continued investment

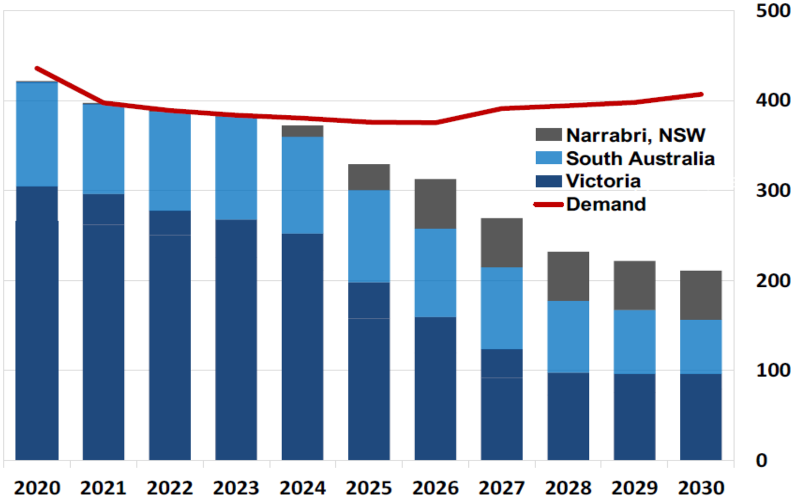
Material uncontracted supply from calendar year 2023, providing exposure to market pricing

- Existing gas supply substantially contracted for calendar years 2021 and 2022 at fixed prices
- USD Brent open hedge position for FY22 and FY23 in anticipation of material investment capex (Atlas Stage 2, Roma North Stages 1b & 2)
- FY22 expected average gas price of around $7.50/GJ[1]
- Hedge exposure decreases significantly in FY23 (159 kbbls)[1]

Market price exposure as % of sales volumes

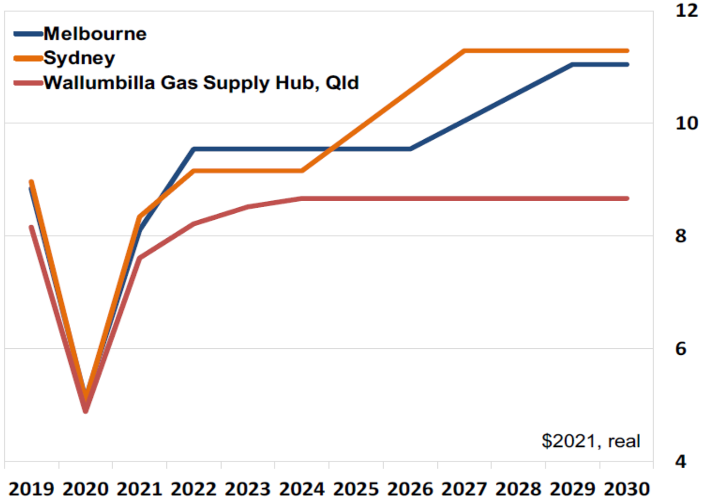


Southern gas production and demand (PJ)



Source: Energy Quest

Base-case gas price ($/gigajoule)



Source: Energy Quest

1. Before hedging gain/loss (settled monthly), assumes Brent price of US$68/bbl and AUD/USD of 0.74. Refer slide 27 for hedge position.

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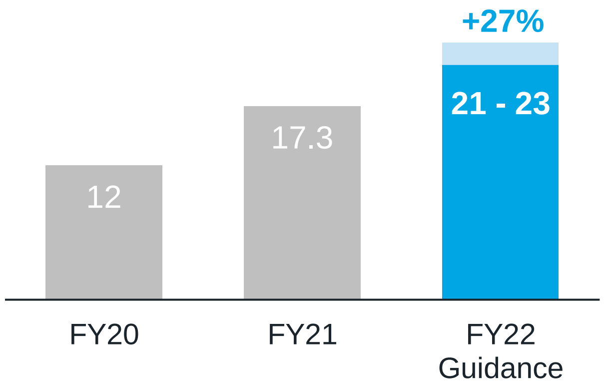
FY22 guidance[1]

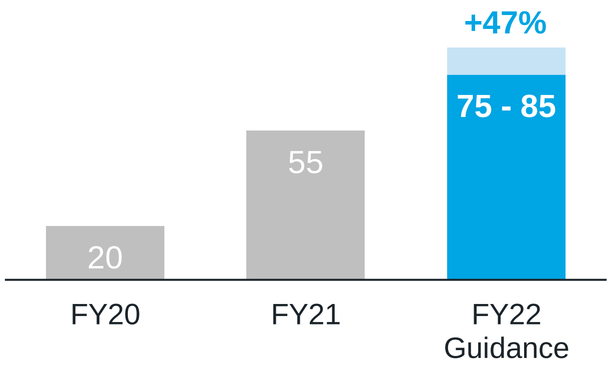
Around 85% of FY22 production to be sold at fixed prices, underpinning investment decisions

	FY22 guidance
Production	**21 - 23 PJ (3.6 – 4.0 mmboe)**
Sales Volume Senex own product	**19 - 21 PJ (3.3 – 3.6 mmboe)**
Underlying EBITDA $ million	**75 – 85**
Free cashflow $ million	**50 – 60**
Capital expenditure $ million	**70 - 80**

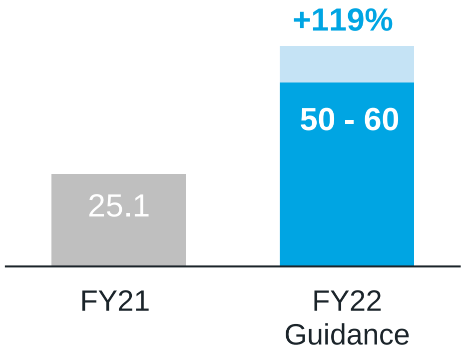
FY22 Production: 21 – 23 PJ



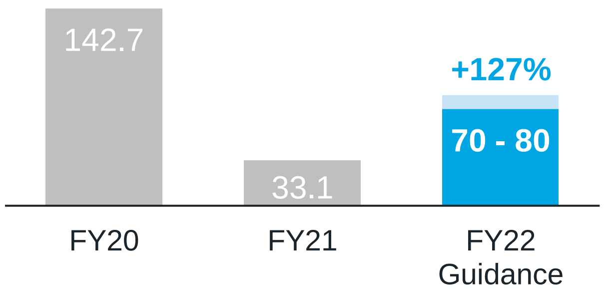
FY22 Underlying EBITDA: $75 – 85 m



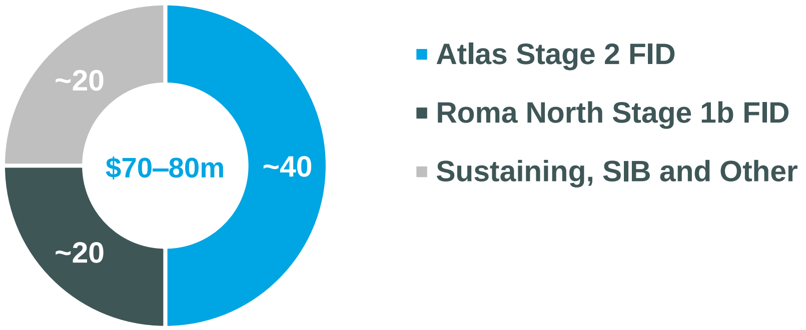
FY22 FCF: $50 – 60 million



FY22 Capital expenditure: $70 – 80 m



FY22 Capital expenditure breakdown



1. To be read in conjunction with the compliance statement on slide 2. Percentage changes stated in the above charts are calculated using the mid-point of the FY22 guidance range

Key takeaways

Accelerating advantaged natural gas assets growth; increasing free cashflow and dividends

Core focus on cash generation and balance sheet strength, shareholder returns and low-cost, low-carbon, high-return and long long-life growth

Targeting annual production of >60 PJe/year (10mmboe) by end FY25 from best-in-class project execution

FY22 guidance
- Production 21-23 PJ
- Sales 19-21 PJ
- EBITDA $75-85 million
- FCF $50-60 million
- Capex: $70-80 million

Strong investment pipeline:
Atlas and Roma North expansions delivering low-risk, low-carbon, high-return growth

More than 300 PJ of gas under firm gas contracts to domestic customers and GLNG with attractive pricing and terms

Strong balance sheet;
Net cash position of $26 million as at 30 June 2021; debt facilities of $125 million

Dividend policy to target 20-30% payout of free cashflow

Advantaged low-carbon assets; electrification studies to contribute to a low-carbon portfolio

Operating and financial results

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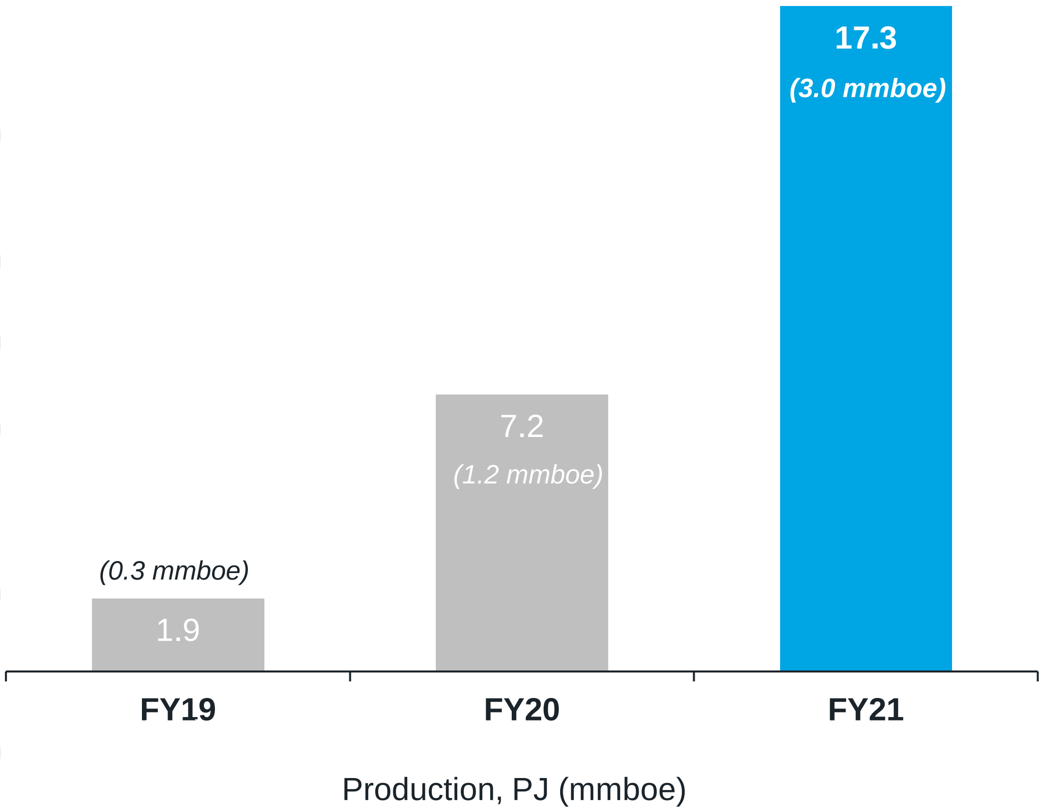
Strong production growth

Surat Basin natural gas production up 140% to 17.3 PJ (3.0 mmboe)



- Production reached >53 TJ/day (>18 PJ/year; 3.1 mmboe/year) in June 2021
- Atlas now producing at nameplate capacity of 32 TJ/day
- Roma North commissioning complete with production of 21TJ/day achieved in August versus capacity of 24 TJ/day

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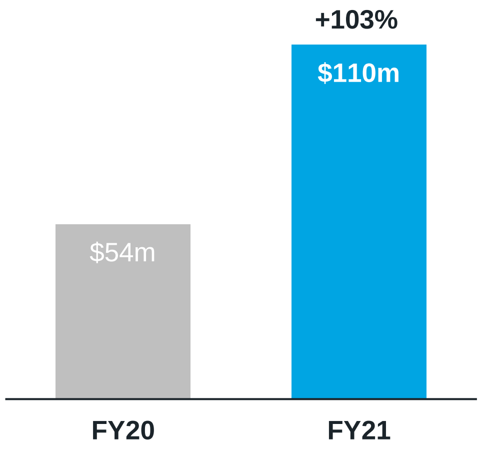
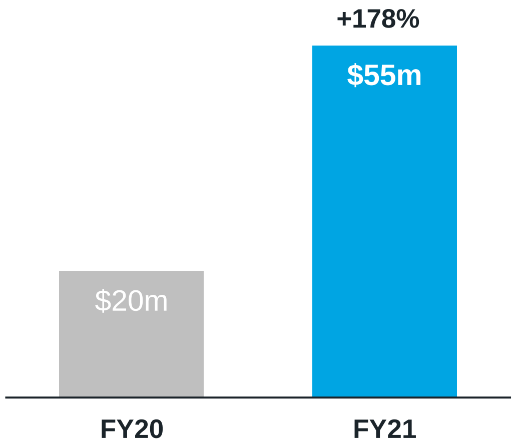
Financial highlights

Natural gas production step change driving material revenue, earnings and cashflow growth

Sales revenue



Underlying EBITDA[1]



Free cashflow[2]

Project execution driving revenue growth

- Sales revenue up 103% to $110 million
- Strong production growth partially offset by lower realised pricing

Transformation in earnings and cashflow

- Underlying EBITDA improved to $55 million (up $35 million) due to production growth
- Continued focus on cost control and embedding operational efficiencies

Growing sustainable cashflows, supporting growth in shareholder returns

- Free Cash Flow of $25m
- Driven by revenue and earnings transformation

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1. For reconciliation of Statutory NPAT to Underlying NPAT and Underlying EBITDA, refer to slide 26
2. Free cashflow is Operating cashflow less principal payments for lease liabilities, less sustaining capital expenditure (refer to slide 25)

Underlying NPAT returned to profit

Surat Basin development provides the foundation for earnings and cash generation

	FY20	FY21	Change
Production (PJ (mmboe))	7.2 (1.2)	**17.3 (3.0)**	↑ 141%
Sales volumes (PJ (mmboe))[1]	7.1 (1.2)	**16.9 (2.9)**	↑ 137%
Average realised gas price ($/GJ)	7.6	**6.5**	↓ -15%
Sales revenue ($ million)	54.1	**109.6**	↑ 103%
EBITDA ($ million)[2]	18.3	**55.7**	↑ 204%
Underlying EBITDA ($ million)[2]	19.6	**54.5**	↑ 178%
Underlying margin	*36%*	***50%***	↑ *+14pp*
Statutory NPAT ($ million)[2]	(51.4)	**65.7**	↑ +$117.1m
Underlying NPAT ($ million)[2]	(6.3)	**5.4**	↑ +$11.7m
Operating cashflow – consolidated ($ million)	51.5	**43.1**	↓ 16%
Operating cashflow – continuing operations ($ million)	10.3	**35.0**	↑ 241%
Capital expenditure – continuing operations ($ million)	142.7	**33.1**	↓ -76%

- Sales revenue and earnings growth was underpinned by strong gas production ramp-up in the Surat Basin, with both Roma North and Atlas at nameplate capacity by the end of FY21 (~19 PJ/year)
- Average realised gas price down 15% to $6.5/GJ
  - Impacted by lagged exposure to oil prices and adverse FX movement
- Statutory NPAT includes a once-off $60.2 million income tax benefit
- Strong underlying NPAT growth from Surat Basin production ramp and cost control

NB. Totals throughout presentation may not add due to rounding
1. FY21 includes third party gas purchases of 1.4 PJ (FY20: 0.6 PJ)
2. For reconciliation of Statutory NPAT to Underlying NPAT and Underlying EBITDA, refer to slide 26

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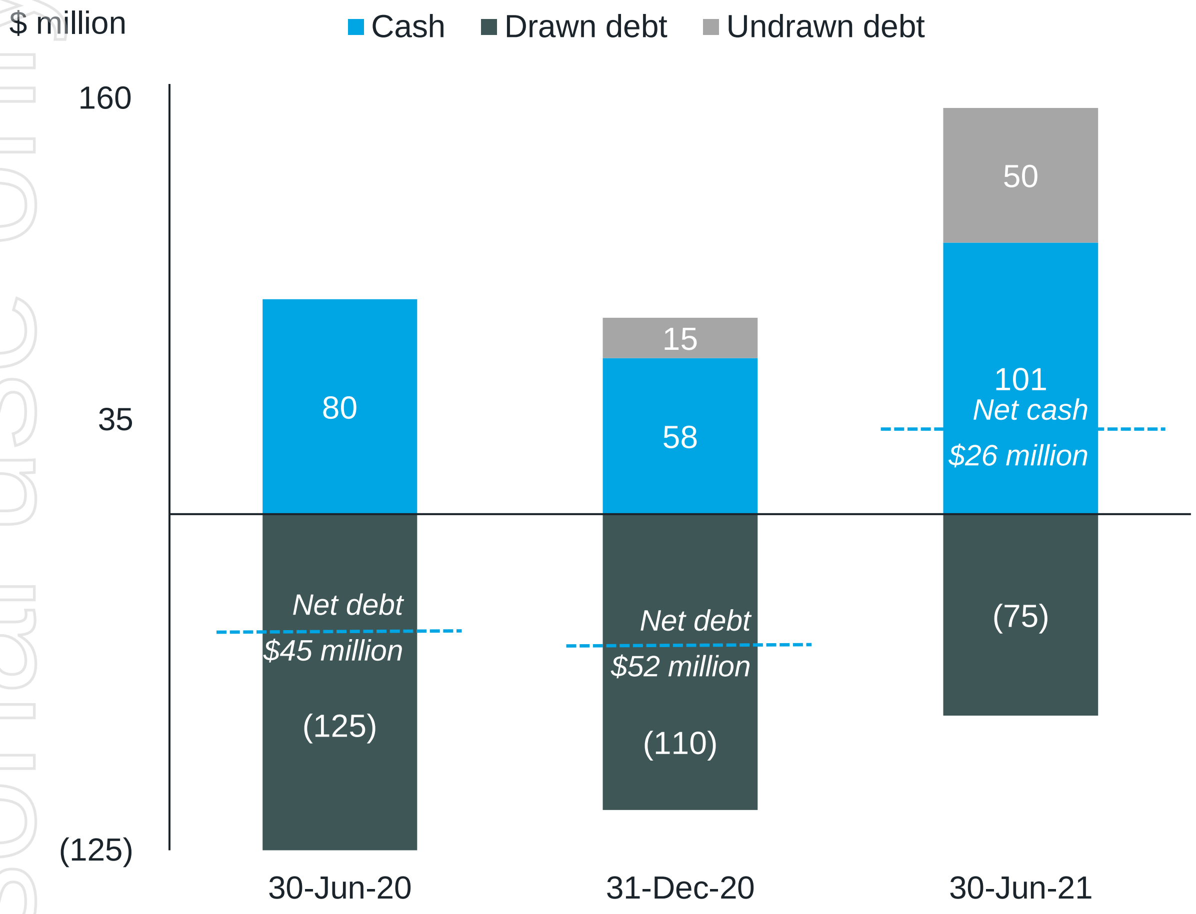
Strong balance sheet supports accelerated growth



- Net cash position of $26 million at 30 June 2021 after payment of inaugural dividend of $15 million in April
- Debt pre-payments of $50 million completed in FY21
- Bank debt[1] converted to a revolving facility, allowing flexibility of draw-downs and interest savings
- Increasing fixed-price gas exposure and diversification to strengthen revenue certainty in anticipation of material investment capex (Atlas Stage 2, Roma North Stages 1b & 2)
- Executed additional Brent oil swaps:
  - FY22: 450 kbbl at an average price of US$57
  - FY23: 159 kbbl at an average price of US$54

1. Total debt facility of $160 million comprising $125 million Facility A limit and $35 million Facility B, C limits; refer Note 11 of the FY21 Full Year Report and announcement of 29 October 2018 for further information

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Portfolio growth

Atlas processing facility ready for expansion.

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Our Priorities

Accelerated growth

- ✓ 20 PJ annual production delivered; targeting >60 PJe annual production by end-FY25
- ✓ Extensive natural gas reserves base ready for development
- ✓ Accelerating production to optimise reserves life and increase NPV
- ✓ Strong east coast gas and LNG markets
- ✓ High-potential exploration and appraisal
- ✓ Electrification and decarbonisation opportunities

Enhanced shareholder returns

- ✓ Material annual free cashflow generation from portfolio
- ✓ Total shareholder returns driven; strong dividend yield
- ✓ Customer focus
- ✓ Accelerate production growth from high-yielding Surat Basin natural gas opportunities
- ✓ Low carbon portfolio

Balance sheet strength

- ✓ Strong and growing production and EBITDA
- ✓ Net cash position with access to capital and bank markets
- ✓ Targeting 1.0x Net Debt Adjusted EBITDA leverage through the cycle
- ✓ Proven custodian of shareholder capital

People, environment and community

- ✓ Continued improvement in safety performance
- ✓ Low-carbon Surat Basin natural gas portfolio
- ✓ Continued focus on minimising disturbance and conserving, restoring and protecting our operating environment
- ✓ Strong community engagement via sponsored programs such as RFDS medical chests

Accelerating growth to achieve >60 PJe/year by end-FY25

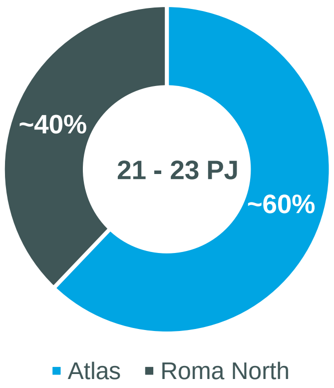
Accelerating production growth to optimise reserves life and maximise NPV

Atlas Stage 1 12 PJ/yr	Roma North Stage 1a 6 PJ/yr	Roma North Stage 1b +3 PJ/yr	Atlas Stage 2 +6 PJ/yr	Roma North Stage 2 +9 PJ/yr	Roma North Stage 3 +9 PJ/yr	Roma North Stage 4 +9 PJ/yr	Other Growth[1]
Online and in ramp-up: 21 PJ/yr			FID Taken August 2021	Future portfolio expansion to 54 PJ/yr[1]			60PJe/yr+

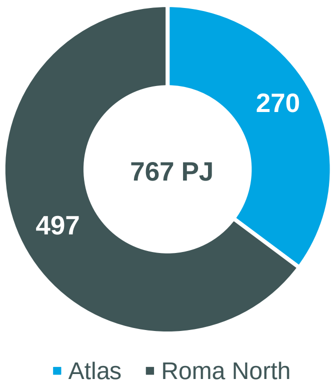
Production target

Targeting annual production of 60PJe by the end of FY25 primarily through development of Senex's extensive reserves position

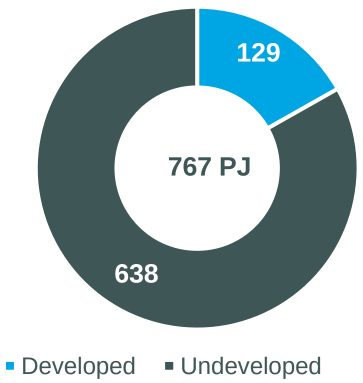
FY22 Production Guidance



Surat Basin 2P Gas Reserves



Surat Basin 2P Gas Reserves



1. Future investment decision not yet taken and subject to future appraisal and final internal approvals

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Multiple projects underway to drive production growth

Assess → **Select** → (FEED) → **Define** → (FID) → **Execute** → **Operate**

Roma North (Stage 1a) 6 PJ/year	Online (refer Stage 1b)
Atlas (Stage 1) 12 PJ/year	Currently producing at ~12 PJ/year
Roma North (Stage 1b) 9 PJ/year	Currently producing at ~8 PJ/year
Atlas (Stage 2) 18 PJ/year	FID taken August 2021. Expected online Q1 FY23
Roma North (Stage 2) 18 PJ/year	FEED underway; targeting FID H1 FY22
Roma North (Stage 3) 27 PJ/year	Planning underway. Target FEED in H1 FY23
Roma North (Stage 4) 36 PJ/year	Appraisal to commence in FY23
Artemis	Appraisal to commence in FY23
Bowen Basin (Rockybar)	Target ATP grant in FY22 following native title agreement

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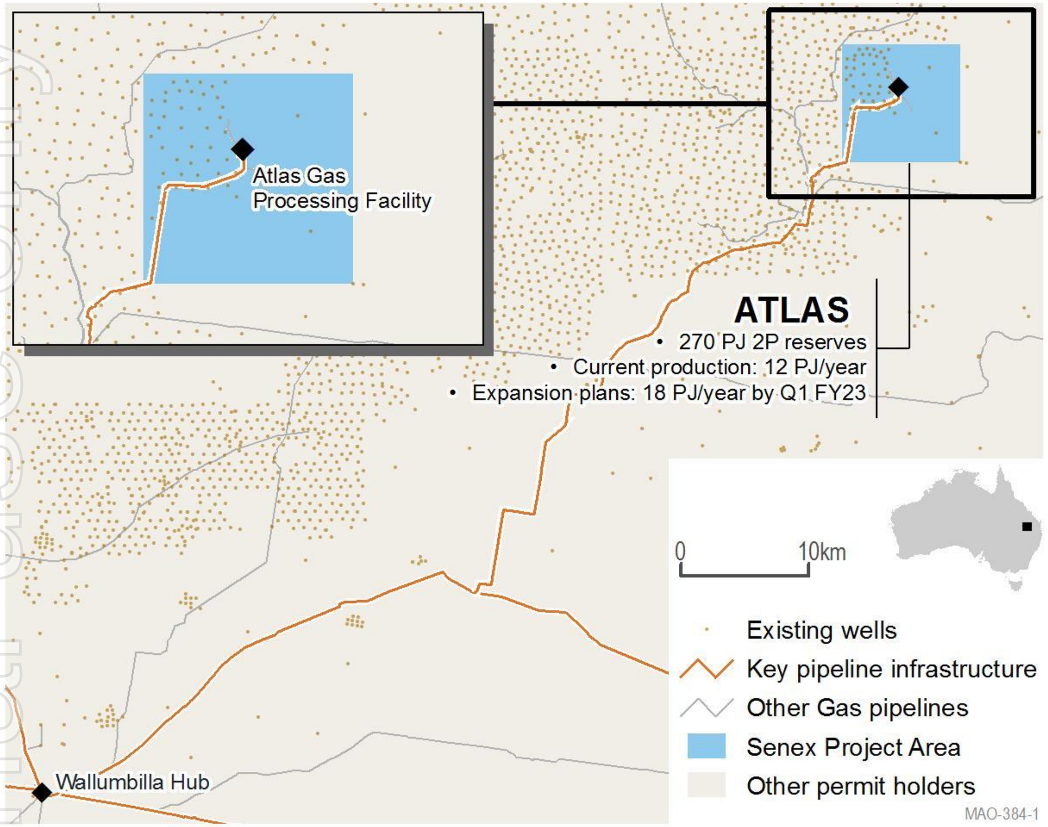
Atlas FID: low-cost, high-return, long-life investment



	2P reserves	3P reserves	Production (PJ/year)	2P reserves life (years)
Atlas	270 PJ	270 PJ	Stage 1:12 (current) Stage 2: 18 (expanded)	23 (current) 15 (expanded)

- Brownfield expansion of the existing site to 18 PJ/year (48 TJ/day) by Q1 FY23
  - Capital expenditure of $40 million with expenditure to be focused on the drilling of natural gas wells, gas gathering infrastructure and water management infrastructure
  - Capital expenditure to be funded from existing cash reserves
  - Leading energy infrastructure company Jemena to construct and fund the Atlas processing facility expansion, with commissioning expected in Q1 FY23
  - Expansion is a low-cost, high-return, long-life investment
  - Expanded 48TJ/day production supported by a 15-year 2P remaining reserve life
- The expansion is supported by execution of recent gas sales agreements (GSAs) with customers including Adbri and Nyrstar

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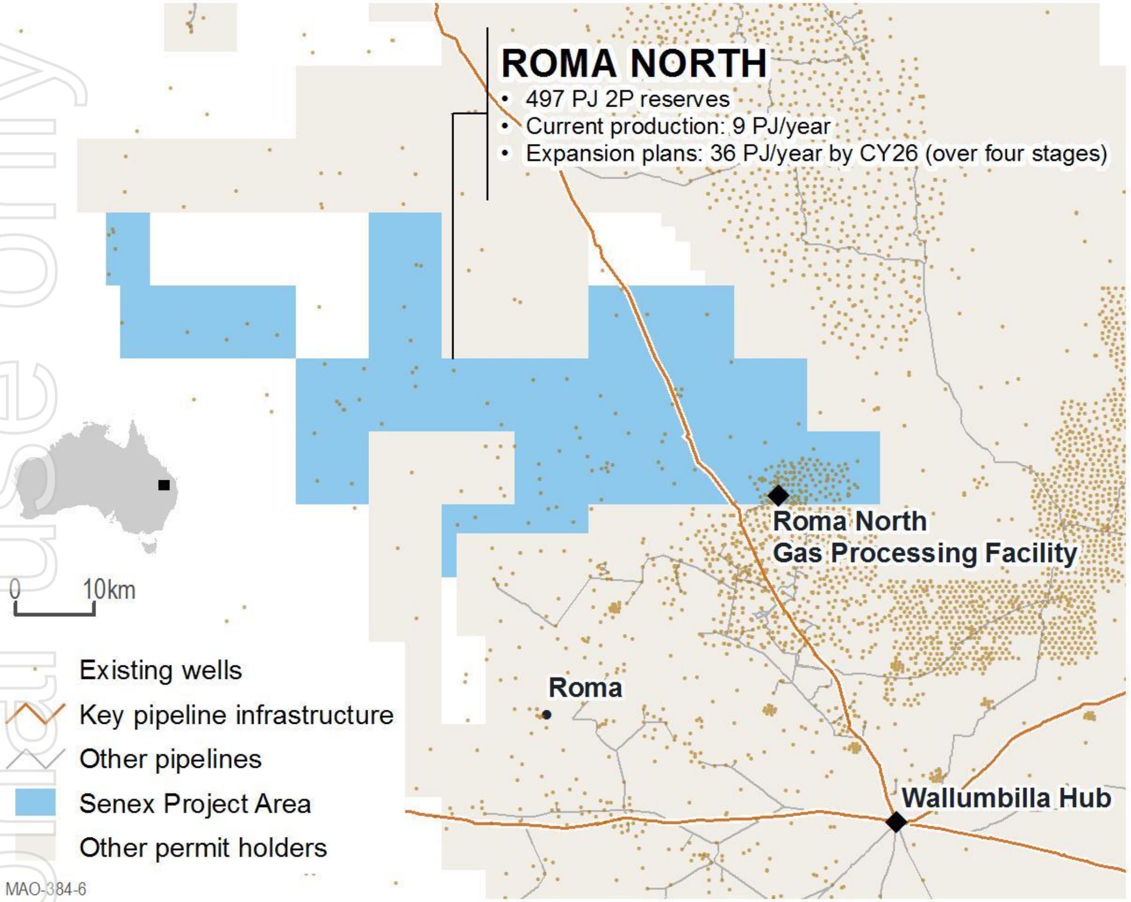
Roma North: reserves provide platform for growth



	2P reserves	3P reserves	Production (PJ/year)	2P reserves life (years)
Roma North	497 PJ	746 PJ	Stage 1 b: 9 (current) Stage 2: 18 (expanded)	55 (current) 28 (expanded)

- Roma North (Stage 1b) production expansion to 9 PJ/year (24 TJ/day)
  - Final Investment Decision announced 13 October 2020
  - Commissioning complete in August 2021, production currently of 21TJ/day achieved versus capacity of 24 TJ/day
  - Low-cost, high-return, long-life investment with IRR >60%
- FID for Roma North (Stage 2) to 18 PJ/year targeted in 1H FY22
  - FEED being revisited for possible electrification
- Future Roma North expansion options:
  - Stage 3 expansion for an additional 9 PJ/year; FEED targeted H1 FY23
  - Stage 4 expansion for an additional 9 PJ/year; appraisal to commence in FY23

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Key takeaways

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Key takeaways

Accelerating advantaged natural gas assets growth; increasing free cashflow and dividends

Core focus on cash generation and balance sheet strength, shareholder returns and low-cost, low-carbon, high-return and long long-life growth

Targeting annual production of >60 PJe/year (10mmboe) by end FY25 from best-in-class project execution

FY22 guidance
- Production 21-23 PJ
- Sales 19-21 PJ
- EBITDA $75-85 million
- FCF $50-60 million
- Capex: $70-80 million

Strong investment pipeline: Atlas and Roma North expansions delivering low-risk, low-carbon, high-return growth

More than 300 PJ of gas under firm gas contracts to domestic customers and GLNG with attractive pricing and terms

Strong balance sheet; Net cash position of $26 million as at 30 June 2021; debt facilities of $125 million

Dividend policy to target 20-30% payout of free cashflow

Advantaged low-carbon assets; electrification studies to contribute to a low-carbon portfolio

Appendix

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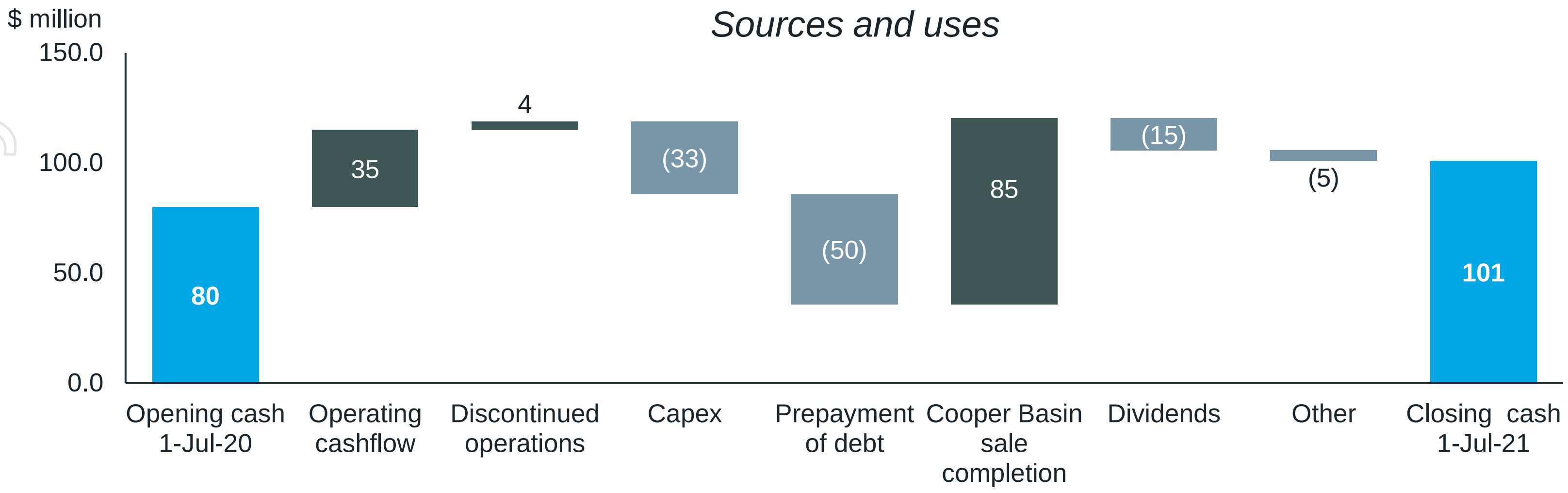
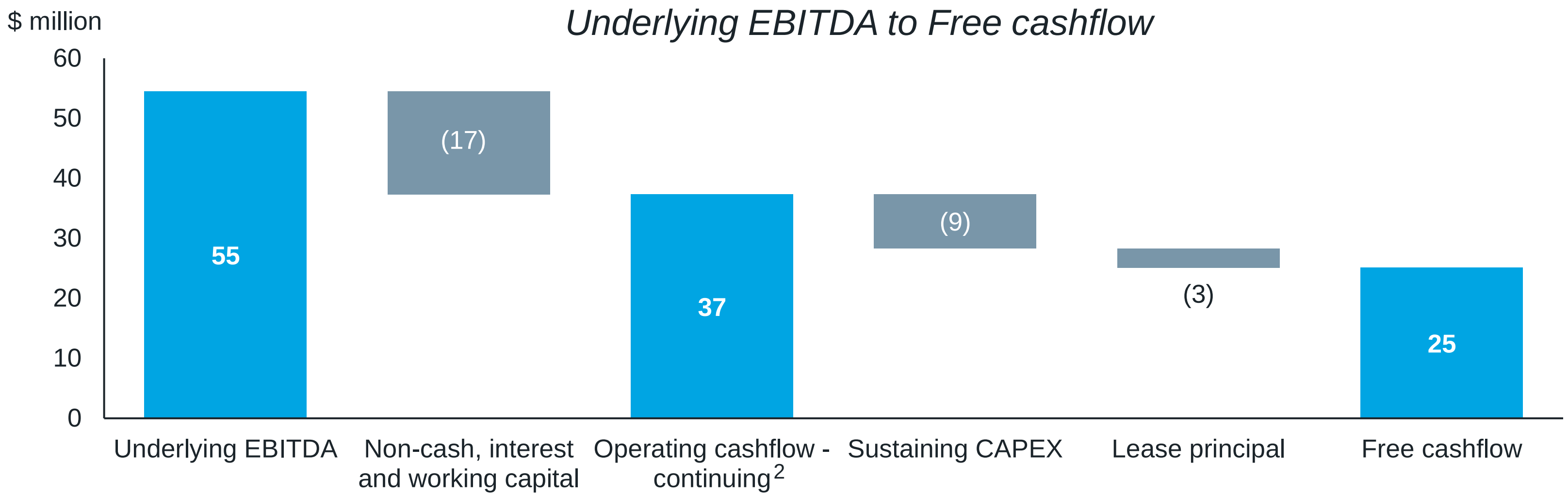
Cash reconciliations



- Strong cashflow generated from continuing operations of $35m
- Payment of inaugural dividend
- Prepayment of $50m of debt facility
- Bank debt[1] converted to a revolving facility, allowing flexibility of drawdowns and interest savings



1. Total debt facility of $160 million comprising $125 million Facility A limit and $35 million Facility B, C limits; refer Note 11 of the FY20 Full Year Report and announcement of 29 October 2018 for further information
2. Operating cashflow – continuing operations reported on an underlying basis for the calculation of Free Cash Flow

Reconciliation of EBITDA and NPAT

$ million	FY20	FY21	Change
Underlying EBITDA	**19.6**	**54.5**	**+178%**
Gain on sale of Roma North Facility	0.2	-	
Restructuring expense	(2.2)	-	
COVID-19 relief measures	0.8	1.1	
EBITDA	**18.3**	**55.7**	**+204%**
Discontinued operations	(43.8)	(1.0)	
Tax	-	59.7	
Depletion, depreciation and amortisation	(17.2)	(30.6)	
Net finance costs	(8.7)	(18.1)	
Statutory NPAT	**(51.4)**	**65.7**	**$117.1m**
Discontinued operations	43.8	1.0	
Tax Benefit	-	(60.2)	
Gain on sale of Roma North Facility	(0.2)	-	
Restructuring expense	2.2	-	
COVID-19 relief measures	(0.8)	(1.1)	
Underlying NPAT	**(6.3)**	**5.4**	**$11.7m**

NB. Totals throughout presentation may not add due to rounding

Other income statement impacts and hedge position

AASB 16 lease accounting

- AASB 16 adopted 1 July 2019; requires companies to bring the majority of operating leases on-Balance Sheet
- Accounting impacts only; no net cashflow impact
- Former operating expenses relating to lease payments now reported across depreciation and interest expense
- Majority of lease balances relate to Jemena-owned gas processing facilities at Roma North and Atlas

Financial statement impacts:

Balance Sheet	• Lease assets of $170.9 million (year ended 30 June 2020: $168.0 million) • Lease liabilities of $182.5 million (year ended 30 June 2020: $173.5 million)
Income Statement	• Depreciation of lease assets $9.2 million (year ended 30 June 2020 : $4.8 million) • Interest on lease liabilities $11.1 million (year ended 30 June 2020 : $7.1 million) • Net profit after tax down $6.9 million (year ended 30 June 2020 : down $5.3 million)
Cashflow	• No net cashflow impact • Reclassification of $3.2 million from operating cashflow to financing cashflow (year ended 30 June 2020: $3.0 million)

Hedge position

- USD Brent hedge position reduces after FY22

	kbbl	US$/bbl
FY22		
Q1	118.2	58
Q2	127.4	57
Q3	102.2	56
Q4	102.2	55
FY23		
Q1	53.4	54
Q2	53.4	54
Q3	26.3	53
Q4	26.3	53

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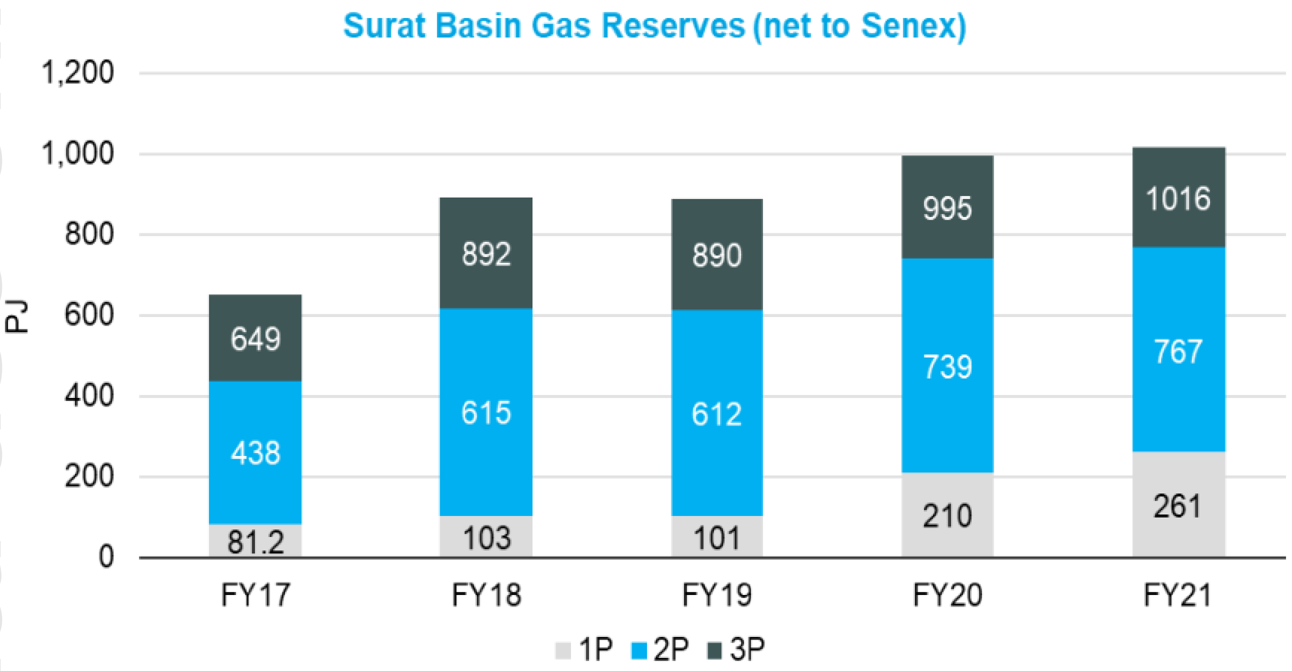
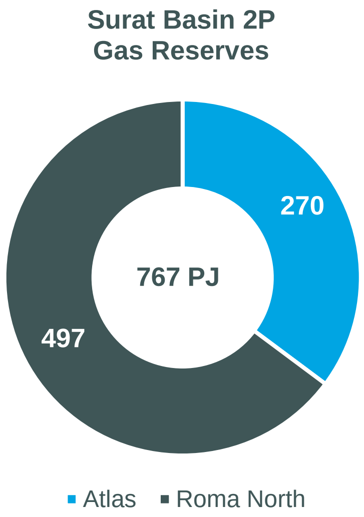
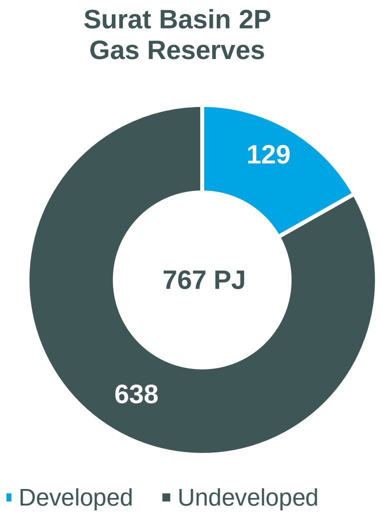
Natural gas reserves upgrade delivered

Low-risk, low carbon and long-life expansion plans underpinned by resilient and material reserves base







- Surat Basin 1P (proved) gas reserves up 51 PJ (24%) to 261 PJ
- Surat Basin 2P (proved and probable) gas reserves up 28 PJ (4%) to 767 PJ
- Surat Basin 3P (proved, probable and possible) gas reserves up 21 PJ (2%) to 1,016 PJ
- 1P reserves replacement ratio of 440%; 2P reserves replacement ratio of 290%

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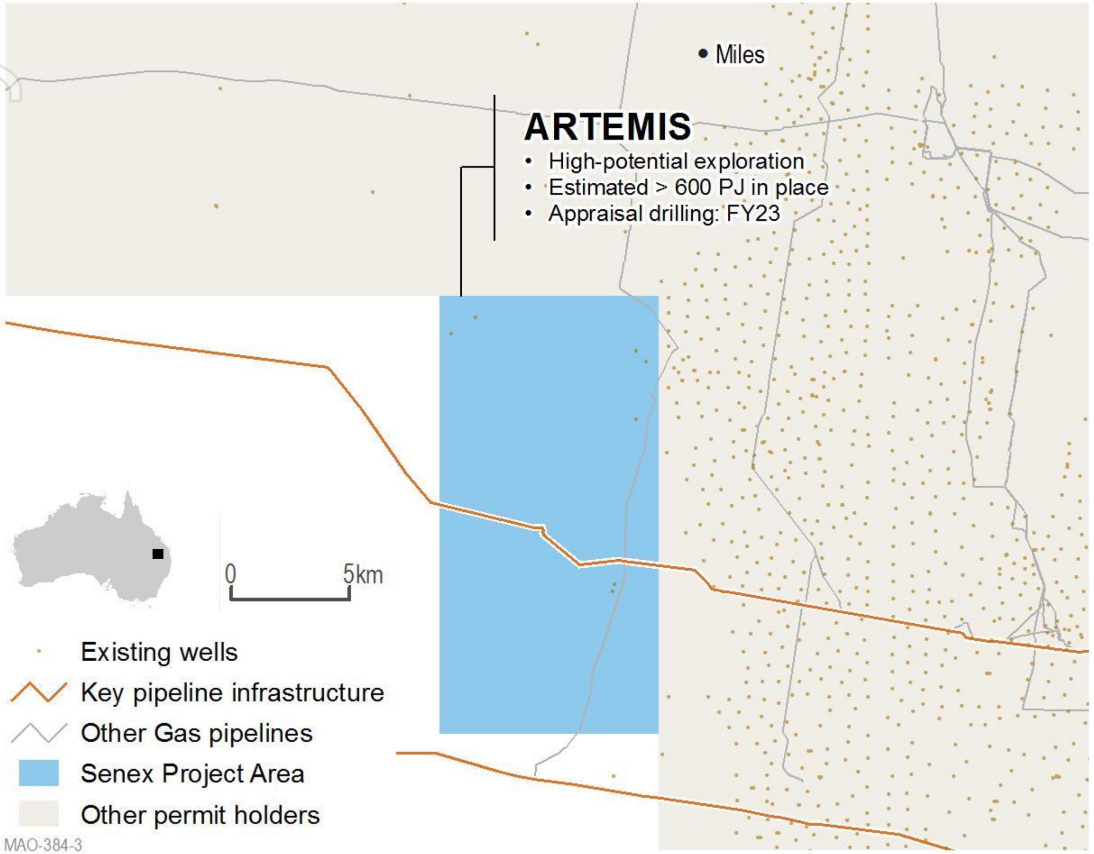
Project Artemis adjacent to existing infrastructure

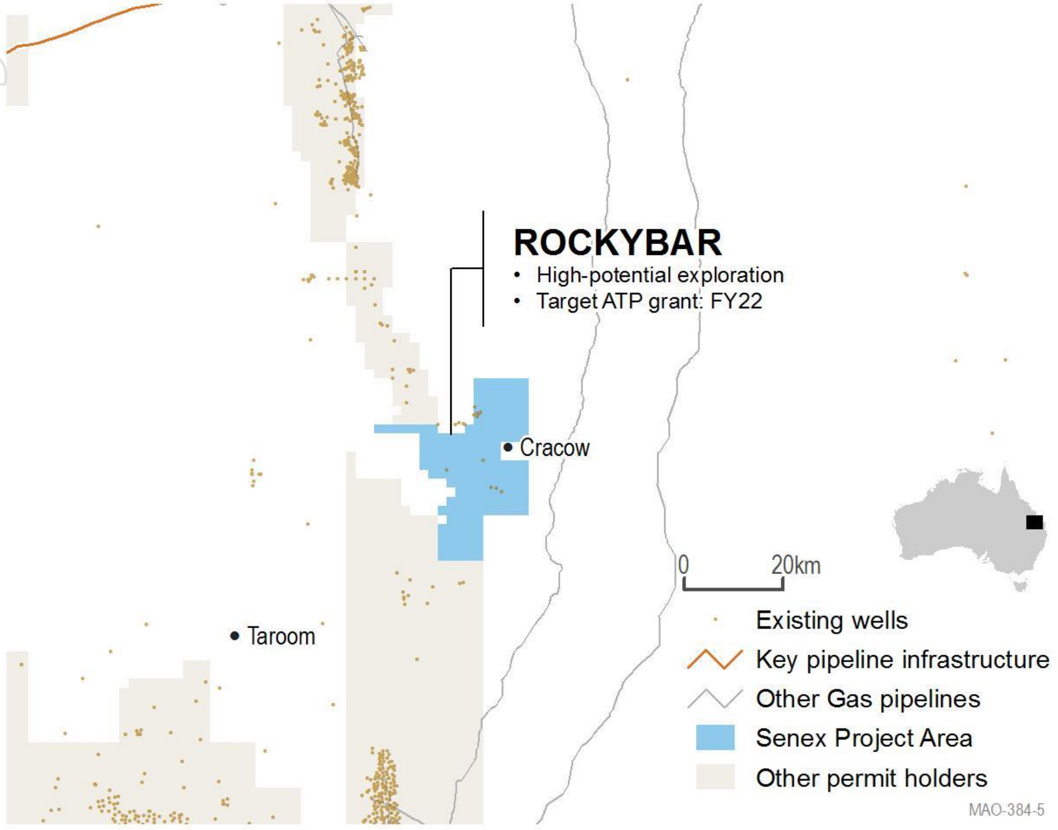


A significant gas resource with potential early commercialisation

- ✓ Authority to Prospect awarded to Senex in September 2020
- ✓ 153 sq km acreage located close to infrastructure and producing fields
- ✓ More than 600 PJ[1] estimated volumes of gas in place in the Walloon and Permian coals
- ✓ Exploration tenure with initial six-year term and a committed four-year work program
- ✓ Minimal capital expenditure required over first two years
- ✓ Partnering with University of Queensland to define sweet spots and production enhancement strategy for appraisal
- ✓ Appraisal drilling planned to commence in FY23
- ✓ Subject to an Australian Market Supply Condition

1 Senex's internal estimate of volumes of gas in place over the block is not an estimate, or a booking, of reserves or resources by Senex. There are currently no estimates of petroleum reserves, contingent resources and/or prospective resources over the block.

Rockybar: High-potential Bowen Basin exploration



A potential Scotia gas field analogue

- ✓ Newly named Rockybar after local landmarks
- ✓ 486 sq km high-potential exploration acreage (PLR2020-1-9)
- ✓ Located on trend between the Scotia and Meridian gas fields
- ✓ Potential for high permeability and high gas content
- ✓ Close to existing pipeline infrastructure
- ✓ Initial four-year work program to assess drill locations
  - ✓ Geological and geophysical studies
  - ✓ Target ATP grant in FY22 following native title agreement
  - ✓ 2D seismic acquisition in year 2 of work program
  - ✓ One exploration well following 2D seismic

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Glossary

$	Australian dollars
ATP	Authority to Prospect - granted under the Petroleum Act 1923 (Qld) or the Petroleum Gas (Production and Safety) Act 2004 (Qld)
bbl	Barrels - the standard unit of measurement for all oil and condensate production. One barrel = 159 litres or 35 imperial gallons
Bcf	Billion cubic feet
boe	Barrels of oil equivalent - the volume of hydrocarbons expressed in terms of the volume of oil which would contain an equivalent volume of energy
DD&A	Depletion, depreciation and amortisation
EBITDA	Earnings before interest, tax, impairment, depreciation and amortisation
EBITDAX	Earnings before interest, tax, impairment, depreciation, amortisation and exploration expense
FCF	Free cashflow = Operating cashflow less principal payments for lease liabilities, less sustaining capital expenditure
FY	Financial year
GJ	Gigajoule
GLNG	Gladstone Liquified Natural Gas, a JV between Santos, PETRONAS, Total and KOGAS
GSA	Gas sales agreement
JV	Joint venture
H1 / H2	First / second half of financial year
HSE	Health, safety and environment
LTIFR	Lost time injury frequency rate
Net debt	Interest bearing liabilities (excluding capitalised transaction costs) less cash and cash equivalents. Lease liabilities are not included in Net Debt
nm	Not meaningful
pcp	Prior corresponding period
PJ	Petajoule
PJ/yr	Petajoules per annum
PL	Petroleum Lease granted under the Petroleum Act 1923 (Qld) or the Petroleum Gas (Production and Safety) Act 2004 (Qld)
Q, Qtr	Quarter
RFDS	Royal Flying Doctor Service
Senex	Senex Energy Ltd
Sustaining-CAPEX	Capital expenditure required to maintain Surat Basin production at plateau
TJ	Terajoule
TJ/day	Terajoules per day
TRIFR	Total recordable injury frequency rate (per million hours worked)
Underlying EBITDA	Earnings before interest, taxes, impairment, depreciation (or depletion) and excluding the impacts of asset acquisitions and disposals, as well as items that are subject to significant variability from one period to the next.
Underlying NPAT	Underlying net profit after tax excludes the impacts of asset acquisitions, disposals and impairments, as well as items that are subject to significant variability from one period to the next
YTD	Year to date

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