

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Sundance Energy Inc. (formerly Sundance Energy Australia Limited)		2 Issuer's employer identification number (EIN) 61-1949225	
3 Name of contact for additional information Adam Johnson	4 Telephone No. of contact 303-499-6047	5 Email address of contact ajohnson@sundanceenergy.net	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1050 17th Street, Suite 700		7 City, town, or post office, state, and ZIP code of contact Denver, CO 80265	
8 Date of action November 26, 2019		9 Classification and description Common stock	
10 CUSIP number 86725N 102	11 Serial number(s)	12 Ticker symbol SNDE	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On November 26, 2019, pursuant to a scheme of arrangement under Australian law (the "Scheme"), the shareholders and ADR holders (collectively, the "Holders") of Sundance Energy Australia Limited ("SEAL") exchanged all of the stock and ADRs of SEAL for stock of Sundance Energy Inc., a domestic corporation. SEAL thereafter liquidated into Sundance Energy Inc. for U.S. federal income tax purposes. The exchange should qualify as an asset reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Immediately after the exchange and without regard to the aggregation and disposition of any fractional shares issued, each former Holder of SEAL should take an aggregate adjusted U.S. federal income tax basis in the shares of Sundance Energy Inc. received equal to the Holder's basis in the shares and ADRs of SEAL that were surrendered in the transaction, increased by i) any gain recognized by each such Holder for U.S. federal income tax purposes and/or ii) such Holder's portion of the all earnings and profits amount of SEAL (if required to be included in income by such shareholder under Section 367(b)). However, it may be the case that not all Holders are required to recognize gain or income on the transaction, as certain exceptions to gain or income recognition may apply (for example, those whose shares and ADRs are cumulatively valued at less than \$50,000). For more information regarding the material tax considerations of the Scheme and qualifications and limitations of the statements set forth on Form 8937, see "Taxation Implications-U.S. Federal Taxation Implications-Material U.S. Federal Income Tax Consequences of the Scheme" of the scheme booklet on Form 6-K filed by SEAL and declared effective by the U.S. Securities and Exchange Commission on October 4, 2019. Holders should consult with a qualified tax advisor with respect to questions regarding their specific tax treatment.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The change in basis, if any, will be dictated by the amount of gain or income recognized by each Holder on the date of exchange. As the Scheme and liquidation (for U.S. federal income tax purposes) of SEAL were effective as of the opening of the market on November 26, 2019, Sundance believes that the market value of the Sundance Energy Inc. shares received in the exchange is best reflected by the opening price of the stock on that date (\$10.83).

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sections 368(a), 354, 358, 367(b).

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ No resulting loss may be recognized.

Blank lines for providing details regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The exchange of shares and ADRs occurred on November 26, 2019. As mentioned above, Sundance believes that the exchange was a taxable event to certain Holders, meaning such Holders will be required to recognize gain, but not loss, on their SEAL common stock and ADRs or include income under Section 367(b) as a result of the Scheme. Any gain recognized or income included by a Holder should be reported in such Holder's taxable year that included November 26, 2019.

Blank lines for providing additional information for item 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ [Handwritten Signature] Date ▶ 1.2.20

Print your name ▶ ADAM JOHNSON Title ▶ DIR OF FPA, TAX, TREASURY

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	