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Issuer's trading name: SERINUS ENERGY INC.

Title: Serinus Energy – Q4 2014 Operations Update

Legal basis: other regulations

Content:

Pursuant to Article 62.8 of the Act of 29 July 2005 on Public Offering [...] the Management of SERINUS ENERGY INC. ("Serinus", "SEN" or the "Company") informs that in Canada via the SEDAR system it has published update for Company's operations for the fourth quarter of 2014.

Note: Serinus reports in US dollars. All dollar amounts referred to herein are in USD, unless specifically noted otherwise.

Fourth Quarter Production and Realized Prices

Average corporate production for the fourth quarter was approximately 5,409 boe/d (SEN WI), representing a 4% decrease from 5,640 boe/d in the third quarter. Production for the first 20 days of January has averaged 5,259 boe/d. This is below total capacity due to certain surface facility restrictions in Ukraine which will be resolved in May with new compression. Gas and condensate production in Ukraine during the fourth quarter were 23.4 MMcf/d and 84 bbl/d respectively (both volumes are SEN's 70% WI). These volumes are 11% and 2% lower than the third quarter. The decrease was due substantially to:

- The existing surface facilities are having difficulty meeting sales gas dew point specifications, and some wells have been choked back. This will be addressed with new compression in the Olgovskoye field due to be installed in May 2015.
- The M-16, M-17 and O-12 wells were shut in for approximately 3 days each for their annual build up tests.
- M-16 was shut in in November to recompleate the well to the S5 zone, as it was determined that the M-17 well is capable of fully draining the S6 pool in which both wells were originally completed.

Production in Ukraine for January to date has averaged 29.9 MMcf/d and 103 bbl/d (20.9 MMcf/d and 73 bbl/d SEN WI). KUB-Gas LLC ("KUB-Gas"), Serinus' indirectly owned 70% subsidiary, is the owner and operator of the Ukrainian licences.

The estimated prices received in Ukraine during the quarter were \$9.62/Mcf and \$67.79/bbl for natural gas and liquids respectively. The comparable prices realized in Q3 2014 were \$10.16/Mcf and \$84.98/bbl. Gas sold in Ukraine by KUB-Gas is based on the import price of

Russian gas, which in turn is linked to the price of oil. KUB-Gas is paid in UAH, making its realized price in USD also subject to exchange rate risk.

Overall production in Tunisia for Q4 was 1,429 boe/d, 22% higher than the 1,170 boe/d in Q3. Oil averaged 1,115 bbl/d, and gas was 1.88 MMcf/d. The major factors behind the increase were the success of the Winstar 12bis (“WIN-12bis”) well in the Sabria Field, which commenced production on December 10th, and increases resulting from the summer workover program. Estimated realized prices during the quarter were \$73.57/bbl and \$14.42/Mcf. There were two tanker lifts of oil during Q4.

Tunisia production for January to date has averaged 1,694 boe/d, comprised of 1.9 MMcf/d of natural gas and 1,379 bbl/d of oil.

Note: the volumes and prices referred to above are subject to minor revisions once final allocations and invoices are received.

Drilling & Workover Update

As disclosed in our press release of January 7, 2015, the M-22 well reached TD in late December, and logs and drilling data indicate 18 metres of net pay in two zones, including the S13a which has not been previously tested in the area. The well also encountered four other zones with aggregate thickness of 22 metres that have resource potential. The well has been cased and completion and testing has commenced. A flowline was pre-built earlier in 2014, and the tie-in is anticipated to be finished by mid-February, pending regulatory approvals.

The M-16 well was recompleted to the S5 zone in early January. After a small acid wash (approximately 6 bbl) designed to test the formation’s reactivity to the acid, the well initially flowed at 186 Mcf/d before declining to 100 Mcf/d. An acid frac’ is now being designed.

In Tunisia, WIN-12bis commenced production on December 10th at 635 boe/d. Between continuing to clean up and an increase in the choke size from 16/64” to 18/64”, gross production for January to date has averaged 1,014 boe/d (762 bbl/d of oil and 1.5 MMcf/d of gas). The well is producing from the same Upper and Lower Hamra and El Atchane formations in the rest of the Sabria Field. Serinus owns a 45% interest in Sabria through its wholly owned subsidiary, Winstar Resources Ltd.

Winstar-13 (“WIN-13”) was spud on December 10th, 2014. It is also targeting the Hamra and El Atchane zones, although the Upper Hamra is expected to be eroded at this location. Early lost circulation issues and an active shallow aquifer have caused significant delays, and the well has reached intermediate casing depth of 1,092 metres. It is now expected to reach its targeted total depth of 3,820 metres in mid-April.

In Romania, the Moftinu-1001 and Moftinu-1002bis wells were drilled in during November and December, with the rig released from Moftinu-1002bis on January 7, 2015. Moftinu-1001 found three Miocene/Pliocene aged sands with aggregate potential net pay of 17 meters, and porosity ranging between 24% and 36%. It also encountered three shallower zones with resource potential, which appear to be good quality reservoir rock, but the preliminary data is not conclusive as to the existence of hydrocarbons therein.

Moftinu-1002bis also encountered seven Cenozoic aged sandstones with aggregate potential net pay of 22 metres. Both wells will be completed and tested starting in mid-February.

Corporate Update

During the fourth quarter, KUB-Gas made a repayment of \$1.9 million on its Ukraine credit facility, and Serinus drew an additional \$5 million against its Convertible Loan facility. Both are from the European Bank for Reconstruction and Development (“EBRD”).

Ukraine Legislative Developments

The following were also previously reported in the Company’s press releases of December 4, 2014, and January 7, 2015.

During November 2014, the Ukraine government issued three decrees (No.’s 596, 599, and 647) which collectively require 170 of the largest gas consumers in Ukraine to purchase their gas solely from the state owned National Joint Stock Company Naftogaz (“Naftogaz”) until the end of February 2015.

On December 1, 2014, the National Bank of Ukraine issued Resolution No. 758, which extended until March 3, 2015, the restrictions on several types of foreign exchange transactions including among other things, the ability of companies to pay dividends to foreign shareholders.

On January 1, 2015, the Ukrainian government passed an amendment to the Tax Code of Ukraine, which among other things, has made permanent the 55% (for natural gas) and 45% (oil and liquids) royalty rates first imposed on August 1, 2014. A provision for a lower (30.25%) rate on natural gas from new wells for the first two years of production expired with the original bill, and as such, all gas will now be subject to the full 55% royalty rate regardless of when the well was drilled. KUB-Gas’ only well that formerly qualified for that holiday was M-17, which comprised approximately 33% of production during the fourth quarter.

Further discussion regarding the effects of these pieces of legislation is contained in the Ukraine section later in this release.

Outlook

As the Company previously mentioned in its press releases of September 29 and December 4, 2014, the tighter fiscal terms in Ukraine would negatively impact the capital expenditure program for 2015. The budget is also affected by materially lower commodity prices.

Serinus currently anticipates \$17 million of total capital expenditures for 2015 (SEN WI). The major items in that program include:

- Ukraine - Completion, testing and tie in of the M-22 well
- Ukraine – field compression for Olgovskoye field
- Tunisia – Drilling, completion and testing of WIN-13
- Tunisia – installation of coiled tubing in ECS-1
- Romania – Completion and testing of Moftinu-1001 and 1002bis

Most of these items are expected to be completed in Q1, with the exceptions of WIN-13 (April TD, testing thereafter) and the Olgovskoye compression (May).

In addition to the major projects listed above, the Company has ongoing exploration and development activities, plant de-bottlenecking and maintenance capital that are included in the total planned expenditures.

Ukraine

Serinus estimates that the current fiscal regime combined with lower commodity prices will have three primary effects:

- While cash flow from existing operations will be materially reduced, it will remain positive
- Development drilling, recompletion and stimulation will be marginally economic
- Exploration drilling does not appear to be economically viable.

The Company may consider additional capital expenditures on development projects during the balance of 2015, subject to keeping such expenditures within operating cash flow and no further material adverse changes in the fiscal terms, or the security situation in and around the Ukraine licences. It may also resume drilling of the NM-4 exploration well for retention of the North Makeevskoye licence, although management is investigating the possibility of extending the deadline (December 29, 2015) due to the current security and economic circumstances. At this time, no additional projects beyond the M-22 well and Olgovskoye field compression have been approved.

Once economic conditions improve, KUB-Gas has a significant inventory of drilling locations and other projects in the Ukraine licences including:

- Firm drilling locations at M-15, M-24, M-25 and NM-4. Management anticipates that this inventory will increase pending a successful test on M-22, as those results are assimilated into the geological model for the area.
- Fracture stimulations candidates at M-16, O-11, O-15 and NM-3
- The Company continues to consider dual completions on several wells which show potential in secondary zones.

The official gas price for the month of January is 5,900 UAH per Mcm (excluding 20% VAT), or \$10.57/Mcf using an exchange rate of 15.8 UAH/USD. The actual price received by KUB-Gas will also be influenced by:

- The previously mentioned legislation reserving large parts of the Ukrainian gas market for Naftogaz. The Company estimates that approximately 20% of its historical gas sales have been to customers on that list. Other private producers have lost greater percentages of their market pursuant to this legislation. It is uncertain whether all private producers in the country will be able to find new customers to replace those lost to Naftogaz by this legislation. This has led to increased competition for the remaining creditworthy customers, which in turn has led to lower gas prices and may lead to an inability to sell all domestic production.

- Approximately 10% less for the profit margin of the intermediaries through which the gas is sold.

KUB-Gas is paid in UAH, so the realized price in USD will continue to be influenced by changes in the exchange rate.

Tunisia

WIN-13 has reached intermediate casing point of 1,092 metres. The well encountered early lost circulation issues and a very strong shallow aquifer which has put it significantly behind schedule. It is now expected to reach its planned total depth of 3,820 metres in mid-April. With the success on WIN 12bis, and pending results from WIN-13, the Sabria field could be capable of a multi-well development program, but due to current low commodity prices, no additional drilling is expected for 2015.

Operations to install a coiled tubing string in ECS-1 are expected to commence in mid-February. The well was frac'ed in early October. It did not flow back, and was subsequently swabbed for 12 days, producing up to 100 bbl/d of total fluid with oil cuts increasing from zero to 13%. It also produced natural gas, but rates were not measurable due to wellsite equipment limitations. A flowline will be run from ECS-1 to EC-4, which in turn is tied into the currently producing EC-1 well.

Certain smaller capital expenditures for maintenance and expansion of the Sabria central processing facilities will continue.

Romania

As previously mentioned, completion and testing operations on Moftinu-1001 and 1002bis are expected to commence in mid-February. Both wells have multiple zones of net pay or potential net pay. These two wells, along with the 180 km² 3D seismic program in the Santau area shot in late 2014 and associated filings to the Government, will fulfil both the Government and partner minimum work commitment for Satu Mare Concession, Phase 2. Written confirmation of such is expected in May 2015.

Cautionary Statement:

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Test results are not necessarily indicative of long-term performance or of ultimate recovery. The test data contained herein is considered preliminary until full pressure transient analysis is complete.

This text contains selected excerpts from the original news release in English, which has been filed by Company in Canada (country of its registered office) by way of the SEDAR system and is available at the website www.sedar.com by entering the Company name at http://www.sedar.com/search/search_form_pc_en.htm.

The Polish translation of the entire text of the news release is available at the website: www.serinusenergy.com