



ASX Announcement

FY20 First Quarter Activities Report

Reference #036/19

Date 28 October 2019

A positive start to FY20 with Western Flank oil production up 9%

- Western Flank quarterly oil production increased by 9% to 1.6 MMbbl.
- Q1 FY20 production of 6.55 MMboe is 6% below the prior quarter after completion of the Otway Sale on 31 May 2019. On a pro forma basis quarterly production is 1% higher than prior quarter¹.
- Operated facility reliability averaged above 99% in Q1 FY20, a new record for Beach. Focus is now on maintaining reliability above 98%.

Drilling success rate remains high, positive drilling results at Bauer NW and Dombey

- A total of 59 wells were spudded, including eight operated horizontal oil wells.
- Overall drilling success rate was 83%, including a 73% success rate on 26 appraisal wells.
- Subsequent to quarter end, a new gas discovery was made at Dombey-1 (Beach 70% and operator) in the South Australian Otway Basin.
- Subsequent to quarter end, Bauer Northwest-2 and Bauer North-2 appraisal wells intersected the McKinlay reservoir six metres and eight metres high to prognosis respectively. The successful appraisal results in an increased oil in-place volume in the western and northeastern portions of the Bauer field.

Snapshot

	September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Production (MMboe) ¹	7.76	6.97	6.55	(6%)
Pro forma production (MMboe) ¹	6.75	6.46	6.55	1%
Sales Volumes (MMboe)	8.26	7.69	6.76	(12%)
Sales Revenue (\$ million)	514	501	438	(13%)
Realised Oil Price (\$/bbl)	109.9	102.0	103.2	1%
Realised Sales Gas/Ethane Price (\$/GJ)	6.7	7.0	7.1	1%

¹ In Q4 FY19 Beach accounted for its Victorian Otway interests at 100% interest until 31 May 2019 and 60% for the final month of the quarter. For comparison purposes, pro forma production shows production on the basis of 60% ownership of Victorian Otway for the entirety of each comparison period.

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Accelerated Western Flank investment program drives a further 7% increase in Western Flank production, gross average daily operated oil production at 16.6 kbbl

Beach Energy has today released its FY20 First Quarter Activities Report, which was highlighted by record drilling activity for Beach in the Cooper Basin and a strong overall production result of 6.55 MMboe.

Managing Director Matt Kay said that Beach has continued the momentum of FY19, a year in which the company set new records for production and revenue.

“Our FY20 first quarter results are further evidence of Beach’s commitment to delivery and I am very proud of the efforts of our team in safely executing our strategy,” Mr Kay said.

“Our production result of 6.5 MMboe was down just 6% on the previous quarter despite selling a 40% interest in the Victorian Otway assets. Strong production results across our other assets – namely a 9% increase in Western Flank oil output – were highlights for the quarter. After adjusting for the Otway sale (a pro forma basis) our quarterly production was 1% higher than the prior quarter.

“Facility reliability is a key component in achieving our production targets. We set ourselves the ambitious goal of reaching an average facility reliability across our six operated production assets of above 98% by the end of FY20. I am pleased to announce that facility reliability averaged above 99% in this quarter, an excellent result that is testament to the good work being achieved by our operations teams. Our task now is to maintain our high reliability rates above 98% going forward.

“As we outlined at our full year results, a key task for Beach in FY20 was to undertake a further round of appraisal drilling at the Bauer field, to establish the field limit and finalise our full field development program. In the past few days we have had very positive results at Bauer Northwest-2 and Bauer North-2 appraisal wells, which intersected the McKinlay formation six metres and eight metres high to prognosis respectively. These exciting results were well above our pre-drill expectations. Re-mapping of the field will be completed at the end of the appraisal program and reserves will be updated at the end of FY20.”

Meanwhile the Victorian Otway drilling campaign is expected to commence in Q2, following the completion of drilling activities at the Dombey-1 gas discovery in the SA Otway Basin.

“The initial results from Dombey-1 are encouraging, with the well having intersected 25 metres of net gas pay in the Pretty Hill Formation at quarter end. Testing will be conducted to determine commerciality,” Mr Kay said.

“Our focus now turns to the Victorian side of the border, with drilling of our Black Watch and Enterprise onshore-to-offshore wells due to commence in Q2, ahead of a significant offshore drilling campaign.”

In New Zealand, the Kupe asset started the quarter with consecutive months of 100% reliability, meeting high customer nominations and seeing production remain broadly steady on the quarter. The quarter also saw the Kupe compression project reach FID and initial tie-in works will take advantage of the statutory inspection and maintenance shutdown that will take place in November.

Lower customer nominations from BassGas led to production being 13 per cent down for the quarter. The T/RL2 Joint Venture has continued to progress concept select phase for the proposed Trefoil development.

In the Perth Basin, the Beharra Springs Deep-1 gas exploration well spudded subsequent to quarter end.

FY20 guidance

The following table summarises our FY20 guidance. All guidance remains unchanged.

Item	Prior guidance	Comment
Production	27 – 29 MMboe	Unchanged
Capital Expenditure	\$750 – 850 million	Unchanged
Underlying EBITDA	\$1.25 – 1.40 billion	Unchanged
DD&A	\$17 – 18 / boe	Unchanged

Financial**Sales volume**

Quarterly sales volume of 6,763 kboe was 12% lower than the prior quarter. Oil sales volume was higher driven by higher production while gas and gas liquids sales volume was lower due to lower production after completion of the 40% Otway Sale and timing of shipments.

		September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Oil (kbbbl)	Own Product	1,443	1,852	1,931	4%
	Third Party	285	300	266	(11%)
	Total Oil	1,727	2,151	2,197	2%
Sales Gas and Ethane (PJ)	Own Product	31.0	24.9	21.6	(13%)
	Third Party	0.1	0.0	0.1	(967%)
	Total Gas	31.1	24.9	21.7	(13%)
LPG (kt)	Own Product	70	73	52	(29%)
	Third Party	0	1	0	(70%)
	Total LPG	70	74	52	(29%)
Condensate (kbbbl)	Own Product	631	678	412	(39%)
	Third Party	1	3	1	(51%)
	Total Condensate	632	681	414	(39%)
Total Oil and Gas Sales (kboe)		8,263	7,689	6,763	(12%)
Total - Own Product (kboe)		7,958	7,380	6,474	(12%)
Total - Third Party (kboe)		306	308	288	(7%)

Note: Figures and ratios may not reconcile to totals throughout the report due to rounding.

Sales revenue

Total sales revenue of \$438 million was 13% lower than the prior quarter. Oil revenue was up 3% due to higher sales volumes and higher realised pricing while gas and gas liquids revenue was down due to lower sales volumes after completion of the 40% Otway Sale and lower LPG and condensate pricing.

\$ million	September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Oil	190	219	227	3%
Sales Gas and Ethane	207	173	153	(11%)
LPG	54	48	24	(49%)
Condensate	63	61	34	(45%)
Sales Gas and Gas Liquids	324	282	211	(25%) ¹
Total Oil and Gas Revenue	514	501	438	(13%)
Total - Own Product	480	468	410	(12%)
Total - Third Party	34	33	28	(18%)

Average realised price

Average realised pricing across all products was \$64.8/boe, down 1% on the prior quarter as increases in realised oil and gas prices were offset by weaker LPG and condensate pricing. Average realised sales gas and ethane pricing was 1% higher at \$7.1/GJ.

	September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
All products (\$/boe)	62.2	65.2	64.8	(1%)
Oil (\$/bbl)	109.9	102.0	103.2	1%
Sales Gas and Ethane (\$/GJ)	6.7	7.0	7.1	1%
LPG (\$/tonne)	776	646	462	(29%)
Condensate (\$/bbl)	99.3	89.3	81.3	(9%)

¹ Sale of a 40% interest in the Victorian Otway Basin is the key driver behind Q1 FY20 gas and gas liquids revenue being 25% below prior quarter

Capital expenditure

First quarter capital expenditure was \$214 million, a 33% increase over the prior quarter as Beach continues to execute on its multi-year investment program. A 45% increase in Cooper Basin wells spudded during the quarter, a full quarter drilling in the SA Otway Basin, progress on the inlet compression project in New Zealand, commencement of the Waitsia stage 1 expansion project and ramping up of activity in the Victorian Otway Basin were factors driving the increase.

\$ million	September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Exploration and Appraisal	13	49	63	28%
Development, Plant and Equipment	55	112	151	35%
Total	68	161	214	33%

Liquidity

Beach ended the quarter in a net cash position with no drawn debt and cash reserves of \$218 million. With undrawn revolving credit facilities of \$450 million, Beach has liquidity of \$668 million at the end of the quarter.

Material cash flows were operating cash flow of \$261 million which included cash tax payments of \$45 million, net investing cash flow of \$190 million and net financing cash outflow of \$33 million including dividends of \$23 million and lease payments of \$11 million now recognised as a financing cash flow as a result of AASB16 accounting treatment.

\$ million	September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Cash Reserves	214	172	218	46
Drawn Debt	(700)	-	-	-
Net Cash/(Debt)	(486)	172	218	46
Undrawn Facilities	450	450	450	-

Capital structure

Beach's capital structure as at 30 September 2019 is set out below. 679,224 unlisted performance rights that were issued in 2017 and 2018 vested during the quarter, increasing the number of fully paid ordinary shares and decreasing the number of unlisted employee rights.

	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Fully paid ordinary shares	2,278,249,104	2,278,928,328	679,224
Unlisted employee rights	7,711,875	7,032,651	(679,224)

Hedging

As at 30 September 2019 Beach had no hedging in place.

Operations

Production

Asset	Product	Units	September Q1 FY19	June Q4 FY19	September Q1 FY20	Qtr on Qtr Change
Total Production	Sales Gas	PJ	29.4	24.2	21.9	(10%)
	LPG	kt	72	57	50	(13%)
	Condensate	kbbl	597	466	411	(12%)
	Oil	kbbl	1,550	1,883	1,968	5%
	Total	kboe	7,764	6,973	6,549	(6%)
Cooper Basin JV	Sales Gas	PJ	8.0	8.0	8.4	5%
	LPG	kt	16	13	13	(3%)
	Condensate	kbbl	140	135	125	(7%)
	Oil	kbbl	430	424	376	(11%)
	Total	kboe	2,074	2,046	2,054	0%
Western Flank	Sales Gas	PJ	1.7	2.1	2.2	4%
	LPG	kt	12	10	9	(11%)
	Condensate	kbbl	90	70	61	(13%)
	Oil	kbbl	1,120	1,459	1,592	9%
	Total	kboe	1,593	1,976	2,106	7%
Other Cooper Basin¹	Sales Gas	PJ	0.2	0.1	0.1	(1%)
	LPG	kt	0	0	0	(25%)
	Condensate	kbbl	1	1	1	2%
	Oil	kbbl	-	-	-	NA
	Total	kboe	28	22	21	(5%)
Perth Basin	Sales Gas	PJ	1.1	0.9	0.8	(9%)
	LPG	kt	-	-	-	NA
	Condensate	kbbl	0	0	0	(10%)
	Total	kboe	184	155	140	(9%)
Victorian Otway Basin²	Sales Gas	PJ	12.8	8.4	5.9	(30%)
	LPG	kt	21	14	10	(33%)
	Condensate	kbbl	150	90	65	(28%)
	Total	kboe	2,530	1,646	1,155	(30%)
BassGas	Sales Gas	PJ	2.2	1.4	1.2	(13%)
	LPG	kt	7	4	3	(14%)
	Condensate	kbbl	75	43	38	(11%)
	Total	kboe	515	306	266	(13%)
Kupe	Sales Gas	PJ	3.4	3.4	3.3	(1%)
	LPG	kt	15	15	15	(2%)
	Condensate	kbbl	141	127	120	(5%)
	Total	kboe	840	823	807	(2%)

1 Other Cooper Basin comprises ex PEL 513/632 (Beach 40% non-operated) and PRL 135 Vanessa (Beach 43% non-operated). Tintaburra (Beach 40% non-operated) is now reported within Cooper Basin JV to align treatment with Beach's reserves reporting. Prior periods above are adjusted for this change.

2 In FY19 Beach accounted for its Victorian Otway interests at 100% until 31 May 2019 and 60% thereafter.

Group production

Q1 FY20 production of 6.5 MMboe was down 6% on the prior quarter due to the completion of the Otway Sale and low customer nominations at BassGas, partly offset by increased Cooper Basin production, with Western Flank recording a 7% production increase and Santos-operated Cooper Basin JV production, flat.

SAWA

Cooper Basin

- Western Flank production was 2.1 MMboe, 7% higher than the prior quarter and the fifth consecutive increase, driven by both strong gas and oil production.
- Gross average daily oil production from the Western Flank was 19.6 kbbl, up from 18.4 kbbl in the prior quarter.
 - Beach-operated oil production increased 10% to 1,483 kboe.
 - A total of 11 new oil wells were brought online – six horizontal producers and five vertical producers
 - All three Chiton horizontal oil wells were brought on line in September following strong post drill results accelerating >45 kbbls into the quarter.
 - Artificial lift installation, repairs or conversions were undertaken at six wells.
 - Conversion of producing well Bauer-29 from a beam pump to an ESP was a highlight, resulting in a production rate of 3,000 bopd, more than double the beam pump rate from the well.
 - Beach continues to progress oil de-bottlenecking projects on the Western Flank to support the higher rates of oil production
 - At quarter-end, Beach has two horizontal and three vertical Western Flank oil wells that are cased and suspended for future production.
 - Senex-operated oil production was 1% higher at 109 kbbl in Ex PEL 104/111.
- Beach's Western Flank gas production was 514 kboe, 4% higher than prior quarter as the liquids-rich Lowry-3 and -4 both commenced production into the Middleton facility
 - At quarter-end, Beach has four gas wells on the Western Flank that are cased and suspended for future production after the Middleton area ten-well gas drilling campaign added eight gas wells to inventory. Production potential from wells is now in excess of the facility capacity.
- Cooper Basin JV production was flat on the prior quarter with a 5% increase in sales gas and ethane production offsetting declines across other products.
 - A total 15 gas wells were brought on line during the quarter.
 - At quarter-end the Cooper Basin JV has three oil wells and 15 gas wells that are cased and suspended for future production.

Perth Basin

- Perth Basin production was approximately 87% from Beharra Springs and 13% from Waitsia.
- Total production was 140 kboe, 9% lower than the prior quarter due to lower customer nominations.

Victoria (Victorian Otway Basin and BassGas)

- Reported Victorian Otway Basin production was 1,155 kboe, down 30% on the prior quarter being the first full quarter where Beach reported ownership of 60%.
- To assist comparison, gross production from the Victorian Otway basin was up 2% to 1,924 kboe as Beach achieved 99% reliability at the Otway Gas Plant, including 100% reliability for the month of August.
- BassGas production was 266 kboe, down 13% on the prior quarter experiencing 23 days of no customer nominations.
- 99.6% reliability was achieved at the Lang Lang gas plant, including two months of 100% reliability.

New Zealand (Kupe Gas Project)

- Kupe production was 807 kboe, broadly flat on the prior quarter, meeting strong customer nominations.
- 98.7% reliability was achieved at Kupe, including two consecutive months of 100% reliability.
- Beach is in final preparations for the November statutory shutdown of the Kupe facility.

Drilling Summary

Well name	Basin / area	Target	Type	Beach %	Well status
Bauer-40	SA Cooper	Oil	Dev (Hz)	100%*	Drilling ahead
Bauer-41	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Bauer-44	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Bauer-45	SA Cooper	Oil	Dev	100%*	C&S
Bauer-46	SA Cooper	Oil	Dev	100%*	C&S
Bauer-47	SA Cooper	Oil	Dev	100%*	C&S
Bauer-48	SA Cooper	Oil	Dev	100%*	C&S
Bauer-49	SA Cooper	Oil	Dev	100%*	Drilling ahead
Bauer-50	SA Cooper	Oil	Dev	100%*	C&S
Chiton-6	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Chiton-7	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Chiton-8	SA Cooper	Oil	App (Hz)	100%*	C&S
Congony-3^	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Congony-4	SA Cooper	Oil	Dev (Hz)	100%*	C&S
Arno-2	SA Cooper	Oil	App	100%*	Drilling ahead
Arno-4	SA Cooper	Oil	App	100%*	C&S
Bauer Northeast-2	SA Cooper	Oil	App	100%*	P&A
Bauer Southeast-2	SA Cooper	Oil	App	100%*	C&S
Bauer Southwest-2	SA Cooper	Oil	App	100%*	C&S
Hanson East-1	SA Cooper	Oil	App	100%*	P&A
Hanson West-1	SA Cooper	Oil	App	100%*	P&A
Parsons-6	SA Cooper	Oil	App	75%*	C&S
Parsons-7	SA Cooper	Oil	App	75%*	P&A
Parsons-8	SA Cooper	Oil	App	75%*	P&A
Tennaperra-10	Qld Cooper	Oil	App	30%	P&A
Tennaperra-7	Qld Cooper	Oil	App	30%	C&S
Tennaperra-8	Qld Cooper	Oil	App	30%	C&S
Tennaperra-9	Qld Cooper	Oil	App	38.50%	C&S
Gooranie-12	SA Cooper	Gas	Dev	33.40%	C&S
Gooranie-13	SA Cooper	Gas	Dev	33.40%	Drilling ahead
Marana-2	SA Cooper	Gas	Dev	33.40%	C&S
Mudera-23	SA Cooper	Gas	Dev	33.40%	C&S
Mudera-24	SA Cooper	Gas	Dev	33.40%	C&S
Mudera-25	SA Cooper	Gas	Dev	33.40%	C&S
Mudera-26	SA Cooper	Gas	Dev	33.40%	C&S

Mudera-27	SA Cooper	Gas	Dev	33.40%	C&S
Napowie-7	SA Cooper	Gas	Dev	33.40%	P&A
Napowie-8	SA Cooper	Gas	Dev	33.40%	C&S
Crockery West-1	SA Cooper	Gas	App	100%*	C&S
Napowie-4	SA Cooper	Gas	App	33.40%	C&S
Napowie-5	SA Cooper	Gas	App	33.40%	P&A
Napowie-6	SA Cooper	Gas	App	33.40%	C&S
Ralignal East-1	SA Cooper	Gas	App	100%*	C&S
Cascade-1	SA Cooper	Gas	Exp	33.40%	Drilling ahead
Wirruna-1	SA Cooper	Gas	Exp	100%*	P&A
Barrolka Northeast-3	Qld Cooper	Gas	Dev	39.94%	C&S
Coolah-8	Qld Cooper	Gas	Dev	39.94%	C&S
Juno-7	Qld Cooper	Gas	Dev	39.94%	C&S
Juno-8	Qld Cooper	Gas	Dev	39.94%	C&S
Vega North-2 ST1	Qld Cooper	Gas	Dev	39.94%	C&S
Vega-6	Qld Cooper	Gas	Dev	39.94%	Drilling ahead
Coolah-12	Qld Cooper	Gas	App	39.94%	Drilling ahead
Coolah-5	Qld Cooper	Gas	App	39.94%	C&S
Coolah-6	Qld Cooper	Gas	App	39.94%	C&S
Coolah-7	Qld Cooper	Gas	App	39.94%	C&S
Roti North-1	Qld Cooper	Gas	App	39.94%	C&S
Roti North-2	Qld Cooper	Gas	App	39.94%	C&S
Wackett South-1	Qld Cooper	Gas	App	39.94%	C&S
Wackett East-1	Qld Cooper	Gas	Exp	39.94%	Drilling ahead
Haselgrove-4^	SA Otway	Gas	App	100%*	C&S
Dombey-1 DW1	SA Otway	Gas	Exp	70%*	Drilling ahead

* Indicates Beach-operated ^ Indicates spudded in prior quarter

Basin	Category	Wells Spudded	Rig Released	Successful Wells	Success Rate
Cooper	Oil – Expl.	0	0	0	NA
	Oil – App.	15	14	8	57%
	Oil – Dev.	12	11	11	100%
	Gas – Expl.	3	1	0	0%
	Gas – App.	12	11	10	91%
	Gas – Dev.	16	14	13	93%
Otway	Gas – Expl.	1	0	0	NA
	Gas – App.	0	1	1	100%
Total Wells		59	52	43	83%
All Exploration Wells		4	1	0	0%
All Appraisal Wells		27	26	19	73%
All Development Wells		28	25	24	96%

Drilling highlights:

Beach participated in 59 wells that spudded in the quarter – 58 in the Cooper Basin and one in the SA Otway Basin. Drilling operations were completed at 52 wells at a success rate of 83% (success defined as wells that are cased and suspended as future producers or injectors) while nine wells were drilling ahead at quarter-end.

Highlights of the Beach-operated program included:

- Eleven operated oil development wells drilled at a 100% success rate. Included six horizontal development wells across the Bauer, Chiton and Congony fields in ex PEL 91 (Beach 100%).
- Ten operated oil appraisal wells were drilled at a 50% success rate across the Bauer, Arno, Hanson and Parsons fields.
 - Appraisal drilling at Bauer, Chiton and Parsons all successfully identified additional development well locations.
 - This included Beach's first horizontal oil appraisal well, Chiton-8, which was cased and suspended as a future producer, proving the concept of geo-steering horizontal wells to collect appraisal information.
 - The three Chiton wells, Chiton-6, -7, -8 have resulted in better definition of the structure of the Chiton field, directly influencing the proposed vertical well development campaign currently scheduled for December.
 - Bauer Southeast-2 and Bauer Southwest-2 appraisal wells were both cased and suspended confirming increased field volume to the south.
- Four gas exploration / appraisal wells finished drilling during the quarter
 - Successful wells Crockery West-1 and Ralgnal East-1 ex PEL 106 (Beach 100%) completed the 10 well Western Flank gas drilling campaign in the Middleton area. Eight wells were cased and suspended for future production.

- In the SA Otway Basin, conventional gas appraisal well Haselgrove-4 (Beach 100%) completed drilling operations. After encountering gas thicker gas-bearing sands than Haselgrove-3, the well was completed for production testing. However downhole mechanical issues meant that a valid production test was unable to be completed. Beach is currently evaluating the option of side tracking the well at a future date.
- Conventional gas exploration well Dombey-1 was drilled in PEL 494 (Beach 70% and operator, Cooper Energy 30%) in the SA Otway Basin. Subsequent to quarter-end the well encountered gas shows in both the Pretty Hill and Sawpit Formations. Following completion of wireline logging, a decision was made to plug the well back to perform a production test on the Pretty Hill Formation, where a 44.5 metre gross gas column was encountered, including 25 metres of interpreted net pay. Preliminary gas sample analysis indicates a low inert content. Dombey-1 is part-funded through a \$6.89 million PACE Gas Round 2 grant by the South Australian Government. Following completion of the Dombey-1 well, the Ensign 931 rig will be mobilised to the Black Watch-1 well site in the Victorian Otway Basin.

In the Cooper Basin JV, drilling operations were completed at 27 wells at a success rate of 89%. Highlights included:

- Four oil wells were drilled to appraise the Tennaperra Field in Queensland with three being cased and suspended as future producers. The campaign was a success with further development drilling likely.
- 23 gas wells were drilled. 14 gas development wells at a 93% success rate and nine gas appraisal at 89%.

Corporate and Commercial

Perth Basin activity update

As previously reported, in July 2019 Beach executed agreements with AWE (Beharra Springs) Pty Ltd, a related body corporate of MEPAU, to move to 50:50 ownership of production licences L11 and L22 (Beharra Springs), exploration permit EP 320 and pipeline licence PL 18 in the Perth Basin. Satisfaction of customary completion conditions is continuing with completion to follow.

2019 Investor Site Visit

Beach hosted an investor site visit to the Otway Gas Plant on 24-25 September 2019. The site visit was attended by institutional investors and equity analysts with the slide presentation released to the ASX and available on the Beach website.

Subsequent Events

Beharra Springs Deep

Subsequent to quarter end, the Beharra Springs Deep-1 (Beach 67%² and operator) gas exploration well in the Perth Basin was spudded. The well is targeting the Kingia-High Cliff Sandstones as a primary objective, the same formation as at the nearby Waitsia gas field (Beach 50%) and recent discovery at West Erregulla-2.

Notice of Annual General Meeting (AGM)

On 18 October 2019, Beach released its notice of meeting in relation to the 2019 AGM. The AGM will be held on Tuesday, 26 November 2019 at 10.30am (Adelaide time). The notice of meeting can be found on Beach's website.

² 67% ownership pending completion of a 17% sell down described under "Perth Basin activity update" in the Corporate and Commercial section.

Disclaimer and other information

Conversions

Product	Unit Conversion	Operation	Factor
Sales gas and ethane	PJ to MMboe	Multiply	0.17194
Condensate	MMbbl to MMboe	Multiply	0.935
LPG	Kt to MMboe	Multiply	0.008458

Comparable periods

In FY19 Beach accounted for its Victorian Otway interests at 100% until 31 May 2019 when the Otway Sale completed and 60% thereafter.

Disclaimer

This ASX Release 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 announcement are to Australian currency, unless otherwise stated. References to "Beach" may be references to Beach Energy Limited or its applicable subsidiaries.

Certain FY20 planned activities are subject to joint venture approvals. References to planned activities beyond FY20 are subject to finalisation of work programs, government approvals, JV approvals and board approvals.

Assumptions

FY20 guidance is uncertain and subject to change. FY20 guidance has been estimated on the basis of the following assumptions: 1. a US\$62.50/bbl Brent oil price; 2. 0.70 AUD/USD exchange rate; 3. various other economic and corporate assumptions; 4. assumptions regarding drilling results; and 5. expected future development, appraisal and exploration projects being delivered in accordance with their current expected project schedules.

These future development, appraisal and exploration projects are subject to approvals such as government approvals, joint venture approvals and board approvals. Beach expresses no view as to whether all required approvals will be obtained in accordance with current project schedules.

Glossary

\$	Australian dollars	Origin	Origin Energy Limited and its subsidiaries
bbl	Barrels	Other Cooper Basin	Other Cooper Basin producing permit areas comprise ATP 299 (Tintaburra) (Beach 40%, Santos 60% and operator), ex PEL 513/632 (Beach 40%, Santos 60% and operator) and PRL 135 (Vanessa) (Beach 43%, Senex 57% and operator)
BassGas	Producing assets: Beach 53.75% and operator, Mitsui 35%, Prize 11.25%; Exploration permits: Beach 50.25% and operator, Mitsui 40%, Prize 9.75% Includes the producing Yolla field, the BassGas pipeline and Lang Lang gas plant as well as separate retention leases over the Trefoil, Rockhopper and White Ibis discoveries.	Otway Gas Project	Consists of offshore gas fields, Thylacine and Geographe, the Thylacine Well Head Platform, Otway Gas Plant and associated infrastructure
Beach	Beach Energy Limited and its subsidiaries	Otway Sale	Sale of 40% of Beach's Victorian Otway interests to O.G. Energy (for additional information please refer to ASX announcement Ref: #047/18)
boe	Barrels of oil equivalent – the volume of hydrocarbons expressed in terms of the volume of oil which would contain an equivalent volume of energy	P&A	Plugged and abandoned
C&S	Cased and suspended	PCP	Previous corresponding period
Cooper Energy	Cooper Energy Ltd and its subsidiaries	PEL	Petroleum Exploration Licence
Cooper Basin	Includes both Cooper and Eromanga basins	Perth Basin production	Comprises Beharra Springs (Beach 67% and operator, Mitsui 33%) and Waitsia (Beach 50%, Mitsui 50% and operator).
Cooper Basin JV	The Santos operated, SACB JVs and SWQ JVs	Prize	Prize Petroleum International
Ex PEL 91	PRLs 151 to 172 and various production licences. Beach 100%	PJ	Petajoule
Ex PEL 92	PRLs 85 to 104 and various production licences. Beach 75% and operator, Cooper Energy 25%.	Q(3) (FY19)	(Third) quarter of (FY19)
Ex PEL 104 / 111	PRLs 136 to 150 and various production licences. Beach 40%, Senex 60% and operator.	Qtr	Quarter
Ex PEL 106	PRLs 129 and 130 and various production licences. Beach 100%.	SACB JV	South Australian Cooper Basin Joint Ventures, which include the Fixed Factor Area (Beach 33.4%, Santos 66.6%) and the Patchawarra East Block (Beach 27.68%, Santos 72.32%)
Free cash flow	Defined as operating cash flow less capital expenditure (excluding acquisitions and divestments)	Santos	Santos Limited and its subsidiaries
FY(19)	Financial year (2019)	Senex	Senex Energy Limited and its subsidiaries
Genesis	Genesis Energy Limited and its subsidiaries	SWQ JV	South West Queensland Joint Ventures, incorporating various equity interests (Beach 30-52.2%)
GSA	Gas sales agreement	TJ	Terajoule
GJ	Gigajoule	Victorian Otway Basin production	Comprises Otway Gas Project (Beach 60% and operator) and HBWS (Beach 60% and operator).
H(1) (FY19)	(First) half year period (of FY19)	Western Flank Gas	Comprises gas production from ex PEL 91 and 106. Both Beach 100%.
HBWS	Halladale, Black Watch and Speculant fields, offshore Otway Basin	Western Flank Oil	Comprises oil production from ex PEL 91 (Beach 100%), ex PEL 92 (Beach 75% and operator, Cooper Energy 25%) and ex PEL 104/111 (Beach 40%, Senex 60% and operator)
kbbl	Thousand barrels of oil		
kboe	Thousand barrels of oil equivalent		
kt	Thousand tonnes		
Kupe Gas Project	Beach 50% and operator, Genesis 46%, NZOG 4%. Consists of offshore Kupe gas field in the Taranaki Basin, the Kupe offshore platform, Kupe gas plant and associated infrastructure.		
Lattice	Lattice Energy Ltd		
LPG	Liquefied petroleum gas		
MEPAU	Mitsui E&P Australia		
Mitsui	Mitsui & Co., Ltd and its subsidiaries		
MMbbl	Million barrels of oil		
MMboe	Million barrels of oil equivalent		
MMscfd	Million standard cubic feet of gas per day		
NZOG	New Zealand Oil & Gas and its subsidiaries		
O.G. Energy	O.G. Energy Holdings Limited., a member of the Ofer Global group of companies		