ASX Release

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ASX Ltd/SGX Singapore Exchange Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

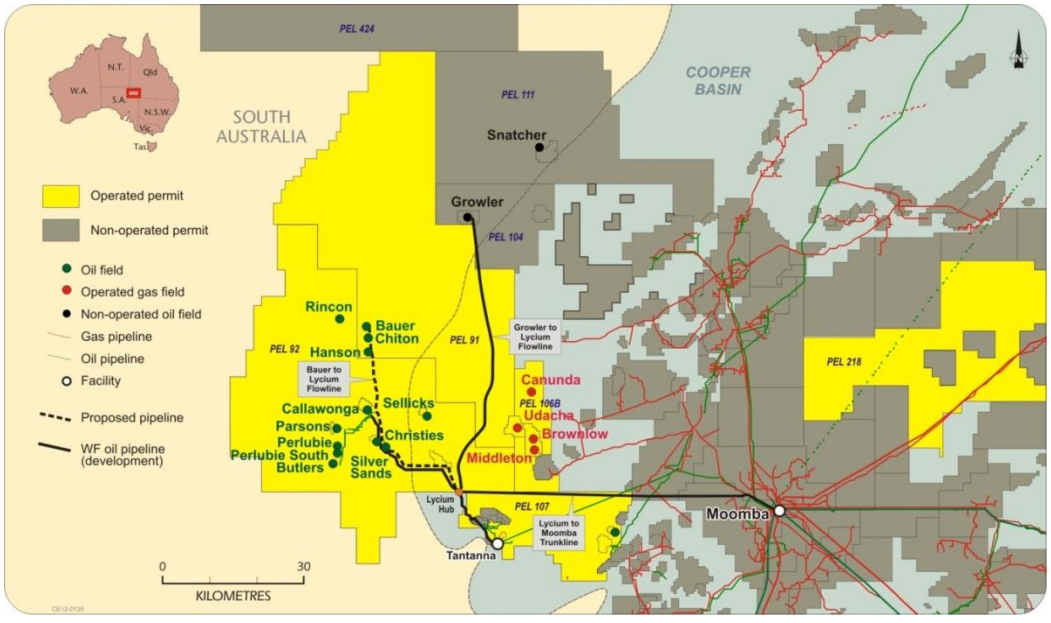
COOPER BASIN WESTERN FLANK FLOWLINES OPERATIONAL

Beach advises that oil production has commenced through the new Western Flank flowlines, which are tied-in to the Moomba facility, with production to be scaled up over the course of December 2012

Beach Energy Limited (ASX: BPT, "Beach") advises that dry and wet testing and commissioning of the Growler to Lycium (Beach 40% and operator, Senex Energy Limited 60%), Callawonga to Lycium (Beach 75% and operator, Cooper Energy Limited 25%) and Lycium to Moomba (Beach 60% and operator, Senex 40%) flowlines has been completed and oil is now flowing through these lines into Moomba.

Callawonga to Lycium flowline

The Callawonga to Tantanna flowline, which has been operational over the last four years, was connected to Lycium on 23 October 2012. This line has a capacity of 7,000 bopd (gross) and it is anticipated it will be at available capacity in Q1 2013. In addition, potential trucking beyond the



Callawonga flowline capacity in Q1 2013 is likely once the recently completed Butlers and Christies development wells are connected, and further exploration success is realised.

Growler to Lycium flowline
The Growler to Lycium flowline was completed in November 2012, with final testing and commissioning completed in early December. The flowline has a capacity of 8,000 bopd (gross).

Lycium to Moomba trunkline
The Lycium to Moomba line was tied-in at the end of November 2012 and has a design capacity of 16,000 bopd (gross). The trunkline hydraulics are being reviewed to determine maximum capacity of this line, which is expected to be in excess of 20,000 bopd (gross).

Bauer to Lycium flowline
Construction is currently underway with expected capacity in the order of 10,000 bopd (gross). It is expected that the construction of this flowline will be completed in Q1 2013, with testing and commissioning commencing during the same period. First production is expected in early Q2 2013.

Reg Nelson, Managing Director of Beach, said: "The construction of these Western Flank flowlines are integral to Beach and its Joint Venture partners in ensuring security of supply through continuous production, irrespective of weather conditions. Over time, they will also take the majority of trucks transporting crude from the Western Flank off the roads. These pipelines will underpin Beach's operating cash flows over the coming years and will be supported by new oil discoveries such as Bauer and Pennington in PEL 91 and Windmill in PEL 92. The work completed to date as part of this key capital project is a real credit to our production team."

Yours sincerely,

Reg Nelson
Managing Director, FAusIMM

For more information contact

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