September 2012

Compliance statements

Disclaimer

- This presentation contains forward looking statements that are subject to risk factors associated with oil, gas, geothermal 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 presentation are to Australian currency, unless otherwise stated. References to "Beach" may be references to Beach Energy Limited or its applicable subsidiaries.
- Unless otherwise noted, all references to reserves and resources figures are as at 30 June 2012 and represent Beach's share.

Competent Persons Statement

- This presentation contains information on Beach's Reserves and Resources which have been compiled by Mr Gordon Moseby, who is a full time employee of Beach, 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.

Strategic, operational and financial overview

Company overview

- ASX 100 company
- Market Cap ~ $1.6 billion*

Financial

- FY12 NPAT of $164 million
- Cash at 30 June 2012 of $379 million
- Nil debt, 2017 convertible note of $150 million
- Undrawn $150 million multi-option finance facility
- FY12 Operating cash flow $219 million

Share register

- ~ 60% institutional, 40% retail
- Institutional geographic mix – Australia ~ 60%, USA ~ 25%, UK/Europe ~ 10%, Asia ~ 5%
- Shares on issue – ~ 1,255 million*

* As at 31 August 2012

A global portfolio of assets

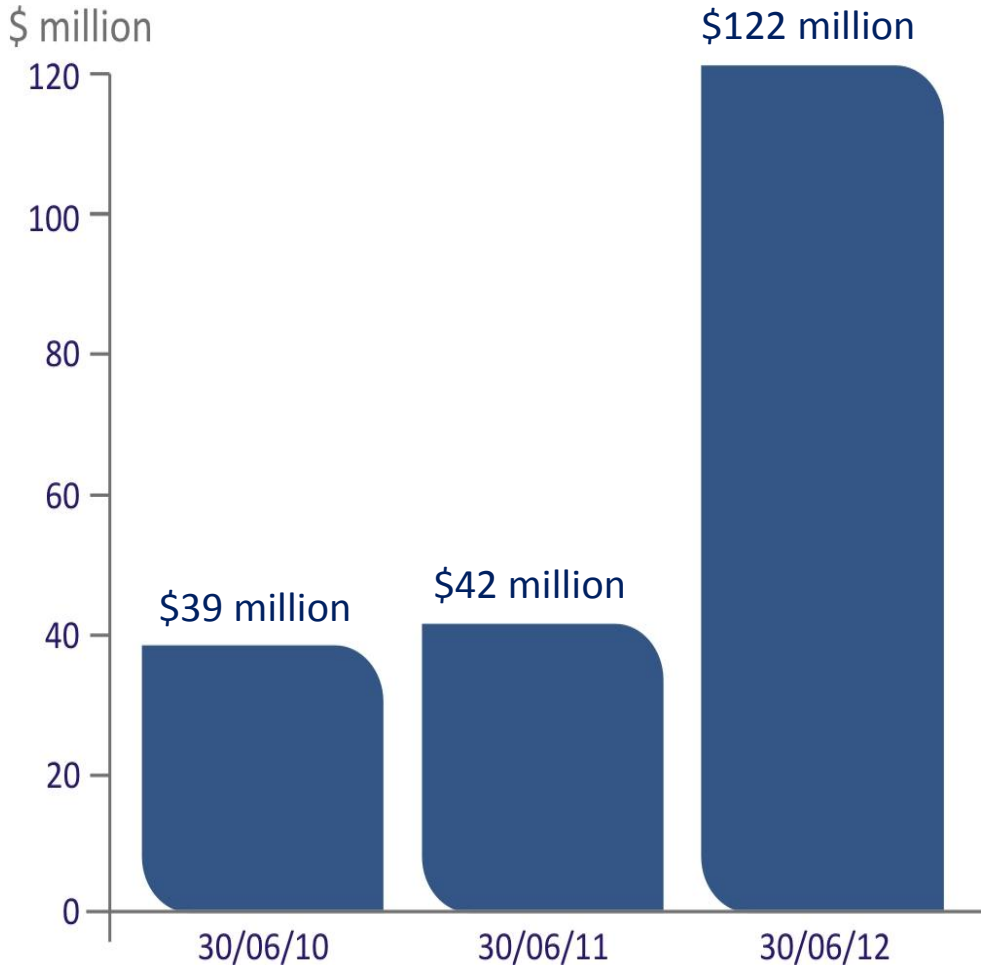
Key FY13 operational activities

Project	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Outcomes
Operated - Cooper Basin unconventional gas	2 vertical wells, mobilise Ensign 965 drill rig	2 vertical wells, 1 horizontal well, frac 3 vertical wells	3 vertical and 2 horizontal wells, frac 2 horizontal and 4 vertical wells, EFT of vertical wells		**Book significant 2C contingent resource**
SACB JV	Continued infill drilling to convert 2C contingent resource to 2P reserves				**Conversion of approximately 10 MMboe resource to reserves**
Western Flank oil pipelines	Tie-in of Bauer-Lycium, Growler-Lycium and Lycium-Moomba operated pipelines and Snatcher-Charo pipeline in Q4 2012				**Increased oil production of 9,000 to 10,000 bpd net to Beach**
Operated - Western Flank oil	12 exploration and 10 development wells				**Increased production and 2P reserves, 22 new wells**
Operated - Western Flank gas and gas liquids	PEL 106B - Four exploration wells and tie-in of Canunda PEL 107 - One exploration well				**Increased production and 2P reserves, five new wells and tie-in of two new discoveries**
Non-operated - Cooper Basin Western Flank	7 exploration and 7 development wells				**Increased production and 2P reserves, 14 new wells**
Egypt: Abu Sennan	3 exploration wells and EPT's on existing discoveries		Workover and assessment of discoveries		**New and increased oil production, 2P reserve additions**
Tanzania: Lake Tanganyika	2D Seismic acquisition	Process and interpret 2D seismic data, identify prospects and leads		Assess farm-down options	**Initial prospects and leads, potential farm-down**

Underlying NPAT

- FY12 net profit after tax ("NPAT") of $164 million
- Record FY12 underlying NPAT of $122 million, up by 190% on prior year, mainly due to:
  - Increased sales predominantly driven by production growth
  - Rise in average realised prices for all products
  - Higher oil in the sales product mix
  - Renegotiation of the Exxon Mobil royalty

Underlying NPAT

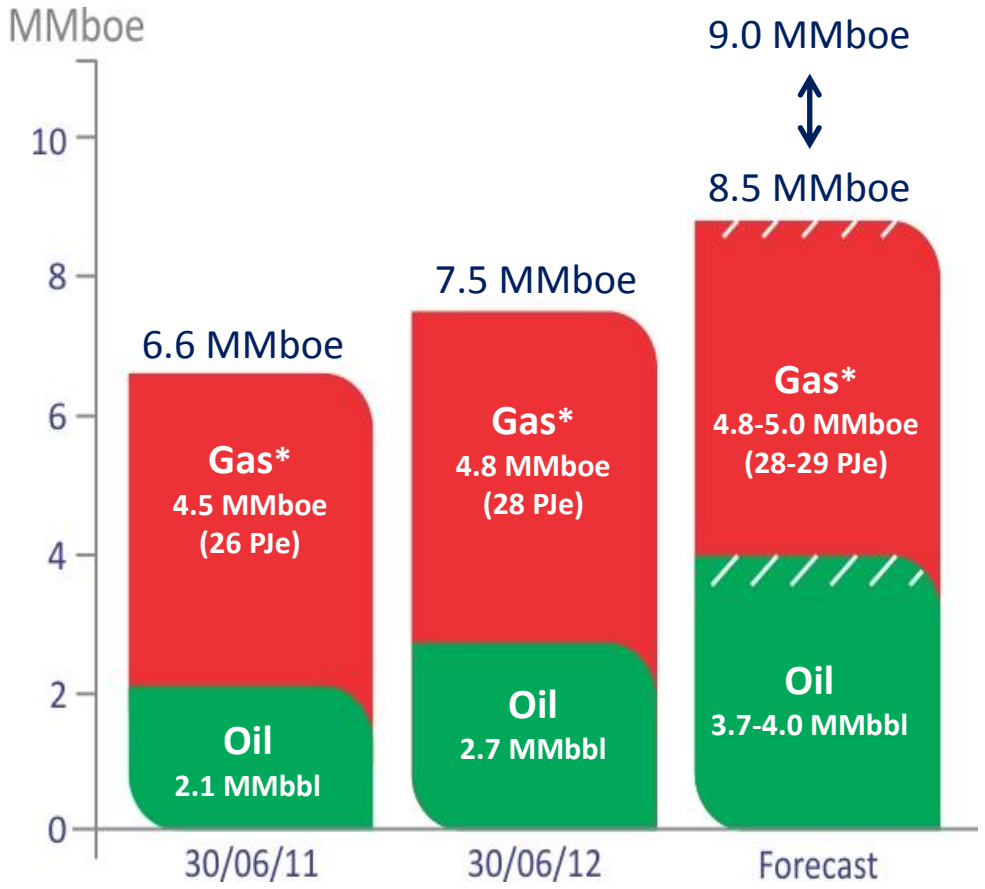


FY13 underlying NPAT to be underpinned by anticipated production increase

Production

- FY12 production of 7.5 MMboe up by 14% on prior year, mainly due to:
  - Better operational access following Cooper Basin floods
  - Successful Western Flank development drilling with quick tie-ins
  - Increased trucking operations for Western Flank crude oil
  - First Beach operated gas and condensate sales to the SACB JV
  - First oil production in Egypt
- FY13 production guidance of 8.5 - 9.0 MMboe, expected to be driven by:
  - Increased oil production from Western Flank fields
  - Increased Egyptian oil production

Actual and forecast production

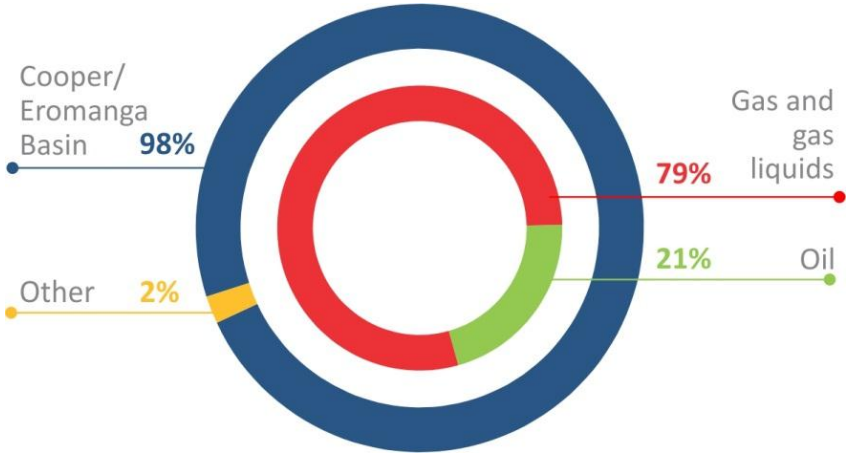


* Gas and gas liquids

New Western Flank oil pipelines to underpin forecast FY13 production increase

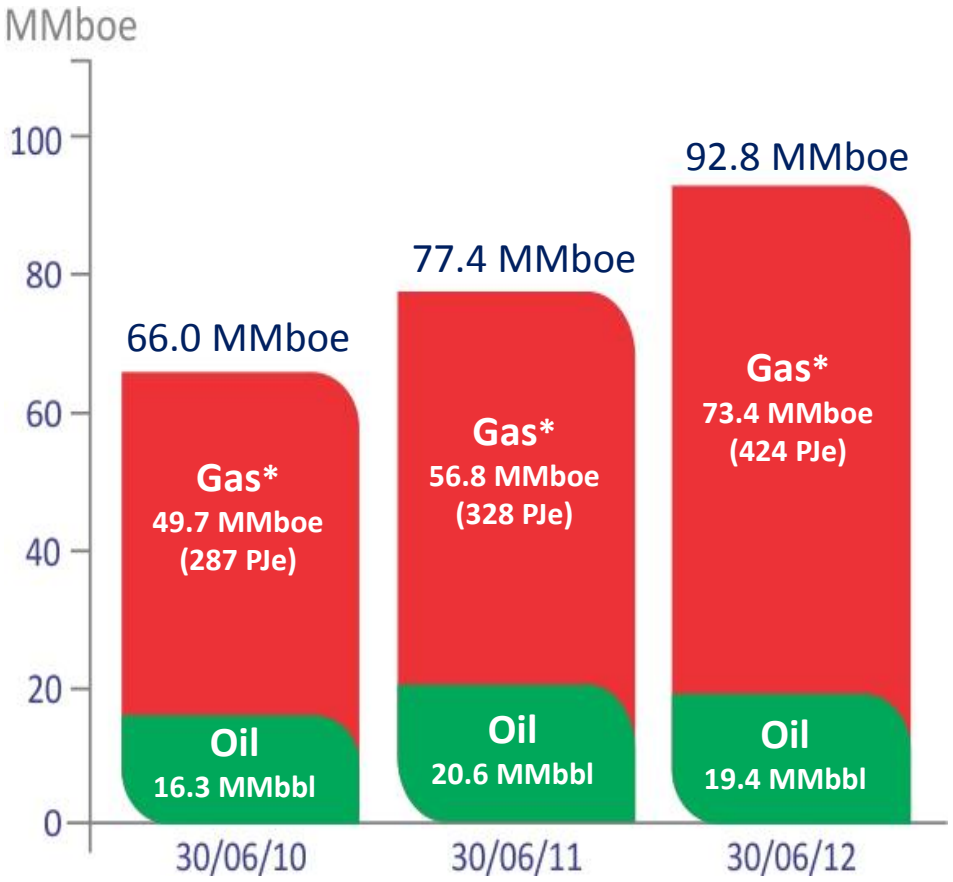
2P reserves

- Conventional reserves and resource approach validated by RISC
- Reserves growth continues the recent historic trend
- Reserves growth drivers:
  - SACB JV infill drilling program
  - Western Flank exploration and appraisal
  - Wet gas discoveries in PEL 106B



[1] As at 30 June 2012

2P Reserves – 93 MMboe[1]



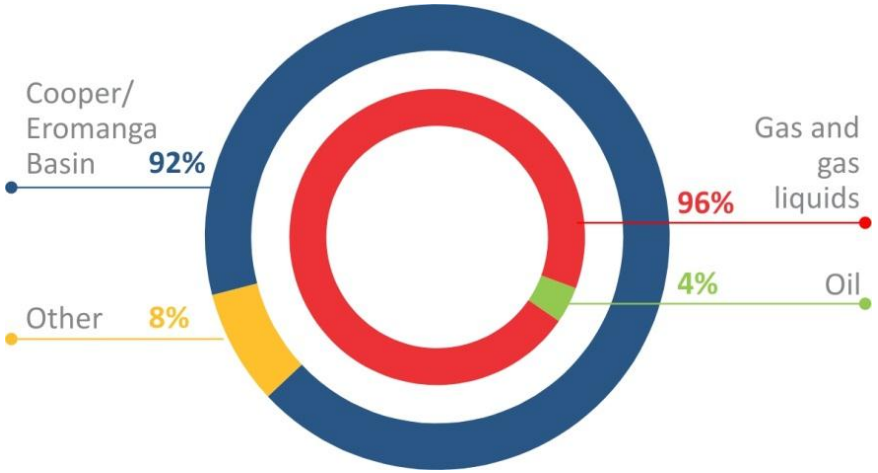
* Gas and gas liquids

2P reserves up 20% on prior year

1C, 2C and 3C contingent resources

- Unconventional resource independently assessed by DeGolyer and McNaughton
- Beach has adopted new SPE Petroleum Reserves Management System guidelines for booking unconventional resource volumes
- New approach allows for 1C, 2C and 3C contingent resource booking
- Previous: 2C = 100 km^2 around each well
- New 2C approach:
  - 28 km^2 around each well for sandstones; and
  - 41 km^2 for shales
- No change to gas in place estimate of 300+ Tcf for PEL 218

2C Contingent resource – 466 MMboe[1]



[1] As at 30 June 2012

	1C Resource Tcf	2C Resource Tcf	3C Resource Tcf
Beach Operated Unconventional Resource [2]	0.6	1.3	2.6

[2] Based on Holdfast-1 and Encounter-1 only

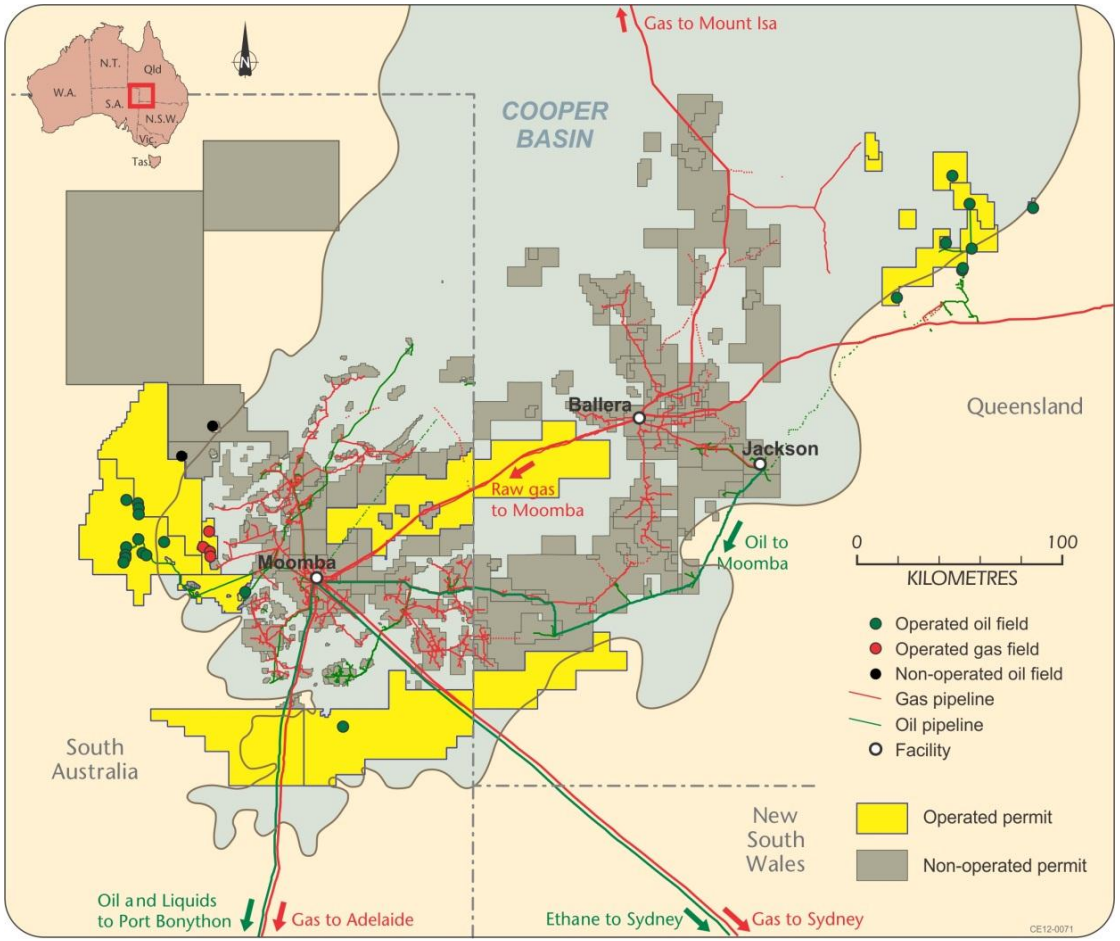
Large resource base to build reserves

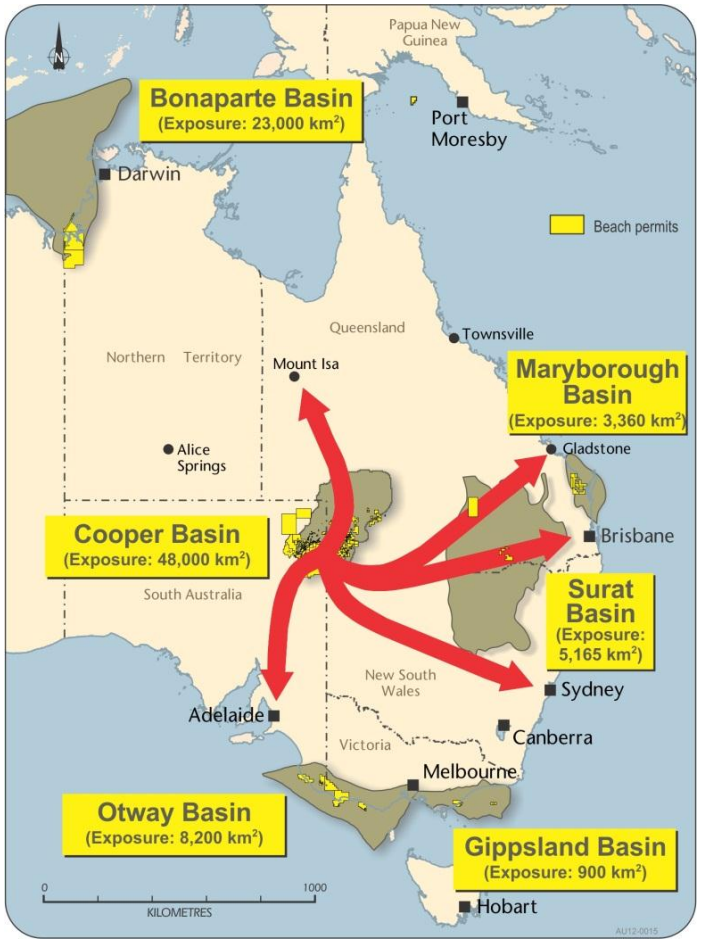
FY13 Capital expenditure guidance

	FY13 Forecast Capex ($M)	FY13 Forecast Wells	FY13 Forecast Seismic		Forecast reserves additions
			2D – km	3D – km^2	MMbbl
DEVELOPMENT					
Cooper Basin – non-SACB JV	50 – 60	15 – 20	–	–	–
Cooper Basin – SACB/SWQ JV	100 – 130	35 – 45	–	–	10.0
International	5 – 10	2 – 4	–	–	–
Total Development	**155 – 200**	**Up to 69**	**–**	**–**	**10.0**
EXPLORATION					
Cooper Basin – non-SACB JV	30 – 40	16 – 21	250	1,500	3.3
Cooper Basin – SACB/SWQ JV	15 – 20	5 – 10	–	–	0.4
Other Australasia	5	2 – 3	–	–	1.7
Unconventional	120 – 150	10 – 15	670	–	–
International	20 – 30	3 – 5	2,100	–	1.3
New Ventures and Other	5	–	–	–	–
Total Exploration	**195 – 250**	**Up to 54**	**3,020**	**1,500**	**6.7**
TOTAL	**350 – 450**	**Up to 123**	**3,020**	**1,500**	**16.7**

The Eastern Australian gas market opportunity

Strategically located acreage

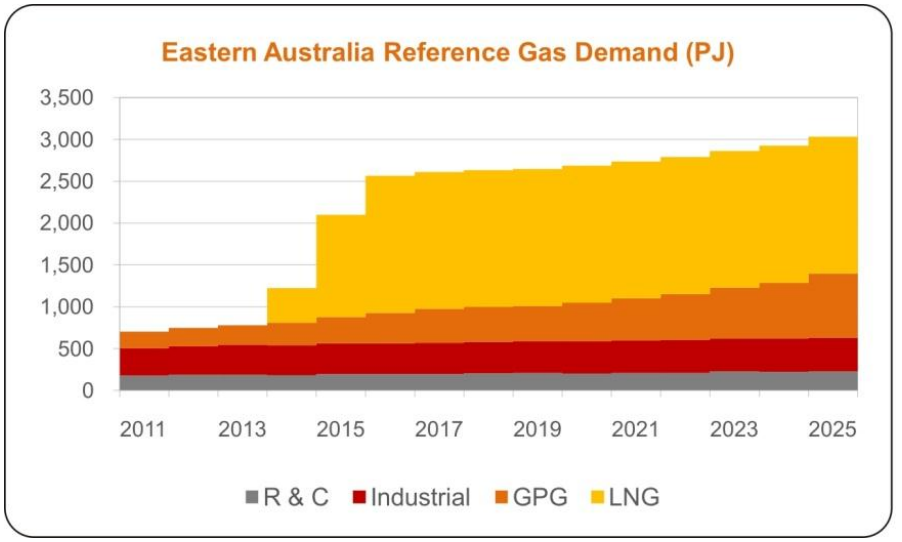


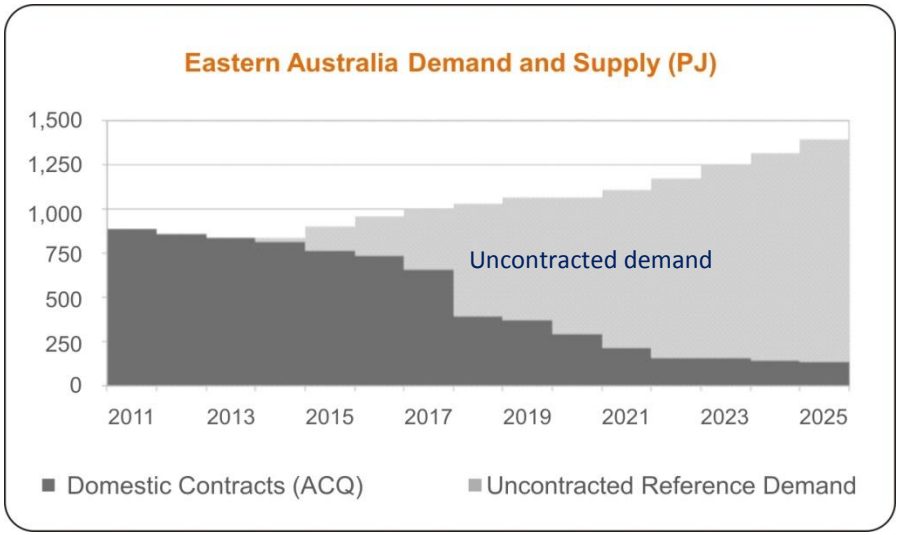


Beach is well placed to supply gas to the market for generations to come

Eastern Australian gas markets are growing

- The 'clean energy future' is likely to incorporate a larger role for natural gas
- Current domestic gas demand ~ 715 petajoules (PJ) per annum:
  - ~ 100 PJ from Cooper Basin
- Domestic and LNG project gas demand expected to grow to ~ 3,000 PJ by 2025*
- 2015+ opens up various domestic and export linked opportunities
- ~ 80% of East Coast 2P reserves are owned by parties developing LNG projects or with LNG aspirations
- Industry commentators suggesting gas prices trending toward $6-9/GJ





*Source: Core Energy Group 2011

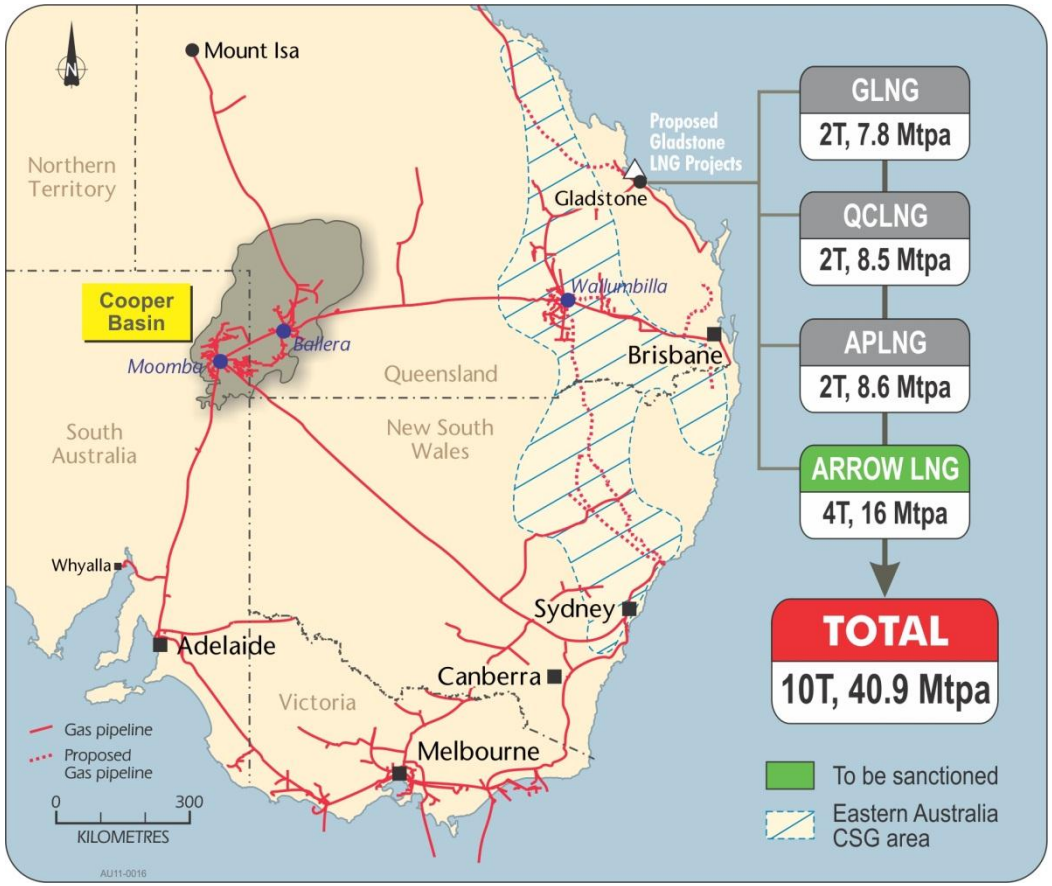
Cooper Basin a potential supply option for LNG

- Cooper Basin gas does not have the potential challenges that may impact long-term coal seam gas developments in Queensland and New South Wales

Benefits of non-CSG supply to LNG proponents include:

- Flexibility, security and base load supply
- Field sequencing optimisation, delivering enhanced project economics
- Different risk profile in terms of environmental and/or land access
- Established infrastructure accessing a large reserves and resource base

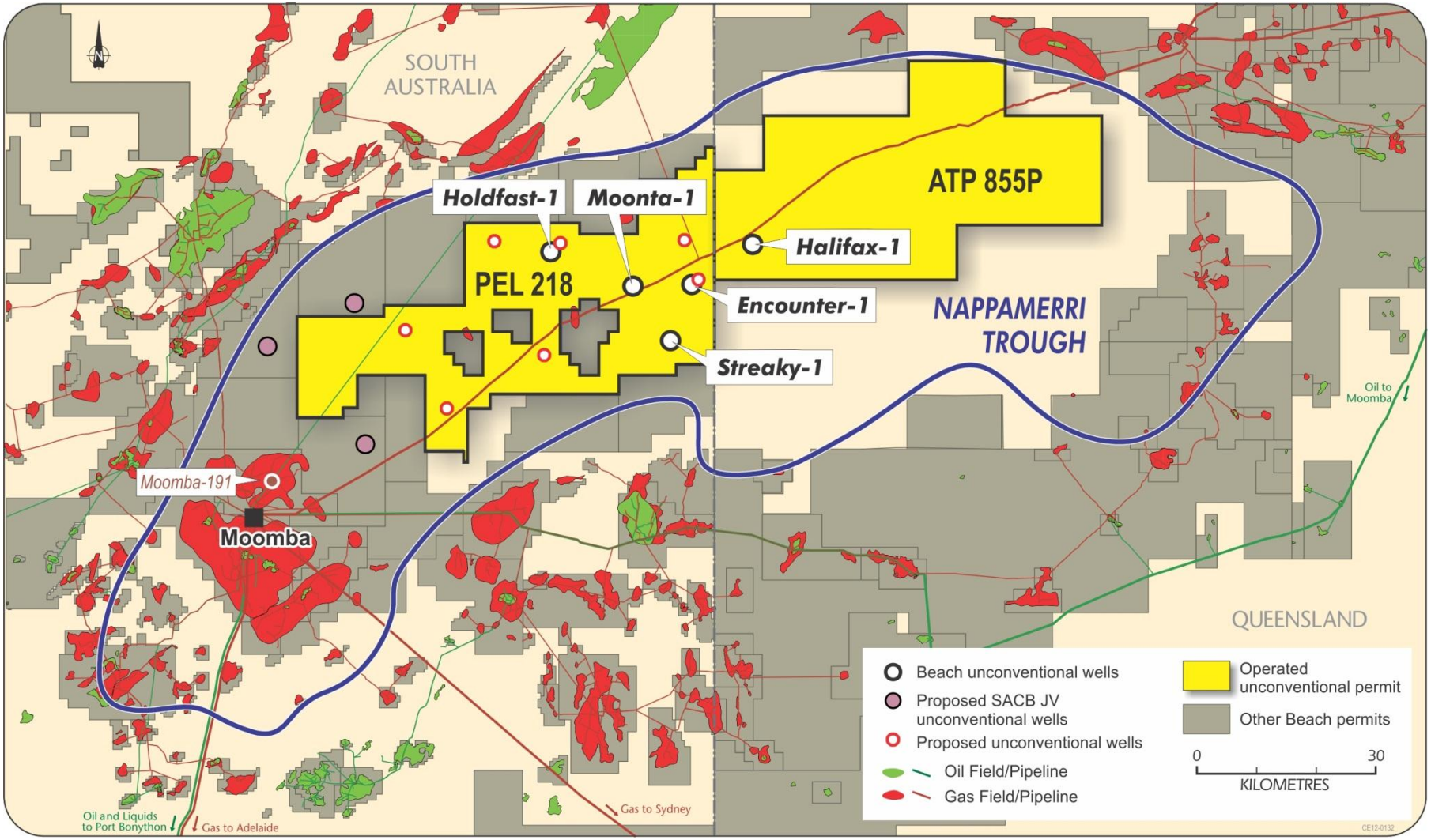
Gladstone based LNG projects



Cooper Basin gas supply has multiple potential benefits to LNG projects

An unconventional and logical thought process

PEL 218 and ATP 855P



Commanding acreage position with multiple targets to be addressed

Unconventional gas program to date

PEL 218 ~1,600 km²

- Beach 100% (Permian)
- Four vertical wells drilled
- Gas flow from first 2 wells up to ~ 2 MMscfd per well

ATP 855P ~1,670 km²

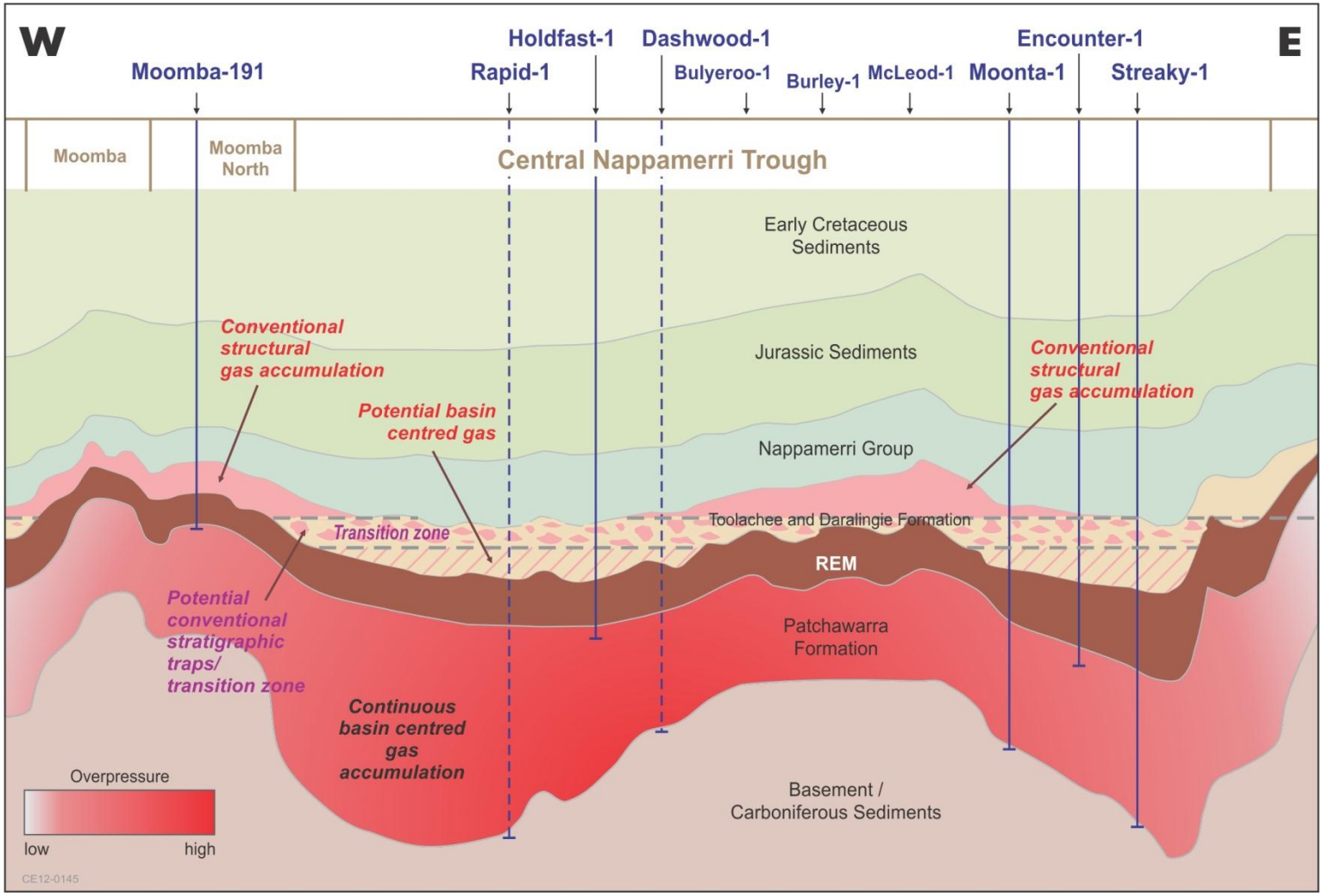
- Beach 60% (operator), Icon Energy 40%
- First vertical well being drilled

SACB JV ~7,100 km²

- Beach 20.21%, Santos 66.6% (operator), Origin Energy 13.19%
- Moomba-191 flowed gas at up to ~ 3 MMscfd

Commanding acreage position with multiple targets to be addressed

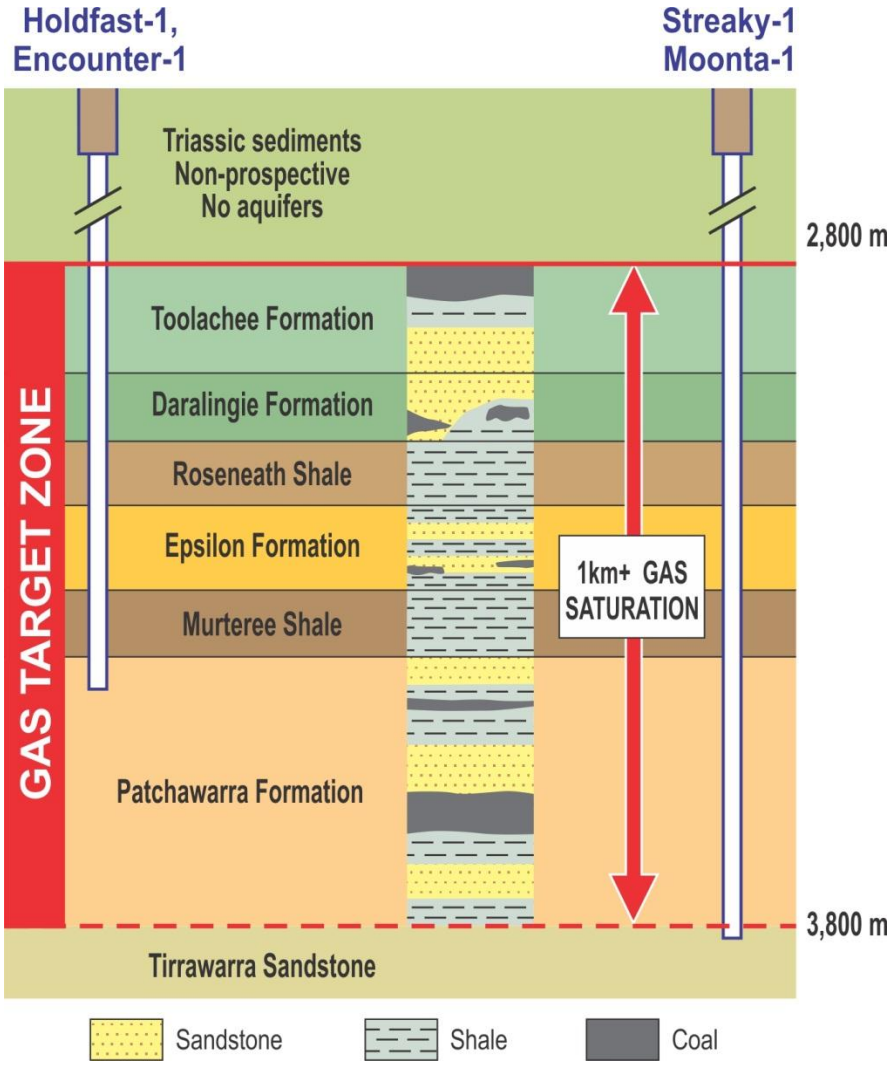
Shale and basin centred gas play



Gas saturation expected through the Permian zone of the Nappamerri Trough

Beach operated program highlights to date

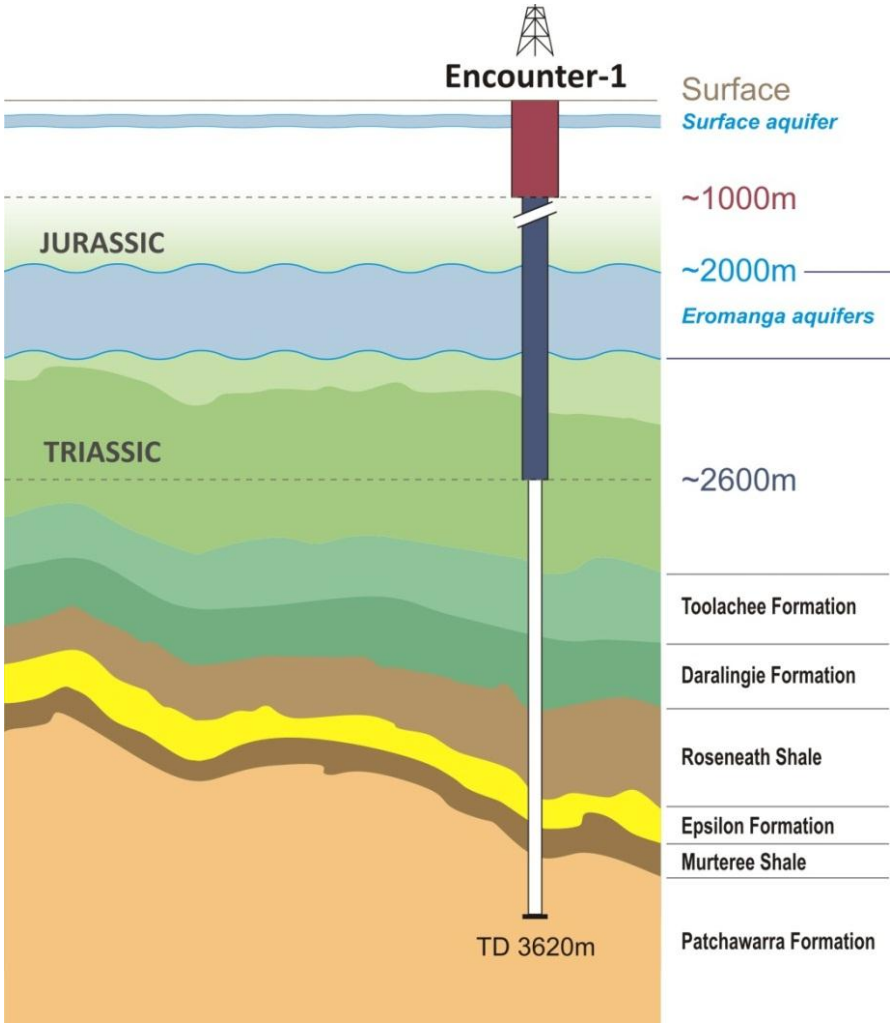
- Holdfast-1 and Encounter-1 gas flows up to 2.1 MMscfd, post fracture stimulation
- 480 metres of core recovered from both wells assisting technical analysis
- Seven stage fracture stimulation for Holdfast-1 and six stage for Encounter-1
- Logs from Moonta-1 indicated in excess of 1,000 metres of Permian target zone gas saturated
- Streaky-1 reached TD at 3,821 metres, mud logs indicated gas throughout Permian, petrophysical analysis ongoing
- Halifax-1 vertical exploration well in ATP 855P currently nearing 3,000 metres as at 31 August 2012



300+ Tcf of gas in place estimated for PEL 218

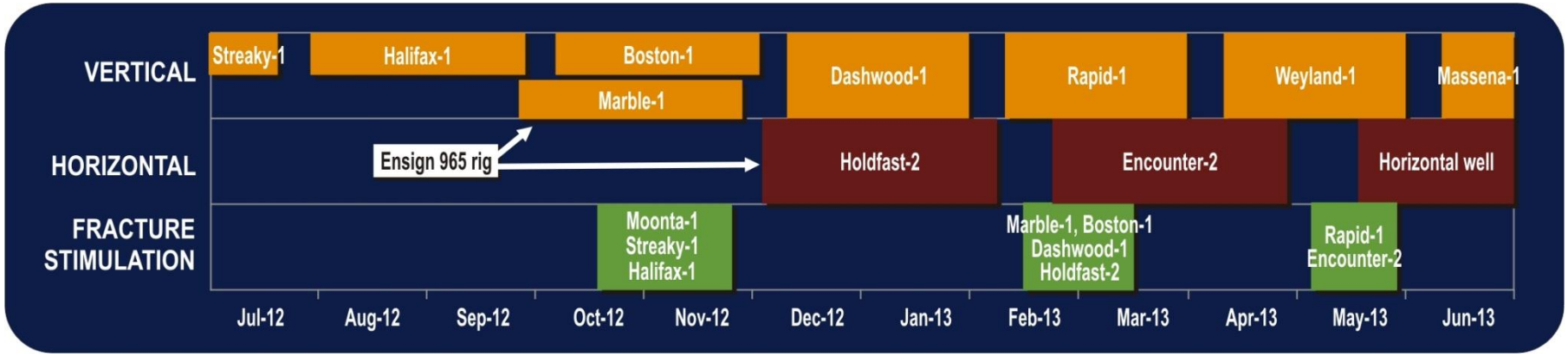
Advantages of Beach's Cooper Basin acreage

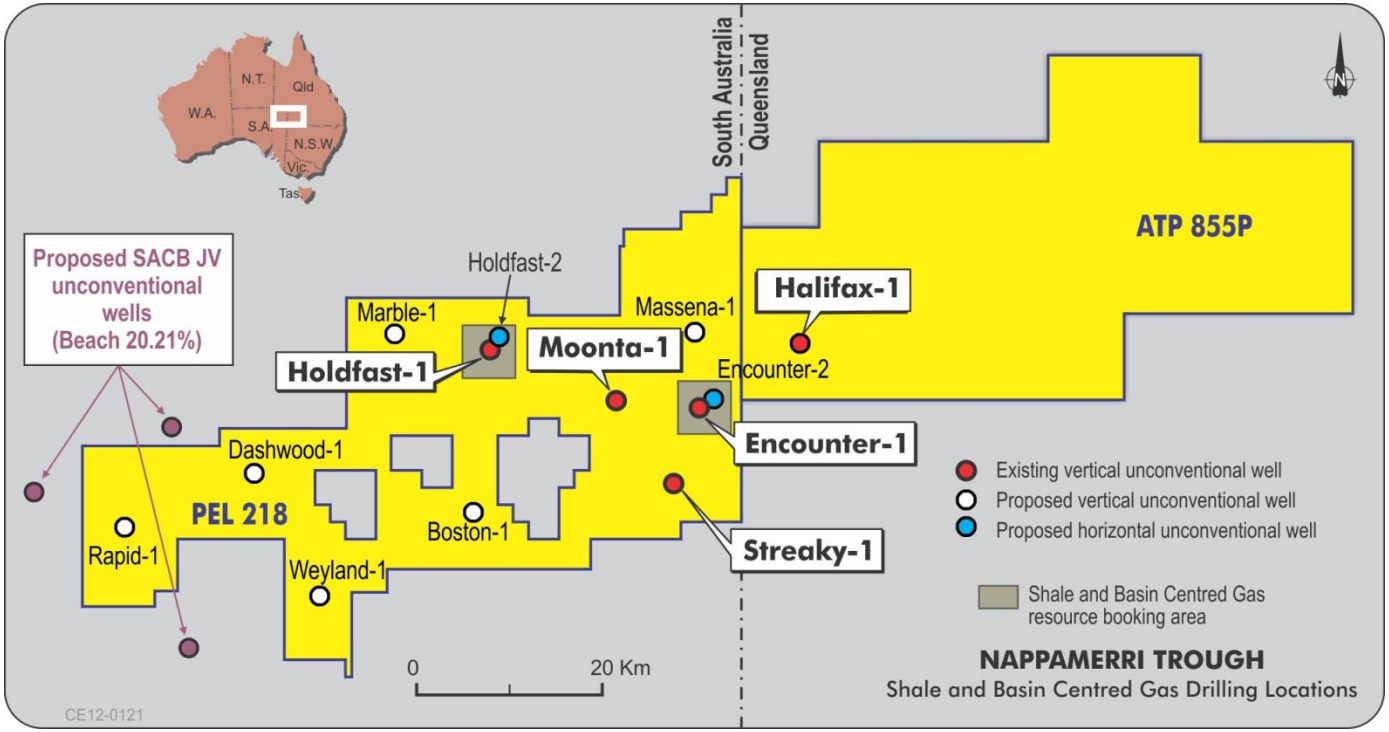
- Co-operative not competitive land use with pastoral owners and stakeholders
- Semi-desert country
- Relatively flat topography
- Well established gas infrastructure
- Three cemented casing strings in the first 1,000 metres isolate surface aquifer
- Two cemented casing strings between 1,000 and 2,000 metres isolate the Eromanga aquifers
- Eromanga aquifers well above the target zone
- Triassic zone provides a thick protective seal from target intervals
- Over 700 wells fracture stimulated in the Cooper Basin to date



Significant distance and mechanical isolation ensures aquifer protection

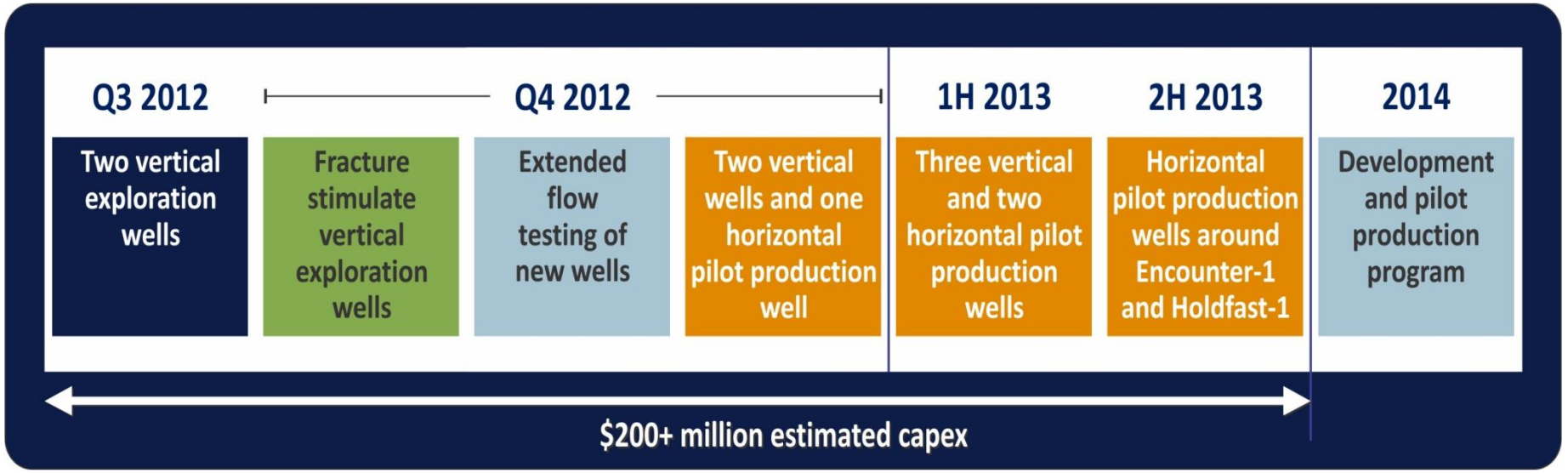
FY13 unconventional drilling program





Next steps

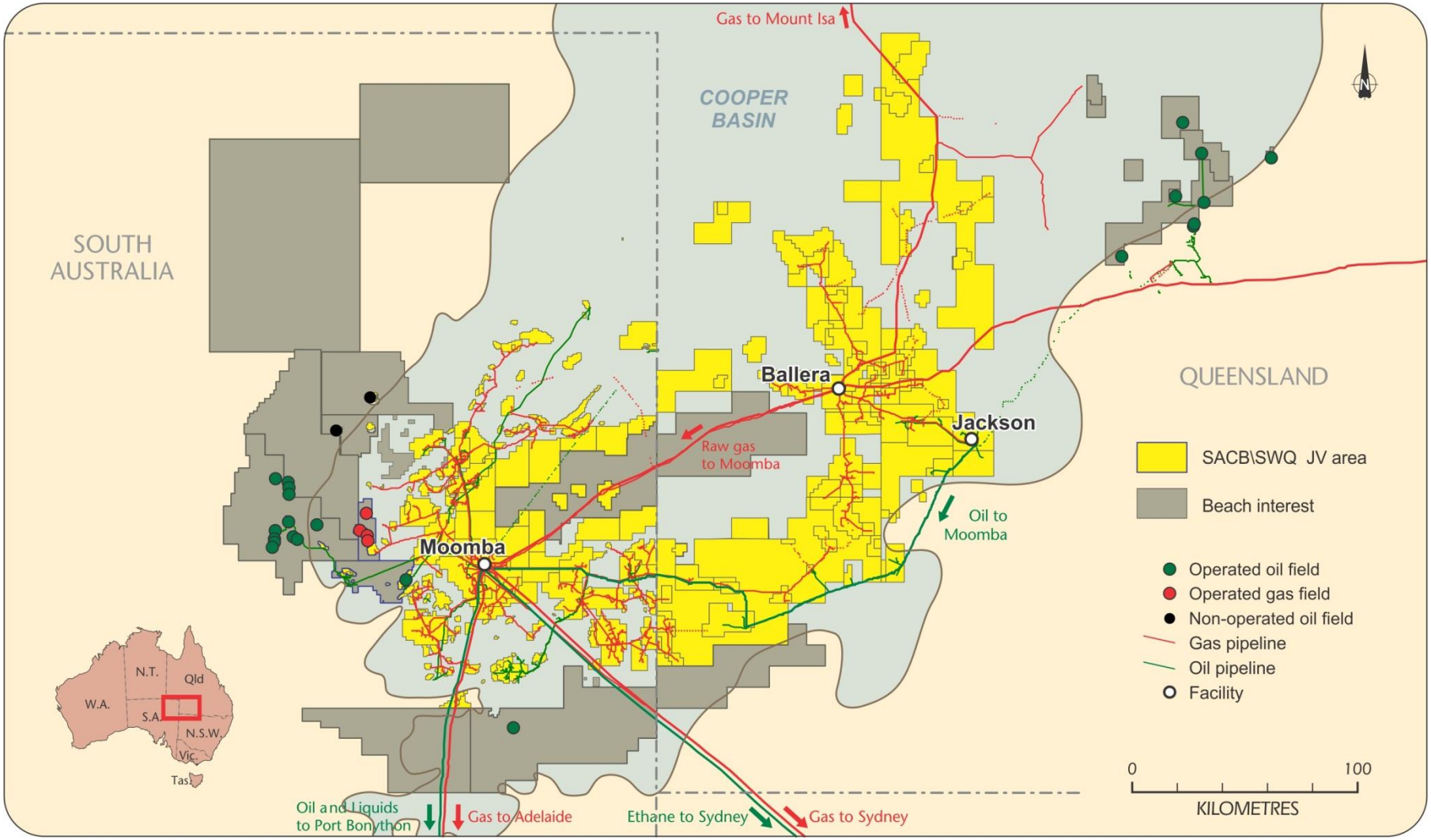
- Drill vertical delineation wells to appraise shale and basin centred gas accumulation
- Design and drill horizontal wells
- Expand drilling program with up to six horizontal wells around Holdfast-1 and Encounter-1 to further characterise production potential of shale and basin centred gas targets
- Seek to monetise early production via existing facilities
- Investigate horizontal and vertical development options
- Farm-out options to be considered



SACB/SWQ JV

Significant long-term resource potential

SACB/SWQ JV



Commanding acreage position with multiple targets to be addressed

SACB/SWQ JV

- Santos operated
- Equity interests of 20.21% for SACB JV and between 23.2% for SWQ JV
- FY12 net production of ~ 4.8 MMboe
- Significant land holding of 26,800 km^2 (gross)
- Cooper Basin cumulative gross production to date of approximately 6 Tcf
- Provides access to a large onshore hydrocarbon province with:
  - Proven reserve and large resource base
  - Gathering systems across the tenement area
  - Gas and oil processing plants – Moomba, Ballera, Jackson
  - Gas storage – Moomba & Ballera
- A diversified product stream of gas, gas liquids and oil

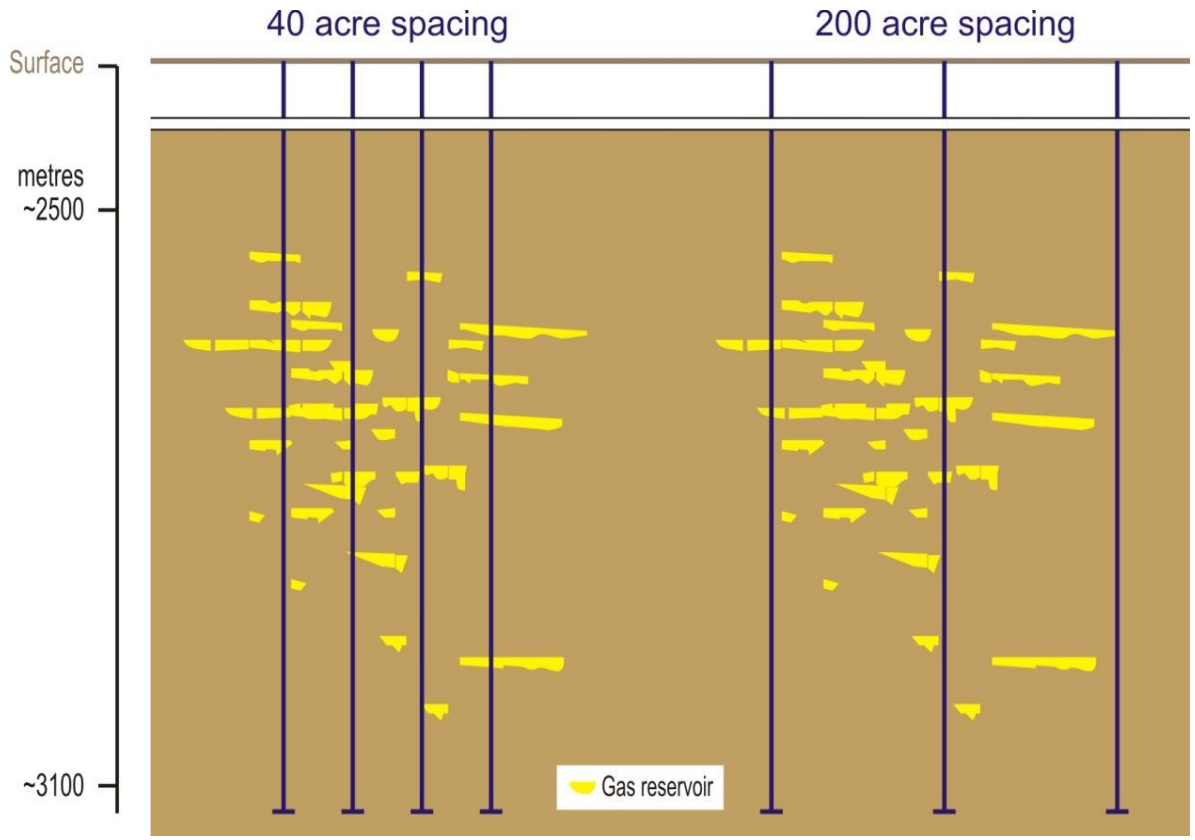
*Source: Santos

Gross unrisked resource potential of 4+ billion boe estimated within acreage*

Resource to reserve conversion

- Infill drilling with denser well spacing moving towards 40 acres
- More focused fracture stimulation of individual zones
- More efficient wellbore hydraulics, resulting in lower abandonment pressures and improved recovery
- Shale and deep coals accessible via existing wellbores

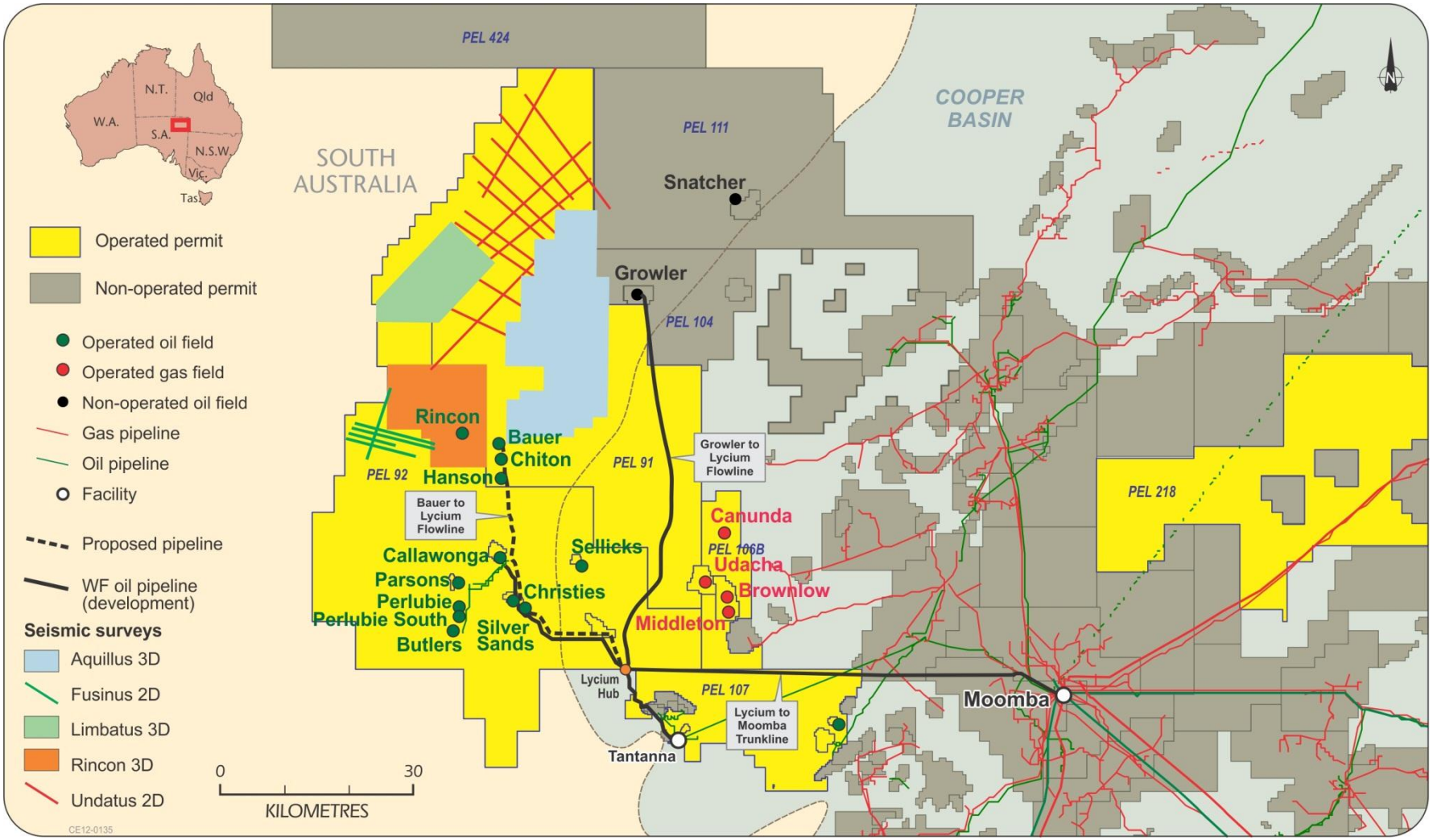
Infill drilling – 40 vs 200 acre spacing



Resources to reserves conversion of 10+ MMboe (net) per annum

Dominant Western Flank acreage position

Western Flank – Cooper Basin



2013 net production target of 9,000 to 10,000 bopd from the Western Flank

Western Flank oil

Western Flank oil is a core contributor to Beach due to:

- Sales in Brent
- High net back per barrel of ~ A$85* (including opex, royalties and transportation costs)
- Strong equity positions
- Quick drill and tie-in periods
- High flow rates from wells
- Excellent understanding of the geology resulting in high success rates
- Multiple play types
- Established and proposed pipeline infrastructure to increase production rates

*Assumes Brent oil price of A$110 per barrel

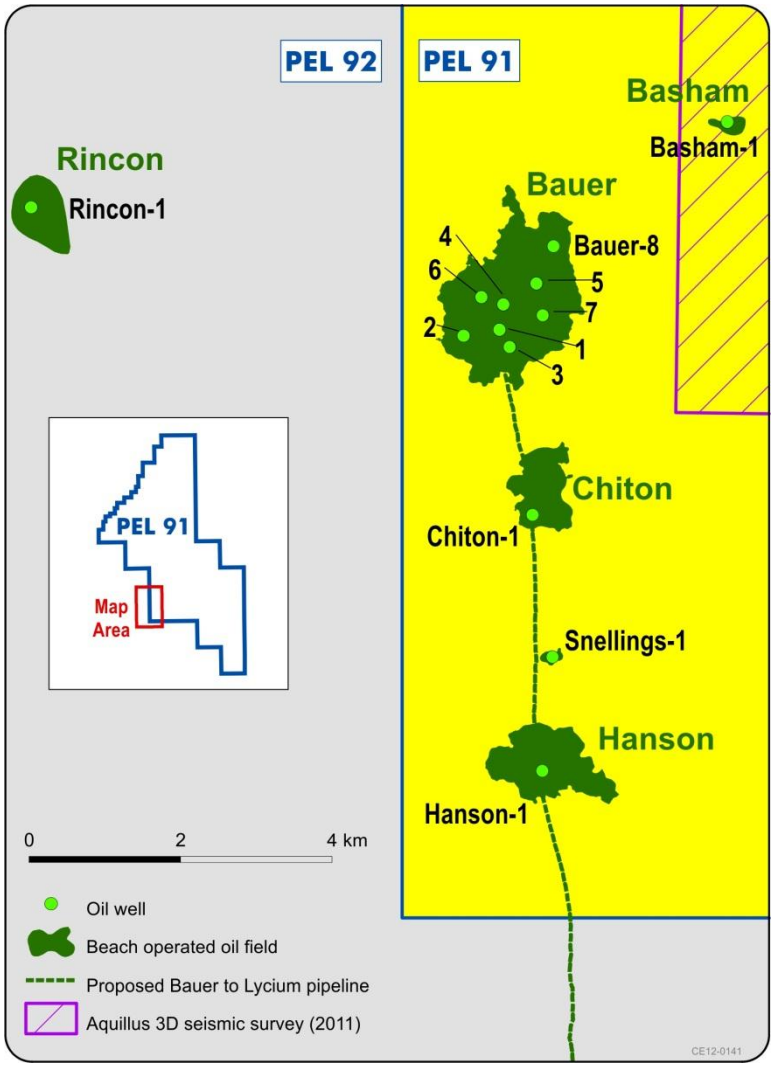
Strong cash generating area with significant exploration upside

PEL 91

- Beach 40% (operator), Drillsearch 60%
- Bauer potential recoverable oil of 10+ MMbbls
- Production of 800 bopd (gross) from Bauer-1, targeting 2,000 bopd (gross) with trucking
- Hanson facility expected to be on-line 2H 2012
- Chiton production potential of 200 bopd (gross)
- 336 km^2 Aquillus 3D and 151 km^2 Limbatus 3D seismic being interpreted, targeting Birkhead and Namur
- 249 km Undatus 2D seismic being interpreted

FY13 capital program

- Five exploration and seven development wells
- New Bauer-Lycium pipeline, capacity 10,000 bopd, expected net cost $5 million
- Expected net total capex for PEL 91 of $20 million



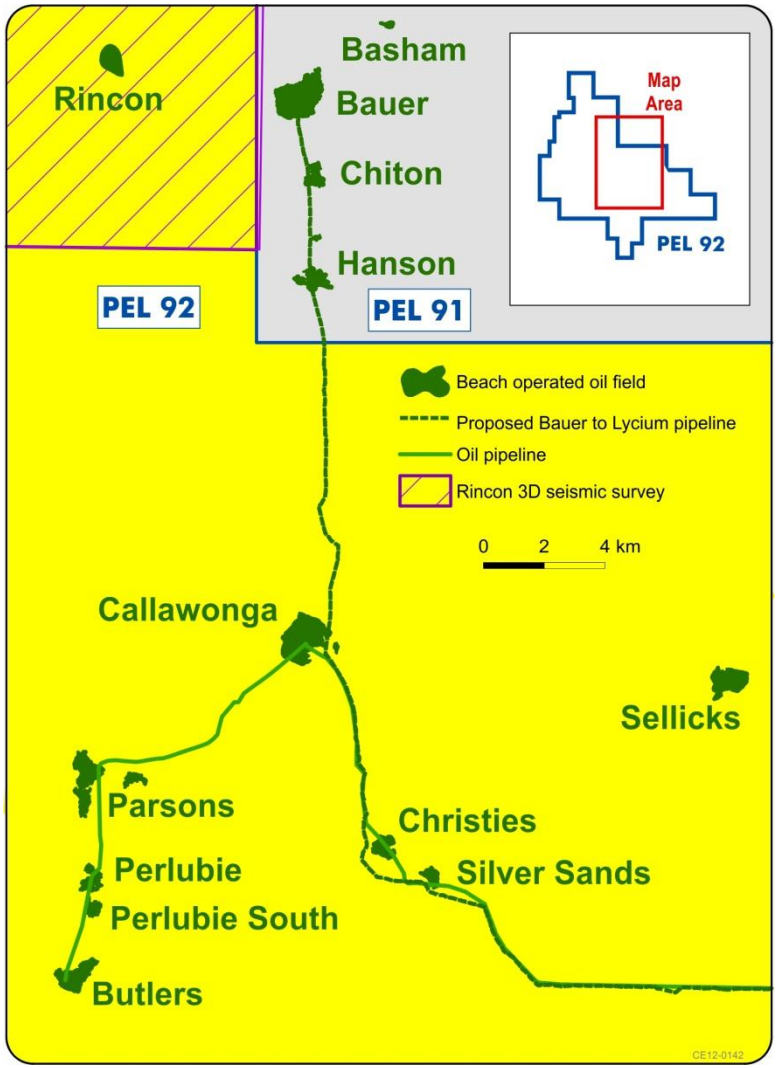
FY13 program targeting a gross reserves addition of 3 MMbbl

PEL 92

- Beach 75% (operator), Cooper Energy 25%
- Current gross production of 5,000 bopd
- Gross production expected back at 6,000 bopd upon completion of Lycium-Moomba trunkline
- Butlers-2, -3, -4, Parsons-5, Germein-1 and Elliston-1 all tied-in
- Acquisition of 197 km^2 Rincon 3D and 55 km Fusinus 2D completed, interpretation in Q3 2012
- Rincon 3D to delineate the Rincon discovery and evaluate additional exploration potential
- New Butlers oil facility, Parsons facility expanded

FY13 capital program

- Seven exploration and three development wells
- Expected net total capex for PEL 92 of $31 million



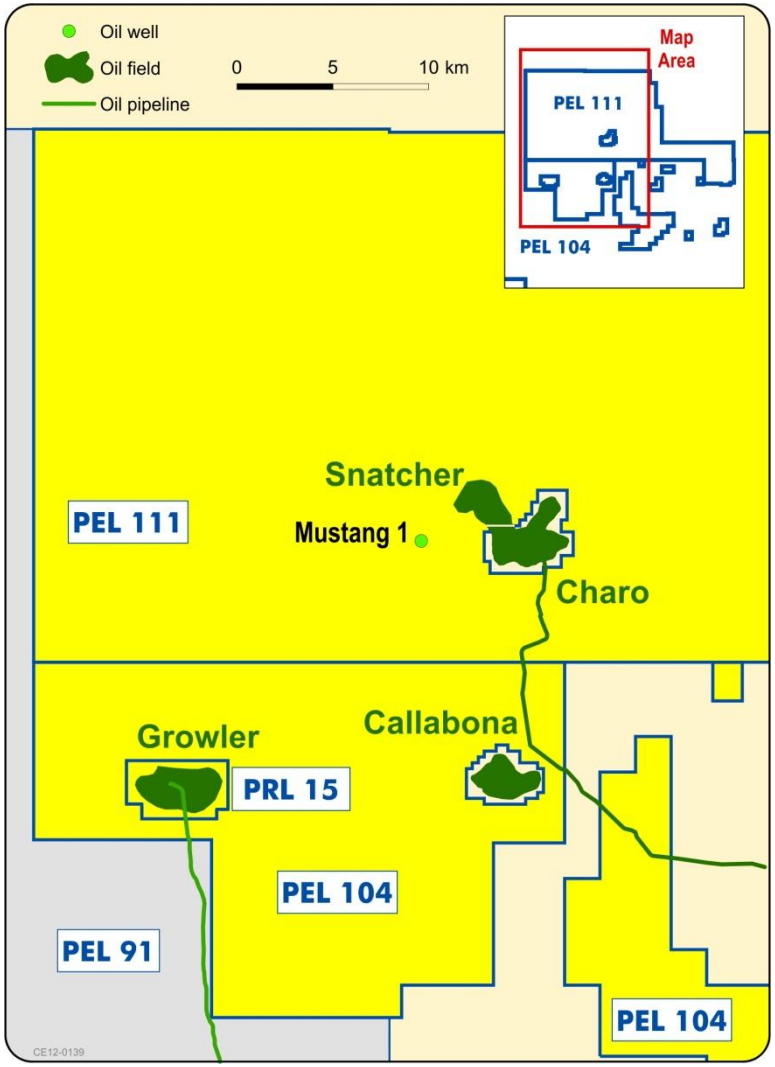
FY13 program targeting a gross reserves addition of 1 MMbbl

PRL 15, PEL 104 and PEL 111

- Beach 40%, Senex Energy 60% (operator)
- Focus on the Birkhead Formation
- Current gross production of 6,000 bopd from Growler and 250 bopd from Snatcher
- Recent exploration success with Mustang-1

FY13 capital program

- Seven exploration and seven development wells
- Growler-Lycium pipeline, capacity 8,000 bopd, net spend remaining of $2.4 million
- Snatcher-Charo pipeline, capacity 4,000 bopd, net cost $1.7 million
- Expected total net capex for PRL 15, PEL 104 and PEL 111 of $29 million



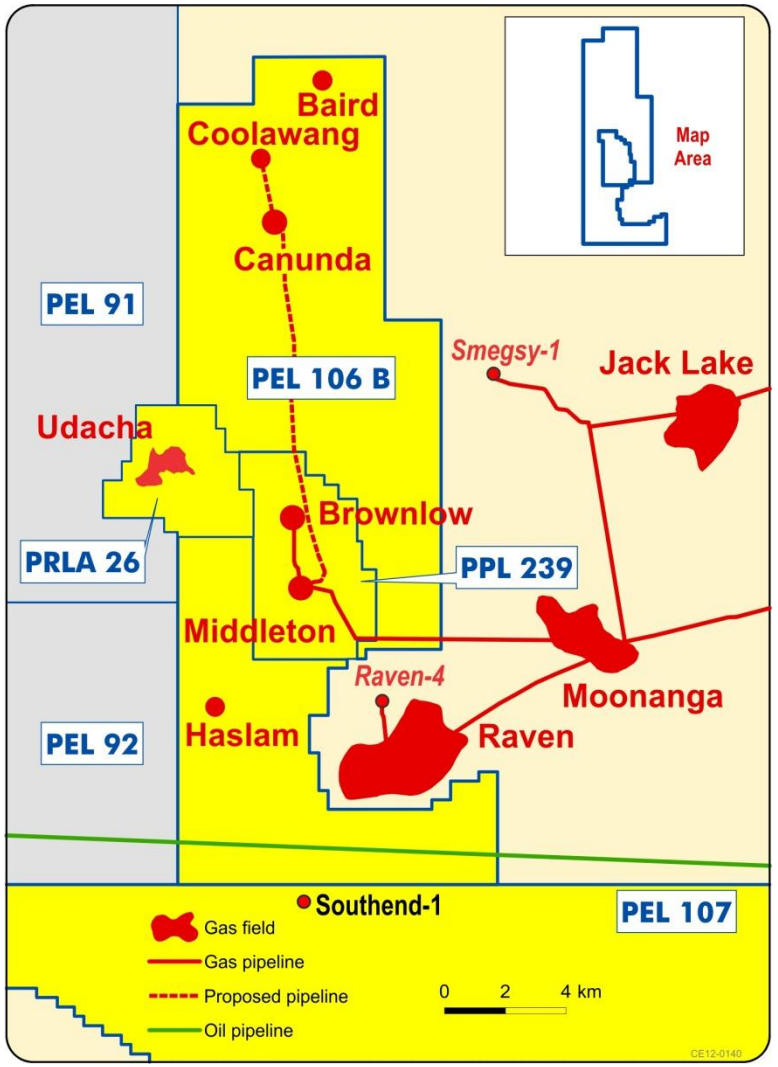
FY13 program targeting a gross reserves addition of 2.5 MMbbl

PEL 106B and PEL 107

- PEL 106B – Beach 50% (operator), Drillsearch 50%
- First production in FY12 from the Middleton/ Brownlow production licence
- Fiberspar flexible pipeline reduced cost and accelerated pipe laying time
- Initial gross flow rates of 25 MMscfd, made up of 15 TJ/d sales gas and 325 bbl per day of LPG and condensate

FY13 capital program

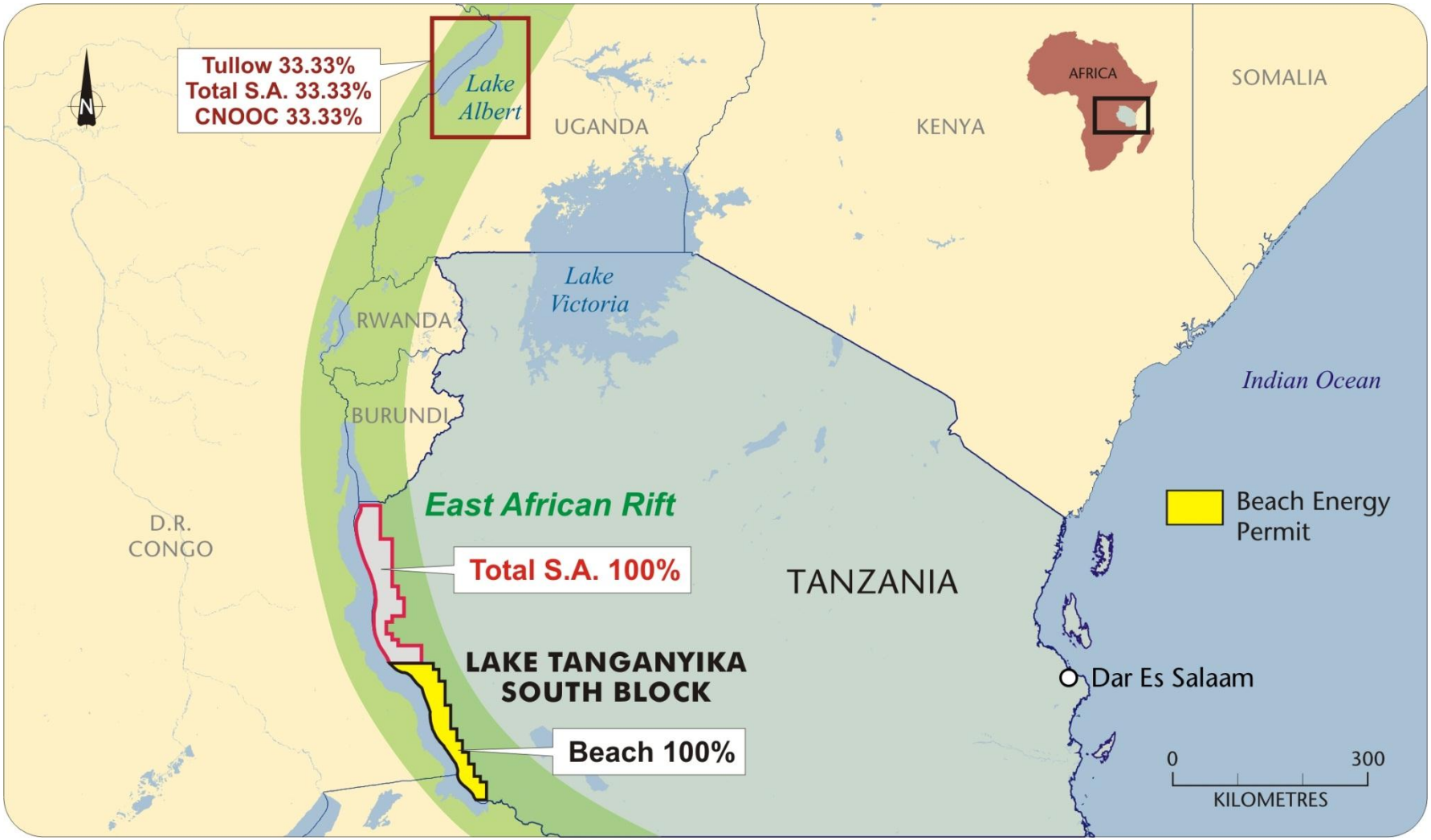
- PEL 106B – Four exploration wells, expected net cost $7 million, expected net cost of development (incl. Canunda tie-in) $5 million
- PEL 107 – Beach 40% (operator), Drillsearch 60%) – one exploration well, expected net cost $1 million



The first Beach operated gas and gas liquids production

International - Chasing ‘Big Oil’ and Rift Basins

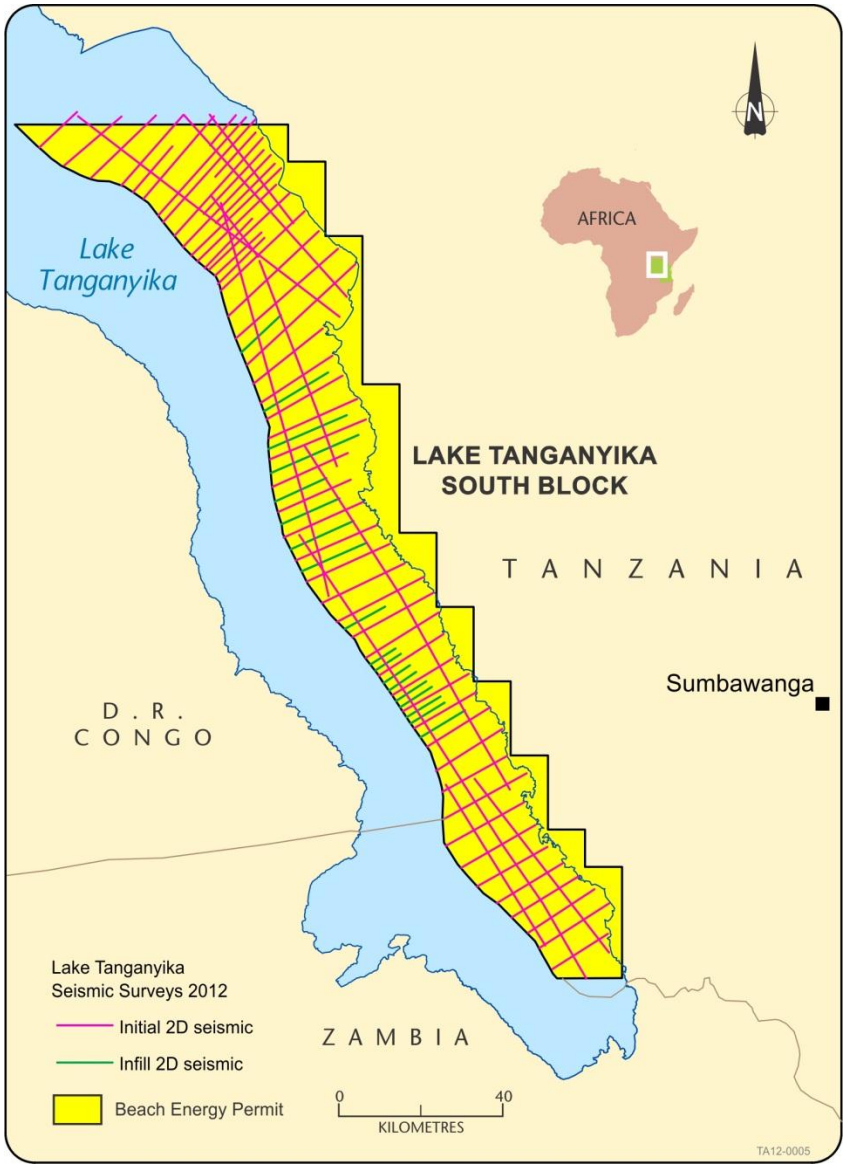
Tanzania – Lake Tanganyika South Block



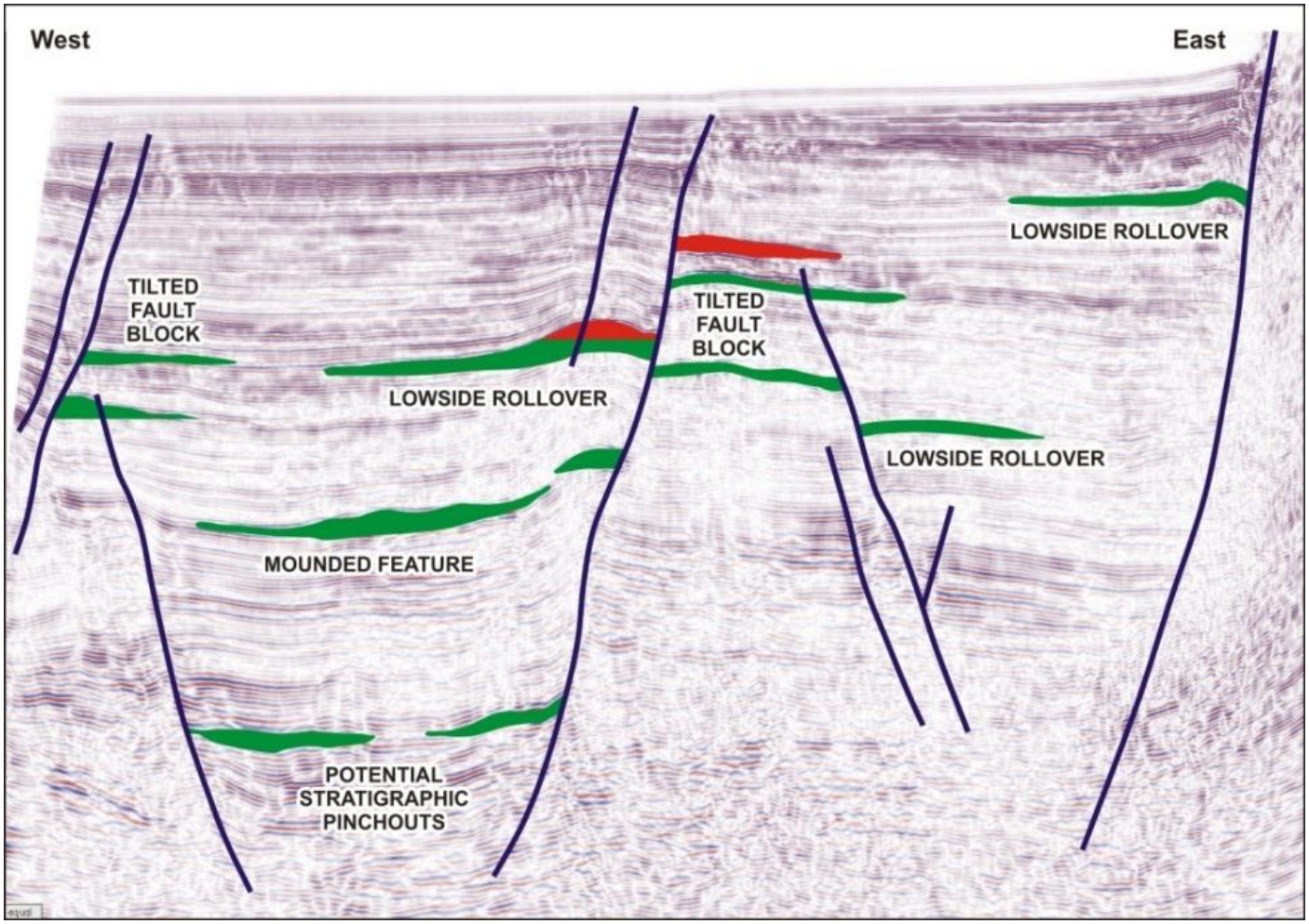
A significant acreage position in the prospective East African Rift

2D seismic survey

- Natural oil seeps on Lake Tanganyika (7,200 km^2) indicate a working petroleum system
- Potential for large discoveries (> 200 MMbbl)
- Airborne gravity and hi-resolution aeromag data acquired in 2010
- 2,080 km 2D seismic survey completed in August 2012
- Preliminary results confirm extensive structuring, similar to Lake Albert in Uganda
- Indications of hydrocarbons over tilted fault blocks, low-side rollovers and mounded features



Lake Tanganyika South Block potential play types



Potential targets from recently acquired 2D seismic, red = gas, green = oil

Direct hydrocarbon indicators consistent with an active petroleum system

Egypt

A balanced portfolio of assets with growing oil production

North Shadwan concession

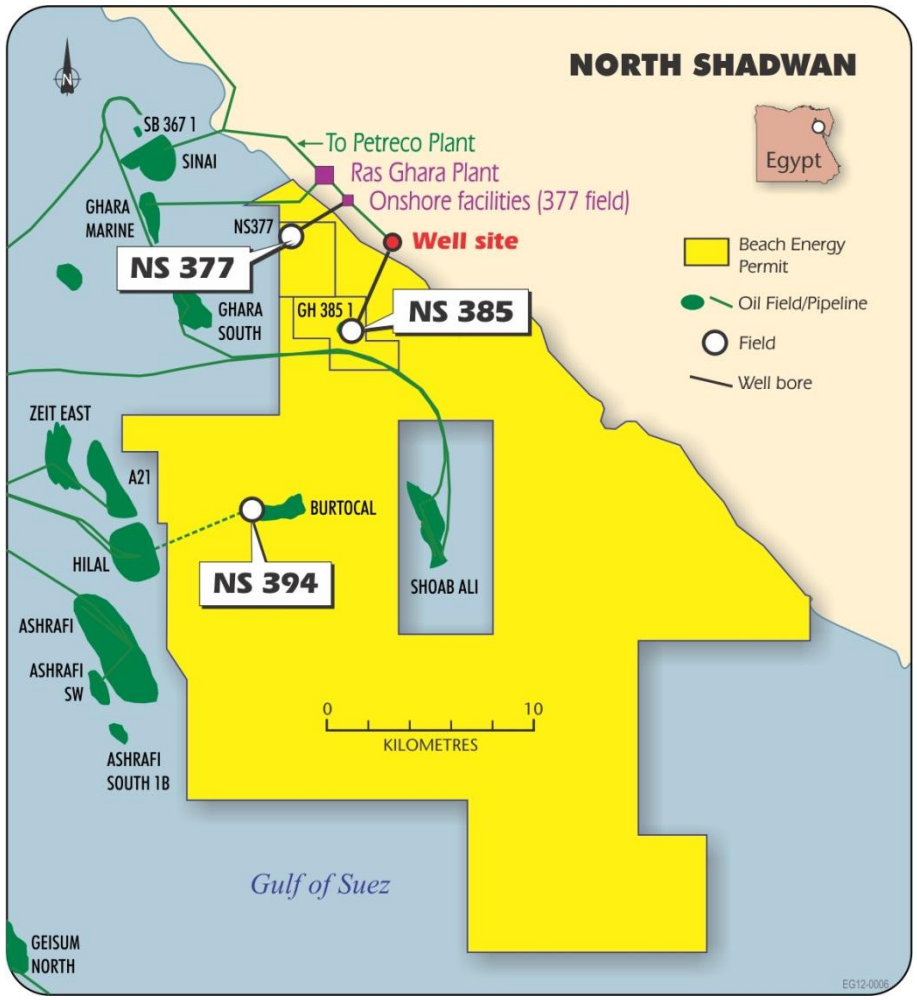
- Beach 20%, BP 50% (operator), Tri Ocean 30%

NS 377 and NS 385

- Near shore field NS 377 producing ~ 1,000 bopd (gross) via pipeline to Ras Ghara facility
- NS 385 development well expected to spud Q3 2012
- Total oil production expected to build to ~ 2,500 bopd (gross) in 2013, with the move away from pipeline to trucking

NS 394 (Burtocal)

- Project engineering, construction and installation expected in 2013/14
- NS 394-1A C&S in 2008, 60 metres net pay
- Production anticipated in 2015, flow rate potential of 7,000 bopd (gross)



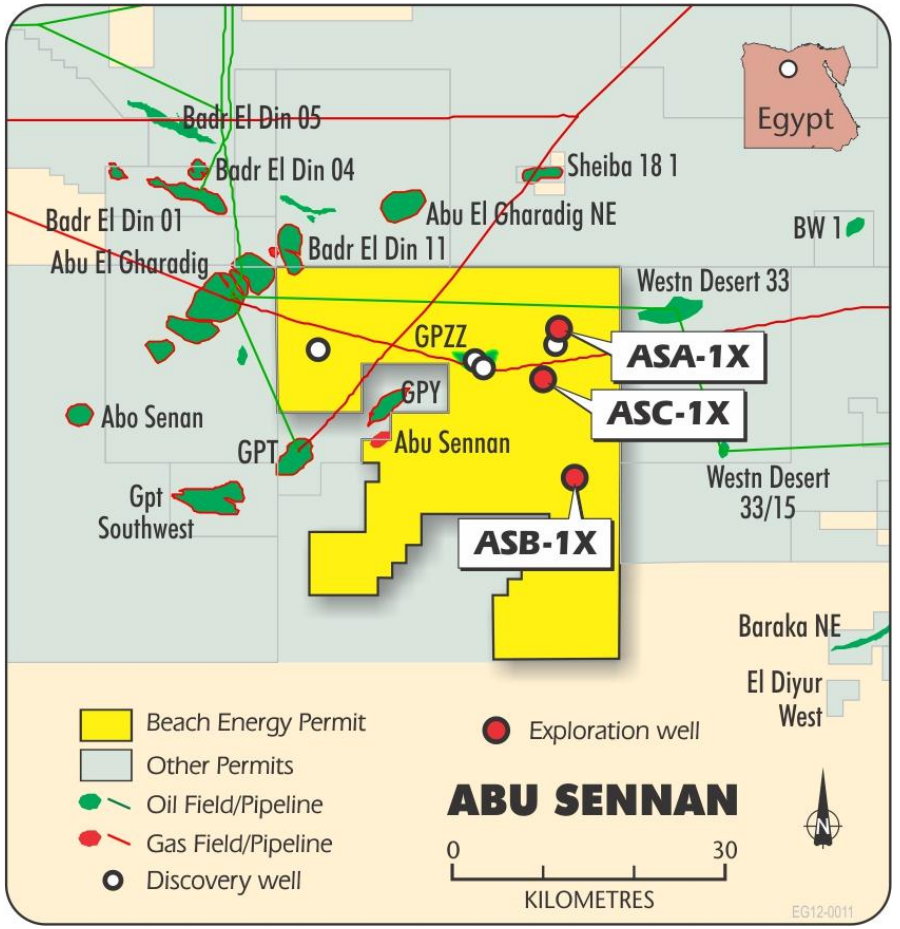
Oil production to increase, with near term development opportunities

Abu Sennan concession

- Beach 22%, Kuwait Energy 50% (operator), Dover Investments 28%
- Four exploration wells successful, with combined total gross flow rate of ~ 12,000 boepd (gross)
- New three well exploration program approved:
  - First well, ASA-1X, spudded in August 2012

Extended production tests

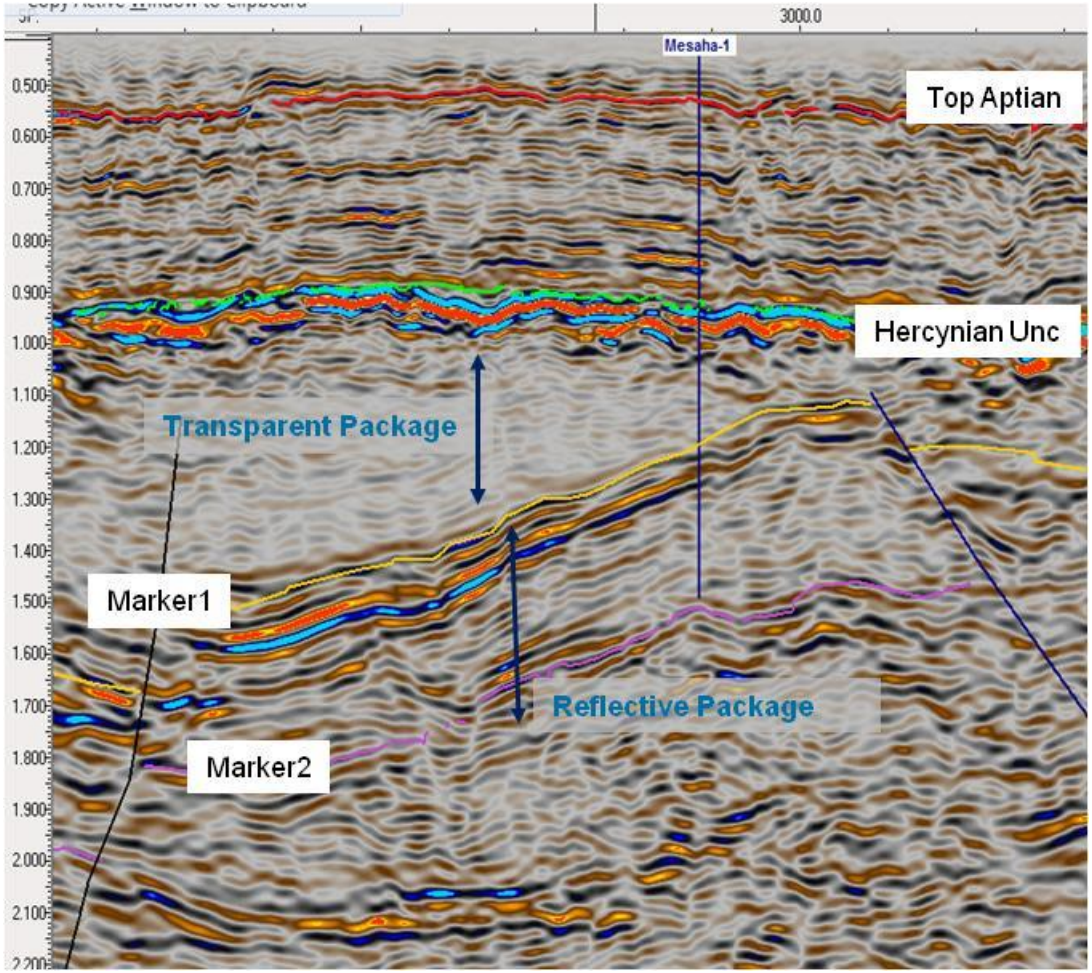
- EPTs on four discoveries over six months
- Initial test flows up to 2,400 bopd, with associated gas



67% exploration success to date in the highly prospective Western Desert

Mesaha concession

- Beach 15%, Melrose 40% (operator), Hellenic 30%, Kuwait Energy 15%
- The largest concession area in Egypt at 42,700 km^2
- Possible rift basin similar to Gulf of Suez
- Potential for very large oil fields (>100 MMbbl+)
- 2,885 km of regional and infill 2D seismic acquired and interpreted
- First exploration well, Mesaha-1, planned for 2H 2012



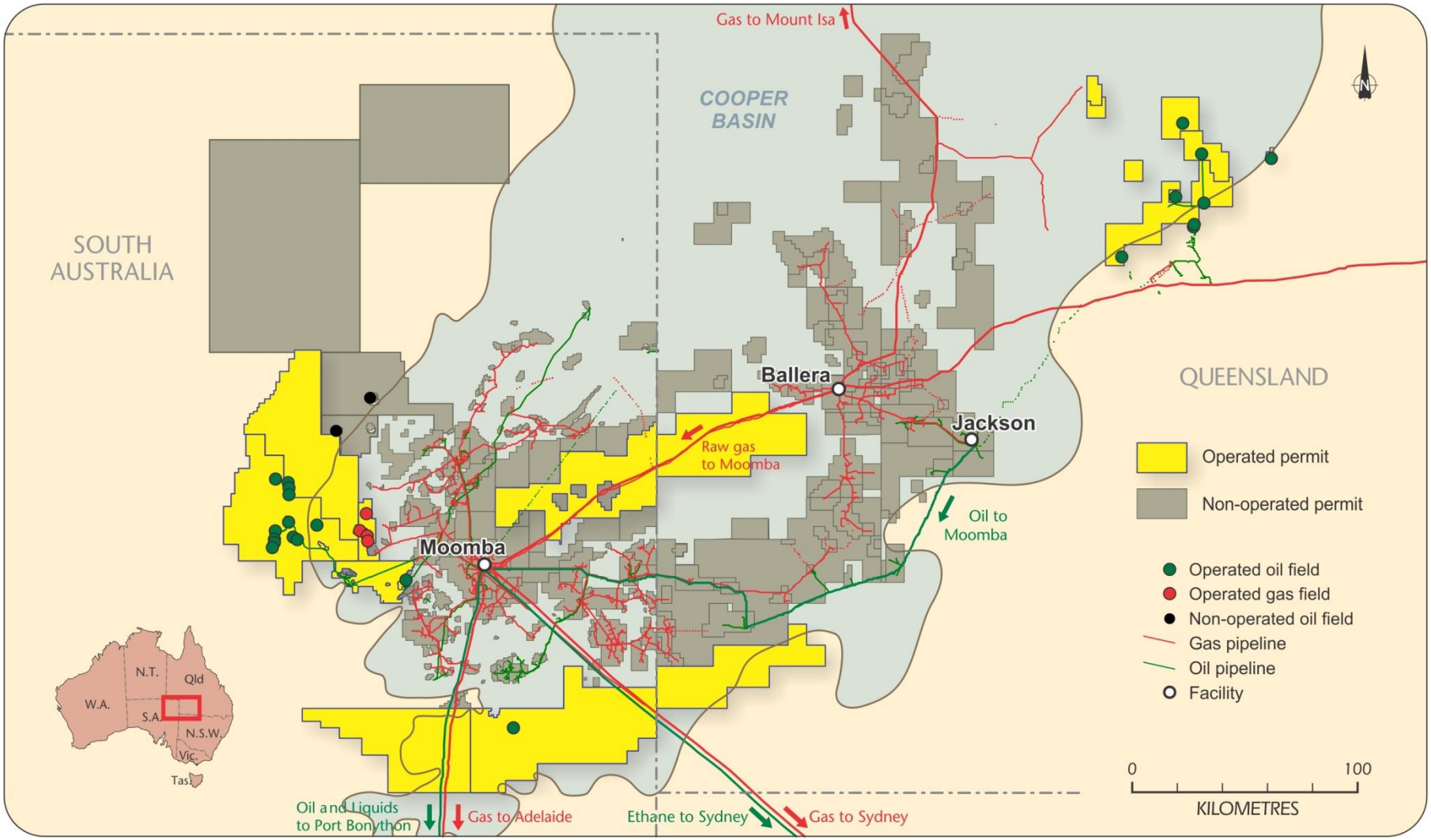
Wildcat acreage with rift graben potential

Appendices

1. General

2. Other operations

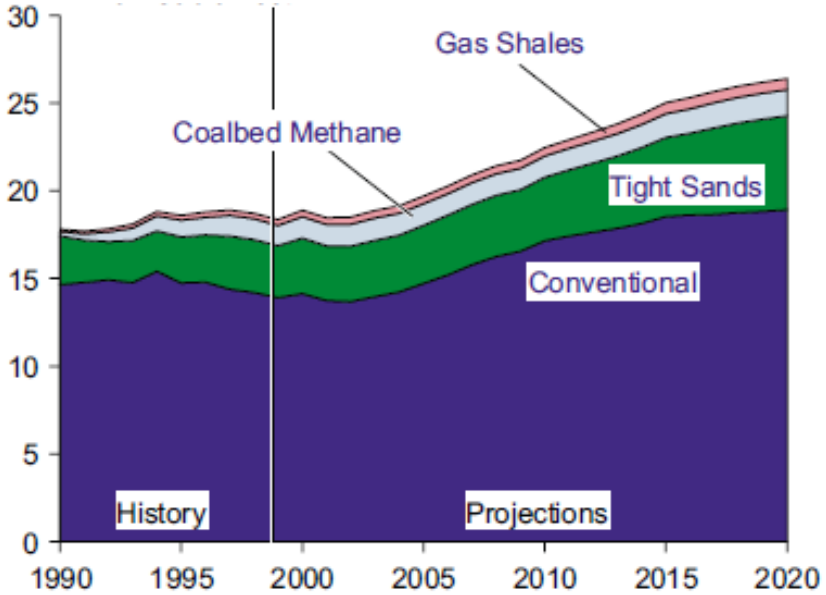
The Cooper Basin



EIA – United States Gas Production Projection

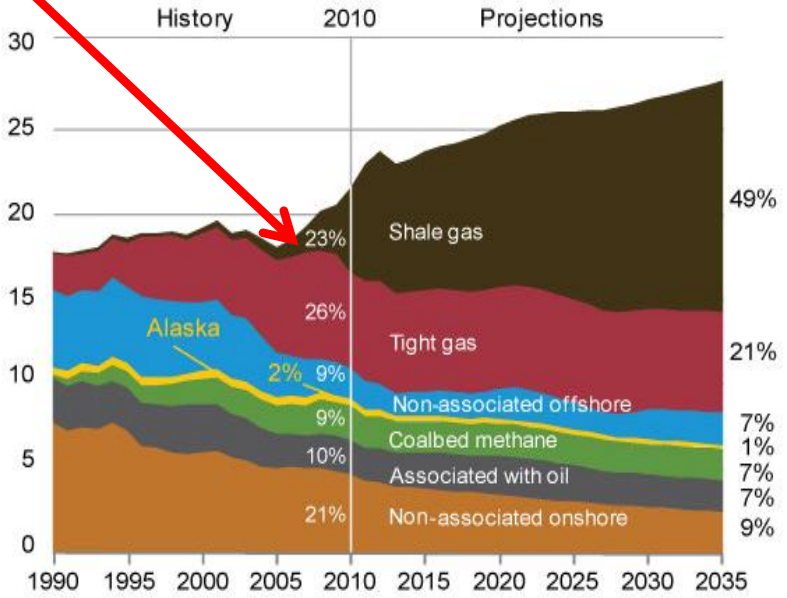
2007 - Beach identified Australian shale opportunity

2000
US Natural Gas Production 1990-2020



Sources: History: Advanced Resources International, Inc. (ARI). Projections: Energy Information Administration, AEO2000, DOE/EIA-0383 (2000) (Washington, DC, December 1999), reference case

2012
US Natural Gas Production 1990-2035

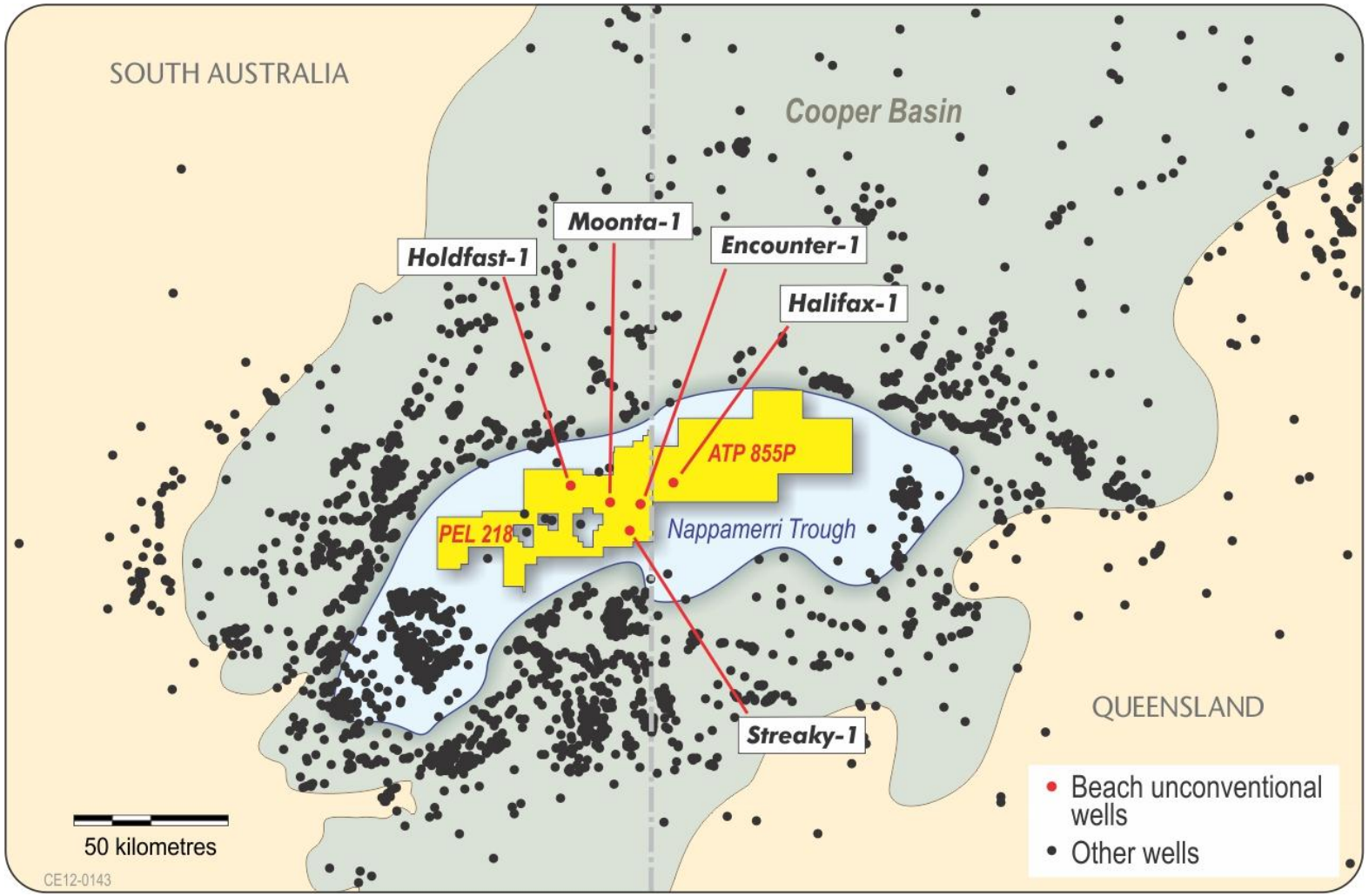


Source: US Energy Information Administration, AEO2012 Early Release Overview, 23 January 2012

In 2000, EIA projected conventional gas production would dominate future supply

EIA is now projecting shale and tight gas will represent 70% of US supply by 2035

Things you can find in your own backyard…

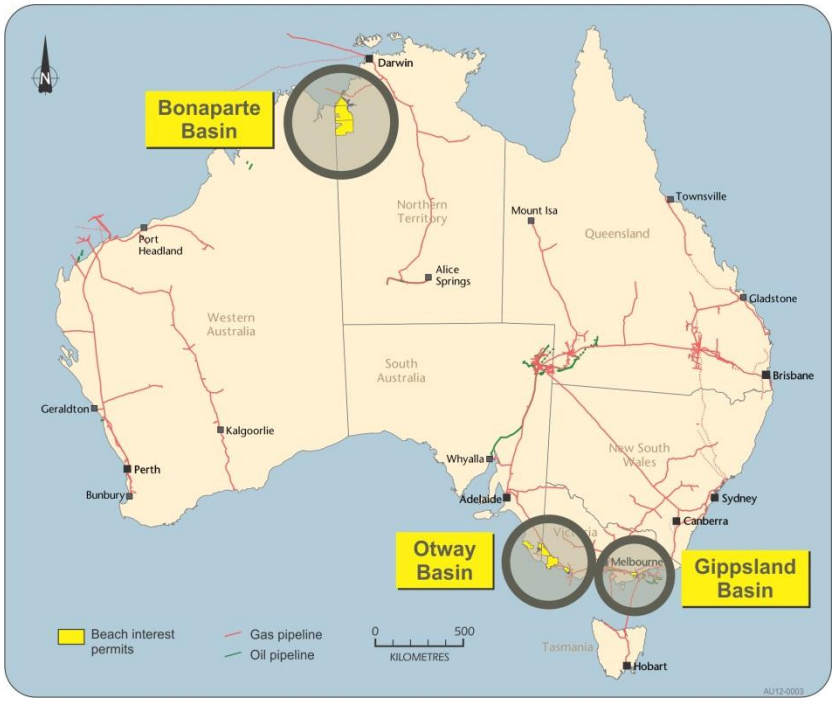


A relatively under-explored part of the Cooper Basin with enormous potential

Other operations

Other unconventional opportunities

- Significant acreage positions in other prospective basins
- Further potential for gas and liquids
- Complementary to conventional portfolio

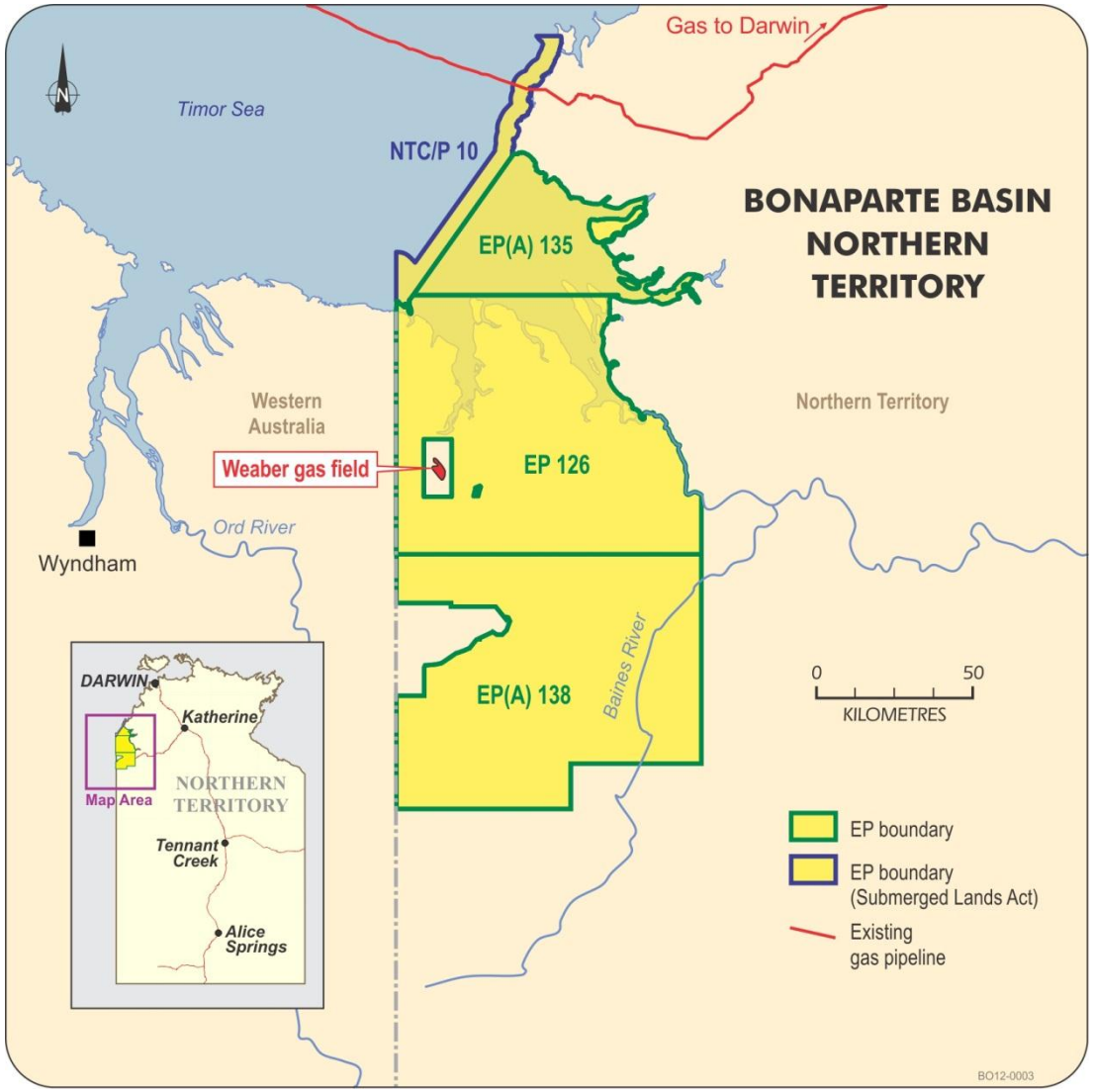


Otway Basin (Beach 35-67%)	• Conventional plays proven – gas, condensate and oil • Moderate to high TOC's • Gas and liquids prone • Mature and overpressured • Thick and areally extensive
Gippsland Basin (Beach earning up to 33.3%)	• Wombat gas project
Bonaparte Basin (Beach earning up to 90% of onshore and up to 55% of offshore areas)	• Underexplored due to lack of quality modern seismic • Conventional and deep unconventional targets • Highly prospective as a result of: – Working petroleum systems identified in the few wells to date – Oil seeps identified at surface – Oil staining in mineral cores – Weaber gas field adjacent to acreage • Beach commitment of $5 - $36 million dependent on various options

Proven but lightly explored basins with access to growing markets

Bonaparte Basin

- Beach earning up to 90% of onshore and up to 55% of offshore areas
- Underexplored to date due to lack of quality modern seismic
- Conventional and deep unconventional targets
- Highly prospective as a result of:
  - Working petroleum systems identified in the few wells to date
  - Oil seeps identified at surface
  - Oil staining in mineral cores
  - Weaber gas field adjacent to acreage
- Beach commitment of $5 - $36 million dependent on various options



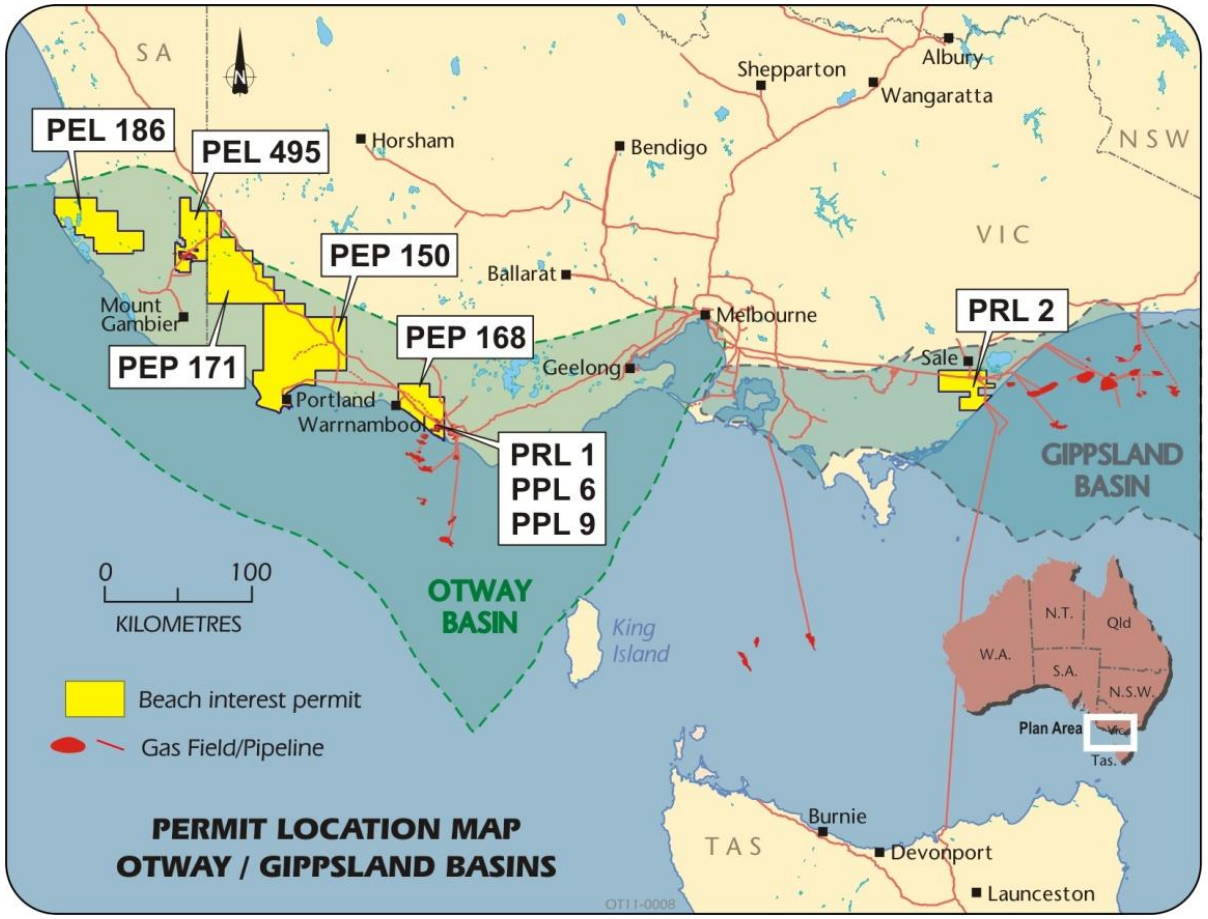
Otway and Gippsland basins

Otway gas and liquids

- Beach 35-67%
- Conventional plays proven – gas, condensate and oil discoveries
- Casterton main source rock, with most attractive unconventional targets
  - Moderate to high TOC's
  - Gas and liquids prone
  - Thick and areally extensive
  - Mature and overpressured

Gippsland gas

- Beach earning up to 33.3%
- Wombat gas project



Note: PEP 150 and PEP 171 are subject to Native Title Agreement

Significant onshore acreage positions well located to access growing markets

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