Sundance Energy Australia Limited (ASX: SEA)



For personal use only

Focused Strategy Delivering Results

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.

On 13 November 2012 the Company announced a proposed merger with Texon Petroleum Limited. The proposed merger is subject to numerous contingencies including, but not limited to, Texon shareholder and court approval. This presentation includes plans assuming these contingencies are met and the merger is consummated. Failure of the merger to be approved and finally implemented will result in a material change to the plans set forth herein.

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

For personal use only

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 Eagle Ford Shale^, Mississippian/Woodford, Codell/Niobrara, and Bakken/Three Forks.

Market Data as at 31 January 2013	
Share price	A$0.895
Market capitalisation	A$249.5M
Issued shares	278.8M
Company Data as of 31 December 2012	
Production (Q4 2012 Average)	989 boepd
Production (Q4 2012 Exit Rate)	1,266 boepd
Proved, probable and possible reserves (1)	47.8^ mmboe
Cash	$157.6M
Debt	$30M

(1) Includes Sundance and Texon's Eagle Ford reserves as of 1 July and 1 August 2012, respectively



For personal use only

^This information shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

Focused Strategy Delivering Results

Premier acreage

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

Production growth

- High interest, Company operated drilling program in 2013
- On track to meet 5,000 boepd target in <18 months^

Financial strength

- Cash position of ~$158M (as at 31 December 2012)
- $300 million credit facility (1) with Wells Fargo

Liquids rich

- Current production & reserve base approximately 80% oil
- Liquids rich associated gas

Proven track record

- Track record of value-adding transactions
- Average IRR > 75% on last five major transactions (slide 26)

(1) $30 million of the credit facility is drawn and the remaining $270 million is subject to borrowing base increases that are determined up to quarterly based on an evaluation of the Company's proved reserves.

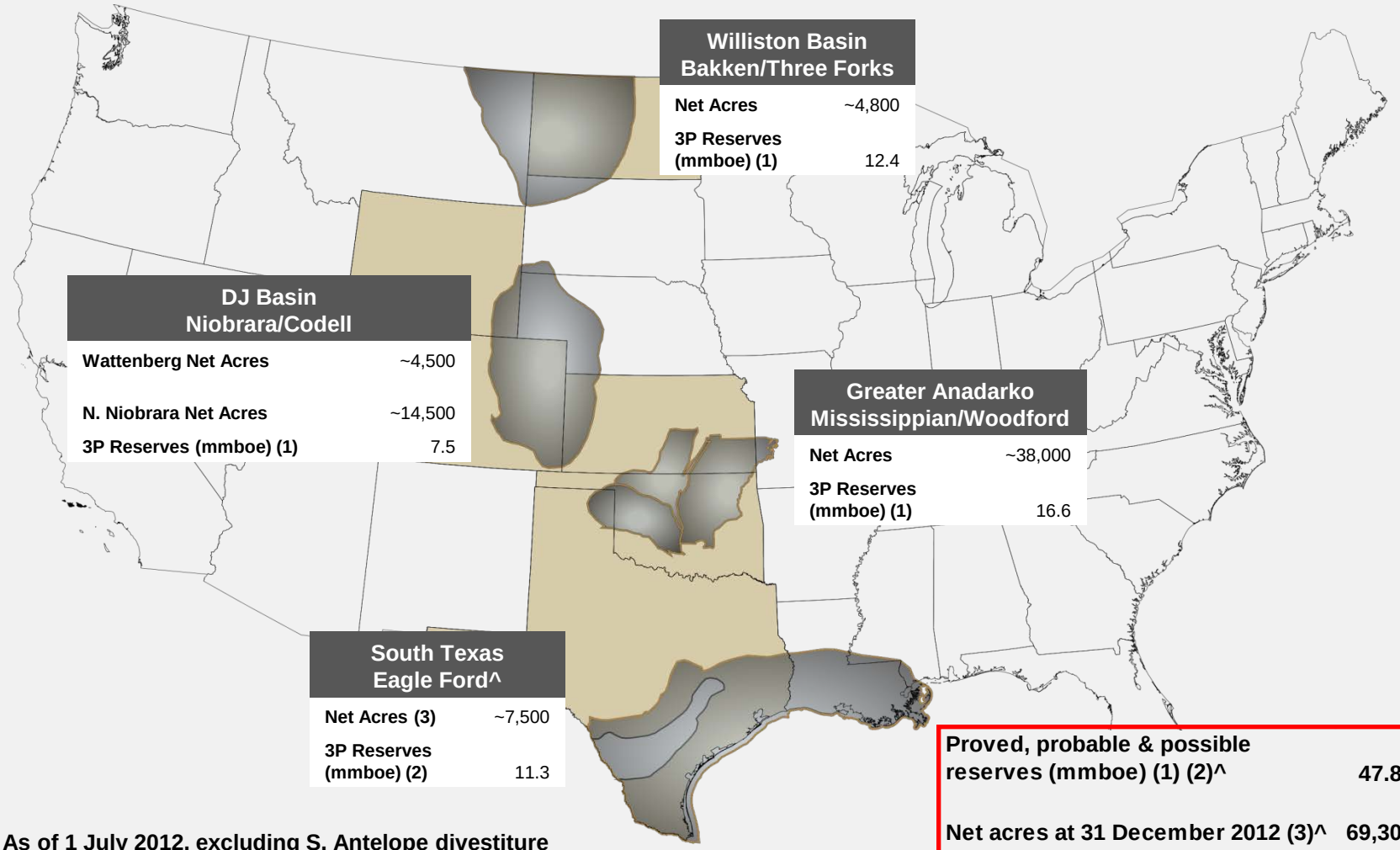
For personal use only

SUNDANCE energy

^This information shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

Diversified Assets in Leading US Liquids Basins

For personal use only



Williston Basin Bakken/Three Forks

Net Acres	~4,800
3P Reserves (mmboe) (1)	12.4

DJ Basin Niobrara/Codell

Wattenberg Net Acres	~4,500
N. Niobrara Net Acres	~14,500
3P Reserves (mmboe) (1)	7.5

Greater Anadarko Mississippian/Woodford

Net Acres	~38,000
3P Reserves (mmboe) (1)	16.6

South Texas Eagle Ford^

Net Acres (3)	~7,500
3P Reserves (mmboe) (2)	11.3

Proved, probable & possible reserves (mmboe) (1) (2)^	47.8
Net acres at 31 December 2012 (3)^	69,300
2012 exit rate production (boepd)	1,266

(1) As of 1 July 2012, excluding S. Antelope divestiture
(2) As of 1 August 2012
(3) Includes contingent Wandoo Acquisition

^The information on this page shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

High Quality, Scalable Reserves

- Proved and probable reserves are approximately 80% oil
- **Uplift in reserves is set to drive SEA's future growth**

	Net to Sundance Energy (2)		Net to Texon Petroleum (3)		Net to proposed combined entity	
Reserve Estimate (1)	**mmboe**	**PV10**	**mmboe**	**PV10**	**mmboe**	**PV10**
Proved	5.4	$89.3M	1.7	$23.9M	7.1	$113.1M
Probable	5.3	$59.3M	3.5	$74.5M	8.8	$133.8M
Possible	25.9	$155.4M	6.1	$170.6M	32.0	$325.9M
Total Proved, Probable and Possible	**36.5**	**$304.0m**	**11.3**	**$268.9M**	**47.8**	**$572.9M**

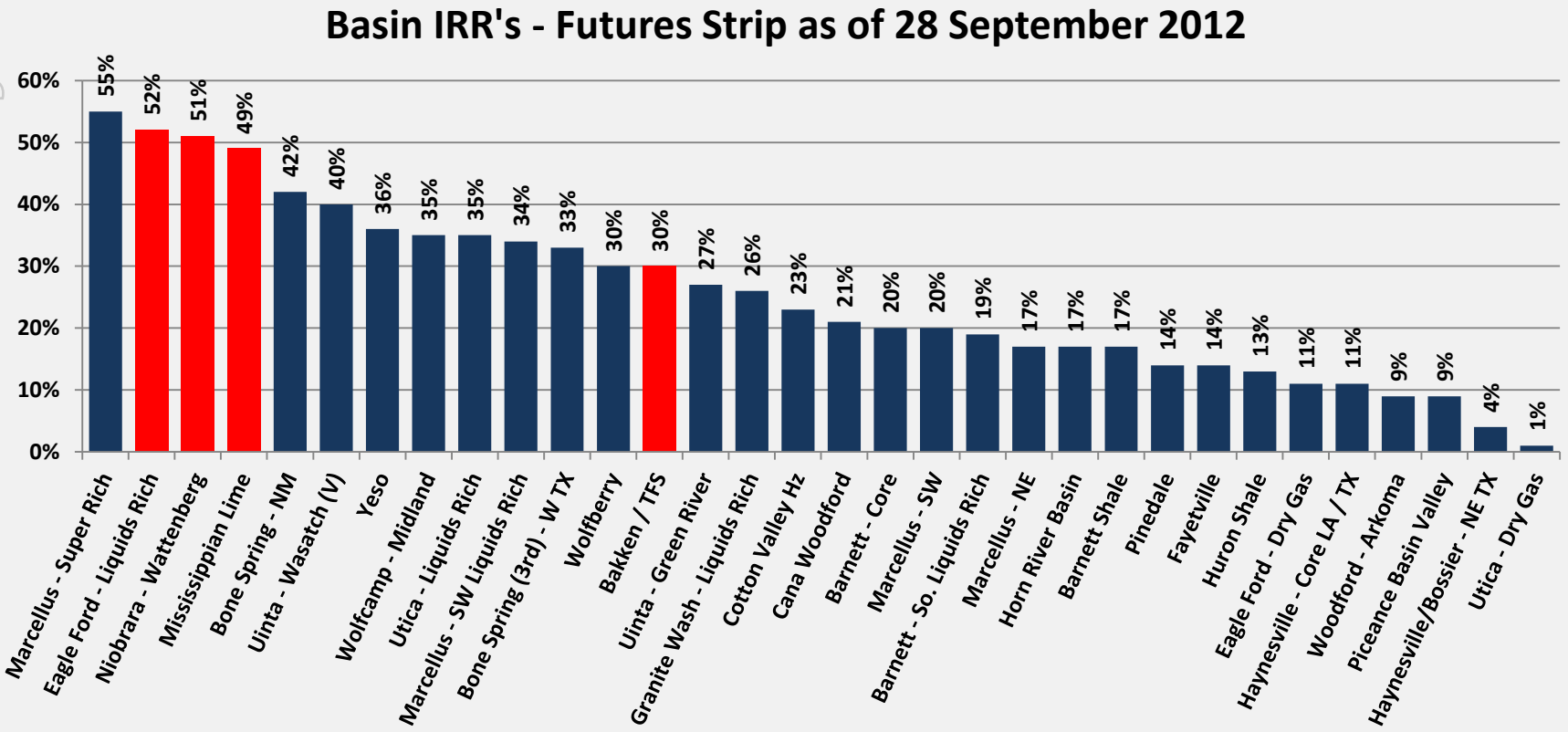
(1)The above table provides summaries of the Companies' reserve estimates as calculated by Netherland Sewell. The footnotes and definitions are an integral part of these tables.
(2) As of 1 July 2012.
(3) As of 1 August 2012 – EFS only.

For personal use only

SUNDANCE energy

^The information on this page shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

Portfolio^ in Leading Onshore US Resource Plays



Futures Strip as of 9/28/2012								
Year:	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8+**
WTI Oil:	$93.26	$93.71	$91.78	$89.35	$87.74	$86.87	$86.87	$86.87
NYMEX Gas:	$3.33	$3.85	$4.18	$4.37	$4.55	$4.74	$4.74	$4.74

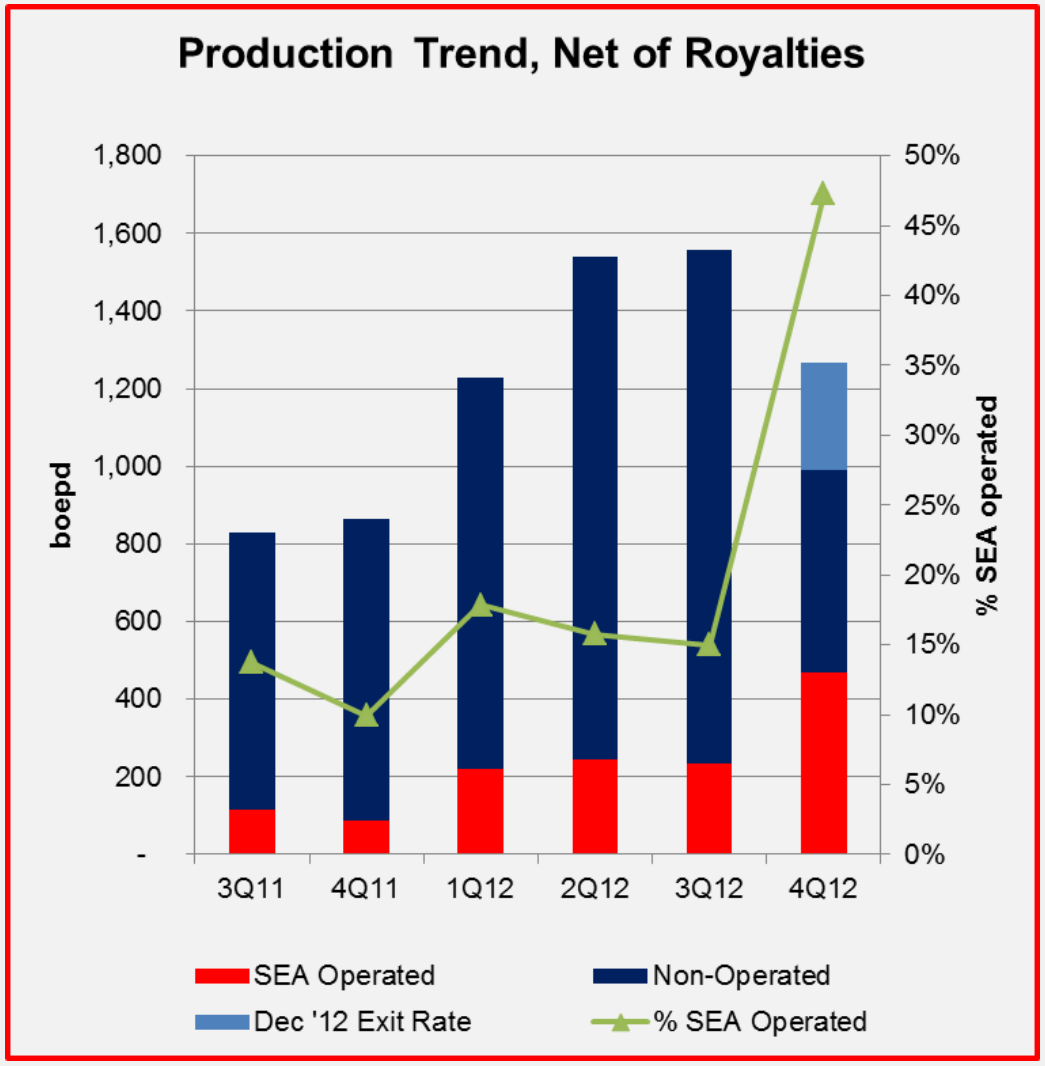
Source: Credit Suisse Equity Research "SMID-Cap E&Ps Basin Economics Update" – 2 October 2012

For personal use only

SUNDANCE energy

^The information on this page shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

Company Operated Production Accelerating

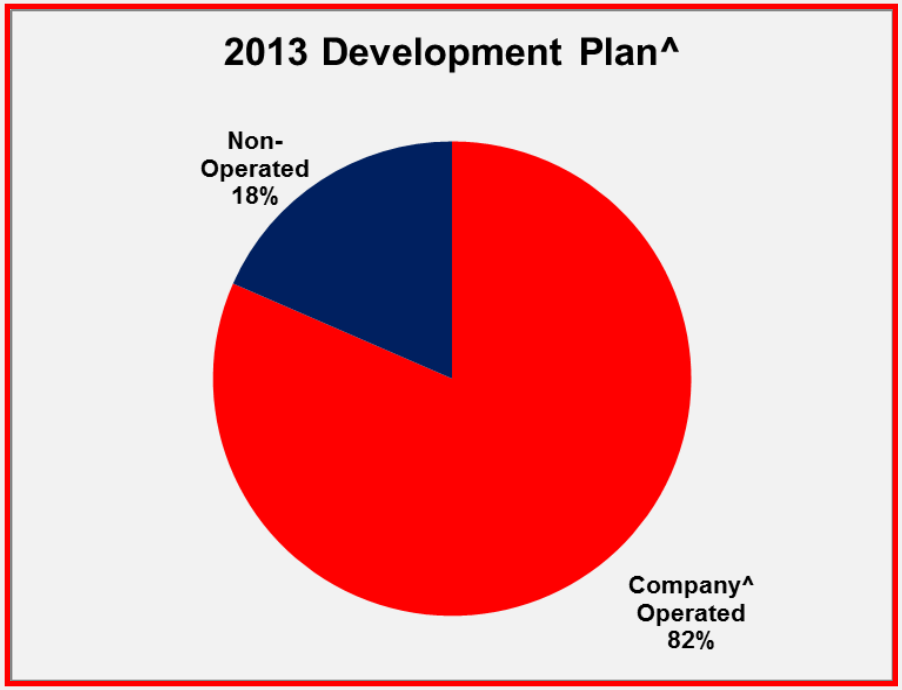


- December 2012 exit rate of 1,266 boepd within guidance range
- Wattenberg gas line upgrade >50% complete with 11 vertical wells awaiting completion or connection (average 30 day IP of 39 boepd)
- Replaced ~65% of production related to S Antelope divestiture
- Added operational engineers to drive and manage growth

For personal use only

Company Operated High Impact Development Plan

	NET WELLS Low	High	Cap Ex Target ($M)
COMPANY OPERATED			
DJ Basin - Wattenberg Vert	10.0	25.0	7.5
South Texas - EFS^	10.8	12.0	105.8
Anadarko Basin - Miss/Wdfrd	6.7	12.0	29.8
Sub-Total SEA Operated^	**27.5**	**49.0**	**143.1**
NON-OPERATED			
Williston Basin	0.5	3.0	5.0
DJ Basin - Wattenberg Hz	2.0	4.0	21.1
Anadarko Basin - Miss/Wdfrd	1.0	2.0	6.3
Sub-Total Non-Operated	**3.5**	**9.0**	**32.4**
2013 Total Wells^	**31.0**	**58.0**	**175.5**



Significant Funding Capacity

- $157.6 million cash as at 31 December 2012
- Cash flow from 1,266 boepd 2012 exit rate
- Cash flow from new well production
- $300 million credit facility (availability determined on proved reserves)

For personal use only

^This information shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

Anadarko Basin: Logan County Activity

For personal use only

LEGEND

SEA Acreage

- 2012 SEA Logan CO Drilled Wells
- 2012 SEA SWD Drilled Wells
- 2013 SEA Logan CO Planned Wells
- 2013 SEA SWD Planned Wells
- 2012-13 SEA Non-Op Wells
- Industry Drilled MSSP Wells
- Industry Drilled Woodford Wells

Blue Dolphin (BD)
Devon Energy (DVN)
Slawson Exploration (SE)
Sundance Energy (SEA)
Stephens Production (SP)

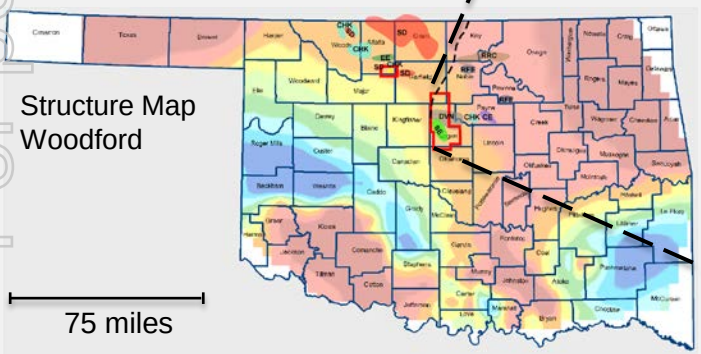
BD McKee #1-36H
IP = 505 boepd (24-h)

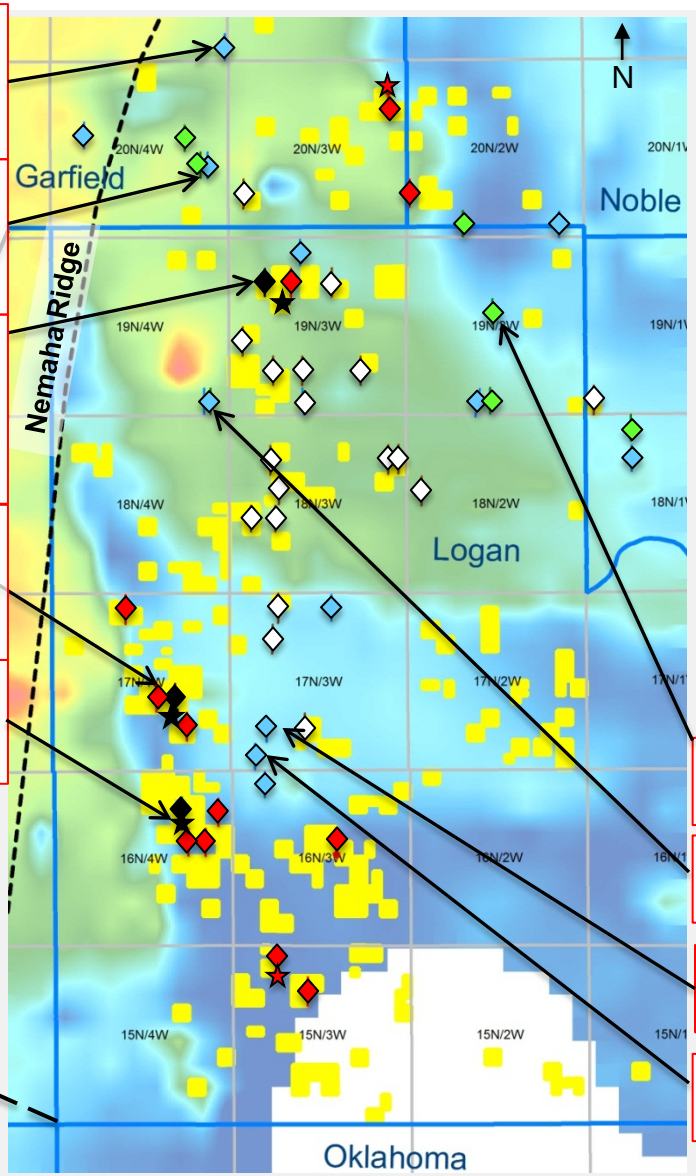
DVN Smith #1-14WD
IP = 123 boepd (24-h)

SEA Kightlinger 18-3-8-1HM
IP = 198 boepd (24-hr)

SEA Branson 17-4-23-1HM
IP = 652 boepd (24-hr)

SEA Rother 16-4-11-2HW
Drilling





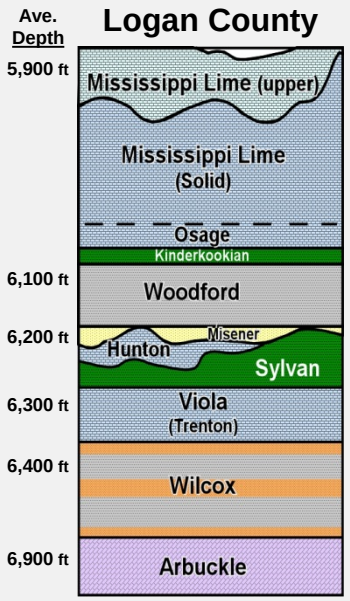
DVN Wilma #1-16H
IP = 397 boepd (24-hr)

SE Kittenbrink 1-1H
IP = 623 boepd (24-hr)

SE Wolf 1-29H
IP = 401 boepd (24-hr)

SP McPhail #1-33H
IP = 642 boepd (24-hr)

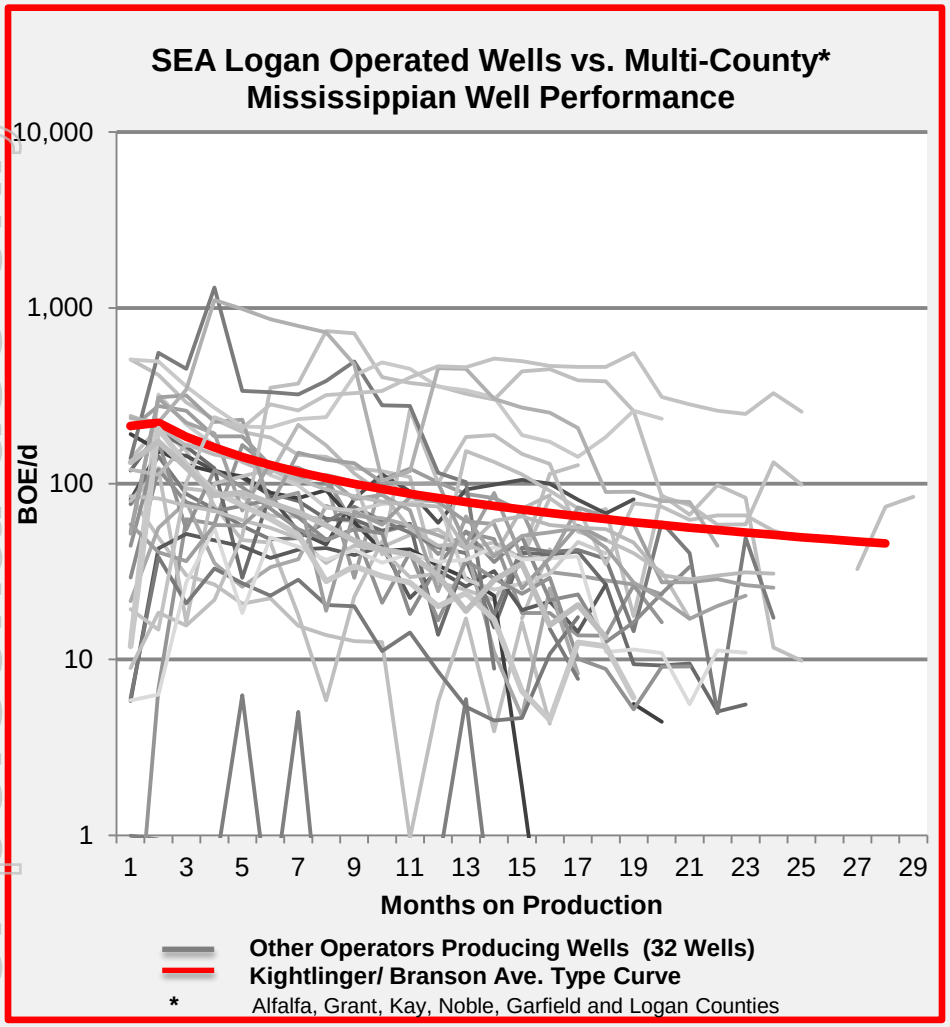
Stratigraphic Column For Logan County



Miss Lime Isopach (ft)
0 200 400 600

SUNDANCE energy

SEA Logan County Mississippian Performance



	SEA Kightlinger 19-3-8-1HM	SEA Branson 17-4-23-1HM	Devon Hopfer 1-17H
WI (%)	87.45	100	14
NRI (%)	69.18	81.25	11.4
IP 24 hr (boe/d)	278*^	652	295
IP 30 day (boe/d)	243*	476	200
EUR (mboe)	150	275	225
Liquids % of Hydrocarbons	56	90	80
Oil Cut as a % of total fluid	10**	67	9**
Capital ($MM)	~4.0	~3.4	~4.3

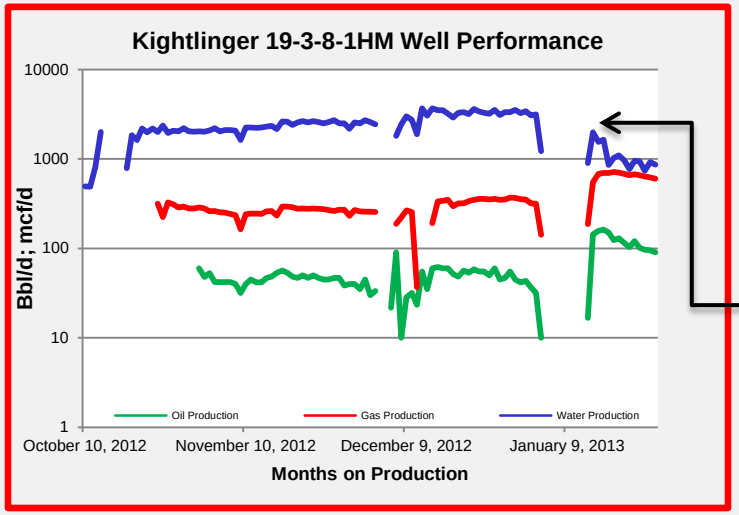
*After downhole packer isolation of natural fracture
^10 day average after setting packer
** Early flowback data

30 Day IP = 300 BOE/d ; 70% Oil
EUR's averaging ~225 MBOE

For personal use only

SUNDANCE energy

SEA Kightlinger 19-3-8-1HM Performance



Bridge Plug was set 12/Jan/13 at @ 9,520' to isolate wellbore from water-bearing fracture

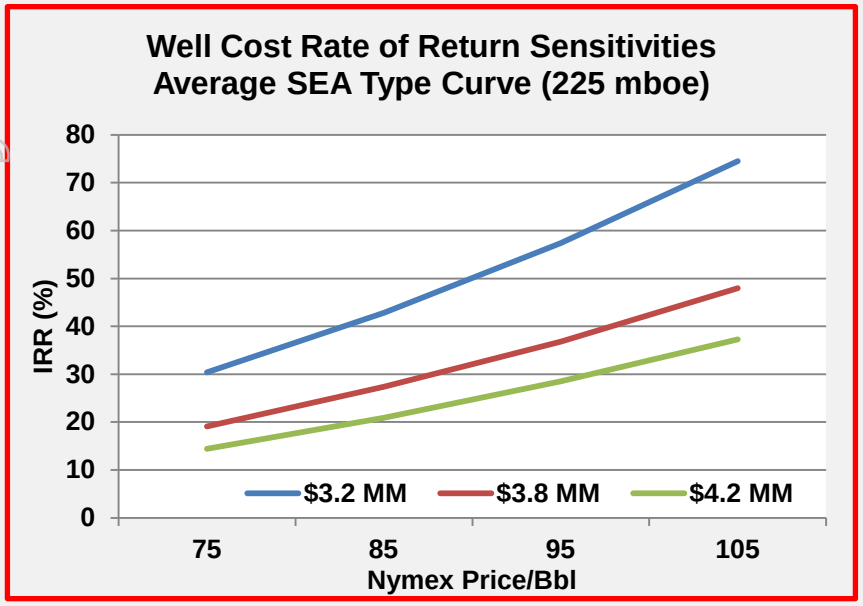
Intersected a large fracture @ 9,906' that connected water-bearing zone to reservoir

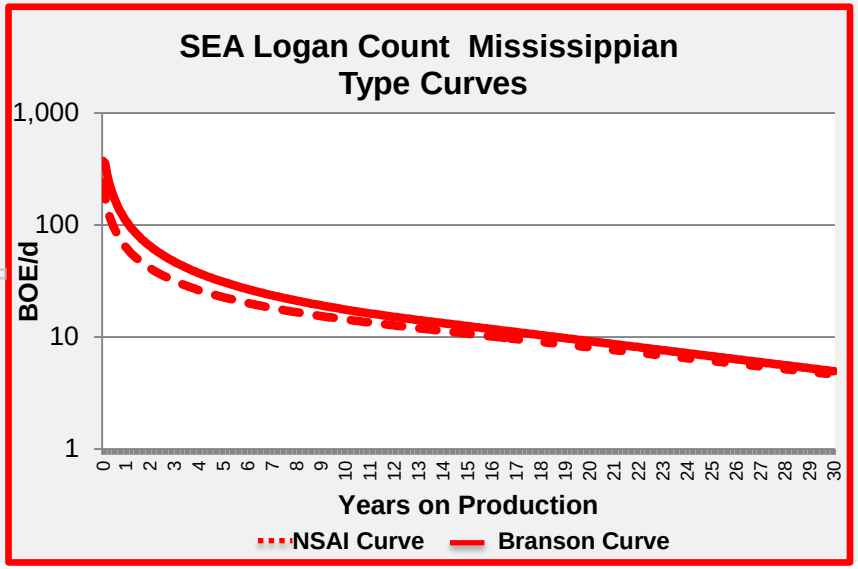
After setting a bridge plug, the well has experienced a significant increase in oil & gas production and decrease in water production

For personal use only

SUNDANCE energy

Logan County Mississippian Economics





SEA Well Economics	Logan County Miss. Lime
Net Locations	100 - 150
Spacing assumption (acres)	160 - 210
Well cost (MM)	$3.2 -$4.2
EUR (mboe)	200 - 275
Estimated Liquids (%)	50 – 70
LOE per boe	$8 - $12
Estimated NPV per well (MM)	$0.3 - $2.5(1)
30 Day IP (boe/d)	125 – 350

(1) $90 Flat Oil; $4.25 Flat Gas, $3.7 MM Well Cost, $9/BOE Opex

For personal use only

SUNDANCE energy

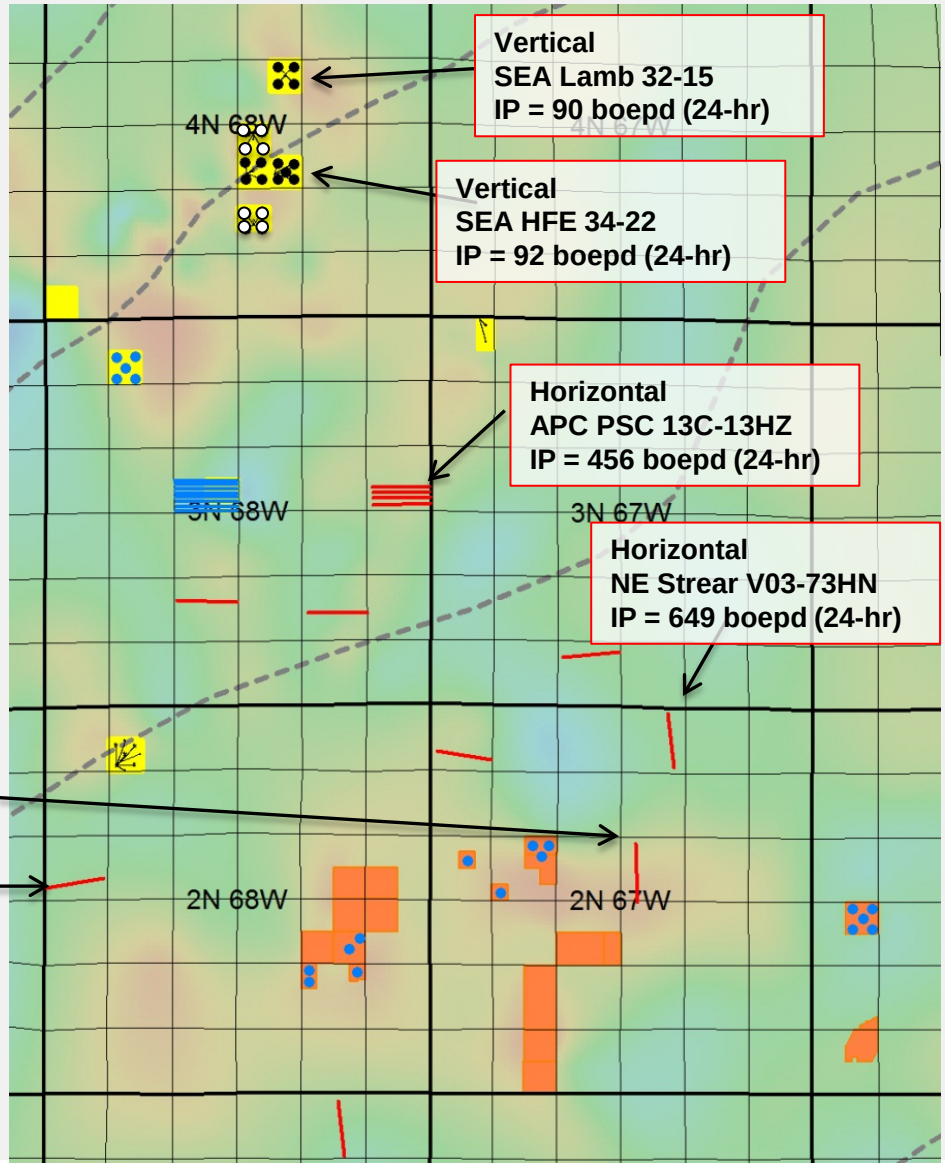
DJ Basin: Wattenberg Activity

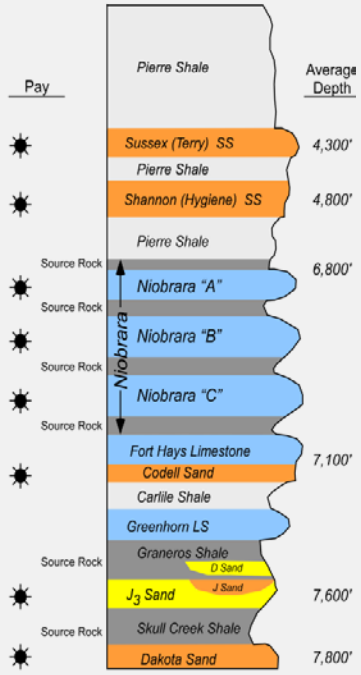
For personal use only

LEGEND

- SEA Acreage
- SEA Recently Acquired Acreage
- 2012 SEA Drilled Wells
- 2012 SEA Drilled Wells (not completed as of 31/Dec/12)
- 2013 SEA Planned Wells
- 2013 SEA Non-Op Horizontal Wells
- Industry Drilled Horizontal Wells

Anadarko (APC)
Noble Energy (NE)
Sundance Energy (SEA)





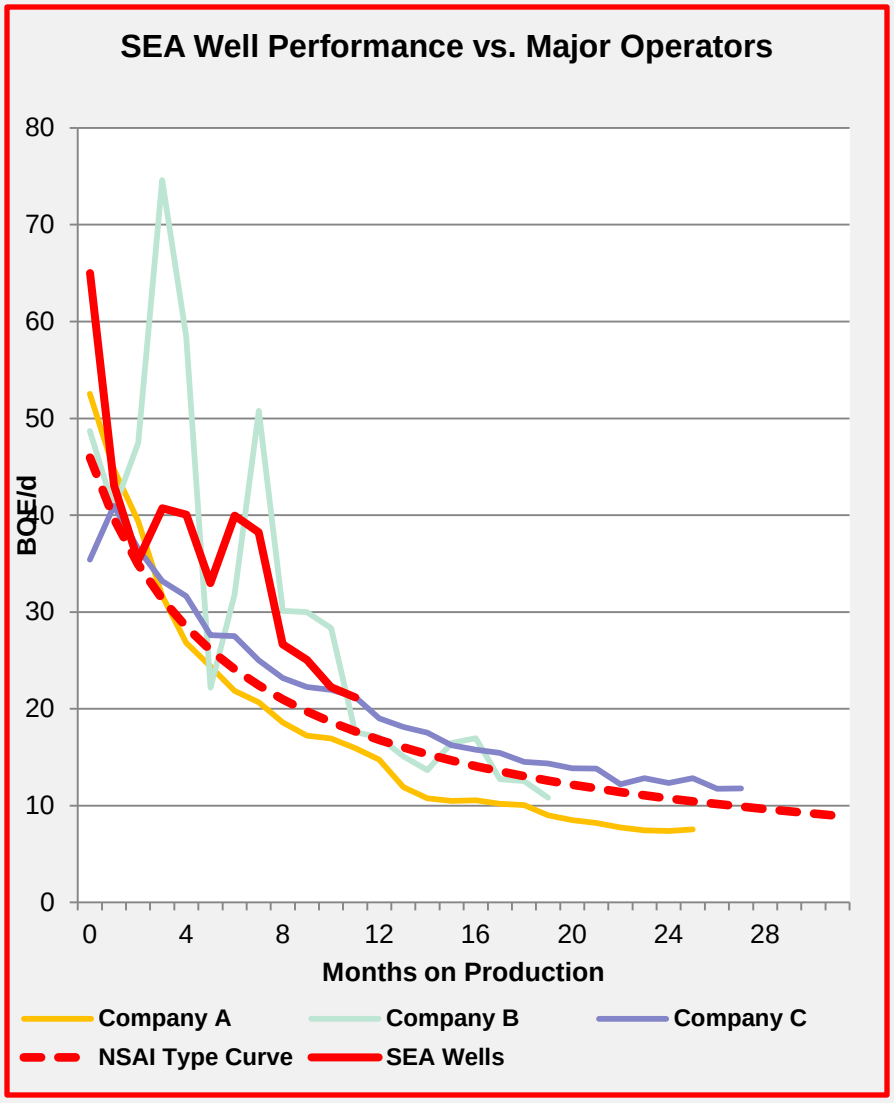
Codell Net Porosity Isopach ≥ 10% (ft)

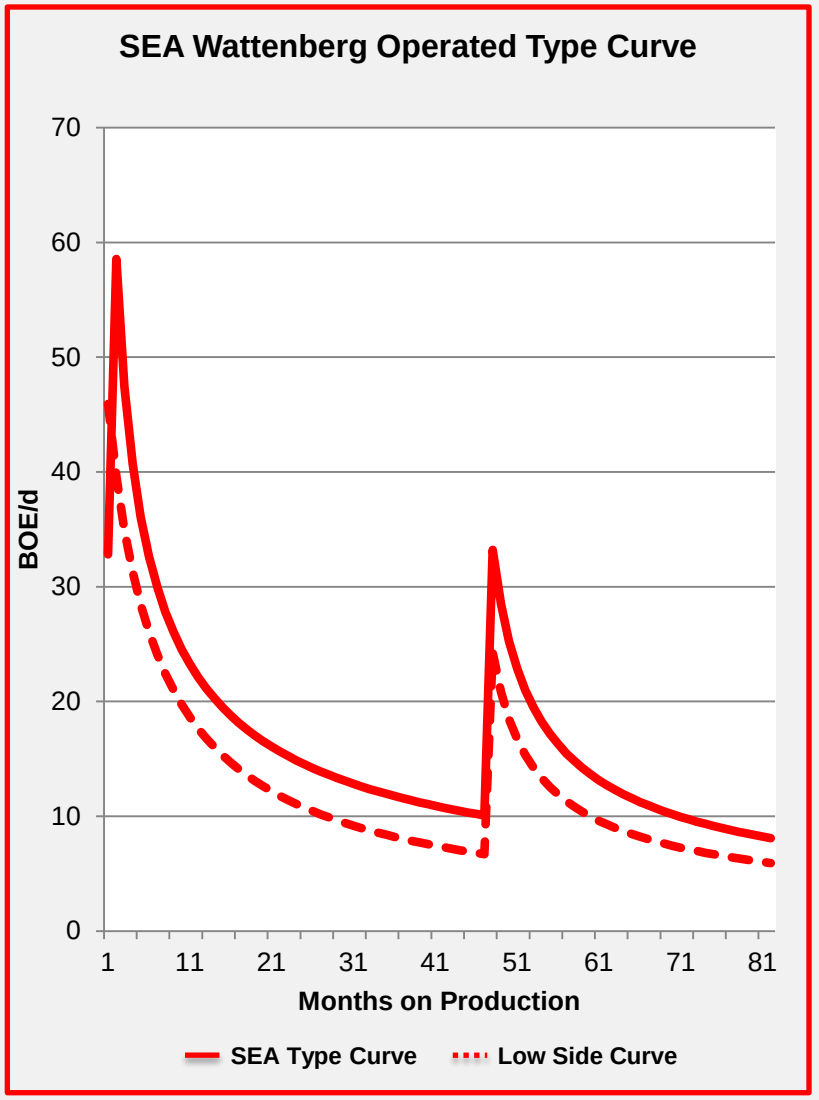
1 7 14 20 27

6 miles

N

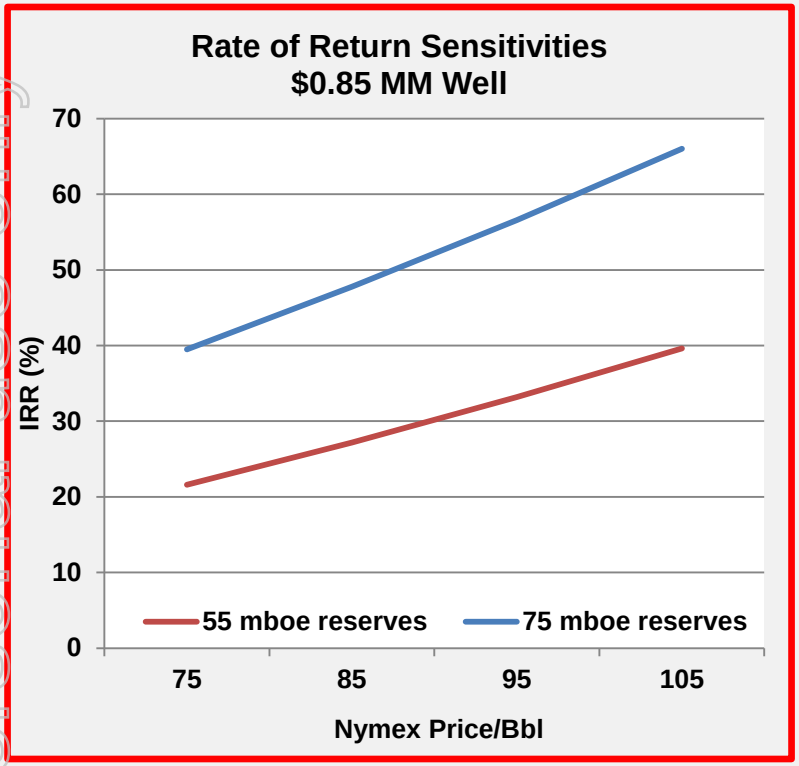
SEA Wattenberg Vertical Program Performance





For personal use only

SEA Wattenberg Vertical Program Performance



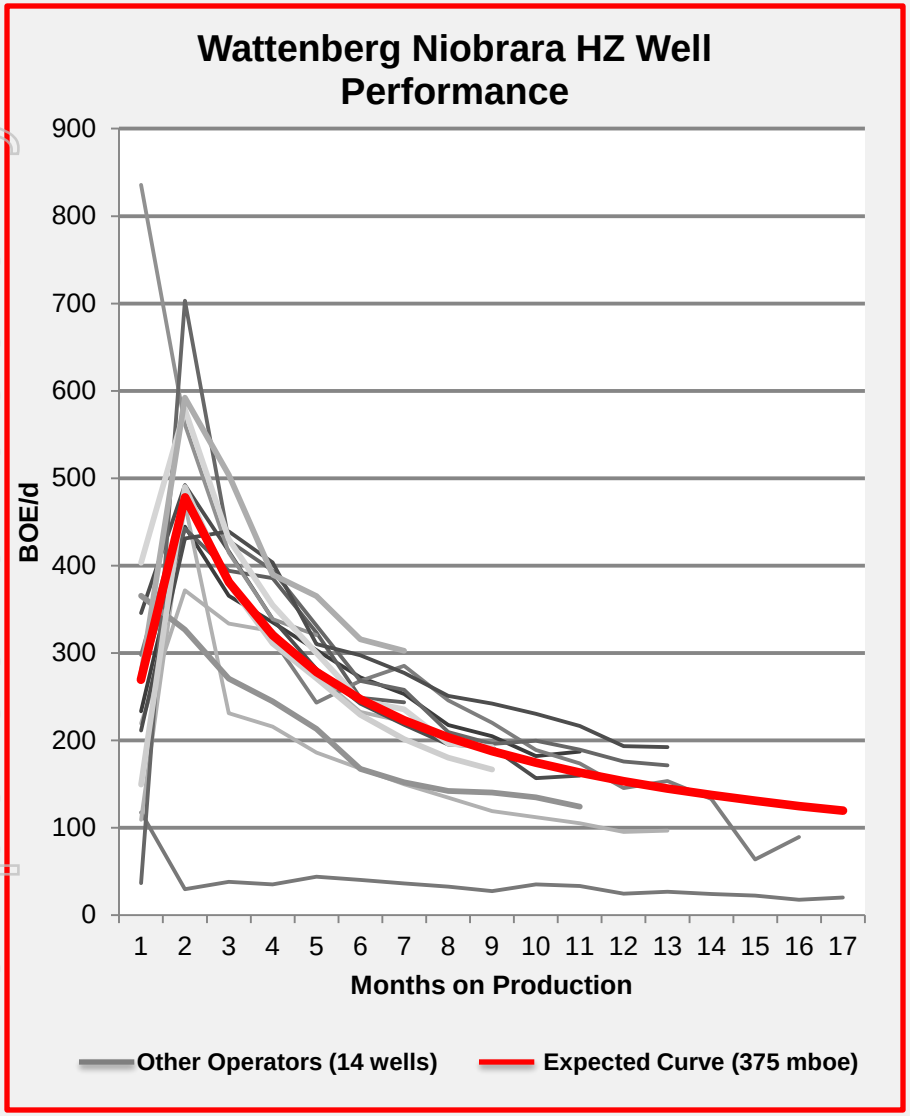
SEA Vertical Economics	SEA 2012 Development Program	Estimated Guidance Range
Net Locations	n/a	200 - 325
Spacing assumption (acres)	n/a	12 - 20
Well cost (MM)	~$0.72	$0.72 - $0.85
EUR (mboe)	n/a	55 - 75
Liquids (%)	83	50 - 60
LOE per month	~$630	$800 - $1200
24 hr IP (boe/d)	65	50 - 100
Estimated NPV per well (MM)	n/a	$0.4 - $0.8(1)

(1) $90 Flat Oil; $4.25 Flat Gas, $0.83 MM Well Cost, $950/Mo Opex

24-hr IP = 65 BOE/d; 50% Oil
refrac at 4 years = 70% of original IP performance
SEA EURs = 75 MBOE

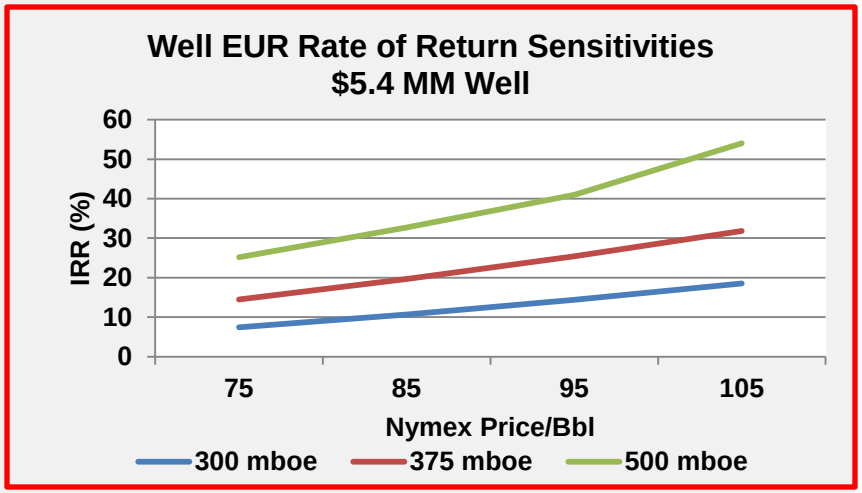
For personal use only

Upside in Potential Wattenberg Horizontal Program



SEA Well Economics	HZ Niobrara
Net Locations	36 - 80
Spacing assumption (acres)	20 - 40
Well cost (MM)	$5.1 - $5.6
EUR (mboe)	300 - 500
Estimated Liquids (%)	50 - 60
30 Day IP (boe/d)	200 – 1,000
LOE per boe	$8 - $12
Estimated NPV per well (MM)	$0.4 - $3.9 (1)

(1) $90 Flat Oil; $4.25 Flat Gas, $5.4MM capex, $10/BOE opex



For personal use only

SUNDANCE energy

*Eagle Ford Overview^*

- Prolific onshore US oil and liquids resource play
  - 236 rigs according to Baker Hughes as of 25 January 2013
  - High oil content and liquids content
  - Typical IRRs of 52% (Credit Suisse Equity Research)
  - Access to higher value Brent crude oil markets

- Sundance entering through merger with Texon (ASX: TXN)
  - Redeployment of capital after divestiture of S Antelope
  - High interest, Company operated project
  - Low risk development assets to drive production, cash flow and reserves growth

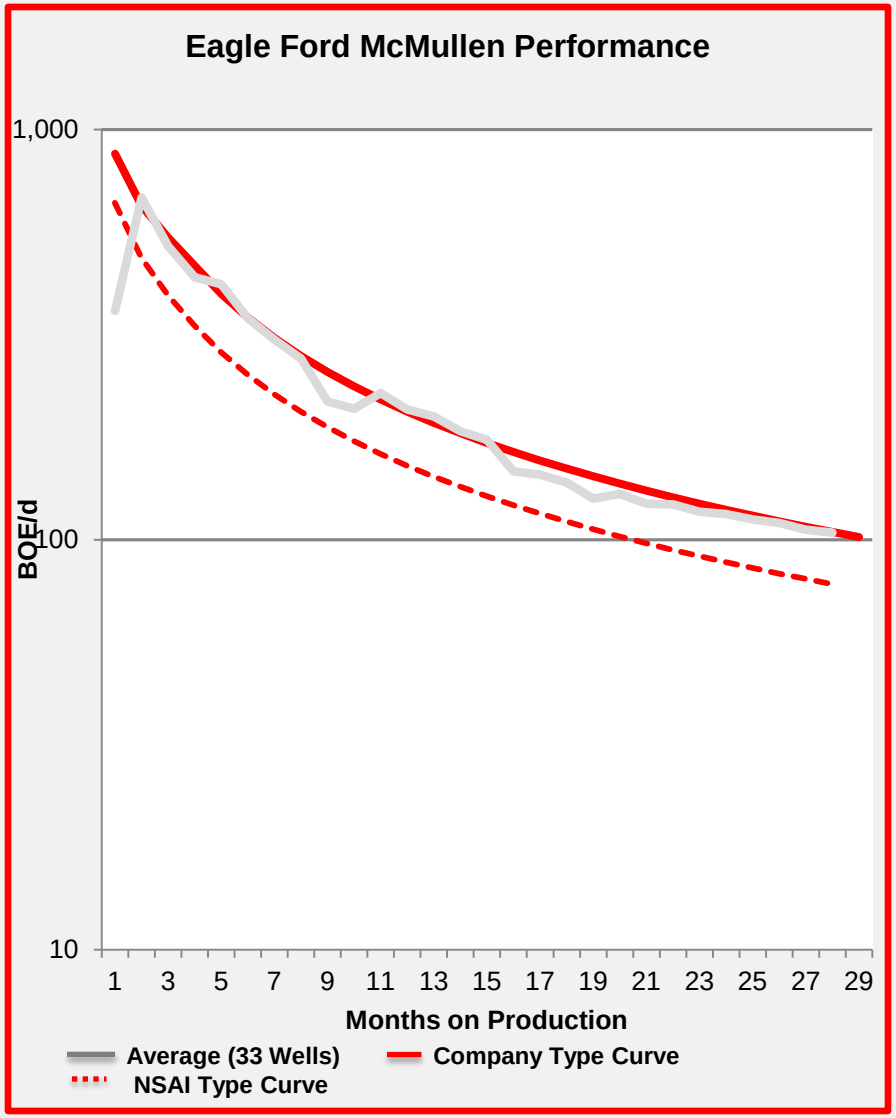
For personal use only

SUNDANCE energy

^The information on this page shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

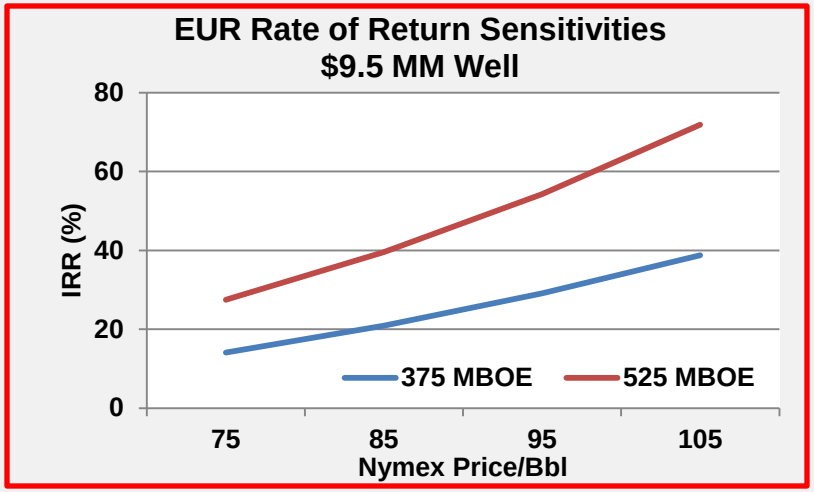
Texas: McMullen County Eagle Ford Wells^

For personal use only



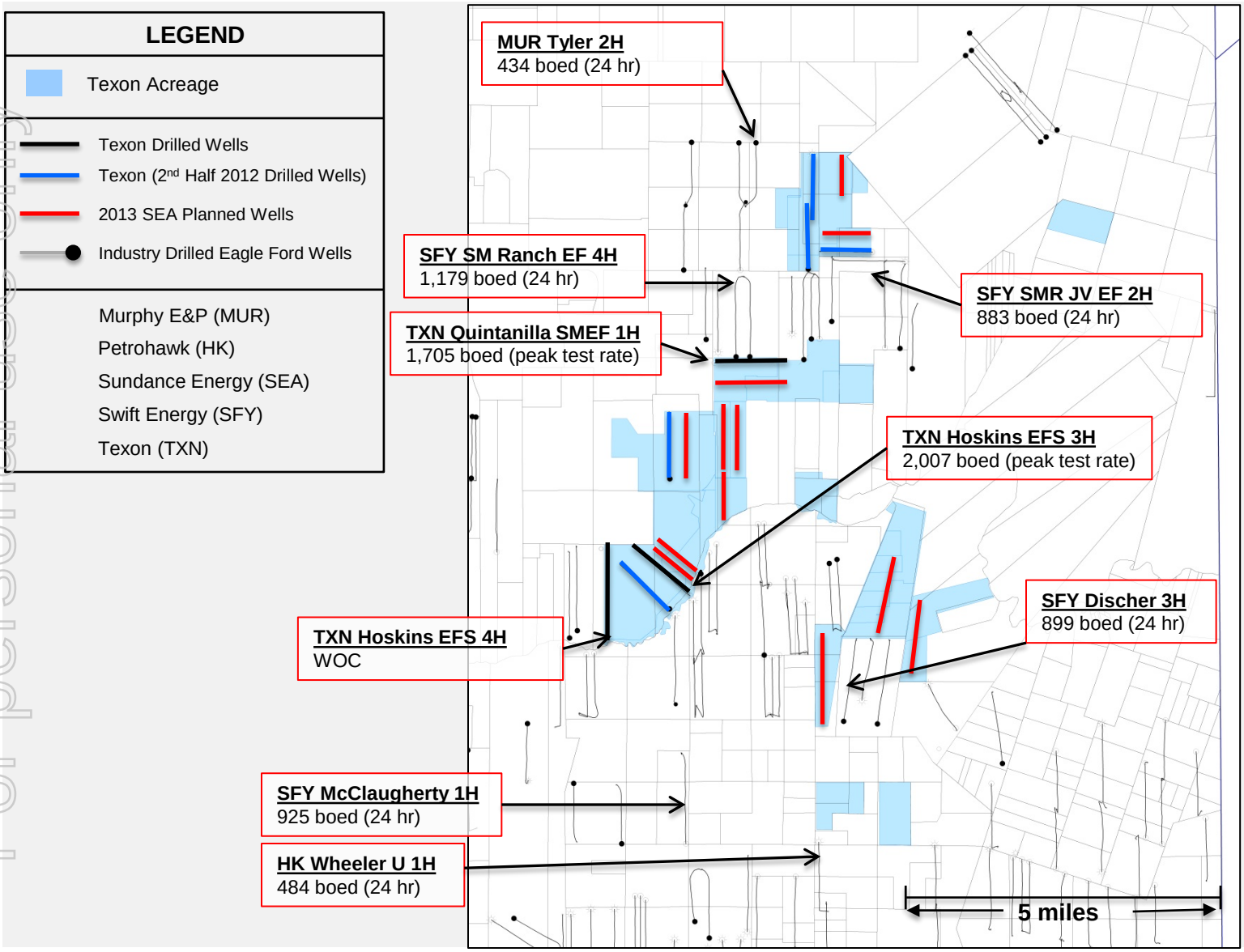
Well Economics	Eagle Ford
Net Locations	90 - 120
Spacing assumption (acres)	80 - 60
Well cost (MM)	$9.2 - $10.5
EUR (mboe)	375 - 525
Estimated Liquids (%)	65 - 80
30 Day IP (boe/d)	875
LOE per boe	$5 - $7
Estimated NPV per well (MM)	$2.0 - $6.5(1)

(1) $90 Flat Oil; $4.25 Flat Gas, $9.5 MM Well Cost, $6/BOE Opex



^The information on this page shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

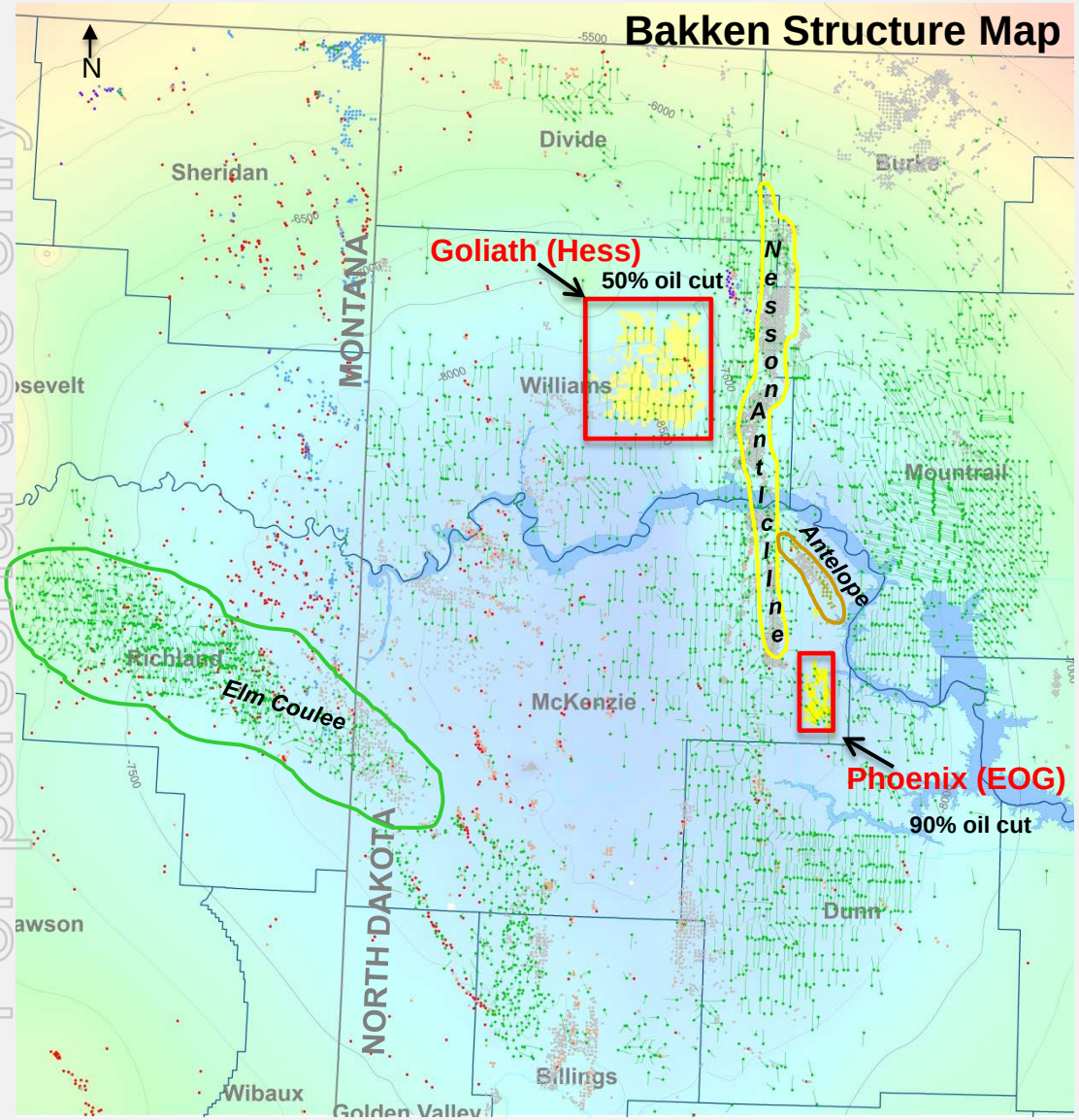
Texas: Eagle Ford (Texon)^



For personal use only

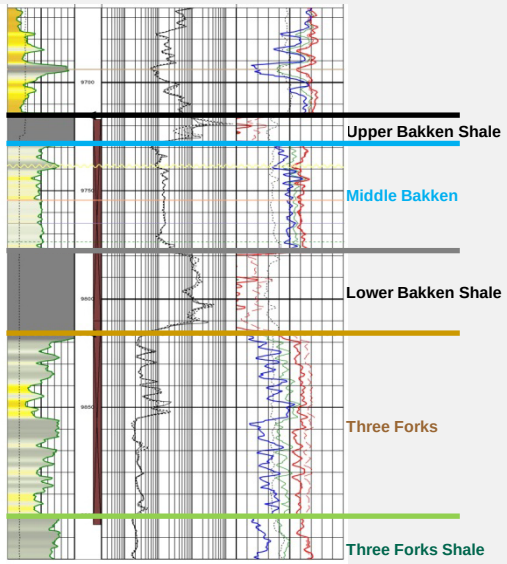
^The information on this page shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

Williston Basin: Bakken – Three Forks



Key Reservoir Characteristics:

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



LEGEND

SEA Acreage (Operator)

Producing Formation

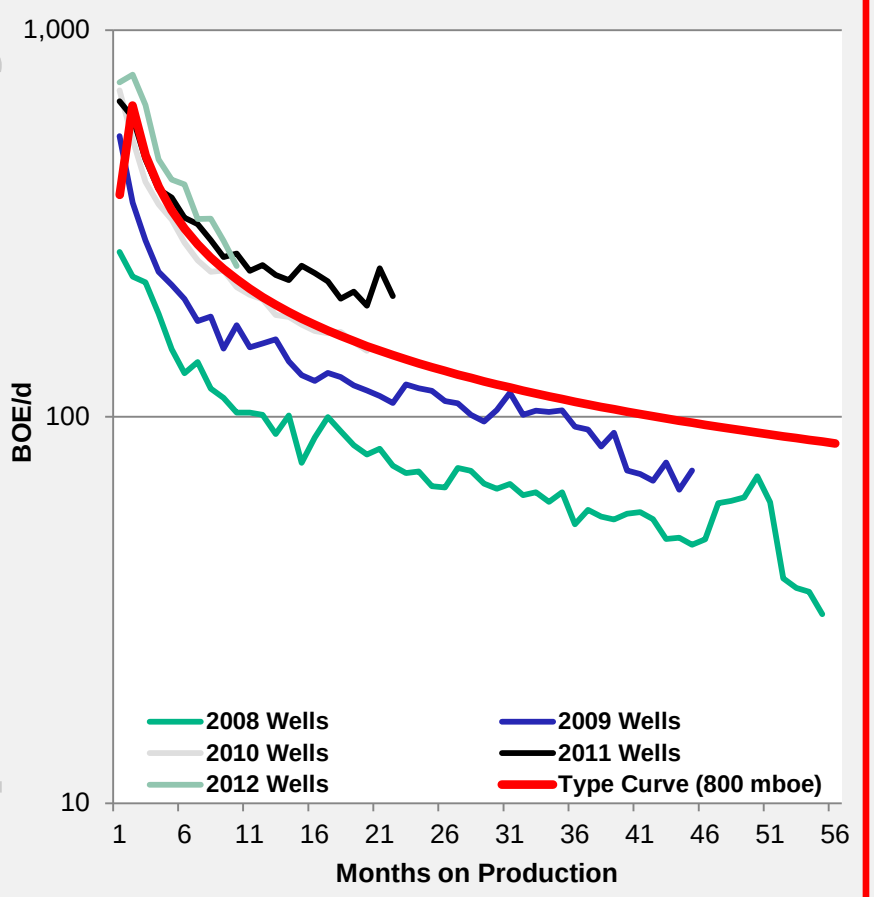
- Bakken / Three Forks
- Duprow
- Lodgepole
- Madison / Midale
- Nisku
- Ratcliff
- Red River
- Winnipeg)
- Winnipegosis

150 miles

For personal use only

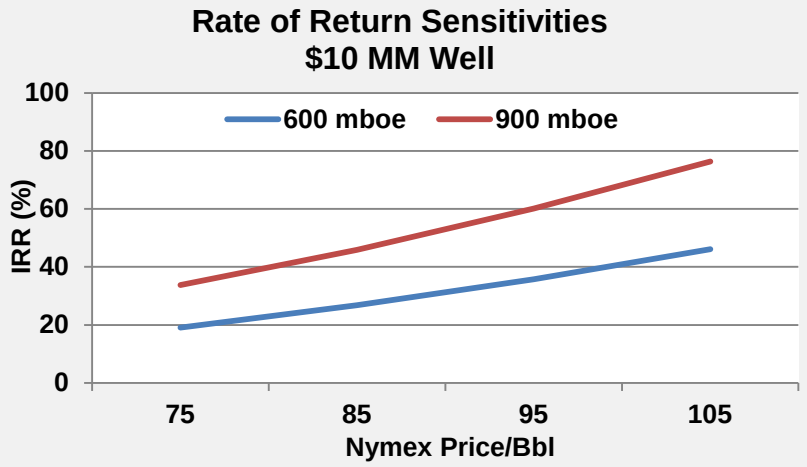
Williston Basin: Phoenix - Bakken – Three Forks

For personal use only



SEA Well Economics	Phoenix
Net Locations (at 160 acre spacing)	18 – 19
Well cost (MM)	$9.5 - $10.5
EUR (mboe)	600 - 900
Estimated Liquids (%)	85
30 Day IP (boe/d)	750 - 850
LOE per boe	$9.50 - $14
Estimated NPV per well (MM)	$6.1 - $9.7 (1)

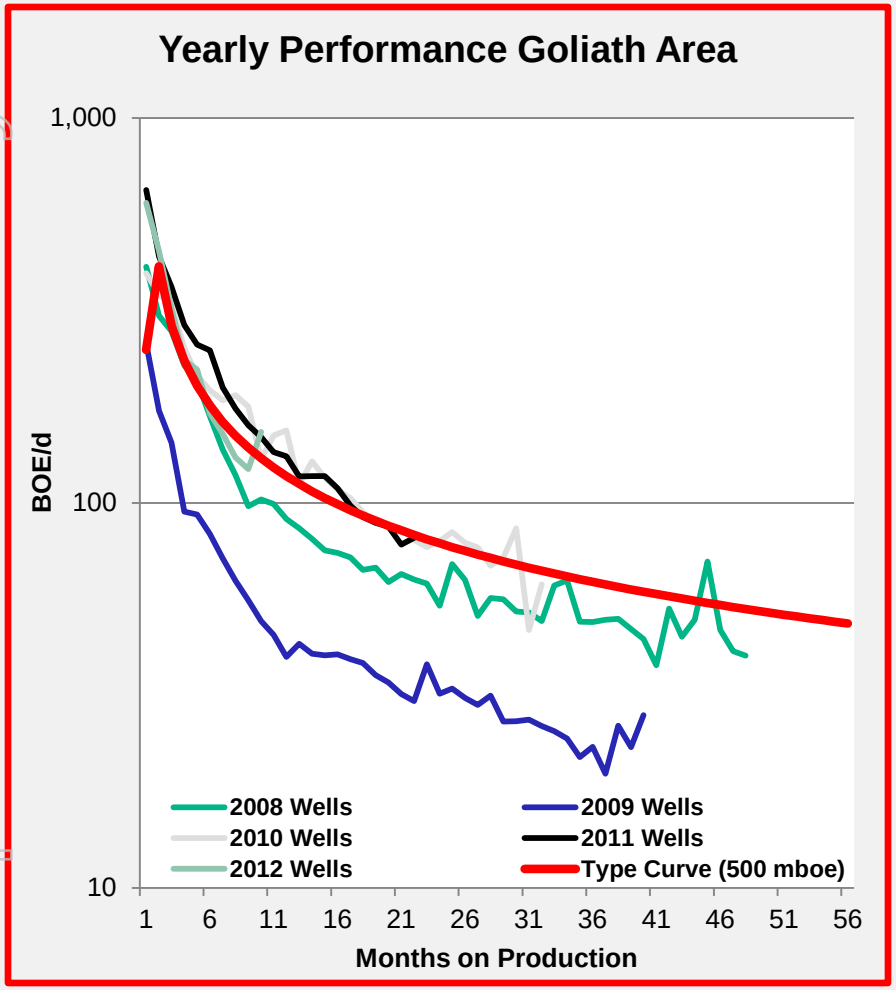
(1) $90 Flat Oil; $4.25 Flat Gas, $10 MM capex, $10.50/BOE opex



One of the premier areas in the Bakken continues to improve year over year; stellar economics with quick payouts driving significant cash flow

Williston Basin: Goliath - Bakken – Three Forks

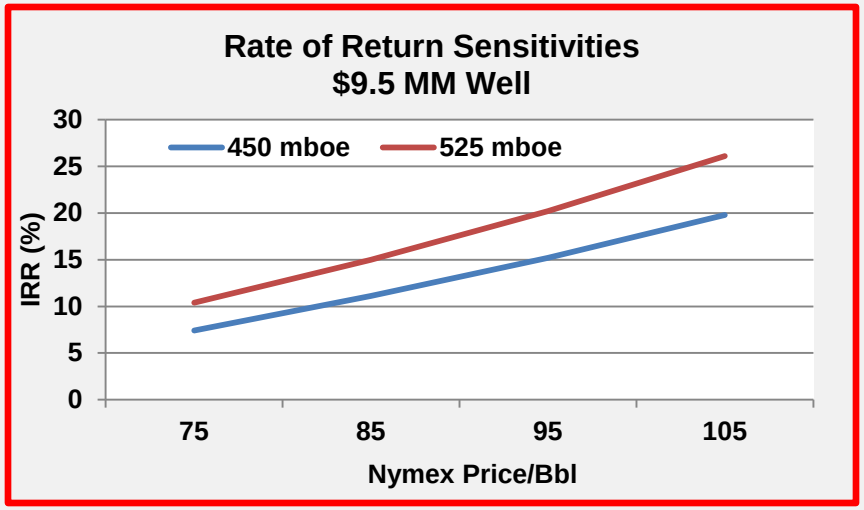
For personal use only



SEA Well Economics	Goliath
Net Locations (at 160 acre spacing)	17.5 - 18.5
Well cost (MM)	$9.0 - $10.0*
EUR (mboe)	450 - 525
Estimated Liquids (%)	80
30 Day IP (boe/d)	400 - 500
LOE per boe	$12 - $14
Estimated NPV per well (MM)	$1.1 - $2.5 (1)

(1) $90 Flat Oil; $4.25 Flat Gas, $9.5 MM capex, $13/BOE opex

* Hess Investor Presentation Barclay's Energy-Power Conference, Sept 2012



Declining costs in the Bakken, combined with technological advances in completions have led to significant economic improvements

Focused Strategy Delivering Results

Premier acreage

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

Production growth

- High interest, Company operated drilling program in 2013
- On track to meet 5,000 boepd target in <18 months^

Financial strength

- Cash position of ~$158M (as at 31 December 2012)
- $300 million credit facility (1) with Wells Fargo

Liquids rich

- Current production & reserve base approximately 80% oil
- Liquids rich associated gas

Proven track record

- Track record of value-adding transactions
- Average IRR > 75% on last five major transactions (slide 26)

(1) $30 million of the credit facility is drawn and the remaining $270 million is subject to borrowing base increases that are determined up to quarterly based on an evaluation of the Company's proved reserves.

For personal use only

SUNDANCE energy

^This information shows the combined position for Sundance Energy and Texon Petroleum Limited, assuming that the proposed merger of those companies announced on 13 November 2012 had been implemented. Implementation of the proposed merger remains subject to several conditions including, but not limited to, Texon shareholder and court approval.

For personal use only

Appendices

Track Record of Value-Adding Transactions

Prospect	Basin	Date	Transaction Value (US$)	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

For personal use only

Texon Merger on Track with Initial Timeline

- Indicative time table:

Event	Date
Scheme Implementation Agreement signed	✓
Scheme booklet lodged with ASIC for review	✓
First Court hearing	✓
Scheme Booklet dispatched	✓
Texon Scheme Meetings held	25 February 2013
Second Court hearing to approve Schemes	27 February 2013
Implementation date	8 March 2013

For personal use only

Experienced Board and Management

Board of Directors

Mike Hannell, Chairman

45 years' experience in upstream and downstream petroleum industry. Previously held senior positions with Santos Ltd and Mobil Oil.

Eric McCrady, Managing Director & CEO

Previously CFO of Sundance Energy. 15 years' entrepreneurial experience with extensive track record in M&A, JVs, IPOs, privatisation transactions, and senior and mezzanine debt transactions.

Damien Hannes, Non-Executive Director

More than 25 years' finance experience; most recently, 15 years with Credit Suisse in Asia Pacific region.

Weldon Holcombe, Non-Executive Director

More than 30 years' technical, operational and managerial experience in leading US unconventional resource plays. Most recently Executive VP, Mid-Continent Region for Petrohawk Energy Corporation.

Neville Martin , Non-Executive Director

Former partner and current consultant at Minter Ellison in Adelaide. 40 years' experience in corporate law and mining and gas law. Former state president of the Australian Mining & Petroleum Law Association.

Management

Cathy Anderson, Chief Financial Officer

Certified Public Accountant with over 25 years' experience with companies including Key Production (predecessor of Cimarex), OptiGas and Arthur Andersen.

Grace Ford, Vice President, Exploration & Development

More than 15 years' geologic experience in exploration, development, resource play evaluation, well design/ development/completion and reservoir characterization with companies including EOG Resources, Baytex Energy USA and Marathon.

Mike Wolfe, Senior Land Manager

More than 30 years' senior land experience in the oil and gas industry with companies such as Cimarex and Texaco. Experience encompasses field leasing, title, lease records and management of multi-rig drilling programs.

For personal use only

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;
- "PDNP" is defined as Proved Developed Not Producing Reserves;
- "PUD" is defined as Proved Undeveloped 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.

For personal use only