ASX Release

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ASX Ltd
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NEW CHIEF EXECUTIVE OFFICER

Beach Energy Ltd (ASX: BPT, "Beach") is pleased to announce the appointment of Mr Matthew Kay as its new Chief Executive Officer, effective 17 July 2016 or such earlier date as is available and mutually agreed.

Mr Kay holds tertiary qualifications in economics and a Master of Business Administration. He has over 25 years' experience, and extensive senior leadership experience in the oil and gas industry. He is presently Executive General Manager, Strategy and Commercial at Oil Search Limited ("Oil Search"). Mr Kay joined Oil Search in 2014 after 12 years at Woodside Petroleum Limited and was before that at Santos Limited.

Mr Kay's extensive experience includes strategy and planning, upstream commercial, mergers and acquisitions, production planning and business improvement. Glenn Davis, the Chairman of Beach, said:

> *"Mr Kay has developed an impressive depth of experience and leadership style across the Australian and international oil and gas industry for more than twenty five years. We are excited he is joining Beach in the position of Chief Executive Officer and look forward to his leadership driving execution of our corporate strategy, and particularly so after the successful completion of our merger with Drillsearch in the near future. Matthew's background and experience are a great fit with our strategy."*

Mr Kay said:

> *"I am delighted to be taking up this tremendous opportunity. I endorse Beach's current strategy and look forward to the opportunities it presents for shareholders, even in this current oil price environment."*

Mr Kay will take over from Acting Chief Executive Officer, Mr Neil Gibbins.

Key details of Mr Kay's employment agreement and a brief biography are attached.

For more information, contact the following on +61 8 8338 2833:

Investor Relations – Derek Piper, Investor Relations Manager

CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT TERMS

Name:	Matthew Kay
Position:	Chief Executive Officer
Commencement date:	At a date to be agreed between the parties but no later than 17 July 2016.
Term:	No fixed term. Ongoing until terminated by either party in accordance with the employment agreement.
Fixed remuneration:	$900,000 per annum inclusive of superannuation contributions.
Expenses:	Reasonable relocation expenses from Sydney to Adelaide for him and his immediate family.
At risk remuneration - Long Term Incentive:	Performance rights up to a face value of $500,000 subject to a maximum of 1.1 million performance rights to be tested in December 2018. Performance testing and vesting in accordance with Beach's Executive Incentive Plan. In part recognition of incentives foregone.
Commencement and Retention Rights in partial recognition of incentives foregone:	Up to a maximum of 810,000 rights vesting on the first anniversary of the commencement date of Mr Kay's employment with Beach provided he remains employed by Beach on that anniversary. Rights up to a face value of $325,000 subject to a maximum of 715,000 rights vesting on the first anniversary of the commencement date of Mr Kay's employment with Beach provided he remains employed by Beach on that anniversary. Rights up to a face value of $325,000 subject to a maximum of 715,000 rights vesting on the second anniversary of the commencement date of Mr Kay's employment with Beach provided he remains employed by Beach on that anniversary. In the first two years of his employment, Mr Kay's unvested rights will vest in full in the event of a change of control, or in the event of redundancy, death or disability or on the company giving him notice of termination other than for cause.
Notice Period:	Six months by either party. Nil in the case of serious misconduct or breach.
Post-employment restraint:	Three months
Other material terms:	If there is a change of control prior to the commencement of his employment and the intent of Mr Kay's employment agreement is frustrated, he will be entitled to a $1.54 million payment in compensation for foregone incentives.

MATTHEW KAY BIOGRAPHY

Mr Kay, 46 years of age, is currently located in Sydney and will be relocating with his family back to his home town of Adelaide.

Mr Kay most recently served as the Executive General Manager, Strategy and Commercial at Oil Search, a position he has held for the past two years. In that role, Mr Kay was a member of the executive team and leads the strategy, commercial, supply chain, economics, marketing, M&A and legal functions.

Prior to Oil Search, Mr Kay was the Vice President of Corporate Development at Woodside Petroleum Limited. During his 12 years at Woodside, Mr Kay held several leadership roles across corporate and business units, developing extensive leadership skills across LNG, pipeline gas and oil joint ventures and developments both internationally and within Australia.

Mr Kay's broad experience at Woodside has included leading substantial M&A transactions, leading more than 80 production professionals, leadership roles in a number of operated LNG developments and extensive negotiations with joint venture partners, contractors, regulators and governments. Prior to Woodside, amongst other entities, Mr Kay spent 5 years with Santos Limited focused mainly on M&A transactions and gas strategy development and execution in Australia and the Asia Pacific region.

Mr Kay holds a Bachelor of Economics (Commerce Major) and a Master of Business Administration both from the University of Adelaide. He is a Fellow of CPA Australia and a graduate of the Australian Institute of Company Directors.