

Annual General Meeting

25 November 2015



Good morning ladies and gentlemen and thank you for taking the time to be here today. I declare open the 2015 Beach Energy Annual General Meeting. A quorum is present.

As safety is one of our key values at Beach, I want to begin with a safety message. In the unlikely event of an emergency evacuation you will hear a “whoop whoop” alarm. On hearing that alarm please evacuate in a calm manner through the exits and follow the instructions from the Convention Centre staff who will direct you to a safe assembly point.

Very important to us at Beach are our relationships with the traditional custodians of Australia. We acknowledge that we are meeting today on the traditional country of the Kurna People of the Adelaide Plain and we pay our respect to their Elders past, present and future. We also recognise and respect their cultural heritage, beliefs and spiritual relationship with the land and acknowledge that they are of continuing importance to the Kurna People today.

A few housekeeping matters for good order:

- If you haven’t already done so could you please turn your mobile phone to silent.
- I would also ask you to note that any unauthorised recording or photography during the course of the meeting today is prohibited. The presentations are being recorded and will be available on the Beach website after the meeting.

Disclaimer

This presentation 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 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 2015 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.

Chairman's Address

Glenn Davis



There are of course a few others on stage here with me today. To make sure everybody knows who we are, moving down the line from my immediate right are:

- Neil Gibbins – Acting Chief Executive Officer
- Our non-executive directors – Fiona Bennett, Doug Schwebel, Colin Beckett, Belinda Robinson and John Butler
- To John's right, our two joint company secretaries – Kathryn Presser and Cathy Oster
- And unfortunately Rob Cole cannot be with us today

As you are aware, Fiona and Doug are seeking your approval for re-election to the Board today, and Colin and Rob are seeking your approval for election to the Board.

A strong FY15 operating performance on many levels

- ➔ Challenging macro environment for sector as a whole
- ➔ Safety-first culture delivered outstanding safety results
- ➔ Resilient business model with a clearly articulated strategy
- ➔ Financial strength underpins operations and pursuit of growth opportunities

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This time last year I touched on the evolving new world of lower oil prices. One year later, we face even lower prices, with oil having fallen 60% since the beginning of FY15, and continuing uncertainty within global commodity markets. Despite that Beach responded and produced a sound underlying result in 2015.

That result was not produced by chance or good fortune. Beach boasts a resilient business model, and many in our team have survived past downturns. So during today's meeting I'd like you to keep in mind four key points that reinforce our continued strong operating performance during these challenging times:

1. Firstly, it has, and continues to be, a challenging macro environment for the energy sector. The majority of participants in the global energy industry, like us, are working through the many and varied challenges that these times offer up.
2. Secondly, Beach's safety-first culture has delivered outstanding safety results. We have now achieved over 12 months of lost time injury free operations – an excellent result which Neil will talk to in more detail shortly.
3. Thirdly, our business model is resilient. We have a clearly articulated strategy which we are executing and we are confident it will deliver sustained growth in shareholder value.
4. And lastly, our financial strength, which has been proven over time, underpins our operations and is allowing us to pursue growth opportunities as and when they arise.

Robust operating performance despite challenging macro environment

- Ongoing focus on safety with reduction in lost time injuries of 60%
- Macro issues, primarily oil price, driving lower revenue, NPAT and cash flows
- Strong Balance Sheet and financial flexibility preserved
- Sales and production volumes of 10.51 and 9.15 MMboe, respectively
- Dividends of 1.5 cents per share
- Reduced exposure to international operations



So a brief review of 2015. We recorded a 60% reduction in lost time injuries in FY15, and have continued this trend since, with LTI-free operations for more than 12 months.

Financially, we achieved revenue of \$728 million and underlying net profit of \$91 million, which were both lower compared with last year's records. But to put this into context, our average realised US\$ oil price fell by 35%, which had a significant impact on earnings across the industry. Despite this, we ended the year in a strong financial position, with cash of \$170 million, drawn debt of \$150 million and available debt facilities of \$150 million. We also continued our long tradition of paying dividends, with total FY15 dividends of 1.5 cents per share.

Operationally, we produced 9.15 million barrels of oil equivalent, roughly split 50/50 between oil and gas, and our sales volumes were 10.5 million barrels. Both of these were just marginally below last year's record levels, which is a great result.

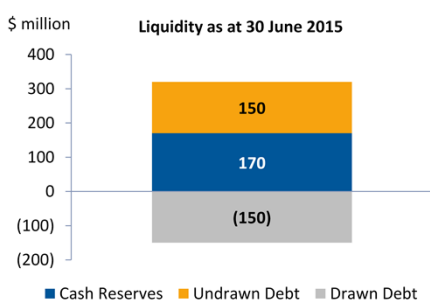
We also continued to reduce our exposure to international operations, in line with our strategy, with the exit from Romania, the announced sale of Egyptian interests and our continuing farm-down efforts in Tanzania.

Financial strength underpins operations

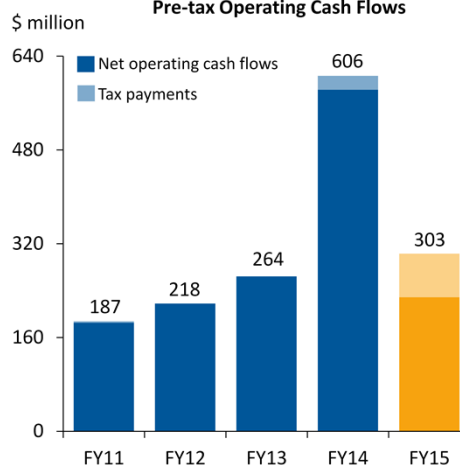


Maintaining financial strength while commodity prices remain subdued

- Operating cash flows of \$303 million in FY15 (pre-tax)
- FY15 cash flows framed FY16 capital expenditure program
- Year end liquidity of \$320 million



Pre-tax Operating Cash Flows



	Average Realised Brent Oil Price / bbl				
A\$:	97	115	111	126	90
US\$:	95	119	114	116	75

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In FY15, our cash flows were directly impacted by the fall in Brent oil prices, and we also paid a significant amount of tax following record profits in FY14. Despite this, we ended the year in a strong position, with available liquidity of \$320 million.

In tough times, it is more important than ever to maintain financial strength, which Beach is currently doing. Financial strength supports exploration and inorganic growth options, and a disciplined approach to capital management will best position us to preserve financial flexibility and operate on a cash flow positive basis. Downturns are often a time of opportunity, but only for those who have financial strength. We believe Beach is well positioned in this regard.



During the year we commenced a whole-of-organisation review. Part of that process was to clearly define our strategy, which is effectively our roadmap for the future. Our strategy comprises four pillars, as depicted on this slide.

Since announcing our strategy in August, significant work has been undertaken in implementing the strategy.

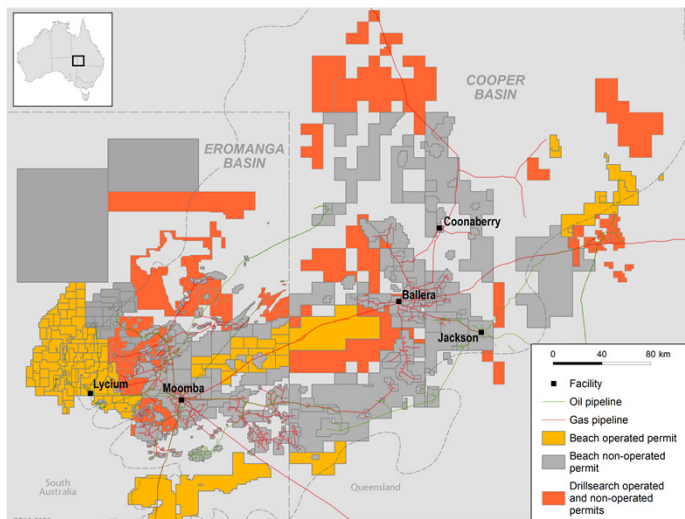
- 1. Optimise our core in the Cooper Basin:** Announcing the proposed merger with Drillsearch, which I will speak to in a moment, was a significant step toward optimising our core in the Cooper Basin. We have also participated in the Queensland gazettal process, with initial outcomes expected to be known in the second half of FY16, and we commenced a broader basin review which will re-cast the lens over this prolific hydrocarbon basin.
- 2. Build a complementary gas business in east coast basins:** Separate lifting and marketing of SACB joint venture gas commenced in FY15, with initiation of the long-term Origin Retail contract. Separate lifting is a significant step toward Beach positioning itself as a leading independent supplier of gas to east coast markets. We are also undertaking a methodical approach to reviewing other basins.
- 3. Pursue compatible growth opportunities in Australia and nearby:** To progress drilling programs in our existing basins beyond the Cooper, we have commenced a number of farm-down processes. These are designed to introduce joint venture partners to help share risk and capital commitments. We are also well progressed with the withdrawal from our international business as we focus closer to home, and we expect to complete these efforts in 2016.

- 4. Maintain financial strength:** As I have already mentioned, we remain financially strong. We are cash flow positive over the past six months, with capex down from \$416 million in FY15 to \$240 – \$270 million in FY16. Furthermore, the proposed merger with Drillsearch was structured as an all share deal, partly to preserve financial flexibility in these challenging market conditions.

Proposed merger with Drillsearch



Proposed merger with Drillsearch would increase gross acreage to c.69,000 km²



- ✓ Greater scale
- ✓ Operational efficiencies
- ✓ Strengthened Balance Sheet
- ✓ Improved cash flows
- ✓ Enhanced platform for growth

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So turning to the proposed merger with Drillsearch, it was very pleasing to announce this recommended transaction on 23 October. It's a clear demonstration of execution on our strategy.

This is a logical common sense deal. At the same time it's an exciting deal. With the two companies together we build a better, stronger and more efficient business and in the process we realise synergies and savings that are unique to a combination of Beach and Drillsearch.

The transaction will create the leading ASX mid cap oil and gas company with a pro forma market capitalisation of circa \$1.2 billion, pro forma FY15 revenue of close to \$1 billion and operating cash flow of approximately \$300 million.

Our footprint in the Cooper, as the map shows with 69,000km², provides a world of opportunity and the chance to high grade our exploration efforts across the basin. The underlying rationale is compelling and we see a number of advantages for both sets of shareholders, including:

- Greater scale and a strengthened platform to pursue growth, with enhanced financial strength;
- Sharing in the benefits of future value creation given the all-scrip nature of the transaction;
- Elimination of duplicated costs and joint venture administration efforts; and
- Participation in a larger oil producer, with substantial gas and infrastructure businesses.

This is a great transaction for Beach shareholders and Drillsearch shareholders alike.

Transaction terms



- 
Primed to pursue growth opportunities

- 
Significant benefits for both sets of shareholders

- 
Synergies from two complementary businesses

- 
Australia's largest onshore oil producer

- 
Set for east coast gas market opportunity

Key Terms	
Structure	<ul style="list-style-type: none"> • Merger to be implemented via a Drillsearch scheme of arrangement • 1.25 Beach shares to be issued for each Drillsearch share held
Combined group	<ul style="list-style-type: none"> • Drillsearch shareholders to own ~30%¹ of combined group • Combined market capitalisation of ~\$1.2 billion²
Board and management composition	<ul style="list-style-type: none"> • Drillsearch Chairman Jim McKerlie and Director Phil Bainbridge to join Board; two Beach Directors to step down • Glenn Davis to continue as Chairman
Key terms³	<ul style="list-style-type: none"> • Approval from Drillsearch shareholders • Other usual scheme conditions
Shareholder approval	<ul style="list-style-type: none"> • Drillsearch shareholder vote to approve proposed scheme in late January 2016

1. Assumes all options are acquired for cash, all performance rights vest and no conversion of Convertible Notes; Beach currently holds 21,053,615 Drillsearch shares (~4.56%)
 2. Based on the closing share price of Beach (\$0.665) and Drillsearch (\$0.655) shares as at 22 October 2015, the day prior to announcement of the scheme
 3. Full conditions contained in the Merger Implementation Agreement, a copy of which was released to the ASX on 23 October 2015

The proposed transaction, if approved by Drillsearch shareholders, will be implemented by a scheme of arrangement. As outlined in the Merger Implementation Agreement, Beach proposes to acquire all of the shares in Drillsearch that it does not already own. An indicative timeline was set out in our announcements, with completion by late February targeted, and we are on track.

The transaction structure is simple – 1.25 new shares in Beach will be issued for each Drillsearch share held.

Other key terms of the transaction include:

- My continuation as Chairman of the combined group;
- The election of Jim McKerlie and Phil Bainbridge to the Board, with two Beach directors to step down; and
- Continuation of the Board's search for a permanent Chief Executive Officer, with the successful candidate then going on to be the CEO of the combined group. This process is well underway and progressing well.

We are on track to achieve our originally announced timetable for the proposed merger. The explanatory booklet will be distributed to Drillsearch shareholders in mid to late December, and will be available for you to review then. Subject to Drillsearch shareholders voting in favour of the transaction in late January 2016, and court and regulatory approvals, the proposed merger should be completed by the end of February 2016.

Acting CEO's Address

Neil Gibbins



It hasn't been the easiest of years in upstream oil and gas and the team at Beach has had to work hard to stay ahead of the game. I'd like to thank them for that hard work and you, our shareholders, for your continued support.

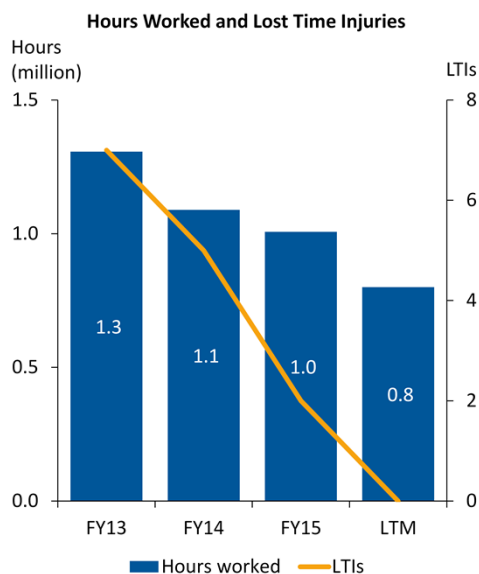
Ladies and gentlemen, enough from me. I will now ask Neil Gibbins to address you as Acting CEO.

Safety takes precedence in everything we do



Continual focus on safety, with over 12 months of LTI-free operations

- Ongoing safety communications with Beach employees and contractors
- Review and refinement of HSE strategy
 - Emergency response training
 - Risk reporting framework
- Recent investment in:
 - HSE data management;
 - Safety leadership programs; and
 - Contractor accreditation
- Commitment to health and wellbeing of Beach employees and contractors



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Thank you, Glenn, and good morning ladies and gentlemen.

I would like to begin by highlighting some impressive results we are achieving on the safety front. As you know, we have a safety-first culture here at Beach, and over the past financial year particular emphasis has been placed on emergency response training, risk reporting processes and contractor accreditation.

Our ongoing investment in processes and training continues to pay dividends. The chart on this slide demonstrates the downward trend in Lost Time Injury incidents over recent years, with a 60% reduction achieved in FY15. And I am very pleased to say that this trend has continued, with Beach now LTI-free for the past 14 months. This is an outstanding result and I congratulate our employees and contractors, both in the field and in the office.

Production highlights

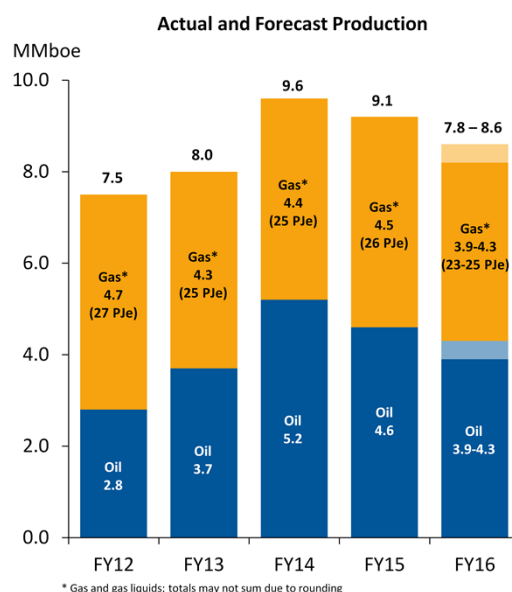


FY15

- Production of 9.15 MMboe
- Operated oil production driven by:
 - Bauer facility upgrade;
 - Six of 10 Bauer Field development wells online; and
 - Flowlines at maximum capacity
- 121 wells completed
 - 88% overall success rate
 - 52% exploration success rate
 - 82% appraisal success rate

FY16 guidance

- Production: 7.8 – 8.6 MMboe
- Capital expenditure: \$240 – \$270 million



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Turning to production, Glenn has already mentioned the strong operating result achieved in FY15. We produced 9.15 million barrels of oil equivalent, which was only marginally lower than our record level in FY14.

In FY15, total gas production was higher, and on the oil front, natural field decline was partially offset by Bauer Field development wells coming online and expansion of the Bauer facility. These activities helped keep flowlines to Lycium at maximum capacity, with excess production trucked from time to time.

Looking forward, we have guided towards total production of between 7.8 and 8.6 million barrels of oil equivalent for FY16. The reduction relative to FY15 can be attributed to a number of factors, but primarily natural field decline across our operated and non-operated permits.

In terms of capital expenditure, we are targeting a major reduction in FY16 capital expenditure, with guidance of \$240 - \$270 million. This is significantly lower than the \$416 million incurred in FY15, but we certainly have a lot to look forward to. We have framed our capital program to be balanced. It covers exploration, appraisal and development drilling, as well as key infrastructure projects, all designed to optimise production. Some of the notable activities scheduled for FY16 include:

- Appraisal drilling in the Bauer Field, where we will be testing the field's northern and southern extensions;
- Exploration drilling in the ex PEL 106 permit, where we will be testing stacked stratigraphic traps in this liquids-rich gas play. It is worth noting that we had some very encouraging recent test results from the Ralgnal-1 exploration well in this permit;

- And still in PEL 106, we will be progressing our compression project and looking to tie-in four wells. If these activities go to plan, we expect to see a more than doubling of output from this permit area;
- We are also continuing to increase processing capacity at the Bauer facility, with a further expansion recently commenced; and
- We will undertake a nine-well exploration and development campaign in the Windorah Trough, including pipeline installation to connect stranded fields.

Continuing strong operational and financial performance in Q1 FY16

- Production levels sustained at 2.3 MMboe
 - 50% oil; 50% gas and gas liquids
- Revenue of \$145 million impacted by:
 - 19% reduction in oil price
 - Partially offset by initiation of long-term gas sales agreement with Origin Retail
- Increased cash balance of \$174 million
- Stunsail and Pennington facilities commissioned (20,000 bfpd each)
- Callawonga-7 beam pump installation
- Lycium to Moomba pipeline upgrade
- 14 wells completed; 93% success rate



Beam pump installation at Callawonga-7

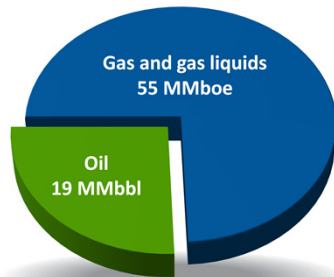
We have also continued our momentum from FY15 into FY16, with the first quarter result containing many highlights. Production levels have been sustained, and we commissioned a number of facilities which will help us optimise production in FY16 and beyond. Of note were the Stunsail and Pennington facilities, both of which have daily capacity of 20,000 barrels of fluid, and the associated pipeline installations through to the Bauer facility. Notably, production from ex-PEL 91 has been maintained at in excess of 12,000 barrels of oil per day gross for the past two quarters, which is a materially higher rate than was achieved in FY15. We also completed installation of a variable speed drive beam pump at Callawonga-7, shown here on the slide. More on this shortly.

With infrastructure upgrades continuing, and a number of wells to be brought on line, we are well placed for another strong year of Western Flank oil production.

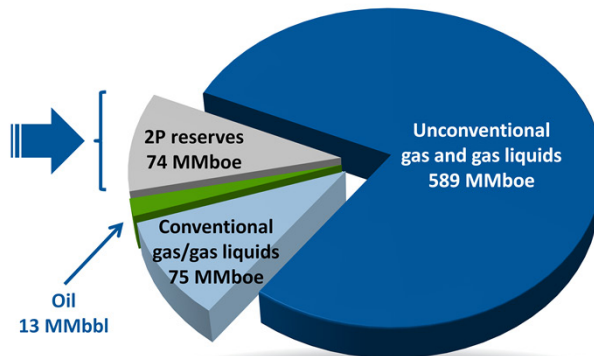
Reserves and contingent resources¹



2P: 74 MMboe



2P and 2C: 751 MMboe



1. As per announcement to the Australian Securities Exchange on 24 August 2015; no new information has subsequently come to hand which would materially alter estimates or underlying assumptions

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I won't spend too long discussing reserves and resources, but it is worth mentioning that our 10-well development and appraisal campaign in the Bauer Field added approximately 2.7 million barrels to the field's estimated ultimate recovery, net to Beach. This is an outstanding result. It exceeded our pre-drill estimates and leaves us eagerly anticipating the appraisal and development drilling to be undertaken in the field in FY16. Results from the Bauer Field helped replace our FY15 oil production, leaving 2P oil reserves approximately equivalent to this time last year.

We also undertook a detailed review of Delhi Permian oil and gas reserves, and Jurassic oil reserves. Given the results from recent infill drilling programs, and the lower oil price environment, a net downward revision to Delhi oil and gas reserves was applied. I should also mention that the Permian aspect of our review was audited by an independent auditor.

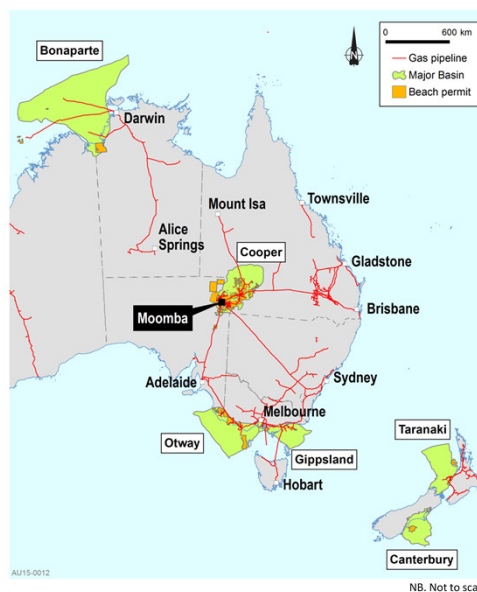
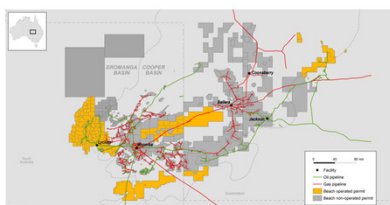
Further details of our reserves and resources position can be found in the ASX announcement of 21 August 2015.

Existing footprint across multiple basins



A re-aligned focus closer to home

- Owner of strategic infrastructure linking key energy markets
- Core expertise in the Cooper and overlying Eromanga basins
- Existing presence across other Australian and New Zealand basins
- Executing strategy to optimise Cooper core and become a multi-basin producer



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Taking a step back, it is worth reminding ourselves of Beach's existing footprint, and how this ties in with our four-pillar strategy.

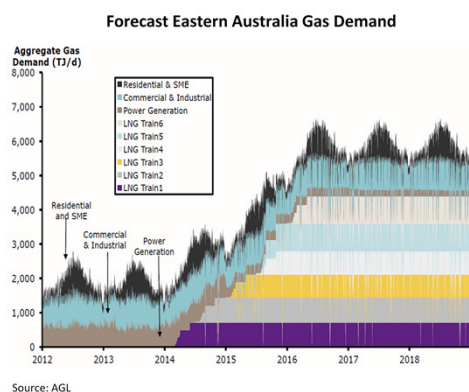
The green areas on this map represent the basins to which we currently have exposure. The Cooper is obviously our core, but interests in the Otway, Gippsland, and Bonaparte basins in Australia and the Taranaki and Canterbury basins in New Zealand provide the foundation to work toward our strategy of becoming a multi-basin producer.

As well as these basin exposures, we also have an extensive portfolio of infrastructure, including the strategically located Moomba processing facility. With access to the extensive network of pipelines across eastern Australia, we are well positioned to benefit from growth in gas demand from east coast markets.

As we said in our strategy release, we have re-aligned our focus close to home, as we are confident this will provide the best opportunities for success and value accretive growth.

Domestic gas now exposed to global LNG market dynamics

- Domestic gas consumers competing with export markets
- LNG demand ramp up coinciding with expiry of legacy Cooper and Gippsland basin contracts
- Increased base price and oil-linked pricing reflect export market linkage
- Future market pricing influenced by LNG supply / demand positions
- As LNG plants ramp up, medium term supply to 2020 is tight



New long-term gas sales agreement with Origin Retail recently commenced

Turning to the gas side of our business, we have included a chart on this slide which has been produced in many forms over recent years. Despite its various forms, it tells a compelling story – gas demand from east coast markets will escalate as LNG trains are commissioned and LNG production ramps-up. One critical impact of this LNG revolution is that domestic gas demand will be competing with export markets, and we believe demand will be strong for many years to come.

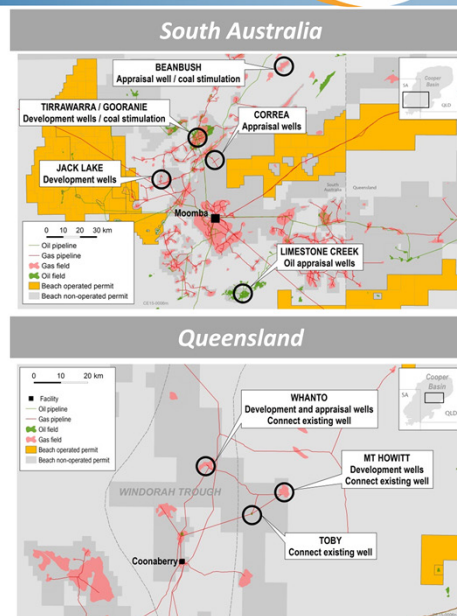
So it was against this backdrop that our strategic pillar to build a gas business in east coast basins was crystallised. We are already benefiting from increasing gas demand through our new long-term contract with Origin Retail. Furthermore, with our access to key infrastructure servicing the east coast, we are in an excellent position to deliver into a rapidly growing market.

SACB and SWQ JVs drilling program



- Reduced drilling activities in FY16, with up to 40 wells planned
 - Three rigs currently drilling
- More appraisal / near-field exploration activities relative to past infill drilling
 - SACB JVs: Focus on liquids-rich fields; deep coal add-on plays
 - SWQ JVs: Focus on under-appraised and low CO₂ content fields
- Infrastructure upgrades include connection of stranded Queensland fields
- FY16 capital expenditure of c.\$160 million

Broad drilling program, despite significant reduction in capital expenditure



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The Delhi drilling program is another exciting aspect of this year's campaign. We have moved away from infill drilling and are now undertaking more appraisal and near-field exploration drilling. One example is the Windorah Trough program in Queensland. This is an extensive campaign comprising:

- A four-well development campaign in the Whanto, Mt Howitt and Toby fields;
- A five-well near-field exploration campaign in the broader Whanto area; and
- Pipeline installation connecting stranded fields and new wells to the Coonaberry gathering system.

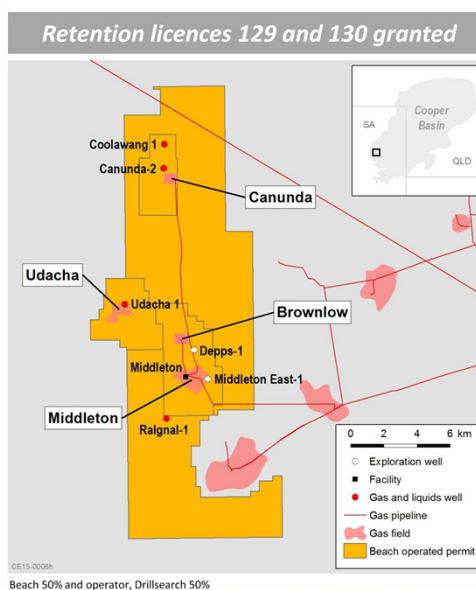
I am very pleased to announce that outcomes to date have exceeded our expectations, and I note that:

- We are under budget and on schedule;
- The development wells have been completed, with results in line with pre-drill estimates;
- Pipelines were commissioned in September 2015, with four wells connected and flowing gas;
- Initial flow rates from these four wells are exceeding expectations for the initial eight well connection program; and
- Three of the five exploration wells have been drilled and all were successful, representing new field discoveries. The fourth well is currently being drilled.

Ex PEL 106 gas and gas liquids



- Two exploration wells in FY16, testing stacked stratigraphic traps in liquids-rich play
- Ralgnal-1 extended production test underway, with encouraging early results
 - >8 MMscfd initial single zone flow through 44/64" choke over 30 hour test; >1,100 psi tubing-head pressure
 - ~6 MMscfd second zone flow through 32/64" choke over 30 hour test; >1,100 psi tubing-head pressure
- Four wells to be brought online post completions and testing
- Middleton compression project underway
 - Expected production post completion and tie-ins of ~25 MMscfd (+15 MMscfd)



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We also have a lot going on in our ex PEL 106 permit this year. Two exploration wells will test further potential in this proven gas-liquids play, and we should have these results by the end of February 2016. We also have an inventory of four wells to be tied in, and we have recently been working through completions and extended production tests on these wells.

The most recent testing, at the Ralgnal-1 exploration well, provided very pleasing flow rates. We have flowed from two zones, with individual zone rates ranging between six and eight million standard cubic feet per day, with good reservoir pressure maintained.

Planning for our compression project has also commenced, with design work underway.

If all activities progress as expected, we will see a material increase in gas output from this permit, from roughly 10 to 25 million standard cubic feet per day.

Another exciting aspect of this permit is that we will be in a position to re-contract gas from next March, which is when our existing contract with the SACB JV expires. This will be an ideal time to secure a contract reflective of the underlying demand for gas which we are anticipating.

Multiple unconventional gas plays



Patchawarra Trough Deep Coals

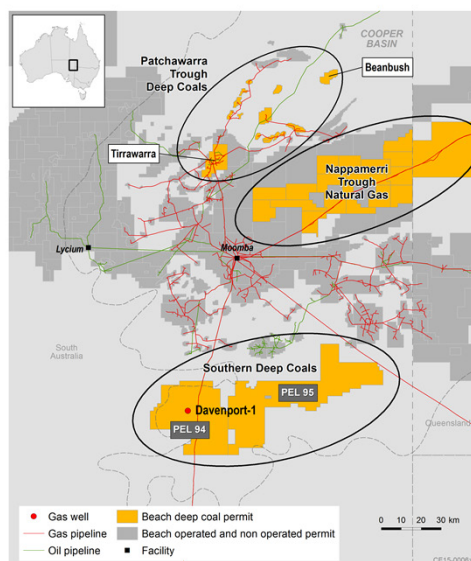
- Thick coals present in Toolachee, Epsilon and Patchawarra formations
- Tirrawarra, Beanbush and other fields identified for deep coal fracture stimulation
- Add-on play to test incremental productivity

Nappamerri Trough Natural Gas

- 18 wells drilled; 16 fracture stimulated
- Farm-out process expected in 2016

Southern Deep Coals

- Targeting coals at 1,500 – 2,000m depth
- Davenport-1 exploration well indicated good permeability and gas content in core
- Extended production test likely late FY16



Patchawarra Trough: Beach 17.1%, Santos 72.3% and operator, Origin 10.5%; Southern Deep Coals: PEL 94 - Beach 50% and operator, Strike 35%, Senex 15%; PEL 95 - Beach 50% and operator, Strike 50%; NTNG: Ex PEL 218 (PRLs 33 to 49) - Beach 100%; ATP 855 - Beach 64.9% and operator, Icon Energy 35.1%

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Adding diversity to our gas portfolio is an existing collection of unconventional play types.

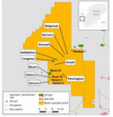


One particularly interesting program is an add-on play to be undertaken within fields in the Patchawarra Trough. Dry coals are present throughout the structures we target, and while we have been drilling through these coals for years, we have not tested their productivity. As such, we will be fracture stimulating coals in up to 10 wells to test incremental flow potential. This is an add-on play which could improve the economics of these wells.

During the past year, our Stage 1 exploration program for the Nappamerri Trough Natural Gas project was completed, with all technical objectives met. While it was disappointing to see Chevron leave the joint venture, they contributed a significant amount of capital and expertise, and we now have the benefit of a greatly improved understanding of this prolific resource. We hope to have updates for you in the second half of FY16 as we seek a farm-in partner to progress activities.

In the south of the basin, we expect to progress our deep coal play later in FY16. An extended production test will assess the permeability of these deep coal formations.

Western Flank oil



Ex PEL 91	Ex PEL 92	Ex PEL 104 / 111
 <p>Gross Production FY15: 11,263 bopd Q1 FY16: 12,464 bopd</p>	 <p>Gross Production FY15: 4,110 bopd Q1 FY16: 3,537 bopd</p>	 <p>Gross Production FY15: 4,502 bopd Q1 FY16: 3,598 bopd</p>
FY16 Activities	FY16 Activities	FY16 Activities
<ul style="list-style-type: none"> • Up to seven exploration, appraisal and development wells • Bauer facility expansion • Pennington and Stunsail facilities and associated pipelines • Seven wells to be brought online • Solidus 3D and associated re-processing ongoing (900 km²) 	<ul style="list-style-type: none"> • Four-well exploration and development campaign • Future exploration to focus on mix of play types • Focus on low cost optimisation projects, such as de-bottlenecking of Callawonga facility • Ongoing seismic reprocessing and inversion 	<ul style="list-style-type: none"> • Up to four exploration / appraisal wells • Potential seismic acquisition in late FY16 to rejuvenate exploration • Namur Sandstone discoveries providing an additional play to historical Birkhead Formation • Secondary recovery projects being assessed, such as water flooding
<p><i>Broad ranging activity, including drilling, infrastructure, field development and seismic</i></p>		
<p><small>Ex PEL 91: Beach 40% and operator, Drillsearch 60%; ex PEL 92: Beach 75% and operator, Cooper Energy 25%; ex PEL 104 / 111: Beach 40%, Senex 60% and operator</small></p>		

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Our operated oil business continues to produce at an extremely low all-in cash cost of \$25-30 per barrel, which in turn underpins our margins and cash flows to support other activities.

We have already spoken to a number of the activities listed here, however I would like to point out the marked increase in ex-PEL 91 production in Q1 FY16 (and indeed Q4 FY15). This is a great example of how you do not necessarily need to be drilling to sustain production levels. I'll talk in more detail to this on the following slide.

You will see there is natural field decline evident in the first quarter of production for ex PEL 92 and ex PEL 104 / 111, but we do have exploration and appraisal drilling planned for this year, as well as infrastructure projects to optimise production.

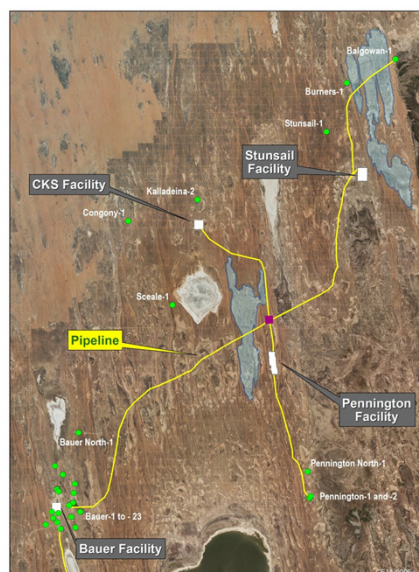
And of course, following completion of the proposed merger with Drillsearch, our production levels will increase materially. By way of example, on a pro forma basis, the combined production of Beach and Drillsearch in FY15 was 12.1 million barrels of oil equivalent, compared with 9.1 million produced by Beach alone.

Once again, it is the crafting of a lower cost, but broad ranging capital expenditure program with an appropriate mix of drilling, infrastructure, field development and seismic, that we expect will sustain Beach through this challenging period and position us well for the coming years.

Facility activities

- Facility commissionings completed
 - Stunsail and Pennington facilities, each with 20,000 bfpd handling capacity
 - Associated pipelines to the Bauer-Lycium network
 - Lycium to Moomba pipeline upgrade
 - Callawonga-7 beam pump installation
- Other FY16 projects
 - Bauer facility expansion to 133,000 bfpd (+58,000 bfpd), subject to approvals
 - Four beam pump installations in ex PEL 91
 - De-bottlenecking and optimisation projects

New facilities and upgrades complement drilling to sustain production



An important element of sustaining production in a curtailed drilling environment is ensuring infrastructure capabilities are upgraded and optimised where possible. This financial year we have already seen the commissioning of the Pennington and Stunsail facilities, each with capacity of 20,000 barrels of fluid per day, as well as the upgrade to the Moomba to Lycium pipeline, which now has a peak capacity rate in excess of 21,000 barrels of oil per day.

We have also just completed a very successful beam pump installation at Callawonga-7, which replaced the original free flow oil completion. The beam pump and variable speed drive were commissioned in October and have enabled an increase in production from 12 barrels of free flow oil per day (with one barrel of water) to pumping rates of 340 barrels of oil per day (with 10 barrels of water). The variable speed drive automatically controls the speed of the beam pump to optimise inflow from the wellbore. Live data is recorded and is visible remotely by all field and office production personnel. The result is greatly improved well production, higher utilisation rates, superior downhole failure prediction and improved operator efficiencies.

The Callawonga-7 beam pump installation was the first of its kind at Beach and has provided a template for future installations, with a further four beam pumps to be installed in the Chiton and CKS fields in FY16. Also to come in FY16 is another Bauer facility expansion, which will provide a significant uplift in capacity to 133,000 barrels of fluid per day. And our de-bottlenecking and maintenance programs are ongoing.

Closing remarks

Business model leveraged to oil recovery

- ✓ Low cost / high margin operated oil
- ✓ Increasing exposure to oil-linked gas pricing
- ✓ Balanced FY16 drilling campaign
- ✓ Strong Balance Sheet
- ✓ Clearly articulated strategy



Resilient business well positioned to deliver sustainable growth in shareholder value

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We are clearly working through a difficult period, but Beach has a resilient business model and a very dedicated and appreciated workforce. I would like to acknowledge their continued support, commitment and hard work, which is very much focused on delivering value to our company.

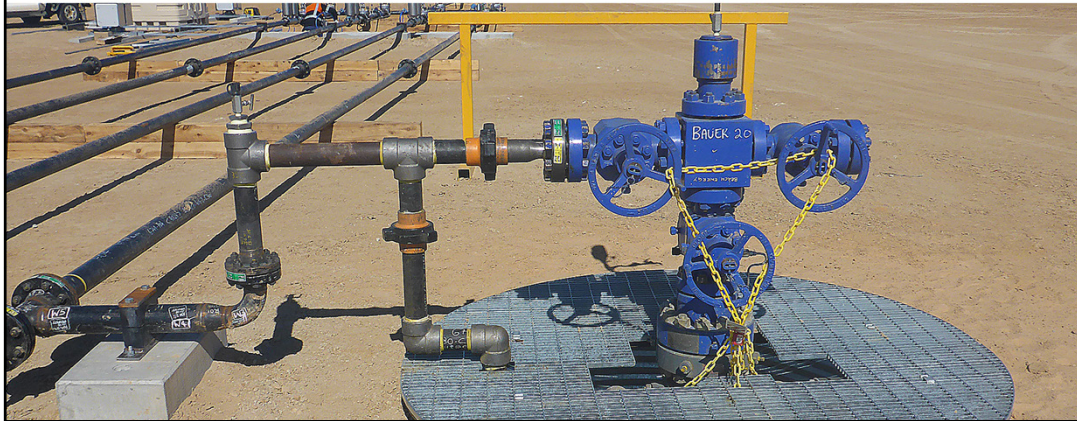
Beach has always been run as a lean organisation, which allows us to weather periods of low commodity prices, and maximise returns when times are good. We also have a long history of prudent financial management, which allows us to take advantage of opportunities, even in tough times. By taking this approach, we have been able to retain the majority of our staff during recent times, which is imperative from a continuity perspective. We are therefore well positioned to pursue a balanced, but reduced, capital expenditure program that provides cash flow from development, and opportunities for growth via appraisal and exploration. So as I said previously, while capital expenditure this year is lower, I believe the program is a very exciting one.

I would also like to re-emphasise that we are delivering on our strategy. We have a number of activities underway which are delivering us organic growth, that is, incremental growth from our existing assets. And as Glenn mentioned, the proposed merger with Drillsearch demonstrates how we can deliver substantive growth beyond our existing asset base.

The proposed merger with Drillsearch is a clear example of optimising our core in the Cooper Basin. Furthermore, the increased production and reserves of the combined operation make us a materially larger business, and in doing so enhance our platform for further growth. Although still subject to Drillsearch shareholder and regulatory approval, we are very much looking forward to the future as a combined business. And on that note I will conclude my talk and hand back to Glenn.

Q&A

Glenn Davis

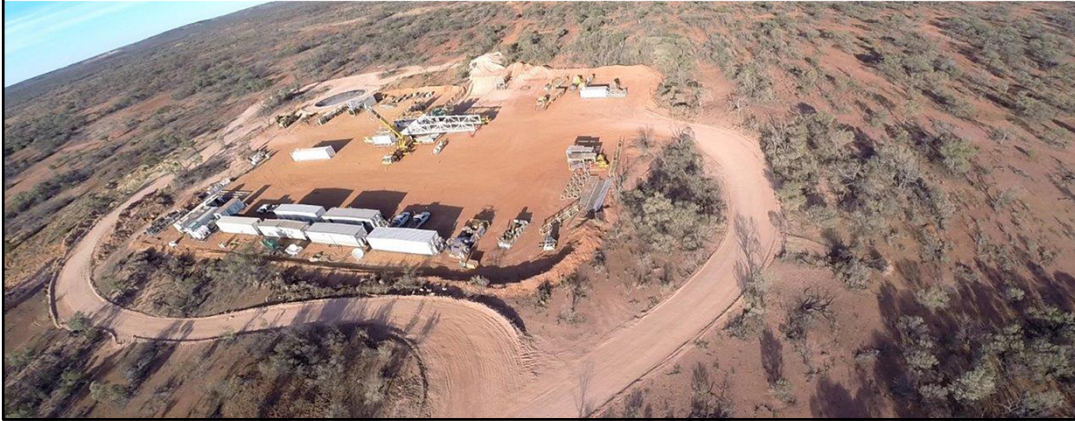


Thank you, Neil.

That marks the conclusion to our webcast. Thanks to those who tuned in. Voting results for the upcoming resolutions will be lodged with the ASX as soon as possible.

Resolutions for Voting

Glenn Davis



- Beach has received 525,039,767 valid proxy votes
 - Represents 40.30% of total votes

- The first item of business is to receive and consider the financial statements and the reports of the directors and auditors for the financial year ended 30 June 2015

Resolution 1

Adoption of remuneration report



- To consider and put to a non-binding vote the following resolution:

“That the remuneration report for the financial year ended 30 June 2015 be adopted.”

Resolution 1 Adoption of remuneration report



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Adoption of Remuneration Report	512,427,605	6,128,311	6,483,851	525,039,767	4,911,202	529,950,969
	39.33%	0.47%	0.50%	40.30%		

Resolution 2

Re-election of F R V Bennett as a director



Ms Fiona Bennett

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Fiona Rosalyn Vivienne Bennett, who retires by rotation pursuant to clause 13.3 of the constitution of Beach and ASX Listing Rule 14.4 and who, being eligible, offers herself for re-election, is re-elected as a director of Beach.”

Resolution 2

Re-election of F R V Bennett as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Re-election of F R V Bennett	493,712,266	31,315,809	6,543,885	531,571,960	1,493,721	533,065,681
	37.89%	2.40%	0.50%	40.79%		

Resolution 3

Re-election of D A Schwebel as a director



Mr Doug Schwebel

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Douglas Arthur Schwebel, who retires by rotation pursuant to clause 13.3 of the constitution of Beach and ASX Listing Rule 14.4 and who, being eligible, offers himself for re-election, is re-elected as a director of Beach.”

Resolution 3

Re-election of D A Schwebel as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Re-election of D A Schwebel	494,689,493	30,409,180	6,531,067	531,629,740	1,435,963	533,065,703
	37.97%	2.33%	0.50%	40.80%		

Resolution 4

Election of C D Beckett as a director



Mr Colin Beckett

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Mr Colin David Beckett, who was appointed as a director subsequent to the last annual general meeting of Beach and being eligible, offers himself for re-election, is elected as a director of Beach.”

Resolution 4 Election of C D Beckett as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Election of C D Beckett	521,867,588	2,284,349	6,552,429	530,704,366	2,361,337	533,065,703
	40.05%	0.18%	0.50%	40.73%		

Resolution 5 Election of R J Cole as a director



Mr Robert Cole

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Mr Robert James Cole, who was appointed as a director subsequent to the last annual general meeting of Beach and being eligible, offers himself for re-election, is elected as a director of Beach.”

Resolution 5 Election of R J Cole as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Election of R J Cole	521,314,579	3,616,512	6,608,965	531,540,056	1,525,647	533,065,703
	40.01%	0.28%	0.51%	40.80%		

Resolution 6

Approval of securities issued under the EIP



- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That the issue of securities in Beach to participants under Beach’s Employee Incentive Plan, the principal terms of which are summarised in the Explanatory Statement, is approved for all purposes including for the purpose of listing rule 7.2 exception 9 (as an exception to listing rule 7.1) during the 3 year period commencing on 25 November 2015.”

Resolution 6

Approval of securities issued under the EIP



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Issue of securities under the EIP	512,643,085	7,388,481	6,704,061	526,735,627	4,409,843	531,145,470
	39.35%	0.57%	0.51%	40.43%		

Resolution 7

Reinstatement of partial takeover provisions in the Constitution



- To consider and, if thought fit, pass the following resolution as a special resolution:

“That Clause 6.4 of Beach’s constitution is reinstated in the constitution for a further three years after the date of this annual general meeting.”

Resolution 7

Reinstatement of partial takeover provisions in the Constitution



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain	Total number of valid proxy votes
Reinstate partial takeover provisions	520,186,646	2,320,567	6,836,538	529,343,751	1,801,719	531,145,470
	39.93%	0.18%	0.52%	40.63%		

Contact information



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