



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 2014 and represent Beach’s share.

Competent Persons Statement

The reserves and resources information in this presentation is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Tony Lake (Reservoir Engineering Manager). Mr Lake is an employee of Beach Energy Limited and has a BE (Mech) degree from the University of Adelaide and is a member of the Society of Petroleum Engineers (SPE). The reserves and resources information in this presentation has been issued with the prior written consent of Mr Lake in the form and context in which it appears.

General
Reg Nelson
Managing Director

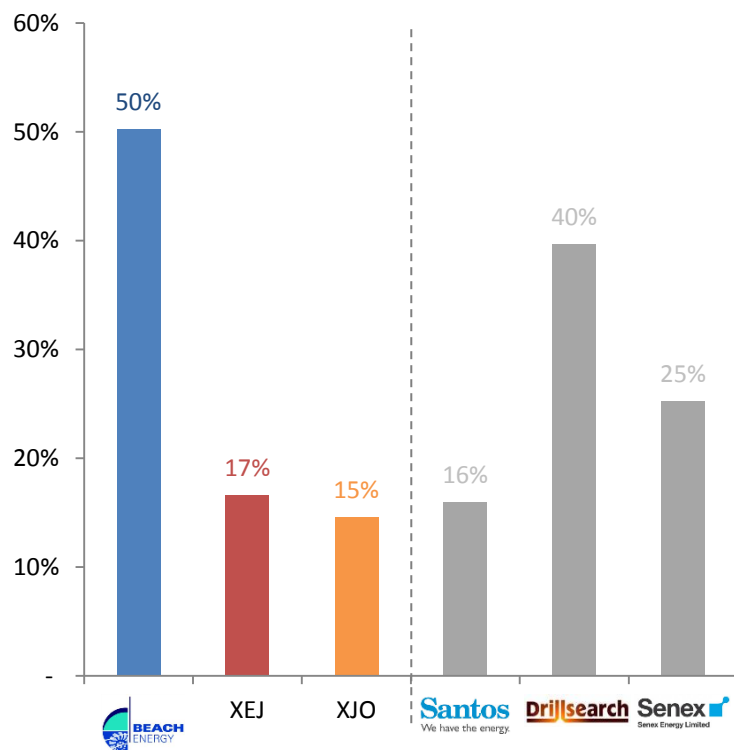


Beach share price performance



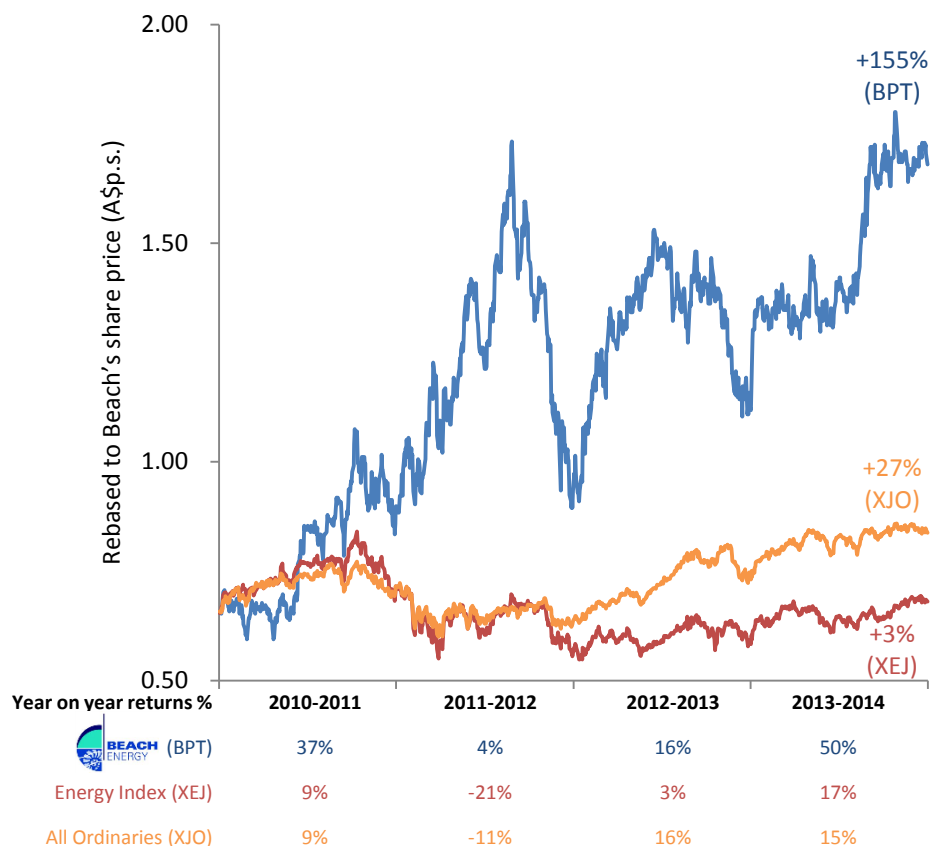
Beach has strongly outperformed its peers in FY14 and the Energy and All Ordinaries indices consistently over the past four financial years

FY14 share price performance



Source: IRESS

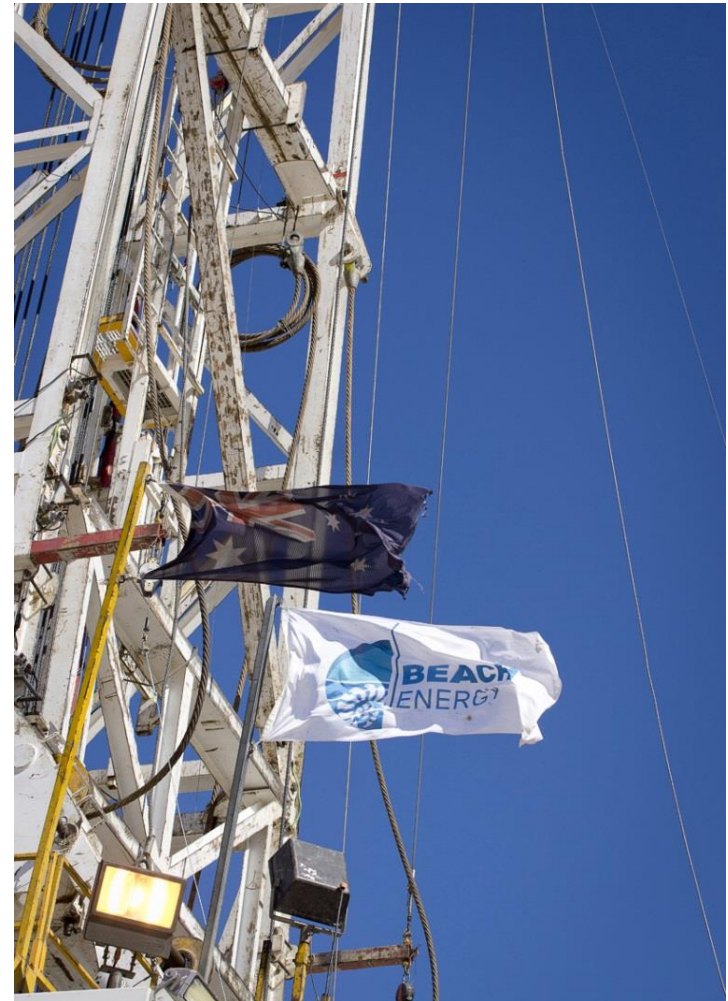
FY10-FY14 share price performance



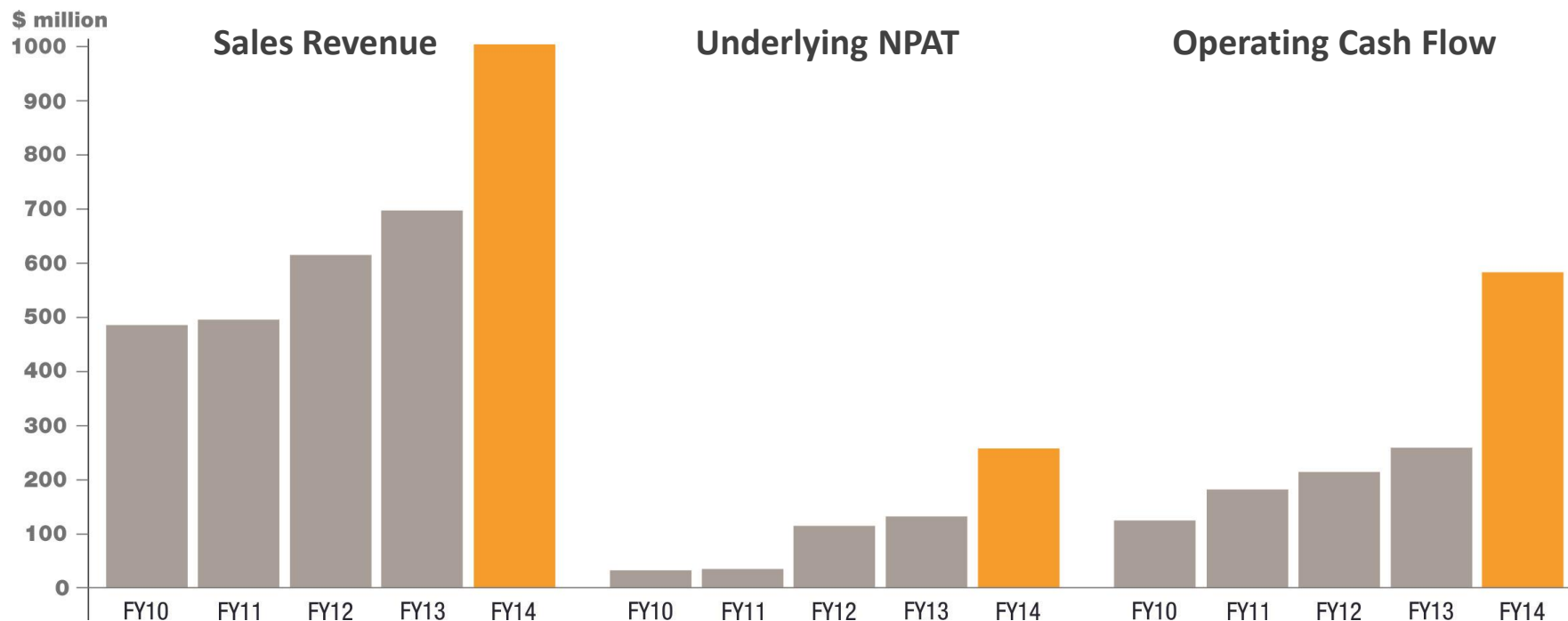
Overview

- Outstanding FY14 performance driven by the Beach operated oil business
- Very strong balance sheet with the potential to fund capex until the end of FY16
- Oil linked gas contract with Origin to commence in FY15
- Nappamerri Trough Natural Gas (NTNG) exploration program on track for completion of Stage 1 exploration phase at the end of Q1 2015
- Review of all international assets currently underway to refocus capital allocation over the medium term
 - Impairment of Egyptian exploration assets

Re-aligning strategic focus and moving key projects toward commercialisation



FY14 Financial overview



- Record sales revenue of \$1.05 billion
- Record underlying NPAT of \$259 million
- Record operating cash flow of \$583 million
- Cash balance of \$411 million
- Full year dividend of 4.0 cps, up 78%
- Undrawn \$300 million secured debt facility

FY14 Operational overview

- Excellent safety record with reduced and low injury frequency rate for employees and service providers
- Record production of 9.6 MMboe, up 20%
- Western Flank oil production at in excess of 10,000 bpd for the full year
- 122 wells drilled with success rate of 85%
- Expansion of Bauer and Pennington fields, new field discovery at Stunsail
- Retention licences granted over PEL 218 (PRLs 33 to 49) and PEL 92 (PRLs 85 to 104)
- Nappamerri Trough Natural Gas (NTNG) exploration program in line with farm-in agreement timing for Stage 2

Subsequent event

- Lake Tanganyika, Tanzania, farm-out to Woodside



- Certain assets to be considered for divestment to ensure asset portfolio aligned with strategic outlook
 - International assets under review
- Active history of non-core and value driven divestments:
 - Tipton West – coal seam gas
 - Maryborough Basin and Surat Basin permits
 - Gippsland Basin onshore and offshore
 - International – Albania, Spain, USA (North Dakota)
- Recent portfolio optimisation reflect strategic priorities:
 - Lake Tanganyika, Tanzania – farm-down to Woodside
 - Relinquishment of Mesaha block in Egypt
 - Cooper Basin oil farm-ins to ATP 924 and ATP 732
 - Cooper Basin deep gas farm-down to Chevron
 - Offshore Otway Basin farm-in to T49/P

Various investment criteria to enhance overall portfolio returns with an emphasis on:

- *Capital efficiency and allocation*
- *Production and reserves growth*
- *Free cash flow generation*
- *Internal rates of return*

Financial

Kathryn Presser

Chief Financial Officer

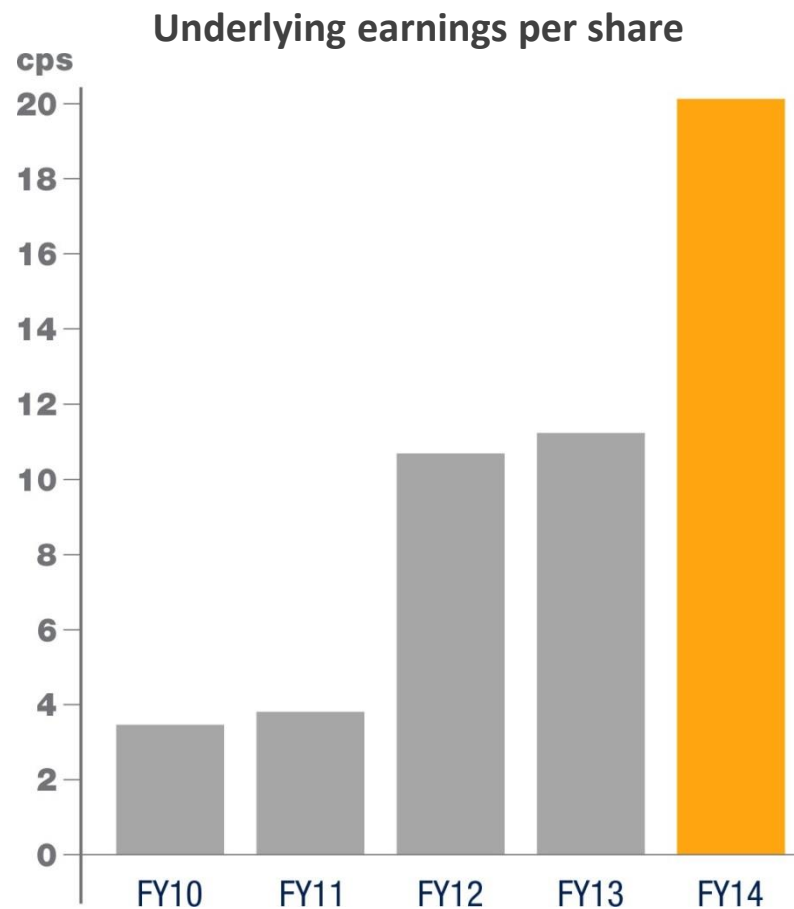
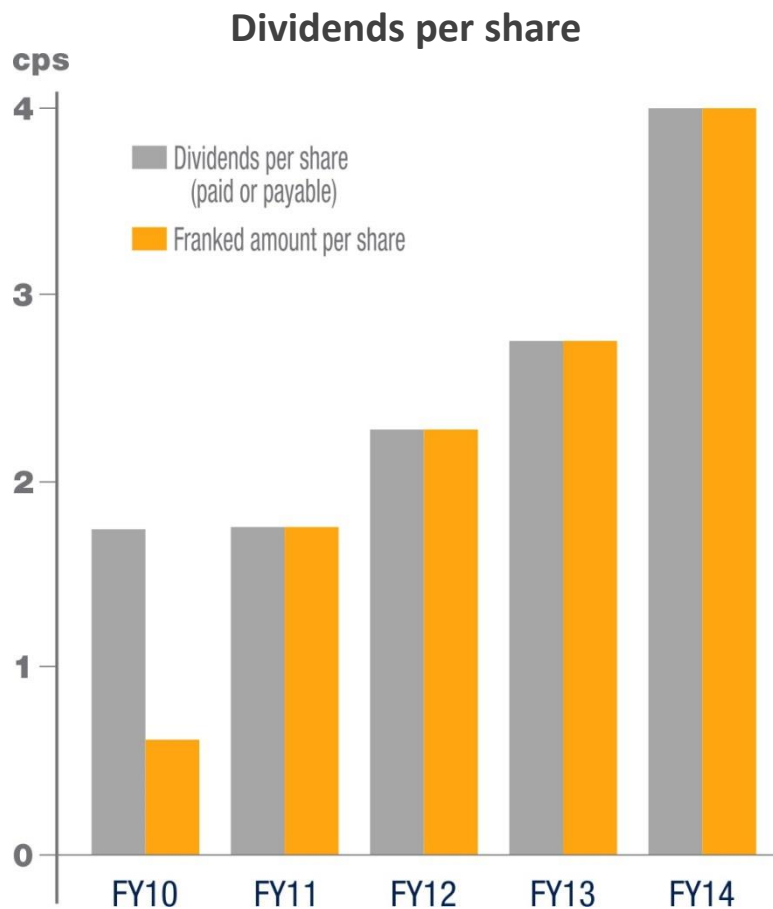


Financial results overview

Outstanding financial results, with records achieved for sales volumes, revenue, operating cash flow and underlying NPAT

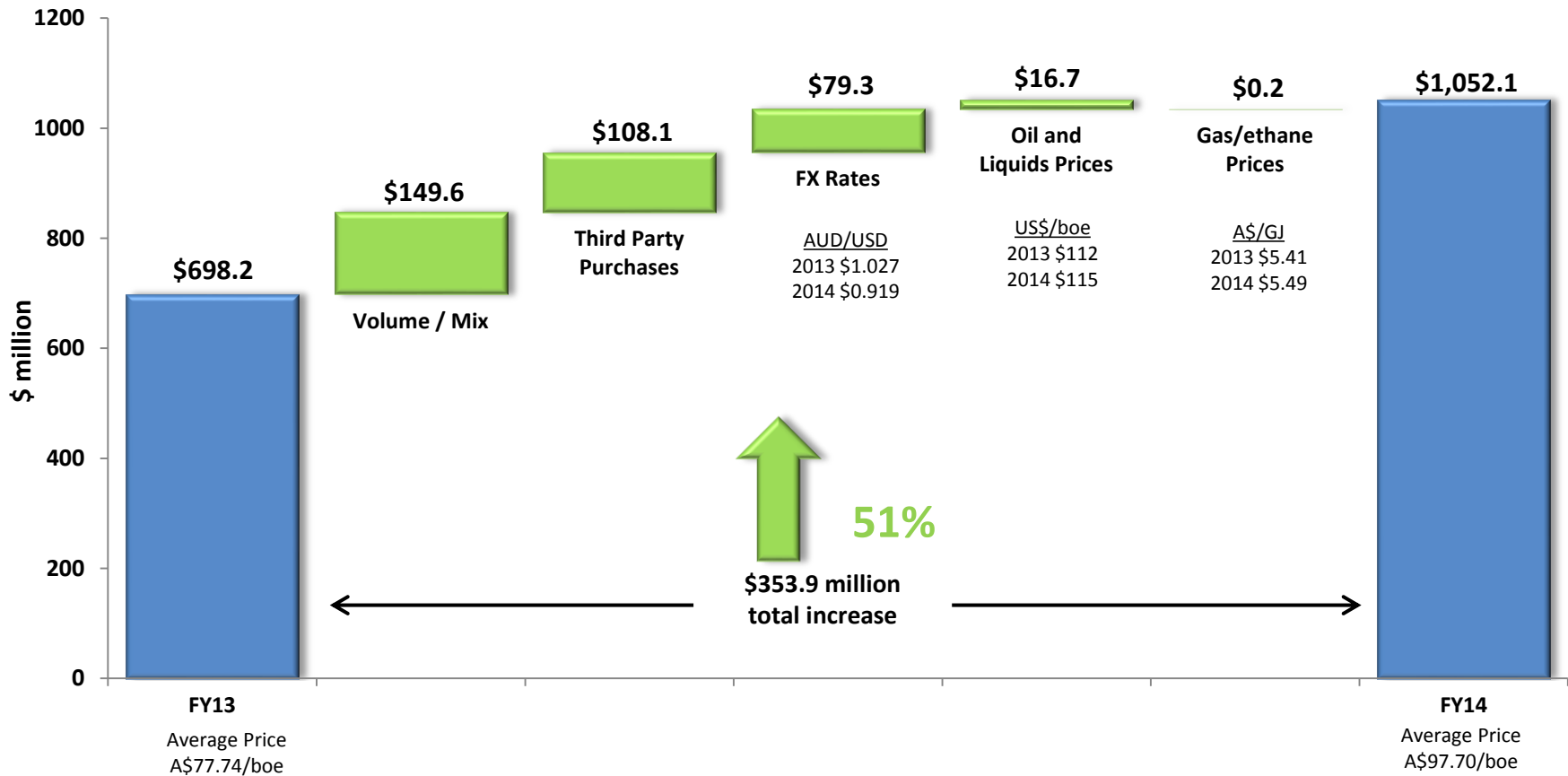
	FY14	FY13	Change
Sales volume (MMboe)	10.8	9.0	↑ 20%
Total sales revenue (\$ million)	1,052.1	698.2	↑ 51%
Operating cash flow (\$ million)	582.6	261.3	↑ 123%
NPAT (\$ million)	101.8	153.7	↓ 34%
Underlying NPAT (\$ million)	259.2	140.7	↑ 84%
Cash balance (\$ million)	411.3	347.6	↑ 18%
Total dividends paid (cps)	4.0	2.25	↑ 78%

DPS and underlying EPS growth



Shareholder returns continue to grow on a per share basis

Sales revenue



Increased oil in the sales volumes mix, third party purchases and a weaker \$A all contributed to record sales revenue

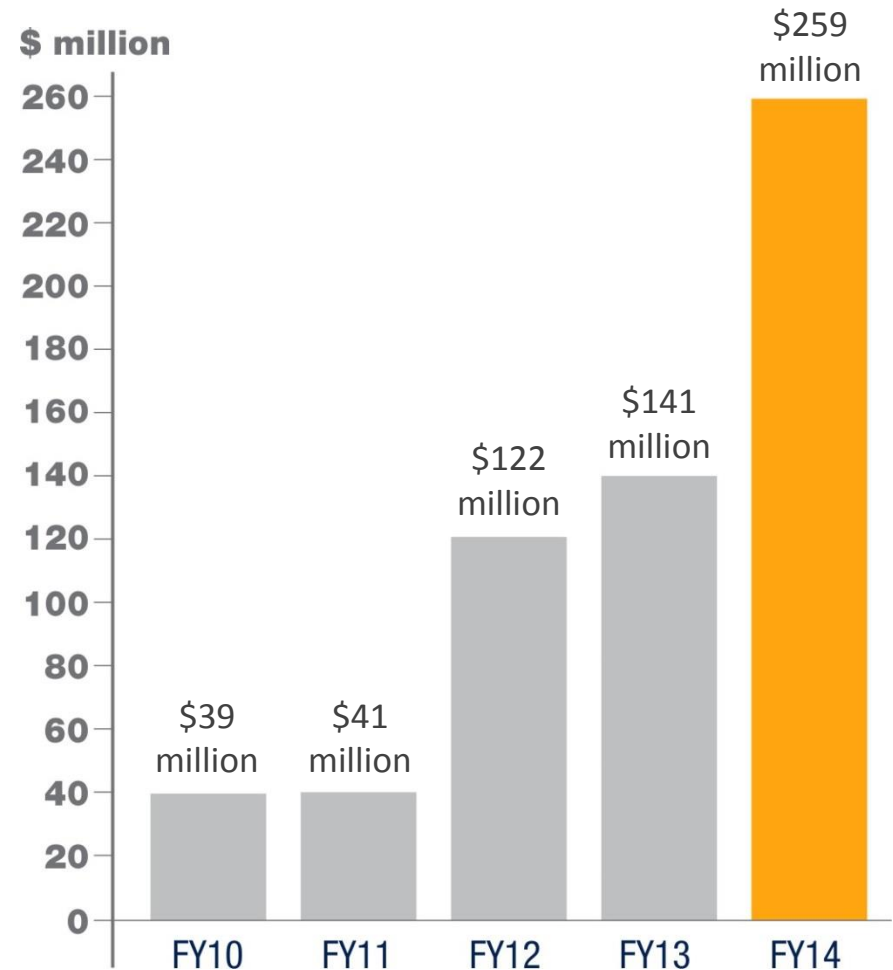
Record underlying NPAT

Record FY14 underlying NPAT of \$259 million, driven by:

- Strong A\$ Brent oil price
- Increased oil in the sales volume mix
- Oil development, exploration and appraisal success
- Maintaining of oil transportation capacity at available capacity for the full year

Offset by:

- Royalty payment increases due to higher oil sales
- Higher depreciation charges
- Carbon tax payments



Comparison of underlying profit

	FY14 \$ million	FY13 \$ million
NPAT	101.8	153.7
Adjusted for:		
Unrealised hedging (gains) / losses	0.0	0.4
Mark to market of convertible notes derivative	14.3	3.1
Asset sales	(15.7)	(26.6)
Impairment of assets ¹	162.2	3.5
Tax impact of above changes	(3.5)	6.7
Underlying NPAT	259.2	140.8

FY14 Underlying NPAT up 84% on the prior year

¹ FY14 Impairment details: Egyptian exploration assets \$148.6 million, Paralana Geothermal project \$13.6 million

Operational Mike Dodd

General Manager – Exploration and Development



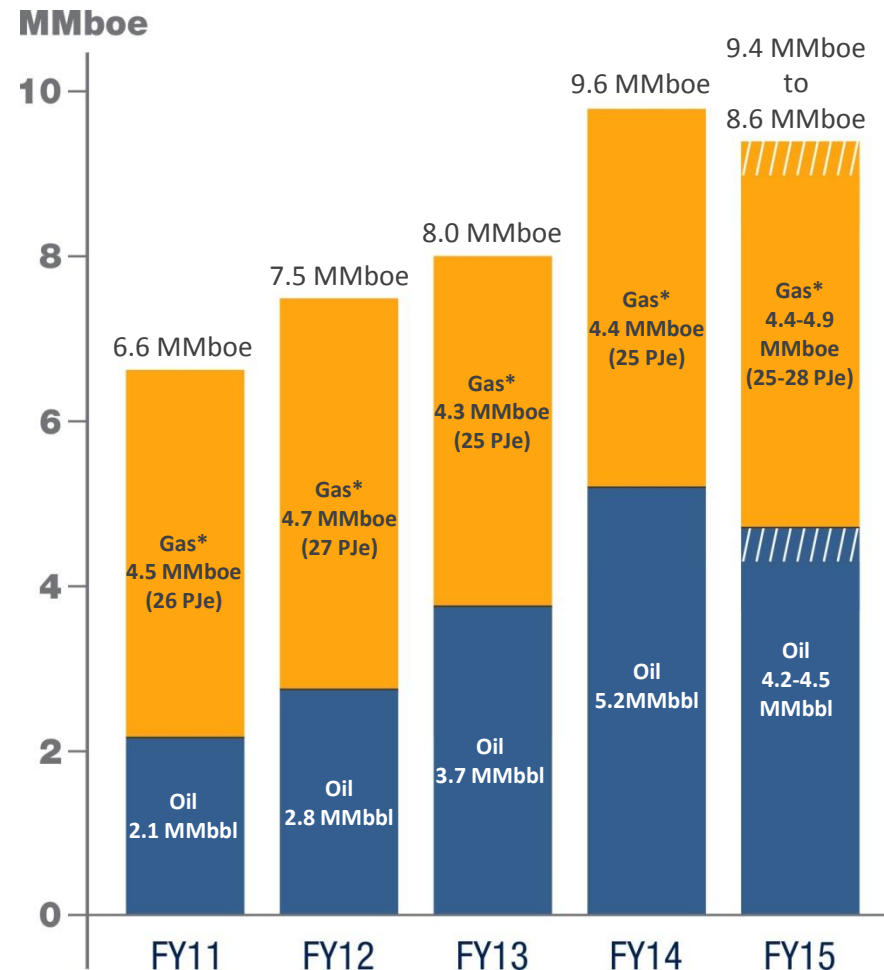
Actual and forecast production

FY14

- Production of 9.6 MMboe
- Production mix: 46% gas and gas liquids, 54% oil
- Cooper Basin oil production driven by:
 - Development of new and existing fields, appraisal and exploration success
 - Flowlines remaining at close to maximum available capacity
- 122 wells drilled, with:
 - 85% overall success rate
 - 59% exploration success
 - 69% appraisal success

FY15

- Production guidance range of 8.6 – 9.4 MMboe



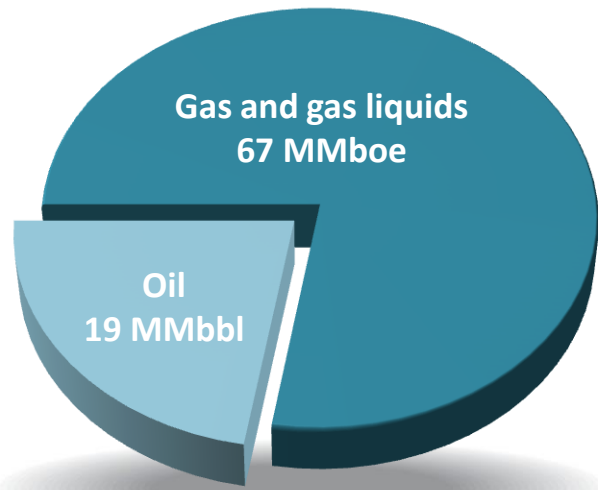
FY15 Capital expenditure guidance



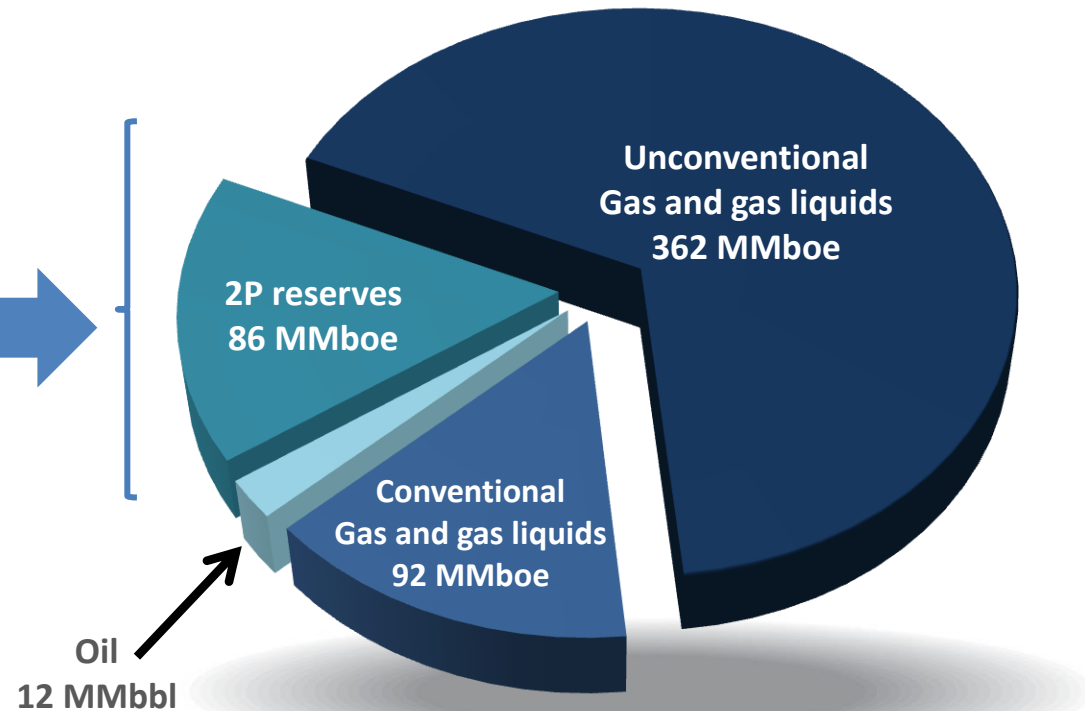
	Capex (\$ million)	Wells	3D Seismic (km ²)
DEVELOPMENT			
Cooper Basin – non-SACB/SWQ JVs	55 – 60	10 – 13	–
Cooper Basin – SACB/SWQ JVs	270 – 300	70-80	–
International	10	3	–
Total Development	335 – 370	Up to 96	–
EXPLORATION			
Cooper Basin – non-SACB/SWQ JVs	40 – 45	23-26	500
Cooper Basin – SACB/SWQ JVs	5	4	–
Unconventional	50-55	4	–
International	20-25	6	450
Total Exploration	115 – 130	Up to 40	–
TOTAL	450 – 500	Up to 136	950

Reserves and contingent resources

2P: 86 MMboe



2P and 2C: 552 MMboe



Large reserves and resources base supporting future production growth

FY15 Key activities

AREA	LICENCE	OPERATOR	FY15	DESCRIPTION
Cooper Basin Non-SACB/ SWQ JVs	PRLs 85-104	Beach	 (x3)  (x1)  (x4)	
	PEL 91	Beach	 (x8)  (x4)  (x5)	First gas exploration well – Karrata-1 CKS, Bauer expansion, Stunsail, Pennington
	PEL 104/111	Senex	 (x2)  (x3)  (x2)	Contingent wells being finalised by JV
	PEL 106	Beach	 (x3)  (x1)	
	PEL 94	Beach	 	Deep coal targets
	ATP 732	Beach	 (x1)	First well to be drilled on new 3D seismic
	ATP 924	Drillsearch	 (x1)	Up to two wells from new 3D seismic
Cooper Basin SACB/SWQ JVs	SACB JV/SWQ JVs CONVENTIONAL	Santos	  (x6)  (x69)	Active infill development program
Cooper Basin Unconventional	PRLs 33-49	Beach	 	Subject to JV approval
	ATP 855	Beach	 	Hervey-1, Geoffrey-1, Redland-1, ETTY-1
	SACB JV UNCONVENTIONAL	Santos	 (x4)  	
Otway Basin	Various	Beach	 (x1)	Conventional onshore exploration well
Egypt	Abu Sennan	Kuwait Energy	 (x6)	El Salmiya gas production project
Romania	Est Cobalcescu	Petroceltic	 (x1)	

 Seismic
  Development
  Fracture stimulation
  Flow testing
  Exploration well
  Development well
  Appraisal well

Early success in FY15 program with the Balgowan-1 discovery

Contact Information

Head office

25 Conyngham Street

Glenside SA 5065

Tel: +61 8 8338 2833

Website: www.beachenergy.com.au

Chris Jamieson

General Manager Investor Relations

Tel: +61 8 8338 2833

Mob: +61 8 (0)487 173 244

Email: chris.jamieson@beachenergy.com.au