



ASX Announcement

FY21 Second Quarter Activities Report

Reference #002/21

Date 27 January 2021

Waitsia Stage 2 enters FID, subject to certain regulatory approvals

- Executed key commercial agreements to progress the 250 TJ per day development.
- First LNG sales expected to commence in H2 CY23, with sales of ~1.5 MTPA over approximately five years.
- Waitsia Joint Venture becomes one of the inaugural third parties to sign binding commercial access and processing agreements with North West Shelf Project participants (NWSPP).

Continued focus on growing east coast gas supply

- Enterprise 1 gas discovery in offshore Otway Basin de-risks additional prospects in the vicinity.
- Acquisition of Mitsui's interests in offshore Bass Basin, comprising BassGas Project and Trefoil development, and includes ~0.77 MMboe (net) FY21 production. Associated 2P reserves to be updated end FY21.
- Safe and successful delivery of a major maintenance shutdown at the Otway Gas Plant on time and budget.
- Diamond Ocean Onyx rig to be mobilised to the Artisan 1 exploration well site in coming weeks.

Acquisition of Senex Energy's Cooper Basin assets for \$87.5 million cash consideration

- Following completion, Beach becomes sole operator of Western Flank fields and associated infrastructure.
- Immediately earnings and reserves accretive with ~\$5 million per annum of identified synergies.
- Ten drill ready targets identified, currently being integrated into the FY22 drilling program.

Quarterly production of 6.2 MMboe, revenue of \$344 million

- Q2 FY21 production of 6.2 MMboe – 8% below the prior quarter and 3% below prior corresponding period.
- Q2 sales revenue of \$344 million, down 5% due to lower sales volumes, offset by higher realised pricing.

Snapshot

	December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change	YTD
Production (MMboe)	6.41	6.77	6.20	(8%)	12.97
Pro Forma Production (MMboe) ¹	6.41	6.95	6.37	(8%)	13.32
Sales Volumes (MMboe)	6.65	6.98	6.44	(8%)	13.42
Sales Revenue (\$ million)	462	361	344	(5%)	705
Realised Oil Price (\$/bbl)	105.9	64.6	65.3	1%	64.9
Realised Sales Gas/Ethane Price (\$/GJ)	7.0	7.1	7.3	2%	7.2

¹Pro forma production includes the impact of the acquisition of Senex Energy's Cooper Basin assets, with effective date 1 July 2020.

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Highly active quarter closes out 2020, including Waitsia FID and key Cooper Basin acquisition

Beach Energy today released its second quarter activities report, headlined by the company reaching Final Investment Decision on Waitsia Stage 2, the acquisition of Senex Energy's Cooper Basin portfolio, exploration success in the Victorian Otway Basin and subsequent to quarter end, acquisition of Mitsui's interest in the Bass Basin.

Production of 6.2 MMboe was down 8% below the prior quarter and 3% below the prior corresponding period, a result impacted by the Otway Gas Plant maintenance shutdown in November, with this also affecting sales revenue, which was down 5%.

Beach Energy Managing Director, Matt Kay, said that he was proud of how the Beach team closed out the 2020 calendar year – in particular, the achievement of a new safety record during the quarter, with over one million hours worked without a recordable injury.

"In what was a very active quarter for Beach, I am proud of the efforts from our team to stay safe in what we all know was an extremely disruptive year," Mr Kay said.

"The achievement of FID on Waitsia Stage 2 just before Christmas was a significant milestone, as it makes Beach Australia's newest player in the global LNG market. We are very excited to be working with our JV partner in expanding the development of the Perth Basin.

"Beach expects to commence marketing of LNG at an opportune time, where customers are likely to value reliable supply from high quality de-risked projects, as north Asia markets experience supply constraints during the current northern winter season.

"On the exploration front, we were thrilled with the gas discovery at our Enterprise onshore-to-offshore well. The discovery de-risks additional prospects in the vicinity of Enterprise and, with only the first exploration well in the campaign, meets the Otway exploration success assumed under the Company's five-year growth plan."

Mr Kay said that following a year marked by a prudent slowdown as a result of the impacts of the COVID-19 pandemic, the Company would now look to ramp up its activity with the drill bit.

"We now look forward to the commencement of the Offshore Otway campaign, with the Diamond Ocean Onyx set to mobilise towards the site of the Artisan 1 exploration well in the offshore Victorian Otway Basin in the coming weeks.

"This will be followed by a further six development wells, so it is a very exciting time for the east coast gas market, where Beach and our joint venture partner are investing approximately \$1 billion to develop locally produced gas for the domestic market.

"These activities are expected to create a significant number of jobs, especially through the supply chain.

The acquisitions of Senex Energy's interests in the Cooper Basin and Mitsui's interests in the Bass Basin highlight Beach's continued intent to create value from bolt-on acquisitions.

"Consolidating our position in the Cooper and Bass Basins at an opportune time in the market cycle demonstrates our continued capital discipline and growth focus. We believe both acquisitions will create material value for shareholders."

Beach will report its Half Year results to the ASX on Monday 15 February 2021.

Guidance

Beach plans to update FY21 guidance at the half year result on 15 February 2021, which will include the recent acquisitions of Senex Energy's Cooper Basin and Mitsui's Bass Basin assets.

Financial

Sales volume

Quarterly sales volumes were down 8% to 6,444 kboe on the prior quarter and 3% on the prior corresponding quarter, due to downtime at the Otway Gas Plant, which was offline for 22 days due to planned maintenance, unscheduled downtime at the BassGas and Kupe projects and natural field decline.

		December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change	YTD
Oil (kbbbl)	Own Product	2,060	2,152	2,004	(7%)	4,156
	Third Party	264	202	223	10%	425
	Total Oil	2,323	2,355	2,227	(5%)	4,581
Sales Gas and Ethane (PJ)	Own Product	19.8	21.0	19.7	(6%)	40.7
	Third Party	0.1	0.1	0.1	4%	0.2
	Total Gas	19.9	21.1	19.8	(6%)	40.9
LPG (kt)	Own Product	49	54	49	(10%)	103
	Third Party	0	0	0	(26%)	1
	Total LPG	49	55	49	(11%)	104
Condensate (kbbbl)	Own Product	531	574	418	(27%)	992
	Third Party	1	3	2	(31%)	5
	Total Condensate	532	577	420	(27%)	997
Total Oil and Gas Sales (kboe)		6,650	6,977	6,444	(8%)	13,421
Total - Own Product (kboe)		6,368	6,753	6,201	(8%)	12,954
Total - Third Party (kboe)		282	224	243	9%	467

Note: Figures and ratios may not reconcile to totals throughout the report due to rounding.

Sales revenue

Total sales revenue decreased by 5% on the prior quarter to \$344 million due to lower sales volumes across all products, which were impacted by scheduled maintenance at the Otway Gas Plant, unscheduled downtime at the BassGas and Kupe projects, and natural field declines. LPG revenue increased 18% due to a 32% increase in realised LPG price.

\$ million	December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change	YTD
Oil	246	152	145	(4%)	297
Sales Gas and Ethane	140	150	144	(4%)	293
LPG	31	25	30	18%	55
Condensate	46	35	25	(28%)	59
Sales Gas and Gas Liquids	216	209	199	(5%)	408
Total Oil and Gas Revenue	462	361	344	(5%)	705
Total - Own Product	435	346	329	(5%)	675
Total - Third Party	27	15	15	(1%)	30

Note: Figures and ratios may not reconcile to totals throughout the report due to rounding.

Average realised price

The average realised price across all products was \$53.4 per boe, an increase of 3% on the prior quarter. Realised average LPG pricing increased 32%, primarily due to strengthening Saudi contract prices as a result of LPG demand recovery in Asia and a cold northern winter. Average realised pricing for other products were flat on the prior period.

	December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change	YTD
All products (\$/boe)	69.5	51.8	53.4	3%	52.56
Oil (\$/bbl)	105.9	64.6	65.3	1%	64.9
Sales Gas and Ethane (\$/GJ)	7.0	7.1	7.3	2%	7.2
LPG (\$/tonne)	624	462	611	32%	532
Condensate (\$/bbl)	86.2	59.8	59.3	(1%)	59.6

Capital expenditure

Second quarter FY21 capital expenditure was \$180 million, 33% higher than the prior quarter, which included Beach's participation in the exploration wells Enterprise 1 and Ironbark 1. Development, plant and equipment spend was 11% higher due to costs associated with the scheduled maintenance at the Otway Gas Plant.

Total capital expenditure year to date is \$314 million and is expected to be weighted towards the second half of the financial year as drilling commences in the Otway Basin and activities ramp up at the Waitsia Gas Project Stage 2 development.

Beach expects to recognise an exploration expense at the FY21 half year result following recent unsuccessful frontier exploration drilling, subject to final Board approval.

\$ million	December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change	YTD
Exploration and Appraisal	63	22	55	144%	77
Development, Plant and Equipment	146	113	124	11%	237
Total	209	135	180	33%	314

Liquidity

At 31 December 2020, Beach had liquidity of \$404 million, comprising \$114 million of cash reserves and \$290 million in undrawn facilities (with a maturity date of November 2022). The Company has drawn down \$160 million under the \$450 million committed revolving credit facility.

Beach had a net gearing of 1.5% at 31 December 2020.

\$ million	December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change
Cash Reserves	95	124	114	(10)
Drawn Debt	(35)	(115)	(160)	(45)
Net Cash/(Debt)	60	9	(46)	(55)
Undrawn Facilities	415	335	290	(45)

Capital structure

Beach's capital structure as at 31 December 2020 is set out below. A further 2,623,749 of unlisted employee rights were issued under the 2019 and 2020 Beach Executive Employee Share Plan.

	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change
Fully paid ordinary shares	2,281,333,656	2,281,333,656	-
Unlisted employee rights	6,911,656	9,535,405	2,623,749

Hedging

As at 31 December 2020 Beach had no hedging in place.

Operations

Production (net to Beach)

Asset	Product	Units	December Q2 FY20	September Q1 FY21	December Q2 FY21	Qtr on Qtr Change	YTD
Total	Sales Gas	<i>PJ</i>	20.2	21.3	19.0	(11%)	40.4
	LPG	<i>kt</i>	48	51	61	20%	112
	Condensate	<i>kbbbl</i>	413	456	415	(9%)	871
	Oil	<i>kbbbl</i>	2,132	2,243	2,024	(10%)	4,267
	Total	<i>kboe</i>	6,407	6,769	6,198	(8%)	12,967
Cooper Basin JV	Sales Gas	<i>PJ</i>	8.8	9.5	7.8	(17%)	17.3
	LPG	<i>kt</i>	17	15	28	88%	42
	Condensate	<i>kbbbl</i>	167	176	160	(9%)	336
	Oil	<i>kbbbl</i>	326	328	283	(14%)	610
	Total	<i>kboe</i>	2,146	2,245	2,011	(10%)	4,256
Western Flank	Sales Gas	<i>PJ</i>	2.2	2.1	2.4	16%	4.4
	LPG	<i>kt</i>	11	10	12	15%	22
	Condensate	<i>kbbbl</i>	68	75	83	11%	158
	Oil	<i>kbbbl</i>	1,807	1,916	1,741	(9%)	3,657
	Total	<i>kboe</i>	2,352	2,427	2,327	(4%)	4,754
Other Cooper	Sales Gas	<i>PJ</i>	0.1	0.0	0.0	(22%)	0.1
	LPG	<i>kt</i>	0	0	0	(24%)	0
	Condensate	<i>kbbbl</i>	1	0	0	(38%)	1
	Total	<i>kboe</i>	17	7	6	(23%)	13
SA Otway	Sales Gas	<i>PJ</i>	-	0.6	0.4	(28%)	1.0
	Condensate	<i>kbbbl</i>	-	(1)	0	(108%)	0
	Total	<i>kboe</i>	-	103	74	(28%)	177
Perth Basin	Sales Gas	<i>PJ</i>	0.6	0.4	1.1	205%	1.5
	Condensate	<i>kbbbl</i>	0	0	0	1,022%	0
	Total	<i>kboe</i>	109	62	190	205%	252
Victorian Otway	Sales Gas	<i>PJ</i>	5.0	4.1	3.1	(23%)	7.2
	LPG	<i>kt</i>	6	7	5	(22%)	12
	Condensate	<i>kbbbl</i>	54	52	40	(23%)	92
	Total	<i>kboe</i>	961	805	622	(23%)	1,427
BassGas	Sales Gas	<i>PJ</i>	1.5	1.4	1.2	(14%)	2.7
	LPG	<i>kt</i>	5	5	4	(21%)	9
	Condensate	<i>kbbbl</i>	50	50	41	(17%)	91
	Total	<i>kboe</i>	341	337	284	(15%)	621
Kupe	Sales Gas	<i>PJ</i>	2.0	3.3	2.9	(13%)	6.2
	LPG	<i>kt</i>	9	14	12	(13%)	27
	Condensate	<i>kbbbl</i>	72	104	90	(14%)	194
	Total	<i>kboe</i>	481	783	683	(13%)	1,466

Note: Figures and ratios may not reconcile to totals throughout the report due to rounding.

Group production

Second quarter FY21 group production of 6.2 MMboe was 8% lower than the prior quarter and down 3% on the prior corresponding quarter. Production was primarily impacted by lower volumes from the Victorian Otway fields, where major planned maintenance work was undertaken on the plant. Volumes were also down across the BassGas, Kupe, Cooper Basin JV and Western Flank oil assets due to lower seasonal demand, unplanned outages and natural declines. This was offset by increased production from the Perth Basin and Western Flank gas and gas liquids.

SAWA

Cooper Basin

- Total Western Flank production was 2.3 MMboe, down 4% on the prior quarter, with higher gas and gas liquids offsetting lower oil production.
- Western Flank gas and gas liquids production was 586 kboe, up 15% after planned routine maintenance was undertaken at the Middleton facility in the September quarter 2020.
- Gross average daily oil production from the Western Flank was 20.5 kbbbl (down 9%) and 21.5 kbbbl during the first half, averaging ahead of the 20 kbbbls FY21 target. Beach-operated assets (ex-PEL 91 and ex-PEL 92) contributed 18.6 kbbbl/d, down 9% on last quarter, with 16.9 kbbbl/d produced from ex-PEL91.
 - A total of eight new oil wells were brought online during the second quarter – seven horizontal and one vertical producer, all eight are on artificial lift.
 - At quarter end, Beach has four vertical oil wells cased and completed. The four vertical oil producers and a further four horizontal wells will be brought online in Q3 FY21.
- Cooper Basin JV production was 2.0 MMboe, 10% lower than the previous quarter. Sales gas decreased 17% due to outages (planned and unplanned) during October and base decline. Oil production was impacted by weather related outages and natural field decline. The joint venture completed works to the Karmona triplex pipeline, which has de-bottled gas volumes from southwest Queensland.
- Western Flank gas and associated liquids production will be impacted by a major servicing of the Middleton facility during Q3 FY21. The downtime will coincide with SACB JV outages to minimise deferment of production.

Perth Basin

- Perth Basin production increased 205% to 190 kboe, reflecting the first full quarter of production following completion of Waitsia Stage 1 expansion and re-commencement of production through the Beharra Springs facility.
- The expansion at Waitsia doubled the capacity of the Xyris facility to 20 TJ per day.
- The Beharra Springs facility resumed production in late October, following installation and commissioning of a new cyclonic separator.
- Activities to connect the Beharra Springs Deep exploration well continued throughout the second quarter, with the well expected to be online during Q3 FY21.

SA Otway Basin

- Production from the SA Otway was 74 kboe, down 28% due to lower demand driven by downtime in major customer operations.

Victoria (Victorian Otway Basin and BassGas)

- Victorian Otway Basin production was 622 kboe, down 23% following the 22-day planned major shut-down of the plant for scheduled maintenance during November. The program was delivered within time and on budget.
- Production from BassGas fell 15% on the prior quarter to 284 kboe. The project's utilisation was impacted by unscheduled downtime in mid-October and natural field decline.
- Minor planned facility maintenance outages at both BassGas and the Otway Gas Plant are scheduled for the third quarter of FY21.

New Zealand (Kupe Gas Project)

- Kupe production fell 13% to 683 kboe due to natural field decline and unplanned downtime at the offshore facility. Well deliverability is expected to remain subdued ahead of the start-up of the compression project towards the end of Q1 FY22.

Drilling Summary

	Basin / area	Target	Type	BPT %	Well status
Bauer 67 [^]	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Bauer 68	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Chiton 12	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Kalladeina 12	SA Cooper	Oil	Dev	100%*	C&S
Kalladeina 14	SA Cooper	Oil	Dev	100%*	C&S
Balgowan 5	SA Cooper	Oil	Dev	100%*	C&S
Balgowan 6	SA Cooper	Oil	Dev	100%*	C&S
Bauer 69	SA Cooper	Oil	Dev (Hz)	100%*	Drilling ahead
Kalladeina 13	SA Cooper	Oil	Dev	100%*	C&S
Enterprise 1	Vic Otway	Gas	Exp	60%*	C&S
Kowloon 1	SA Cooper	Gas	Exp	33.40%	C&S
Alwyn 8	SA Cooper	Oil	App	33.40%	C&S
Alwyn North 2	SA Cooper	Oil	App	33.40%	C&S
Brumby 14	SA Cooper	Gas	App	33.40%	C&S
Warumpi 2	SA Cooper	Oil	Dev	33.40%	C&S
Beckler 6	SA Cooper	Gas	Dev	33.40%	C&S
Amyema 2	SA Cooper	Gas	Dev	33.40%	C&S
Dullingari North 23	SA Cooper	Gas	Dev	33.40%	Drilling ahead
Dullingari North 24	SA Cooper	Gas	Dev	33.40%	P&A
Yanda South 1 [^]	Qld Cooper	Gas	App	39.94%	C&S
Moon North West 1	Qld Cooper	Gas	Exp	39.94%	Drilling ahead
Ironbark 1 ¹	Carnarvon	Gas	Exp	21.00%	Drilling ahead

*Indicates Beach-operated

[^]Indicates spudded in prior quarter

¹Ironbark drilling details provided in "Drilling Highlights" section

Basin	Category	Wells Spudded	Rig Released	Successful Wells	Success Rate
	Oil – Expl.	0	0	0	N/A
	Oil – App.	2	2	2	100%
Cooper	Oil – Dev.	9	9	9	100%
	Gas – Expl.	2	1	1	100%
	Gas – App.	1	2	2	100%
	Gas – Dev.	4	3	2	67%
Vic.Otway	Gas – Expl	1	1	1	100%
Carnarvon	Gas – Expl	1	0	0	N/A
Total Wells		20	18	17	94%
All Exploration Wells		4	2	2	100%
All Appraisal Wells		3	4	4	100%
All Development Wells		13	12	11	92%

Drilling highlights

Beach participated in 20 wells during the second quarter, comprising 18 wells in the Cooper Basin, one in the Victorian Otway and one in the Carnarvon Basin. Beach achieved an overall drilling success rate of 94% (success defined as a well cased and suspended or completed as a future producer). Four wells were drilling ahead at end of the quarter, including the Ironbark 1 exploration well, where plug and abandonment activities were completed early in the third quarter FY21.

Cooper Basin

Highlights of the second quarter Beach-operated Cooper Basin drilling program included:

- Continuation of development drilling with the SLR Rig 184 with four horizontal oil development wells successfully drilled across the Bauer and Chiton fields. The Bauer 69 well was drilling ahead at the end of the quarter.

In the non-operated Cooper Basin JV, Beach participated in eleven wells in the quarter, with two wells drilling ahead at the end of the quarter, at an overall success rate of 89%. Highlights included:

- Three gas exploration and appraisal wells and two oil appraisal wells drilled at a 100% success rate, with the Yanda South 1 appraisal well extending the size of the Yanda gas pool to the south.
- Four development wells, one oil and three gas, were drilled during the December quarter with a 75% success rate.

Victorian Otway Basin

During the quarter, Beach announced a discovery at the Enterprise 1 exploration well in the offshore Victorian Otway Basin, approximately eight kilometres from the Beach operated Otway Gas Plant (Ref: #038/20). The well intersected a net gas pay of 115 metres with no gas-water contact within the Upper Waarre Formation.

A clean-up flow and step-rate test was performed over a 109-metre perforated interval between 4,594 and 4,720 metres Measured Depth (MD) within the Upper Waarre Formation. The well flowed at a maximum stabilised rate of 63 MMscfd through an 80/64" choke at 1,970 pounds per square inch gauge wellhead

pressure over a 36-minute flow period. Total recovery during the full two days of well test operations was 16 MMscf of gas and 118 bbls of condensate, with 11% CO₂ content.

The well is currently suspended, awaiting tie-in to the Otway Gas Plant. Volumetric assessment of the discovered resource is currently being undertaken and is expected to be completed before the release of the Company's FY21 half year result in February 2021.

Carnarvon Basin

The Ironbark 1 exploration well was spudded on 31 October 2020 in exploration permit WA-359-P, offshore Western Australia, by operator BP Development Australia Pty Ltd. The well was drilled to a total depth of 5,618 metres measured depth (MD) with drilling completed on 29 December 2020 (Ref: #044/20). The well intersected the top of the primary Mungaroo Formation target sandstones at 5,275m and successfully penetrated the entire primary reservoir sequence. No significant hydrocarbon shows were encountered. The well was successfully plugged and abandoned and the rig demobilised from site on 11 January 2021.

Corporate and Commercial

Waitsia Gas Project Stage 2 Development reached FID, subject to final regulatory approvals

In late December, Beach announced that the Waitsia Joint Venture made a Final Investment Decision (FID) to progress the 250 TJ per day Waitsia Gas Project Stage 2 development in the onshore Perth Basin, subject to certain regulatory approvals (Ref: #043/20). The \$350 – 400 million (net to BPT) upfront development capital expenditure, which includes construction of the processing plant and associated gas gathering infrastructure, and drilling of up to six wells, will be fully funded from the company's cash flows and existing loan facilities.

The decision to progress to FID was accompanied by the entry into key commercial and State Government agreements, including:

- A Domestic Gas Commitment Agreement and Project Development Deed with the State of Western Australia;
- A Gas Processing Agreement, Tie-in Agreement, Product Allocation Agreement and Lifting and Offtake Agreements with the NWSPP to allow for the export of up to approximately 1.5 million tonnes of LNG per annum until the end of 2028; and
- A Gas Transportation Agreement with Australian Gas Infrastructure Group, owner and operator of the Dampier to Bunbury Natural Gas Pipeline.

The remaining regulatory approvals are expected to be satisfied during Q3 FY21.

Acquisition of Senex Energy's Cooper Basin assets

In November, the Company announced the acquisition of Senex Energy's Cooper Basin oil and gas assets and associated infrastructure for a cash consideration of \$87.5 million, with an adjustment to be made to the acquisition price based on cash flows from the effective date of 1 July 2020 to the settlement date (Ref: #037/20). The acquisition includes 6.8 MMboe of 2P reserves, approximately 0.6 MMboe of forecast FY21 production and will result in Beach being the sole Western Flank operator. Beach has identified ~\$5 million per

annum of synergies. Completion is expected to occur in the second half of FY21 and remains subject to third-party consents.

Victorian Otway contract repricing update

The Origin gas sales price review is expected to be completed during the second half of FY21. The price review will result in a backdated price effective from 1 July 2020, with a revenue adjustment made for any gas sold between 1 July 2020 and finalisation of the review.

Canterbury Basin

During the quarter, Beach applied to surrender the exploration permit, PEP 38264, in the Canterbury Basin. As a result, the joint venture will not participate in the drilling of the Wherry exploration prospect. The decision was made by the joint venture as it was determined that the project no longer met the risk profile required for frontier exploration expenditure.

Subsequent Events

Waitsia Gas Project Stage 2 conditions

Following the end of the quarter, the Waitsia joint venture awarded the engineering, procurement and construction contract to Clough for works on the Waitsia Gas Project State 2 development. The remaining regulatory conditions are expected to be completed during the third quarter of FY21.

Acquisition of Mitsui's Bass Basin assets

Subsequent to the end of the December quarter, Beach entered into an asset purchase agreement with Mitsui subsidiaries AWE Petroleum Pty Ltd and AWE (Bass Gas) Pty Ltd to acquire all of its interests in the Bass Basin. These assets include Mitsui's 35.0% interest in the BassGas Project (comprising the onshore Lang Lang Gas Plant and Yolla gas field), as well as its 40.0% interest in the Trefoil development project and surrounding retention leases. The terms of the acquisition are confidential and subject to regulatory approvals and third-party consents. The transaction has an effective date of 1 July 2020, with settlement expected during the third quarter 2021.

The acquisition includes approximately 0.77 MMboe (net) of FY21 forecast production, with associated 2P reserve additions to be updated as part of Beach's FY21 year-end reserves process.

The transaction paves the way for Beach to progress the Trefoil development, where Beach plans to reach a decision in relation to front end engineering design during FY21. The project plans to utilise ullage within the offshore BassGas platform and onshore Lang Lang Gas Plant infrastructure, thereby extending the production life of the BassGas Project.

Following completion, Beach will hold 88.75% interest in the Bass Gas Project (T/L1 and Lang Lang Gas Plant) and 90.25% interest in T/RL2, 4 and 5, (T/RL3 expired in November 2020) which includes the Trefoil development project. Prize Petroleum retains 11.25% and 9.75% interest respectively.

Executive team changes

In mid-January, Beach announced Mr Geoff Barker, Group Executive Development, and Mr Jeff Schrull, Group Executive Exploration, would be departing Beach. Mr Stephen (Sam) Algar has been appointed Group Executive Exploration & Subsurface and Thomas Nador promoted to the role of Group Executive Development, effective 22 February 2021. Mr Barker and Mr Schrull will remain with the Company for an interim period to allow for a handover.

Authorisation, disclaimer and other information

Authorisation

This release has been authorised for release by Matt Kay, Managing Director and Chief Executive Officer of Beach Energy.

Conversions

Product	Unit Conversion	Operation	Factor
Sales gas and ethane	PJ to MMboe	Multiply	0.17194
Condensate	MMbbl to MMboe	Multiply	0.935
LPG	Kt to MMboe	Multiply	0.008458

Comparable periods

In FY20 Beach accounted for its Beharra Springs interests at 67% until 30 November and 50% thereafter.

Disclaimer

This ASX Release contains forward looking statements that are subject to risk factors associated with oil, gas and related businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.

All references to dollars, cents or \$ in this announcement are to Australian currency, unless otherwise stated. References to "Beach" may be references to Beach Energy Limited or its applicable subsidiaries.

Certain FY21 planned activities are subject to joint venture approvals. References to planned activities beyond FY21 are subject to finalisation of work programs, government approvals, JV approvals and board approvals.

Assumptions

These future development, appraisal and exploration projects are subject to approvals such as government approvals, joint venture approvals and board approvals. Beach expresses no view as to whether all required approvals will be obtained in accordance with current project schedules.

Glossary

\$	Australian dollars	MMboe	Million barrels of oil equivalent
BassGas	The BassGas Project (Beach 53.75% and operator, MEPAU 35%, Prize Petroleum International 11.25%), produces gas from the offshore Yolla gas field in the Bass Basin in production licence T/L1. Beach also holds a 50.25% operated interest in licences TR/L2, TR/L4 and TR/L5	MMscfd	Million standard cubic feet of gas per day
bbl	Barrels	MTPA	Million metric tonnes per annum
Beach	Beach Energy Limited and its subsidiaries	NZ	New Zealand
Beharra Springs	Beharra Springs (Beach 50% and operator, Mitsui 50%) produces gas from the onshore Beharra Springs gas field in the Perth Basin in production licences L11 and L22	NZOG	New Zealand Oil & Gas and its subsidiaries
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	O.G. Energy	O.G. Energy Holdings Limited., a member of the Ofer Global group of companies
C&S	Cased and suspended	Origin	Origin Energy Limited and its subsidiaries
Cooper Energy	Cooper Energy Ltd and its subsidiaries	Other Cooper Basin	Other Cooper Basin producing permit areas are ex PEL 513/632 (Beach 40%, Santos 60% and operator) and PRL 135 (Vanessa) (Beach 43%, Senex 57% and operator)
Cooper Basin	Includes both Cooper and Eromanga basins	P&A	Plugged and abandoned
Cooper Basin JV	The Santos operated, SACB JVs and SWQ JVs and ATP 299 (Tintaburra) (Beach 40%, Santos 60% and operator),	P&S	Plugged and suspended pending further review
EP	Exploration Permit	PEL	Petroleum Exploration Licence
Ex PEL 91	PRLs 151 to 172 and various production licences. Beach 100%	PL	Petroleum Lease
Ex PEL 92	PRLs 85 to 104 and various production licences. Beach 75% and operator, Cooper Energy 25%.	PRL	Petroleum Retention Licence
Ex PEL 104 / 111	PRLs 136 to 150 and various production licences. Beach 40%, Senex 60% and operator.	Prize	Prize Petroleum International
Ex PEL 106	PRLs 129 and 130 and various production licences. Beach 100%.	PJ	Petajoule
Ex PEL 513	PRLs 191 and 206 and various production licences	Qtr	Quarter
Ex PEL 632	PRLs 131 to 134 and various production licences	SACB JV	South Australian Cooper Basin Joint Ventures, which include the Fixed Factor Area (Beach 33.4%, Santos 66.6%) and the Patchawarra East Block (Beach 27.68%, Santos 72.32%)
EBITDA	Earnings before interest tax depreciation and amortisation	Santos	Santos Limited and its subsidiaries
FY(21)	Financial year (2021)	Senex	Senex Energy Limited and its subsidiaries
Genesis	Genesis Energy Limited and its subsidiaries	SWQ JV	South West Queensland Joint Ventures, incorporating various equity interests (Beach 30-52.2%)
GSA	Gas sales agreement	TJ	Terajoule
GJ	Gigajoule	Victorian Otway Basin	Produces gas from licences VIC/L1(v) and VIC/P42(v) which contain the Halladale, Black Watch and Speculant near shore gas fields and licences VIC/L23, T/L2 and T/L3 which contain the Geographe and Thylacine offshore gas fields. Beach also holds non-producing offshore licences.
H(1) (FY21)	(First) half year period of (FY21)	Waitsia	Waitsia Gas Project (Beach 50%, MEPAU 50% and operator) produces gas from the onshore Waitsia gas field in the Perth Basin in licence L1/L2.
H(2) (CY23)	(Second) half of calendar year 2023	Western Flank Gas	Comprises gas production from ex PEL 91 and 106. Both Beach 100%.
kbbl	Thousand barrels of oil	Western Flank Oil	Comprises oil production from ex PEL 91 (Beach 100%), ex PEL 92 (Beach 75% and operator, Cooper Energy 25%) and ex PEL 104/111 (Beach 40%, Senex 60% and operator)
kboe	Thousand barrels of oil equivalent		
kt	Thousand tonnes		
Kupe	Kupe Gas Project (Beach 50% and operator, Genesis 46%, NZOG 4%) produces gas from the offshore Kupe gas field in the Taranaki Basin in licence PML38146		
Lattice	Lattice Energy Ltd		
LPG	Liquefied petroleum gas		
MEPAU	Mitsui E&P Australia		
Mitsui	Mitsui & Co., Ltd and its subsidiaries		
MMbbl	Million barrels of oil		