



ASX Release

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

Dear Sir

FARM-OUT OF LAKE TANGANYIKA SOUTH BLOCK, TANZANIA, TO WOODSIDE

Beach Energy Limited (ASX: BPT, "Beach") advises that, after conducting a farm-out process, its wholly owned subsidiary Beach Petroleum (Tanzania) Limited ("Beach Tanzania") has signed an agreement for the transfer of 70% of its 100% interest in the Lake Tanganyika South Block, Tanzania, to a wholly owned subsidiary of Woodside Petroleum Limited (ASX: WPL). Completion of the Transaction is conditional on Tanzanian Government consents.

While the detailed transaction terms remain confidential, Woodside will:

- Reimburse its share of back costs incurred by Beach Tanzania;
- Fund a further round of seismic operations over the next 12 months; and
- Contribute to Beach's share of costs associated with an initial exploration well (subject to an agreed cap), should it elect to proceed with the program beyond the seismic operations.

Beach will remain operator throughout the next stage of seismic operations, with Woodside having the option to become operator at a later date.

Beach Managing Director, Reg Nelson, said "The farm-out of the Lake Tanganyika South Block to Woodside is in line with Beach's strategy of getting in early to prospective areas, and proving the potential of those areas with work undertaken, such as seismic operations. Bringing a world class operator into this area such as Woodside will not only ensure Beach is carried to the next phase of exploration, but will also define initial drilling prospects as a result of the further seismic work that will be undertaken."

"I would like to take this opportunity to thank the Tanzanian Government and the Tanzanian Petroleum Development Corporation ("TPDC") for their ongoing support of our exploration activities to date. We are very excited about the prospectivity of the Lake Tanganyika South Block and look forward to working with TPDC and our new joint venture partner, Woodside, to develop this opportunity further."

Yours sincerely

A handwritten signature in black ink, appearing to be "Reg Nelson", written over a light yellow rectangular background.

Reg Nelson
Managing Director, FAusIMM

For more information contact:**Corporate**

Reg Nelson	Beach Energy Ltd	08 8338 2833
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Investor Relations

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About the Lake Tanganyika South Block, Tanzania

Beach Tanzania currently holds a 100% interest in the production sharing agreement (“PSA”) relating to the Lake Tanganyika South Block. This was entered into with the Government of the United Republic of Tanzania and the TPDC (Tanzanian state petroleum corporation) on 23 June 2010. Beach has been granted a one year extension for the initial exploration period to 23 June 2015. The PSA is 11 years in total, now consisting of three phases of 5 + 3 + 3 years, with Beach Tanzania having satisfied all the requirements for the initial exploration period. Work completed as part of the initial exploration period included aeromagnetic and gravity surveys and a 2,080 kilometre 2D seismic survey.