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Issuer's trading name: SERINUS ENERGY INC.

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Content:

The Management of SERINUS ENERGY INC. ("**Serinus**" or the "**Company**") informs that in Canada via the SEDAR system it has published Second Quarter Operations Update

Second Quarter Production and Realized Prices

Average corporate production for the second quarter was 4,964 boe/d (SEN WI), representing a 2% increase from 4,873 boe/d in the first quarter.

Gas and condensate production in Ukraine during the second quarter were 21.3 MMcf/d and 102 bbl/d respectively (both volumes are SEN's 70% WI). These volumes are 4% and 3% higher than the first quarter. This includes only a minor contribution from the M-17 well, which did not start up until June 26. To date, M-17 has averaged 6.4 MMcf/d (4.4 MMcf/d SEN WI).

KUB-Gas LLC ("**KUB-Gas**"), Serinus' indirectly owned 70% subsidiary, has achieved record production in Ukraine with average rates for July to date reaching 35.0 MMcf/d and 120 bbl/d (24.5 MMcf/d and 84 bbl/d SEN WI). This is 15% above 2013 exit production.

The estimated prices received in Ukraine during the quarter were \$10.23/Mcf and \$79.86/bbl. The gas price was significantly higher than the \$8.67/Mcf realized in Q1 2014, as the discounts on imported Russian gas during the prior quarter expired on April 1, 2014, and Ukrainian Hryvnia ("**UAH**") reached a more stable level vs. the U.S. dollar ("**USD**"). 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. That exchange rate was substantially less volatile during Q2 than in the first quarter which contributed to the higher realized gas prices.

Overall production in Tunisia for Q2 was 1,310 boe/d, 3% lower than the 1,345 boe/d in Q1. Oil averaged 1,005 bbl/d, and gas was 1.8 MMcf/d. Estimated realized prices during the quarter were \$105.34/bbl and \$14.35/Mcf. There were two tanker lifts of oil during Q2.

Tunisia production for July so far has averaged 1,288 boe/d, comprised of 978 bbl/d and 1.9 MMcf/d.

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 June 27, 2014, Serinus has put developmental field operations in Ukraine on hold pending improvement in the security situation. Production is continuing, but drilling, workover, stimulation and construction activities will cease. Operations already underway have been (or are being) wound down at threshold points where the cessation of activity can be accomplished with no risk to the people or assets.

During the second quarter, the M-17 well in Ukraine was completed and tested. Logs had indicated pay in the S5 and S6 zones, and resource potential in the R30c and S7 sections. The S7 tested 900 Mcf/d without stimulation. The S6 was tested at multiple rates, the highest of which was 6.6 MMcf/d at a flowing wellhead pressure of 2,970 psi[1]. The S6 zone was placed on production on June 26, and has averaged 6.4 MMcf/d (4.4 MMcf/d SEN WI) to date. The S7 will be stimulated when development operations resume, and M-17 will be completed as a dual producer at that time.

The O-11 well was spud on April 2014 after the drilling rig moved on from M-17. It reached its planned TD of 3,230 metres in late May, and was cased and the rig released. In late June, the well was perforated, and experienced a strong air blow, followed by gas to surface. The well was shut in for a pressure build up[1]. No further testing will be undertaken at this time.

The NM-4 well was spud on June, and drilled to a depth of 102 metres. Surface casing was run to 100.2 metres and cemented in place prior to suspending drilling operations.

In Tunisia, a coiled tubing unit was successful in restoring the CS Sil-1 well to production at a rate of approximately 400 - 500 Mcf/d and 40 - 50 bbl/d of oil, after running a velocity string during April. It also attempted unsuccessfully to recomplete CS Sil-10 from the Triassic TAGI sandstone to the Silurian Tannezuft. Both wells are being reviewed to determine additional measures to increase or restore production.

In Ech Chouech and Chouech Es Saida, a full workover rig commenced operations on EC-4 on May 29. Operations so far have been to clean out debris left in the well by previous operators. Once the wellbore is remediated, the well will be perforated in the Devonian Ouan Kasa zone, and prepared for a stimulation later this summer.

Ukraine Facilities

Gas began flowing through the new treatment facility at Makeevskoye on March 2014, and the M-16 well was re-routed to that new facility at the end of April. The overall configuration is now that higher pressure wells are tied into the new plant, while lower pressure wells and the production from Olgovskoye field flow through the old plant. The system has easily accommodated the new gas volumes from the M-17 well.

While the system is handling the current production load, management is looking at the possibility of adding compression initially, and possibly later refrigeration to assist in dew point control.

Ukraine Outlook

Once the security situation improves enough to resume development activities, drilling will resume on NM-4, after which the rig will move to M-22. NM-4 is testing a Moscovian stratigraphic trap, and if successful, will establish a new play type within Serinus' Ukrainian licences. The M-22 well is targeting a new Serpukhovian accumulation to the southwest of the pool containing the M-16 and M-17 wells. A fracture stimulation campaign had also been planned in October for O-11 and O-15 (both R30c and S6 zones), NM-3 (Visean oil potential) and M-17 (S7).

The official gas price for the month of July is 5,448.78 UAH per Mcm (including VAT at 20%), or \$10.90/Mcf (excluding VAT) using an exchange rate of 11.8 UAH/USD. The actual price received by KUB-Gas will be approximately 9% - 10% less for the profit margin of the intermediaries through which the gas is sold. It will also continue to be influenced by changes in the exchange rate. During the month of June, that rate fluctuated between 11.6 and 11.9 UAH/USD.

Tunisia Outlook

In Tunisia, the two well drilling program including Winstar-12bis ("**Win-12bis**") and Winstar-13 ("**Win-13**") is expected to start in mid-July. The targets in both wells are the Lower Hamra and El Atchane formations currently producing in other wells in the Sabria field. Each well will take approximately three months, with target total depths of over 3,900 metres. After Win-12bis, the rig move to Win-13 is expected to take 3 – 4 weeks.

The workover on EC-4 is expected to be completed within a week, after which the rig will move to ECS-1. The balance of the workover campaign includes various operations on ECS-1, CS-11, and CS-8bis. This program is expected to add production, exploit new reserves and develop a new hydrocarbon play type. Both EC-4 and ECS-1 are scheduled to be stimulated later this summer.

A 203.5 km² 3D seismic program over the Sanrhar field commenced in early June, and is approximately 40% complete. Legacy sparse 2D data indicates a number of four-way structural

closures which this program will investigate more thoroughly. Current production from Sanrhar is 50 – 60 bbl/d of oil from a single well, which has produced 421 Mbbbl of oil to the end of 2013.

Romania Outlook

This year's program includes two exploration wells and 180 km² of 3D seismic. The two wells, Moftinu-1001 and 1002bis, will be drilled back to back, with the spud of the first well expected in November this year. Both are targeting Pliocene aged channel sands at a depth of approximately 2,000 metres, which have been identified on 3D seismic. A previous well, Moftinu-1000, drilled in 2012 without the benefit of the 3D data, encountered gas but was subsequently found to be at the edge of the structural closure.

Shooting of the new 3D seismic program will also commence in September, and is expected to take 6 - 8 weeks. The survey area covers 180 km² located approximately 35 km southwest of the Moftinu field against the western boundary of the Satu Mare concession. This area is in a well established hydrocarbon fairway on the edge of the Carei graben, and overlies the Santau oil pool.

Cautionary Statement:

[1] - 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.

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.

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