



ASX Announcement

2020 Annual General Meeting Addresses and Presentation

Reference #039/20

Date 25 November 2020

Attached is a copy of the Chairman's address and Managing Director's address to be made at the Beach Energy Annual General Meeting commencing at 10:30am (ACDT) today, along with the presentation slides.

The AGM will be webcast and can be accessed from the following website
<http://web.lumiagm.com/365267843>

Additional information regarding the AGM is available at www.beachenergy.com.au/agm

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Beach Energy 2020 AGM

Chairman and Managing Director Addresses

Date 25 November 2020

Chairman's Address

Slide 1 – Annual General Meeting

Good Morning

Good morning ladies and gentlemen and welcome. My name is Glenn Davis, the Chair of Beach Energy. I declare open the 2020 Beach Energy Annual General Meeting.

Acknowledgement of Country

Respect is one of our core values at Beach and we respect the traditional custodians of Australia and New Zealand. We acknowledge the traditional country of the Kurna People of the Adelaide Plain and we pay our respect to their Elders past, present and emerging. 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.

Virtual AGM format

This year we are holding the AGM in a virtual format. This situation has been brought about by the unfortunate circumstances and restrictions placed on us as a result of the COVID-19 pandemic at the time of planning this meeting and which continue to exist today.

The online platform we are using today allows Shareholders, Proxies and Guests to attend the meeting remotely. All attendees can watch a live webcast of the meeting. In addition, shareholders and proxies have the ability to ask questions and submit votes on the poll in real time.

Slide 2 – Compliance statements

Our compliance statements are set out on slide 2 of today's AGM presentation for those of you who wish to review them later.

Slide 3 – Chairman's address

Introductions

I am joined to today by our Managing Director Matt Kay who will address you shortly. The rest of my fellow directors Phil Bainbridge, Colin Beckett, Sally-Anne Layman, Ryan Stokes, Peter Moore, Joycelyn Morton and Richard Richards have joined the meeting virtually.

Also, attending virtually is Mr Anthony Jones from our auditors Ernst & Young who is available for questions in relation to the 2020 financial accounts and remuneration report.

I would also like to welcome all our shareholders participating online.

Before we move to the formalities, there are several housekeeping matters to mention as we adjust to our new format.

Shareholders have been provided with instructions as to how to participate and vote at the AGM, with details available on our website along with guides for how to participate online through your desktop or mobile device.

We have received a number of questions from shareholders in advance of the meeting which have either been addressed in my formal remarks or I will endeavour to address during the course of the meeting.

Slide 4 – Using the Lumi platform – submitting a question

Questions can be submitted through the online meeting platform at any time during the meeting. To ask a question, press on the speech bubble icon near the top of your screen. This will open the question component of the platform. At the bottom of that component there is a section for you to type your question. Once you have finished typing please hit the arrow symbol to submit your question.

Questions will be addressed in a single consolidated question and answer session covering all items of business. We will not have a separate Q&A session after each item is put formally to the meeting. These questions will be moderated to avoid repetition and if questions are particularly lengthy, we may need to summarise them in the interests of time.

I would ask that when submitting a question, you:

- Note the resolution to which the question relates at the beginning of the question
- Keep the question short and to the point
- Ask no more than two questions per shareholder

Question time will be at the conclusion of the Managing Directors presentation. In an effort to streamline the virtual format we will not be pausing for questions after I put each resolution. If you have questions on the business of the meeting, I encourage you to start typing now.

Slide 5 – Using the Lumi Platform - voting

Consistent with best practice, I have determined that all items of business will be decided on a poll. I will open the polls now, and keep them open, so you can vote at any time during the meeting until the poll is closed.

If you are eligible to vote at this meeting and have logged into the online platform, a voting icon that looks like a bar graph will appear on your device screen or navigation bar. Once you click this, the resolutions will appear on your screen and you can select a voting option. There is no need to hit a "submit" or "enter" button as the vote is automatically recorded.

Debbie Burnard from Computershare will act as the Returning Officer for the purposes of conducting and determining the results of the poll, the results of which will be announced to the ASX later today.

The voting icon should soon appear if it hasn't already. Please select your votes at any time. You can change your vote at time during the meeting until I declare the polls closed. Following questions and discussion, I will provide a warning before declaring the poll for all resolutions closed, to allow sufficient time for votes to be submitted.

If you are having any difficulties in locating the voting icon, please refer to the detailed guides available on the Beach Energy website.

With those instructions and introductions behind us, let's now move on to the rest of the meeting.

Slide 6 – A high margin and high growth business

COVID-19 has had a profound impact on our society – especially in the ways in which we live and work. Today's remote AGM highlights the challenges in combatting this pandemic.

Despite these challenges – including a significant oil price decline - Beach was able to deliver an extremely successful year in FY20. In the financial year Beach:

Drilled 178 wells at an 81% success rate

Recorded production of 26.7MMboe - 2% higher than pro forma FY19 production and within 1% of guidance.

Delivered a statutory net profit of \$501m; and

Maintained balance sheet strength by ending the year in a net cash position

As a result, we have entered FY21 with a strong foundation to deliver on our growth agenda.

While we have actively controlled our investment program to align with the current market dynamics, Beach still intends to invest 650-750 million dollars on capital expenditure in FY21.

65 percent of that expenditure is targeted at delivering gas into the Australian East Coast Gas Market and Matt will provide more detail about that shortly.

As you would have seen in recent weeks, Beach has chalked up some early wins with the successful connection of the Black Watch 1 well to the Otway Gas Plant, a new gas discovery at Enterprise 1 and the agreement for the acquisition of Senex Energy's Cooper Basin business.

Slide 7 – Sustainably Delivering Energy for Communities

FY20 marked an important milestone for our business as the company revised its purpose to more accurately reflect Beach's ambitions.

This resulted in the roll out of our updated business purpose: (to) Sustainably deliver energy for communities.

This updated purpose highlights how making a positive contribution to the communities in which we operate is of great importance to everyone at Beach.

We take pride in being an active and leading member in our communities, while delivering the critical energy our society needs in a safe and sustainable manner.

Slide 8 – Sustainability

To that end, I also want to highlight the work Beach is undertaking as a responsible operator in a carbon constrained world.

Over the past two years, Beach has had a particular emphasis on improving our focus, disclosure and capability in the sustainability space – in particular around climate change management.

Beach is committed to playing a key role in a lower carbon future and as such the Board has committed to an emissions reduction target of 25% CO2 equivalent by FY25 - relative to FY18 benchmark levels.

These benchmark levels were set based on the timing of the acquisition of the Lattice assets.

Matt will provide you with some detail about the projects associated with the "25 by 25" initiative in his presentation.

Slide 9 – Climate Change

As you would all be aware, later today we will be voting on a resolution regarding the alignment of Beach's capital plan and operations with the climate goals of the Paris agreement.

While there will be ample time to discuss that issue shortly, I do want to point out some very important facts.

Firstly, I want to make it clear that Beach accepts climate change is an issue from a social, environmental and financial perspective.

Secondly, we support the position of governments around the world in relation to the stated intentions of the Paris Agreement.

Australia's first Nationally Determined Contribution (NDC) under the Paris Agreement includes an economywide target to reduce greenhouse gas emissions by 26 to 28 per cent on 2005 levels by 2030.

Our '25 by 25' initiative is an example of the action we are actively taking to reduce our emissions as a company and how that aligns with, and is indeed ahead of, Australia's stated climate ambitions.

Thirdly, natural gas plays a critical role in energy supply into our future as we pursue Paris Agreement outcomes.

There is a wide variety of scenario modelling in relation to how we meet the climate challenge globally but a consistent conclusion is that natural gas will continue to play an important role for many decades to come.

The International Energy Agency has modelled several scenarios in this space, many of which highlight the important role played by gas.

In its 2019 World Energy Outlook global gas demand grew across the scenarios modelled by the IEA.

In its very recent 2020 World Energy Outlook the IEA modelled 4 scenarios. In its Sustainable Development Scenario global gas demand essentially remains constant to 2030 and gas demand in the Asia Pacific region grows by 52% out to 2040. In the Net Zero 2050 Scenario whilst global gas demand is lower growth still occurs in key demand centres in Asia and in the case of both gas and oil the decline in demand is lower than the underlying decline in supply without investment in new resources. The IEA recognises the substantial investment, and development of new resources, required to meet demand.

In 2018 the United Nations Intergovernmental Panel on Climate Change published a report called 2018: Global Warming of 1.5 degrees Celsius.

In this report's "P3 Scenario" it showed a pathway in which primary energy from natural gas increases by 33 percent in 2030 and 21 percent by 2050 compared to 2010 levels.

In terms of global forecasts as opposed to scenario modelling the International Energy Agency forecasts global gas demand to grow and has recently stated it is too early to see a rapid decline in global oil demand any time soon.

Closer to home here in Australia, the Australian Energy Market Operator released an updated Integrated System Plan, which models electricity generation over the next 20 years in the National Electricity Market.

This ISP predicts higher levels of gas fired power generation in 2041-42 relative to 2021-22 levels in all modelled scenarios, including the most ambitious 'step change' scenario, which achieves a 90 per cent reduction in carbon emissions over the same period.

Under this step change scenario, gas-fired generation increases 33% through to 2041-42, enabling renewables generation to increase by 285%.

So, under this scenario, every 1 percent of additional gas supply for electricity generation leverages 9 percent more renewables into the Australian grid.

Of course, beyond the role of energy production, natural gas and our petroleum products also play a significant role in our national economy – particularly through our nation's manufacturing capacity.

The Australian Energy Market Operator in its 2020 Gas Statement of Opportunities outlined broadly flat demand for residential, commercial and industrial consumption out to 2040 in Eastern Australia. With declining supply, it is essential to deliver more gas to those customers. That will require investment in finding and developing new resources which is exactly what we are doing.

In short, whether you are looking internationally or domestically it is clear that natural gas has a critical role to play in our energy future as we meet climate commitments. Your board sees that as an opportunity for Beach Energy whilst at the same time helping Australia meet its climate commitments under the Paris Agreement.

For these reasons your board strongly recommends you vote against resolutions 6a and 6b.

Slide 10 – Chairman's Address - closing

Before I finish, I would like to acknowledge the crucial contributors to Beach's continued success – our employees and shareholders.

To continue to achieve the results we have - delivering on our growth expectations while dealing with the impacts of a global pandemic, requires a lot of hard work and dedication.

I would like to sincerely thank and congratulate Matt and all of our employees for being a part of that. They should be proud of their recent achievements.

Finally, thank you, our shareholders for your engagement and support.

Your company is in robust health, with an excellent portfolio of assets and as you can see, we believe we are in great shape to deliver further shareholder value. You have much to look forward to with an exciting FY21 ahead of us.

With that I will now hand over to Matt who will take you through in some detail the strong performance of the business in FY20 and our FY21 program.

Managing Director and CEO Address

Slide 11

Thank you Glenn. Hello and welcome to everyone joining us today. For those who don't know me, my name is Matt Kay and I am the Managing Director and Chief Executive Officer of Beach Energy.

FY20 was been a year like no other in the company's history, in which we had to tackle numerous challenges presented to us by COVID-19. This coincided with a significant drop in oil prices, which fell below US\$20 a barrel in March this year before recovering to US\$40.

Slide 12 – Beach Response to COVID-19

COVID-19 delivered various issues for Beach to overcome and I'm proud to say our team rose to the challenge.

Our response to the pandemic was swift and decisive, to protect the safety of our employees and to ensure the continuity of our business. I'm glad to say that we have had no recorded case of COVID-19 across any of our Beach sites.

As a result, we are extremely confident in our ability to work with Governments, regulators and our communities to ensure we can deliver our work program in FY21.

Slide 13 – Beach Energy HSE Performance

I mentioned safety a minute ago and I want to re-iterate that safety takes precedence in everything we do at Beach.

Coming off a record low injury rate in FY19, there was a modest increase in recordable injuries such as trips and sprains in FY20.

A comprehensive review of common causal factors was completed during the year and appropriate actions were implemented. This led to a reduction in incidents in the second half of FY20, which has continued into the new financial year.

In fact, in the last fortnight we surpassed a company milestone of one million work hours injury-free – a tremendous achievement by all involved and a testament to our approach to safety.

Slide 14 – COVID impact

Turning to slide 14, I think it's important to remember FY20 was a tale of two halves.

In the first half of FY20, Beach was tracking extremely well in its most ambitious and exciting year of organic growth in the company's history.

Then, during February and March, COVID-19 began to impact the global economy. Beach was not immune from those impacts.

There was a significant reduction in global oil and LNG demand and pricing as customer behaviour changed to combat the spread of the virus.

Supply chain disruptions and travel restrictions resulting from COVID-19 created challenges from an equipment and workforce perspective.

Fortunately for Beach, a combination of a strong underlying business and a swift response to COVID-19 put the company in an extremely robust position to combat the challenges presented.

Despite all of this, Beach generated a statutory net profit after tax of \$501 million, delivering an impressive ROCE of 19 percent in FY20.

We retained our balance sheet strength, with \$50 million net cash and \$500 million liquidity at 30 June 2020.

In August we announced that there were no material impairments across our portfolio, a testimony to our high margin business.

It is important to again point out the revenue certainty provided by our natural gas business which exceeds total operating expenditure and our stay in business capital expenditure.

Despite the relative strength of our business, Beach took a prudent approach to costs in response to the swift market decline and reduced planned FY21 capital expenditure by more than 30%.

Slide 15 – Looking Back over FY19/20

When you think about our growth plans and market statements, I think it is important to look at the Beach Journey as a cumulative package over FY19 and FY20.

This slide demonstrates how well Beach has performed over the past two years since the Lattice acquisition.

As you can see from the table, Beach has met its cumulative FY19 and FY20 objectives across production and capital expenditure, as well as exceeded expectations when it comes to free cash flow, reserves replacement and ROCE.

Slide 16 – FY21 off to an excellent start

As we continue the journey in FY21, I'm excited about the early momentum we have created less than 6 months into the year.

In the West, we are tracking well to reach FID for Waitsia Stage 2 by the end of this calendar year and in doing so become part of the club to supply LNG into global markets.

In Victoria, we have achieved early success in our Otway Basin exploration campaign with a gas discovery at Enterprise 1.

Also, this month, we announced the acquisition of Senex Energy's Cooper Basin assets for \$87.5m.

Three separate but exciting opportunities that well and truly set the foundations for our growth program.

Slide 17 – Waitsia Stage 2 expansion via North West Shelf (NWS)

I will start off in the West.

As a reminder, FY20 brought us exploration success at Beharra Springs Deep, we acquired the Trieste 3D seismic survey and expanded the Waitsia Stage 1 facility to 20 TJ/day including an interconnection to the Dampier to Bunbury Natural Gas Pipeline.

Of course, the big reveal at the August results was the material progress made at Waitsia Stage 2 over the past 2 years.

We are now on the home straight in relation to FID.

We are finalising arrangements with the WA government to support both our Waitsia domestic gas commitment and the export of about 50% of project 2P reserves through the North West Shelf Facilities.

We are also finalising back-haul arrangements with AGIG for their Dampier Bunbury Natural Gas Pipeline and the EPC contract with Clough for constructing our new gas processing facility.

As you can see, all the jigsaw pieces are coming together and we are in excellent shape to reach FID next month.

Slide 18 – East coast gas market

Before I move onto our Victorian Otway plans, I do want to talk about the East Coast domestic market as no doubt you have been seeing a lot of media coverage in the press.

It would be no surprise to hear us say we are big supporters of the idea of a gas led recovery and the work the government has outlined to stimulate gas development – particularly on the East Coast of Australia.

We particularly support it because the most recent AEMO chart released earlier this year shows South Eastern Australia is not producing enough gas to meet its own demand.

As such, the states of South Australia, New South Wales and Victoria are reliant on gas diverted from LNG projects in Queensland to meet demand.

Going forward, the picture doesn't get any better, with this reliance on LNG only set to increase over time unless there is a significant increase in supply.

So, more gas is desperately needed to ensure there is no shortfall.

However, it needs to be cautioned that talk of \$4 gas for term contracts is a fantasy because, to put it simply, this gas doesn't exist.

The most recent ACCC gas report states that contracted prices for 2021 delivery are in the \$8-11 per gigajoule range.

This is the reality of where we are at because these are the prices necessary to facilitate the long-term investment required to develop gas for customers.

As one of the larger gas suppliers in the east coast market, we are passionate supporters of a competitive and well-balanced gas market.

Evidence of our commitment to the East Coast market is that almost two third of our FY21 capital expenditure is directed towards finding, appraising, developing and sustaining East Coast gas supplies.

Slide 19 – Victorian Otway Basin

A key asset in our East Coast gas supply portfolio is the Victorian Otway Basin, where I'm happy to report a successful start to FY21.

Our Black Watch 1 development well is already producing gas into the Otway Gas Plant and the Enterprise 1 exploration well has delivered an exciting new gas discovery. We are continuing testing at Enterprise 1 but we have already started to work required to connect this well to our gas facility.

Our attention is now focussed on the offshore campaign following the execution of a new rig contract with Diamond Offshore.

The Agreement provides for the drilling of up to 9 wells, with drilling operations expected to commence in the March quarter next year.

Slide 20 – Western Flank Oil

Back in South Australia and FY20 saw another fantastic year in the Western Flank in which output reached as high as 23,000 barrels of oil per day and drilling success saw a 159 percent 2P reserves replacement ratio.

Adding on from the success in FY20, Beach this month announced its plans to acquire Senex Energy's Cooper Basin assets, increasing our position in the Western Flank and making Beach the sole operator in the Western Flank and associated infrastructure.

This acquisition is immediately earnings accretive, adds over 6 million barrels of 2P reserves and delivers Beach more than 10 drill-ready prospects.

In my mind this is a perfect example of a logical, value accretive acquisition that will deliver long-term value for shareholders.

Slide 21 – Frontier exploration

FY21 also marks an exciting year from a Frontier exploration perspective. As I speak our operator BP is drilling the Ironbark 1 well in the Carnarvon Basin.

This large prospect is less than 50km from the North West Shelf infrastructure and has the ability to be a game changer for the company if successful.

We are keenly anticipating the results of this well, which is expected in the March Quarter next year.

Slide 22 – 5 Year investment expenditure outlook

As you can see there is a lot of activity happening across Beach's diverse portfolio of assets.

Two years ago we first outlined our 5-year outlook to investors. Why? Quite simply, we are excited about the opportunity set in our portfolio and what this investment can deliver in terms of production and cash flow and wanted to share this with the investment community. This holds true today.

The impact of COVID meant we made the prudent decision to defer more than 30% of planned FY21 expenditure. FY21 was scheduled to be Beach's biggest investment year, with a full year of the offshore Victorian Otway program, Waitsia Stage 2 construction and high levels of activity in the Cooper Basin.

We still like all of our projects, so the deferred investment will now be spread across the subsequent years.

In fact, we have increased our 5-year capex by around \$200 million as new high returning growth opportunities have been created as a result of success in the Perth Basin, Western Flank and around Kupe in New Zealand.

Slide 23 – 5-Year Production Outlook

It should be no surprise that a deferral in expenditure delays the production contribution from this investment.

Despite this, production remains on track to deliver between 37-43 MMboe in FY25.

In essence it's important that shareholders remember the destination hasn't changed, only the timing and the profile to reach it.

In the current environment we believe this is the correct action to take to ensure Beach maintains its financial strength through this period of volatility.

Slide 24 – 5-Year Free Cash Flow Outlook

The cumulative impact of the short-term deferral in production growth, higher 5-year investment expenditure and lower commodity price outlook has impacted our 5-year free cash flow estimate. Over the next 5 years at our previous commodity price assumptions our investment plans could generate \$2.7 billion in free cash flow.

We have however lowered our commodity price outlook given the recent weakness in oil prices, and under these revised assumptions, Beach is forecast to generate \$2.1 billion in cumulative free cash flow from FY21-25.

Slide 25 – Capital Management

This talk of free cash flow brings us to a very important topic and a question we get from many shareholders – what are your plans for this free cash flow?

In a nutshell, our views on this topic are unchanged:

Beach is a growth-oriented company. Our preference is to generate total shareholder returns through reinvestment in our business, with capital appreciation reflected through the share price.

We have three years of attractive capital opportunities ahead of us. As you know, we are about to embark on major development projects in the Victorian Otway Basin to refill the gas plant there, and in the Perth Basin for Waitsia Stage 2. Most of our free cash flow therefore occurs once this investment phase ends, in late FY23, or in more than two years' time.

A strong balance sheet provides protection in uncertain and volatile times. Some of our peers have struggled this year in the face of lower commodity prices – this is not a trap Beach intends to fall into. We believe maintaining a healthy and - some might say conservative - balance sheet is appropriate.

Our Board. Our view on capital management and shareholder returns is an active and ongoing one at the board level. If circumstances change the board can move quickly to make adjustments as circumstances allow.

Slide 26 – Reducing our Emissions

Before I finish up, I do want to provide some further detail on the Chairman's remarks around emissions reduction at Beach and our 25 by 25 initiative.

This is something many of our shareholders are interested in and I can assure you this has been a key focus area for Beach over the past 2 to 3 years.

When it comes to announcing plans like this, it's easy to overlook the amount of time and effort that has gone into making these strategies a reality.

I'm extremely proud of the manner in which we are building our capacity in this space and to see the real action we will be delivering on the emissions reduction front over the coming years.

In FY21, 3 key projects outline our forward progress on the 25 by 25 strategy. These are:

Implementing flare and vent management initiatives to reduce the need for flaring across operational sites.

Progress a Hybrid Renewable Project at Bauer, which will deliver energy supply to the field through a combination of Wind, Solar, Battery and Diesel generation; and

Implementing a Leak Detection and Repair program across all gas assets to detect and eradicate potential leakage points.

I am very excited to see these three projects progressed this year as we continue to build momentum around our emissions reduction push.

Slide 27 – Overview

In closing I would like to say Beach stands in an incredibly strong position today, especially when you consider the global economic turbulence created by COVID-19.

I am extremely proud of the way in which we responded to this challenge to not only ensure the safety of our staff and contractors but maintain a strong underlying business.

Our balance sheet is in excellent shape, we have a high margin business – highlighted by no impairments – and we enjoy a resilient and growing 2P reserves base.

On top of this we have an extremely robust gas business which provides a very strong level of revenue certainty.

This meant we entered FY21 in a position of strength and we have only built on this in the first 5 months.

Our successes across our assets in Australia and New Zealand highlights why we are so confident, not only in our growth portfolio but also in the fact we can invest through the cycle.

Additionally, we are forecast to generate \$2.1 billion in cumulative free cash flow over the next 5 years, even at a reduced commodity price outlook.

When you put those three things together it shows how well-placed Beach is to succeed in the current environment.

Beach came out of the last oil price downturn as a bigger, better and stronger company and I have no doubt we are on the path to do the same this time around.

With that I would like to hand back to the Chairman for the commencement of formal business

25 NOVEMBER 2020

2020

Annual General Meeting



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*"Safety takes precedence
in everything we do"*

Compliance statements



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: COVID-19 risks, 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. Please refer to the Directors' Report in the FY20 annual report for more details specifically relating to COVID-19 risks.

Underlying EBITDAX (earnings before interest, tax, depreciation, amortisation, evaluation, exploration expenses and impairment adjustments), underlying EBITDA (earnings before interest, tax, depreciation, amortisation, evaluation and impairment adjustments), underlying EBIT (earnings before interest, tax, and impairment adjustments) and underlying profit are non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by Beach's external auditors. The information has been extracted from the audited financial statements.

Free cash flow in this presentation is defined as cash flows from operating activities plus cash flows from investing activities less cash flows from acquisitions and divestments less lease liability payments.

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 2020 and represent Beach's share.

References to planned activities in FY21 and beyond FY21 may be subject to finalisation of work programs, government approvals, joint venture approvals and board approvals.

Due to rounding, figures and ratios may not reconcile to totals throughout the presentation.

Authorisation

This release has been authorised for release by Matt Kay, Managing Director and CEO of Beach Energy.

Assumptions

The five year outlook set out in this presentation is not guidance. The outlook is uncertain and subject to change. The outlook has been estimated on the basis of the following assumptions: 1. a US\$41.25/bbl Brent oil price in FY21, a US\$52.50/bbl Brent oil price in FY22 and US\$60/bbl Brent oil price from FY23; 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.

FY21 guidance is uncertain and subject to change. FY21 guidance has been estimated on the basis of the following assumptions: 1. a US\$41.25/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.

Reserves disclosure

Beach prepares its petroleum reserves and contingent resources estimates in accordance with the 2018 update to the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers.

The reserves and resources information in this report is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr David Capon (General Manager Development - Victoria, New Zealand and NT). Mr Capon is a full time employee of Beach Energy Limited and has a BSc (Hons) degree from the University of Adelaide and is a member of the Society of Petroleum Engineers. He has in excess of 25 years of relevant experience. The reserves and resources information in this presentation has been issued with the prior written consent of Mr Capon as to the form and context in which it appears.

Beach confirms that it is not aware of any new information or data that materially affects the information included in this report and that all the material assumptions and technical parameters underpinning the estimates in the aforesaid market announcement continue to apply and have not materially changed.

Conversion factors used to evaluate oil equivalent quantities are sales gas and ethane: 5.816 TJ per kboe, LPG: 1.398 bbl per boe, condensate: 1.069 bbl per boe and oil: 1 bbl per boe. The reference point for reserves determination is the custody transfer point for the products. Reserves are stated net of fuel, flare & vent and third party royalties.

2020 BEACH ENERGY AGM

Chairman's Address




Using the Lumi platform

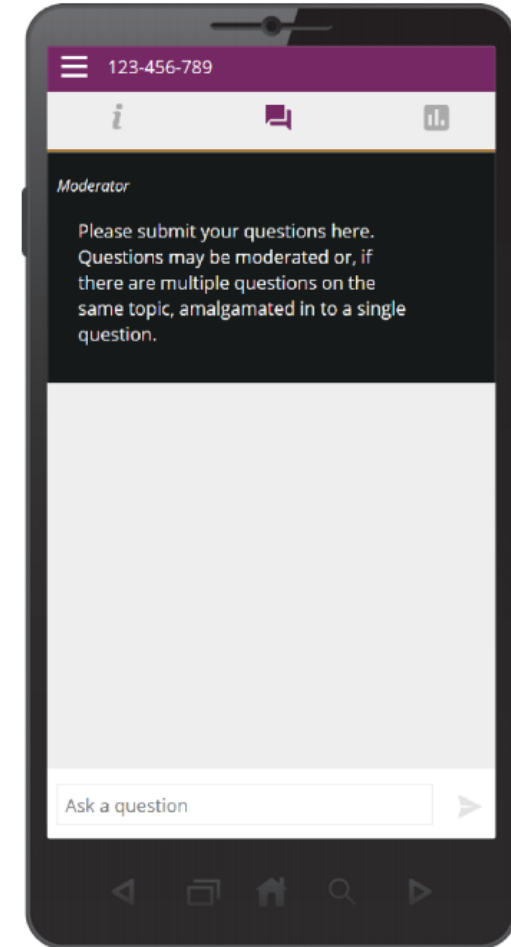
Submitting a question



To ask a question:

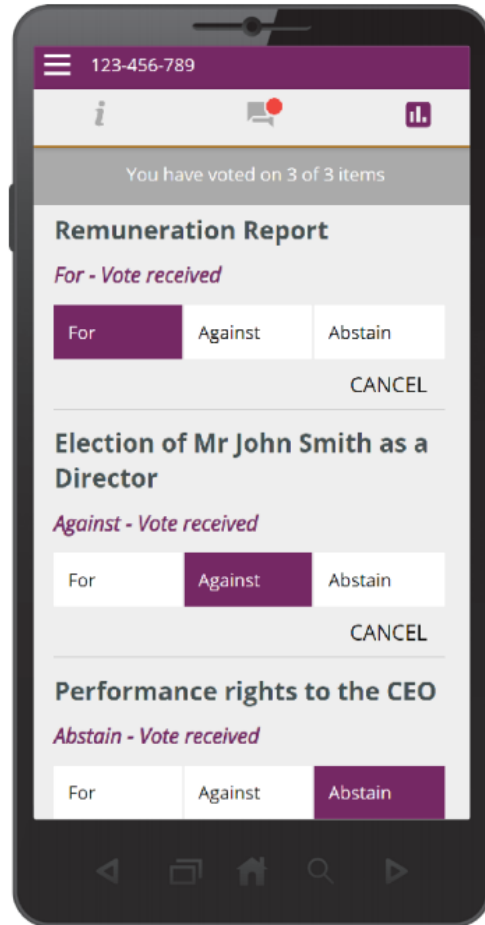
1. Tap on/click the question icon 
2. Type your question in the chat box at the bottom of the screen and select the send icon.
3. Confirmation that your message has been received will appear.

You can submit a question at any stage during the meeting, until the Q&A component of the meeting is concluded.



Using the Lumi platform

Voting



To vote on the resolutions:

1. When voting opens, a voting icon will appear. Click or tap that icon to vote.
2. To vote, tap one of the voting options. Your response will be highlighted.
3. To change your vote, simply press a different option to override
4. The number of items you have voted on or are yet to vote on, is displayed at the top of the screen.



Note there is no “submit” button. You can change your votes at any time until the Chair closes the poll.

Overview

A high margin and high growth business



Solid FY20 result in challenging conditions

- ✓ 178 wells drilled – 81% overall success rate
- ✓ Maintaining solid production – 26.7 MMboe
- ✓ Statutory net profit \$501 million
- ✓ Beach maintained a net cash balance sheet

Entering FY21 with a strong foundation

- ✓ Prudent slow down in activity including 30% capex deferral
- ✓ \$650-\$750 million capital expenditure spend
- ✓ Growing our 2P reserves with 214% replacement ratio
- ✓ Gas business providing revenue certainty

Positive start to FY21

- ✓ Black Watch 1 connected to Otway Gas Plant
- ✓ Discovery at Enterprise 1
- ✓ Agreement to acquire Senex Energy's Cooper Basin Acreage
- ✓ Ironbark 1 drilling underway



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Our purpose

**“Sustainably
deliver energy
for communities”**



Sustainability

Beach releases new emissions targets



- Emissions reduction target of 25% CO₂e by FY25 relative to FY18 benchmark levels¹
- Internal carbon price used on project economics
- Further emissions reductions projects to be screened in FY21, including:
 - Flaring efficiency
 - Renewables augmenting operations
 - Carbon Capture & Storage

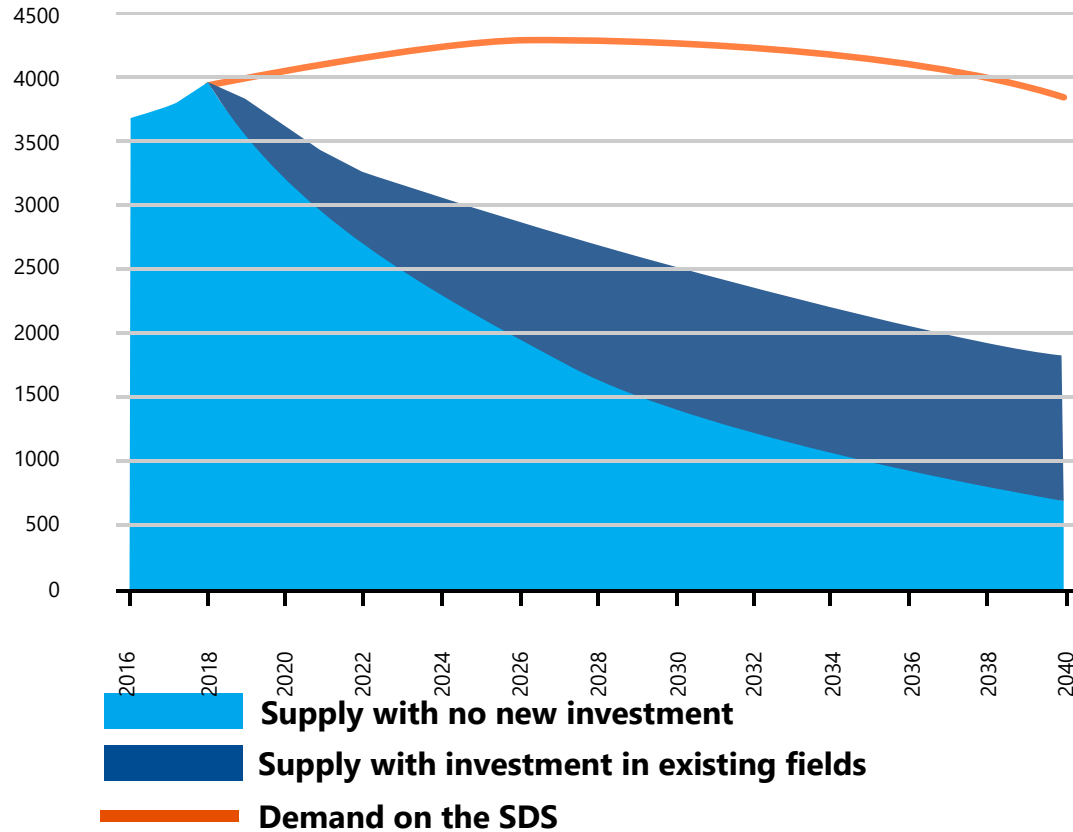


Climate Change

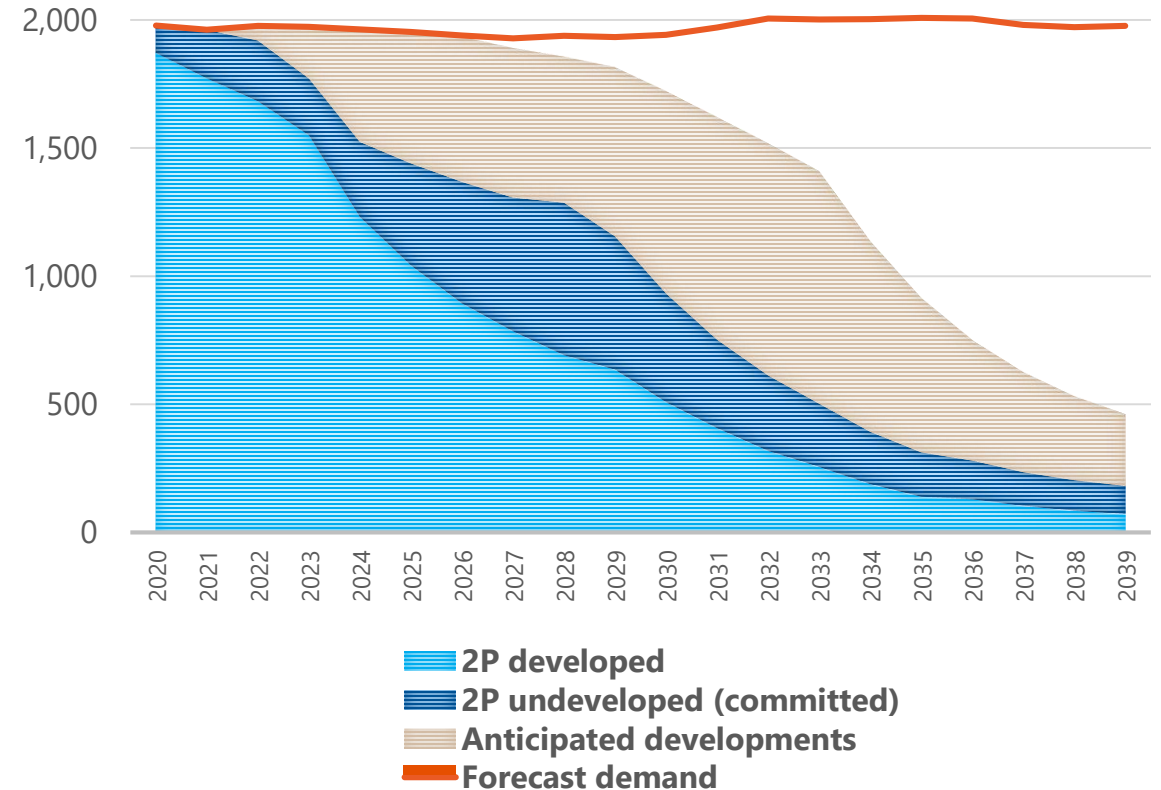
Beach aims to be part of the solution in addressing climate change



International Energy Agency World Energy Outlook Sustainable Development Scenario (bcm)



2020 AEMO GSOO Eastern Australia gas demand vs supply (PJ)



2020 BEACH ENERGY AGM

Chairman's Address



beach

2020 BEACH ENERGY AGM

Managing Director's Address



Beach Response to COVID-19

The Journey

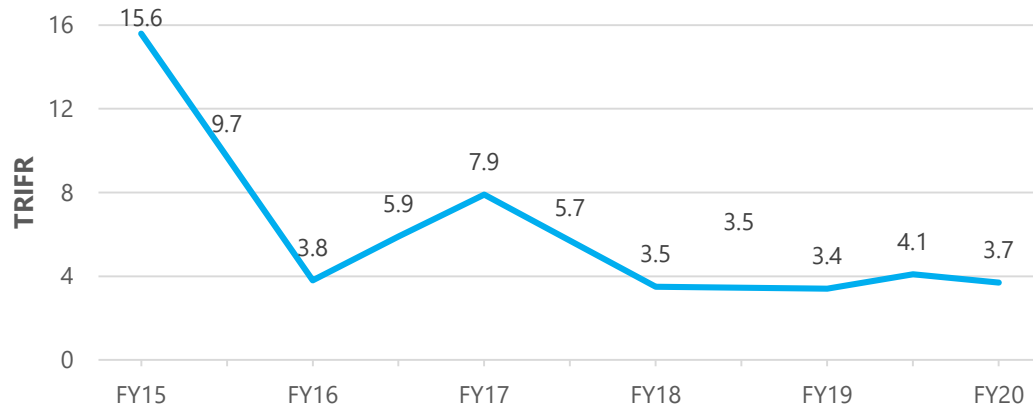


Beach Energy HSE performance

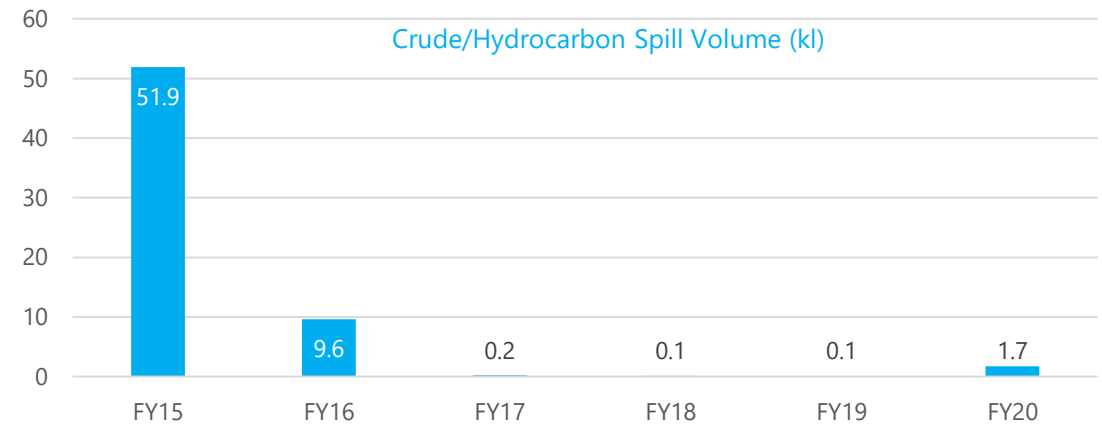
Strong performance despite COVID-19 challenges



Safety performance



Environmental performance²



Focus on improving HSE performance

Safety

- Improved safety performance in H2 FY20
- No recordable HSE incidents in Victoria and NZ for FY20

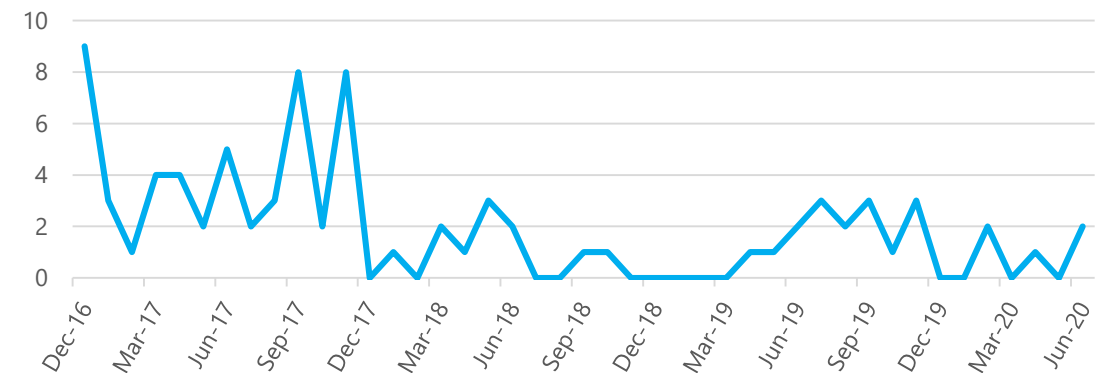
Environment

- Spill volumes remained low with record levels of activity

Process Safety

- No material gas releases

Process safety - loss of containment¹



1. Based on API 754 Tier 1, 2, 3, 4 modified.
 2. Metric extended in FY20 to include all hydrocarbon spills to grade.

COVID-19 impact

A tale of two halves



On track at FY20 half year results

- ✓ 105 wells drilled in H1 at 83% success rate
- ✓ Beharra Springs Deep 1 exploration success
- ✓ Bauer appraisal drilling identifies field extension
- ✓ Spudded Black Watch 1

COVID-19 impacts felt across the business

- ✓ Rapid health and safety response across all sites
- ✓ Borders close restricting movement
- ✓ Rapid oil price decline; Brent at US\$18/bbl in March
- ✓ Supply chain disruption from global sources

Actively controlled investment program with prudent slowdown

- ✓ FY20 statutory NPAT \$501 million
- ✓ High returning assets with ROCE > 19%
- ✓ Balance sheet strength with \$50 million net cash and \$500 million liquidity
- ✓ Gas business providing revenue certainty
- ✓ Reduced FY21 capital expenditure by > 30%

Looking back over FY19/20

Track record of delivery on journey to date



	Total FY19 + FY20 guidance¹	Total FY19 + 20 results	Met (✓) or Exceeded (✓✓)
Production (MMboe)	53–57	56.1	✓
Capex (\$ million)	1,210–1,390	1,310	✓
Free Cash Flow (\$ million)	310	437	✓✓
2P reserves replacement ratio	>100%	209%	✓✓
ROCE (average)	17–20%	23%	✓✓

Ahead of plan in FY19/20. Pace actively moderated given external challenges

FY21 off to an excellent start

Material progress on key project execution and disciplined M&A



Waitsia Stage 2 progress revealed – FID by end Dec '20

- ✓ Waitsia to be exported as LNG via North West Shelf
- ✓ Key agreements (WA Government/NWS) on track
- ✓ Target commencement date is late calendar '23

Positive progress on refilling Victorian Otway Gas Plant

- ✓ Black Watch 1 connected to Otway Gas Plant
- ✓ Enterprise 1 exploration well gas discovery
- ✓ Offshore drilling to commence in March quarter '21

Expands Cooper Basin portfolio via acquisition

- ✓ Acquisition of Senex Energy's Cooper Basin Interests
- ✓ FY21 production estimated at ~0.6 MMboe
- ✓ Sole operator of Western Flank infrastructure



Waitsia Stage 2 expansion via North West Shelf (NWS)

Two years of progress and ready to reach Final Investment Decision



North West Shelf access	<ul style="list-style-type: none"> ✓ Non-binding gas processing term sheet signed with NWS ✓ Fully termed agreements being finalised
Pipeline access	<ul style="list-style-type: none"> ✓ Pipeline connection to AGIG owned DBNGP in place ✓ Transportation arrangements with AGIG being finalised
Government and regulatory approvals	<ul style="list-style-type: none"> ✓ Finalising domestic gas commitment with the WA government ✓ Environmental approvals on track
Final design and costings	<ul style="list-style-type: none"> ✓ Final EPC bid with Waitsia JV ✓ Sufficient capacity to generate ~1.5 mtpa of LNG (gross)
Funding	<ul style="list-style-type: none"> ✓ Construction costs funded from operating cash flow

Final Investment Decision in December Quarter



FID



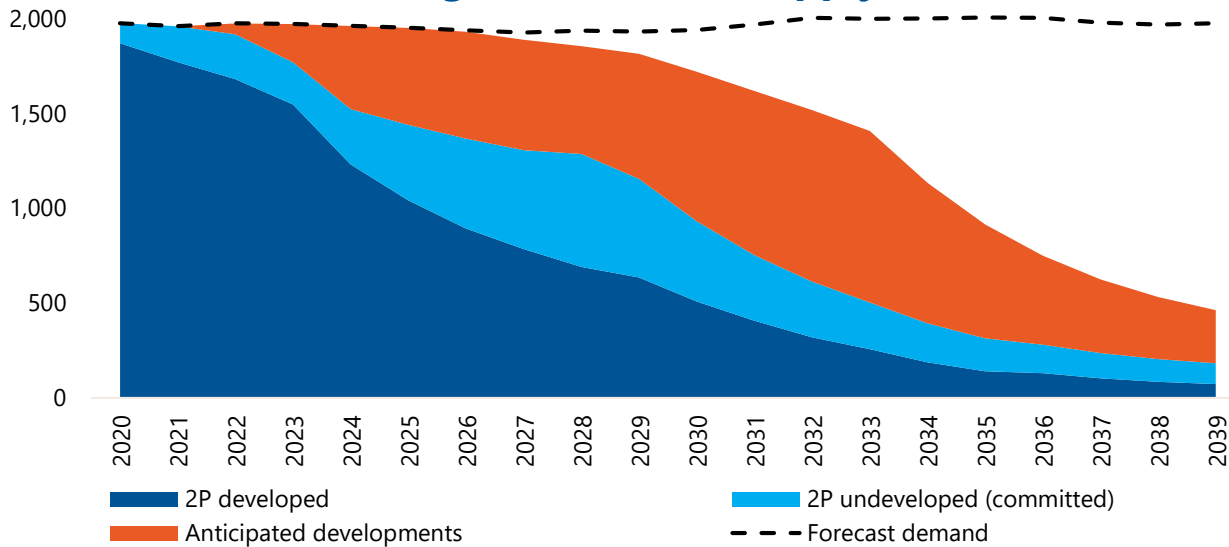
LNG sales duration subject to Government limits
Domestic sales ongoing

East coast gas market

Market dynamics support Beach's investment strategy



Eastern Australia gas demand vs supply (PJ)¹

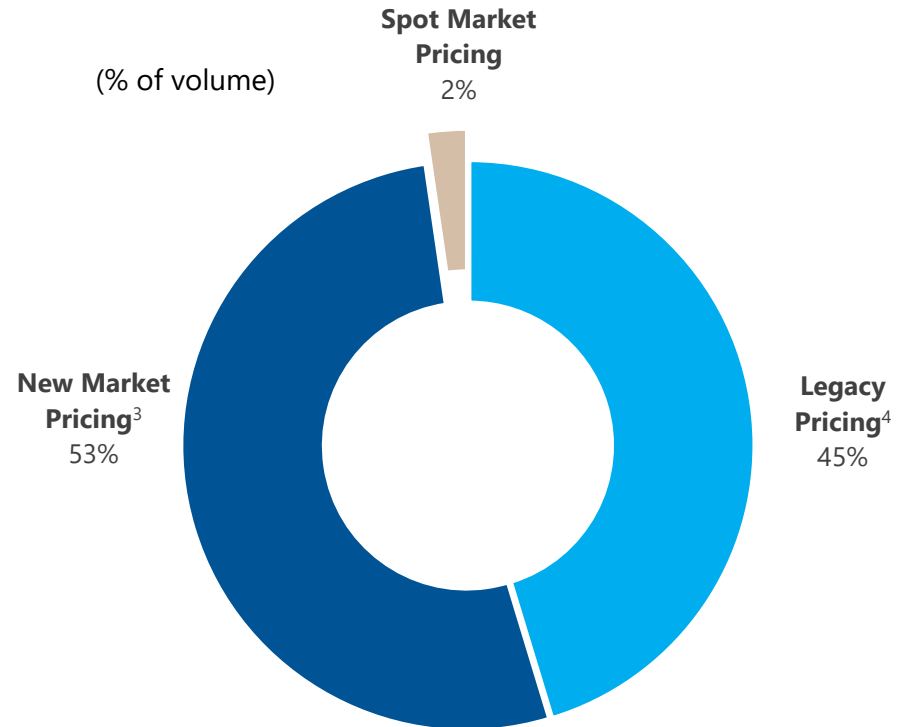


- AEMO forecasts Eastern Australian gas production insufficient to meet demand
- Supply shortfall has been met from Queensland, primarily gas diverted from LNG
- ACCC reports recent contracted gas prices in the range of \$8-11/GJ

Beach view

- Short term contract price pressure in FY21 from QLD LNG diversions
- Medium to long term price outlook strong

Forecast FY21/22 East Coast Gas Sales

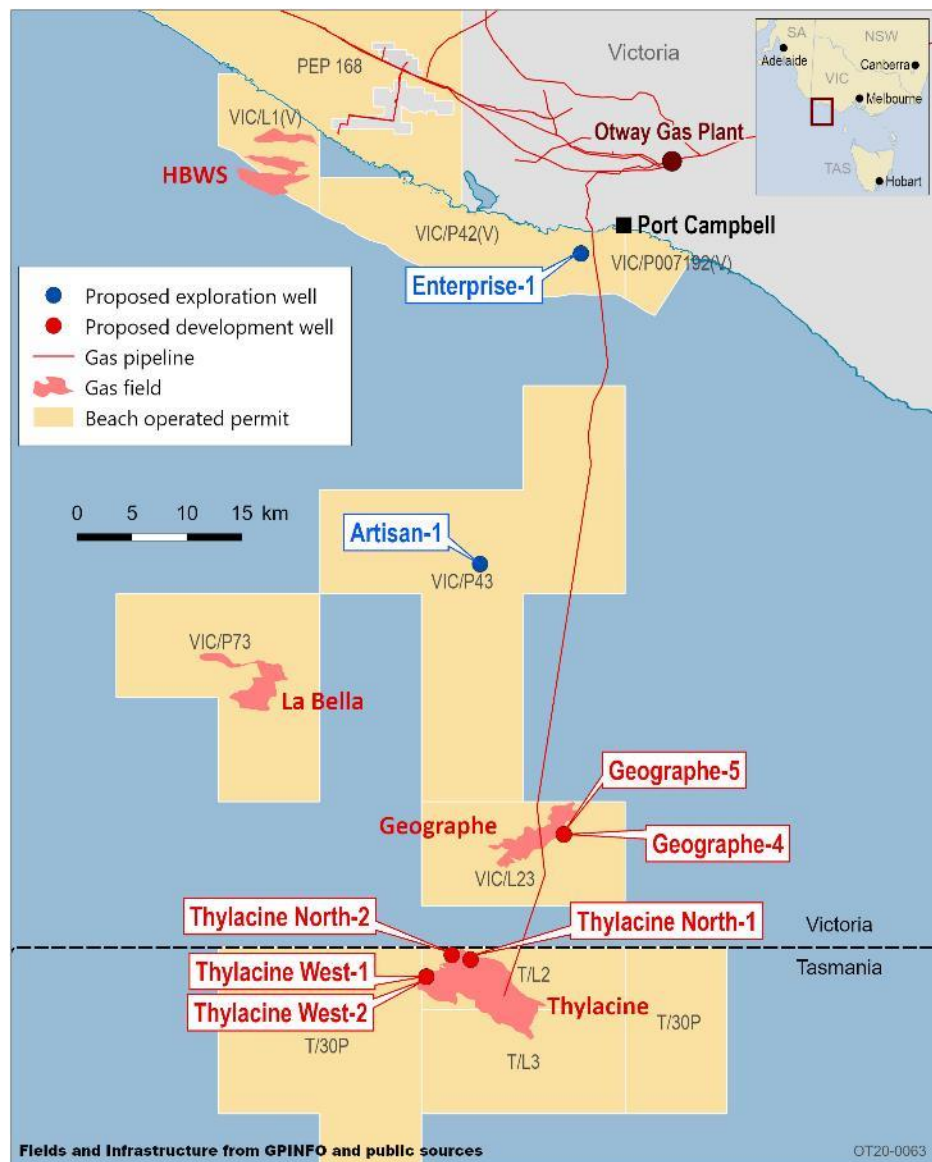


> 97% of Beach's east coast gas sales in FY21 and FY22 to be sold under term contracts

1. Source: AEMO Gas Statement of Opportunities 2020.

Victorian Otway Basin

Excellent start to drilling campaign



Positive start to our drilling

- Black Watch 1 success – longest onshore well in Australia. Online May 2020
- Enterprise 1 exploration well gas discovery

Forward plan

- Develop reserves and re-fill the 205 TJ/d Otway Gas Plant
- Offshore drilling expected to commence Jan – March 2021
- Artisan 1 exploration first well in program followed by 6 development wells
- Origin arbitration outcome currently expected in March 2021 quarter

Western Flank Oil

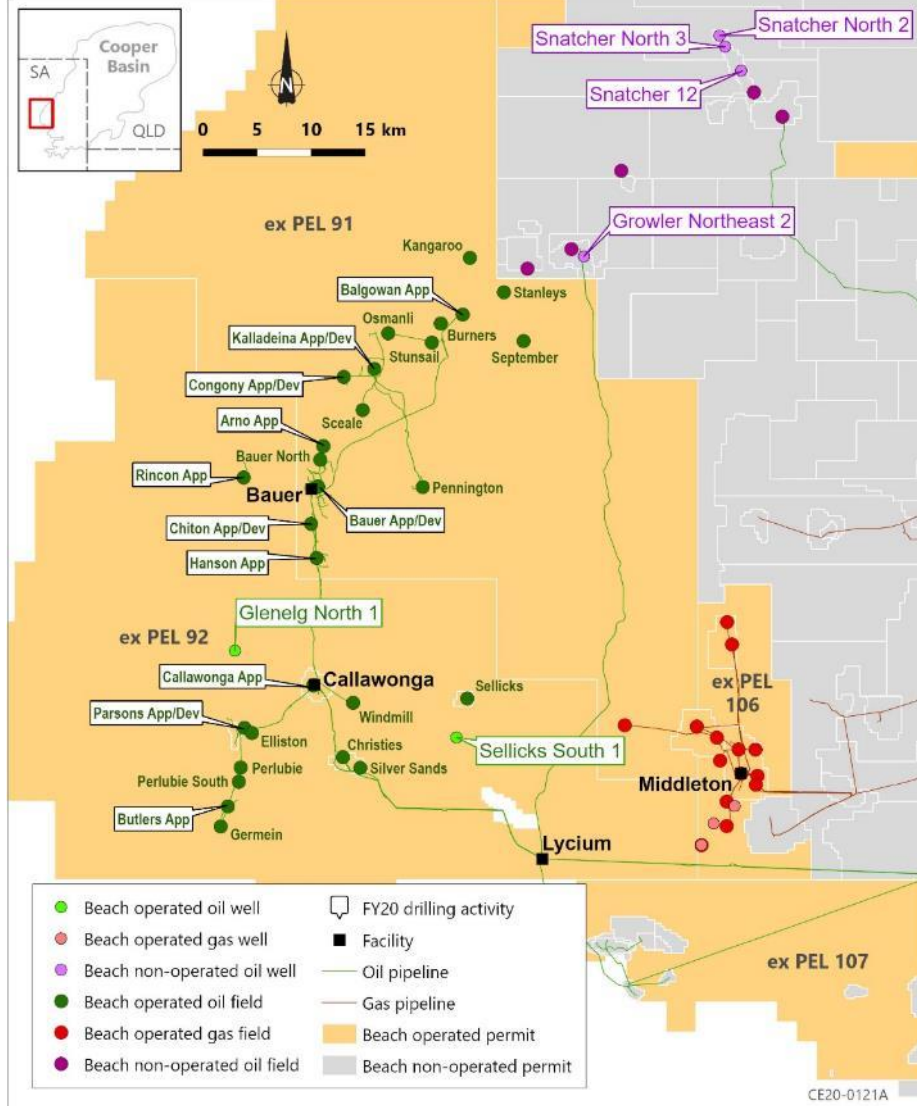
Complemented by low risk bolt-on Senex asset acquisition

Positive progress over past 4 years

- More than doubled 2P Estimated Ultimate Recovery (net)
- More than doubled gross operated oil production over the past 2 years
- Operated production increased to as high as 23,000 BOPD in H2 FY20
- Drilling success added 11.5 MMboe in 2P reserves
- Senex asset acquisition - Beach to take operatorship of ex PEL 104/111

Looking ahead

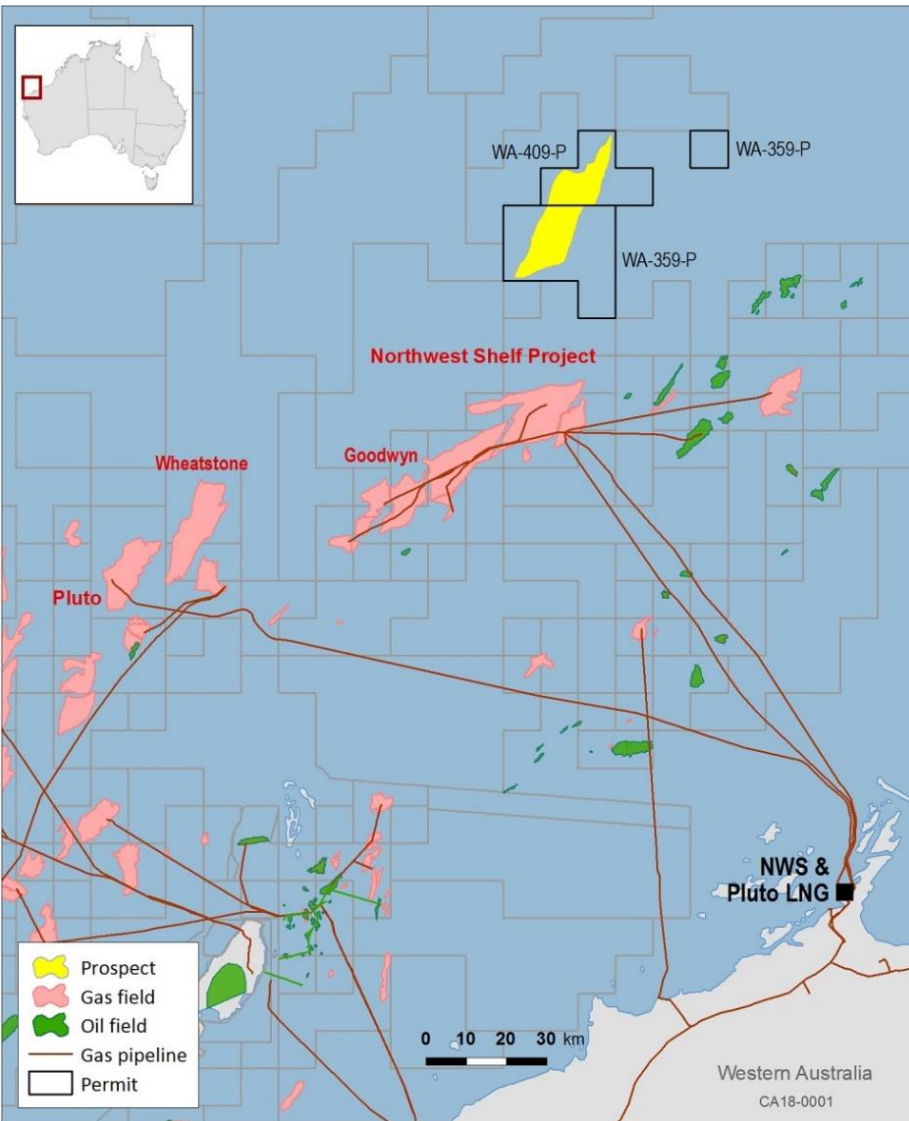
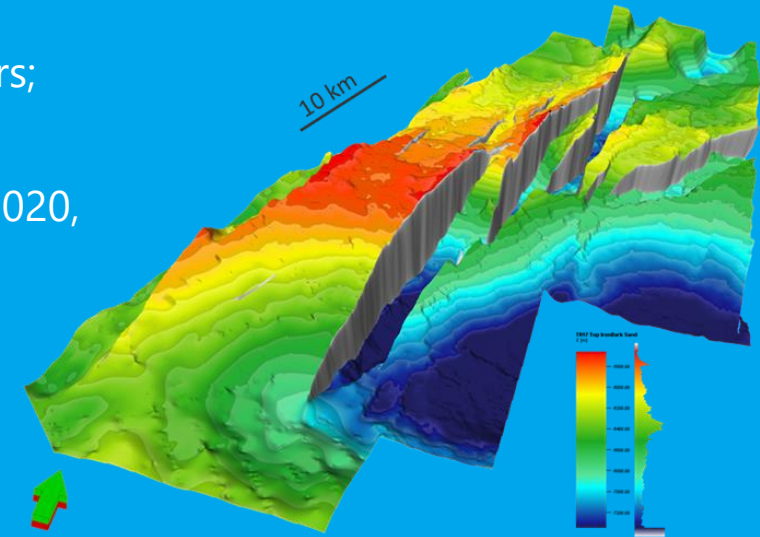
- High margin asset with plenty of running room remaining
- Temporary slowing down activity to integrate all data to date
- Target maintaining gross average output above 20,000 BOPD in FY21
- More than 60 exploration and appraisal drilling targets identified
- Target \$5 million / annum in synergies post Senex asset acquisition



Frontier exploration

Drilling underway for material exploration prospect

- Large gas prospect within 50km of existing NWS infrastructure
- Targeting deeper Mungaroo reservoirs; the primary reservoirs at Gorgon
- Drilling commenced on 30 October 2020, drilling result expected in March quarter 2021
- Beach share of drilling cost ~\$35 million



Ironbark – Carnarvon Basin (Beach 21% interest)

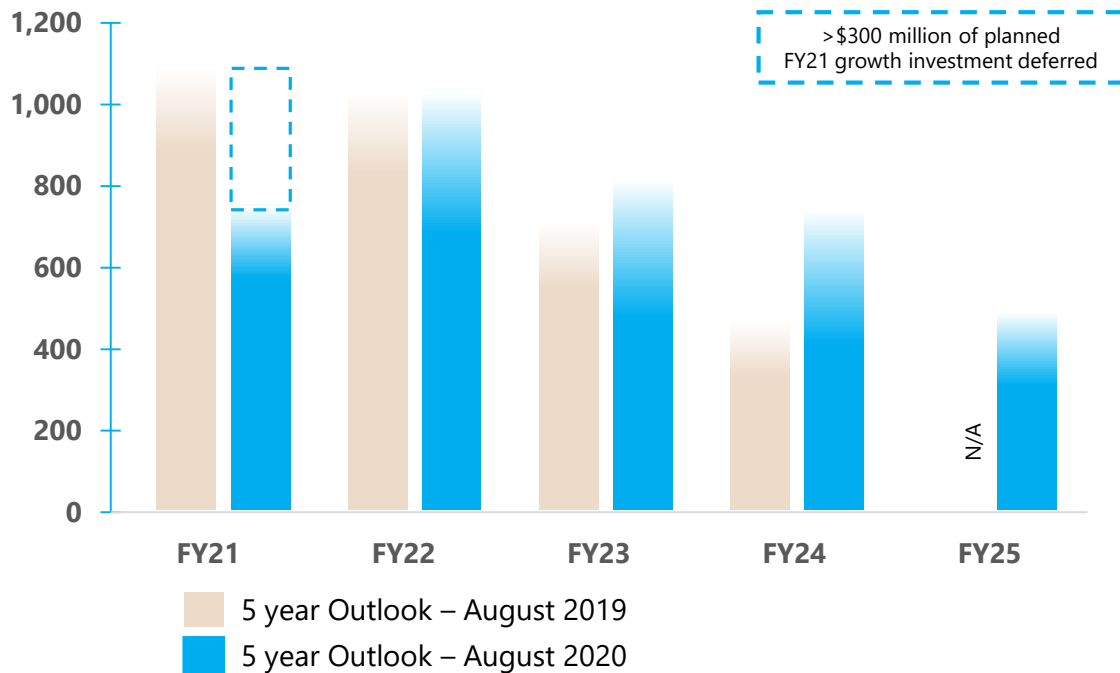
5 year investment expenditure outlook

Prudent deferral of FY21 investment to manage external challenges



5 Year Capital Expenditure Outlook¹

(\$ million)



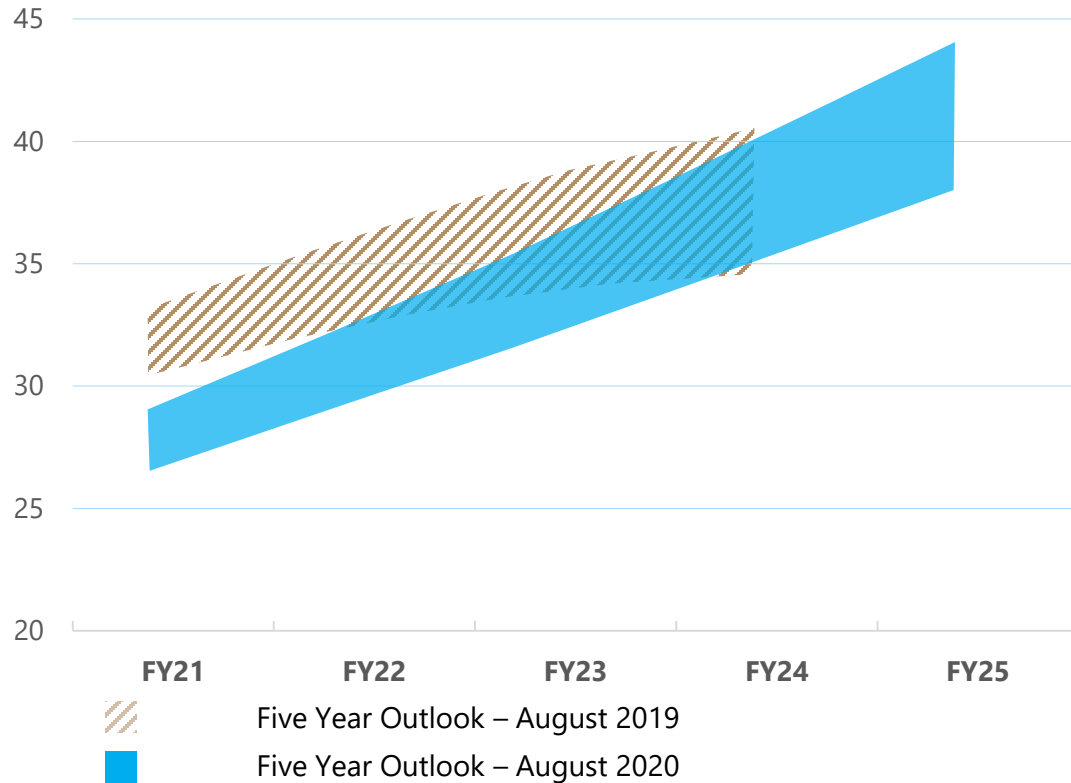
- Planned FY21 capex reduced by >30% to \$650-750 million
- Deferred FY21 capex to be spread over subsequent years
- FY20-24 cumulative capex has increased by ~\$200 million to \$4.2 billion as new growth opportunities are identified
 - ✓ Follow up drilling/development in Perth Basin
 - ✓ Increased Western Flank investment
 - ✓ Kupe JV considering new well to extend plateau beyond FY24

5 year production outlook

Production on track to deliver 37-43 MMboe in FY25



5 Year production outlook¹
(MMboe)



- Production growth impacted by FY21 investment expenditure deferral and COVID-19
- Waitsia Stage 2 start-up forecast by end calendar 2023
- Victorian Otway program deferred due to rig contract cancellation and COVID risk management

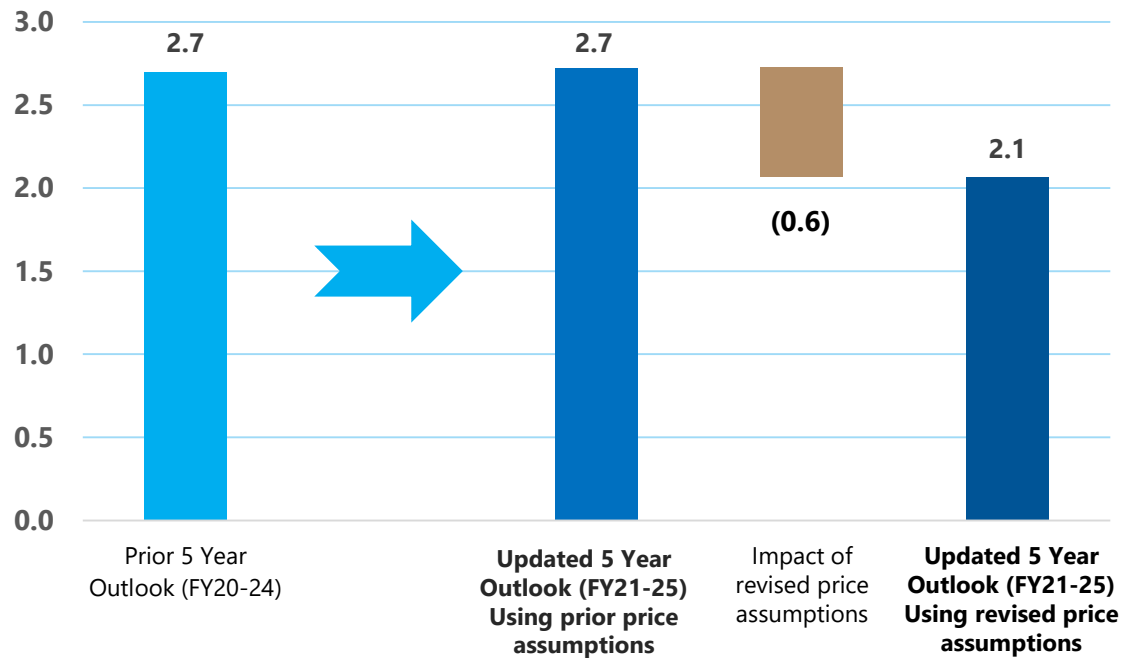
1. Outlook is determined using the assumptions set out on the "Compliance Statements" slide. Excludes the acquisition of the Senex Energy's Cooper Basin assets and any capex that would need to be spent to realise the value from these assets

5 year free cash flow outlook

Revised investment profile, commodity price outlook set to deliver \$2.1 billion in FCF



5 Year free cash flow outlook¹ (\$ billion)



FCF outlook updated for revised timing, price assumptions

- **FY21-25 cumulative free cash flow: \$2.1 billion**
- **New free cash flow outlook reflects:**
 - ✓ Updated project timing, capital and operating cost and tax estimates
 - ✓ Revised (lowered) Brent oil price and FX assumptions
 - ✓ Applying the same commodity price assumptions as prior year would generate \$2.7 billion FCF from FY21-25

1. Outlook is determined using the assumptions set out on the "Compliance Statements" slide. Excludes the acquisition of the Senex Energy's Cooper Basin assets and any capex that would need to be spent to realise the value from these assets. Free cash flow is defined in disclosures on slide 2 of this presentation. For five year outlook purposes cash flows associated with operating leases are not adjusted for potential changes from AASB 16.

Beach remains a growth oriented company

Board reviews capital management regularly

High returning capital investment through FY21-23

Victorian Otway Basin, Perth Basin, Cooper Basin

Conservative approach to balance sheet management



25% emissions reduction by FY25

Flare and vent management

Beach will implement initiatives to reduce the need for flaring across operational sites. This includes flare minimisation during shutdown and start-up situations as well as the optimisation of purge and pilot gas scenarios.

Bauer Hybrid Renewable Project

Beach will be performing further study, design, construction and preparatory work for the Bauer Hybrid Renewable Project which will deliver energy supply to the field through a combination of Wind, Solar, Battery and Diesel generation.

Leak Detection and Repair Program

Beach will implement a program across all gas assets to detect and eradicate potential leakage points. This will be delivered through the usage of world-class equipment in this space.

Overview

A high margin and high growth business



Solid FY20 result in challenging conditions

- ✓ 178 wells drilled – 81% overall success rate
- ✓ Maintaining solid production – 26.7 MMboe
- ✓ Statutory net profit \$501 million
- ✓ Beach maintained a net cash balance sheet

Entering FY21 with a strong foundation

- ✓ Prudent slow down in activity including 30% capex deferral
- ✓ \$650-\$750 million capital expenditure spend
- ✓ Growing our 2P reserves with 214% replacement ratio
- ✓ Gas business providing revenue certainty

Positive start to FY21

- ✓ Black Watch 1 connected to Otway Gas Plant
- ✓ Discovery at Enterprise 1
- ✓ Agreement to acquire Senex Energy's Cooper Basin Acreage
- ✓ Ironbark 1 drilling underway

2020 ANNUAL GENERAL MEETING

Formal business



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2020 ANNUAL GENERAL MEETING

Q&A

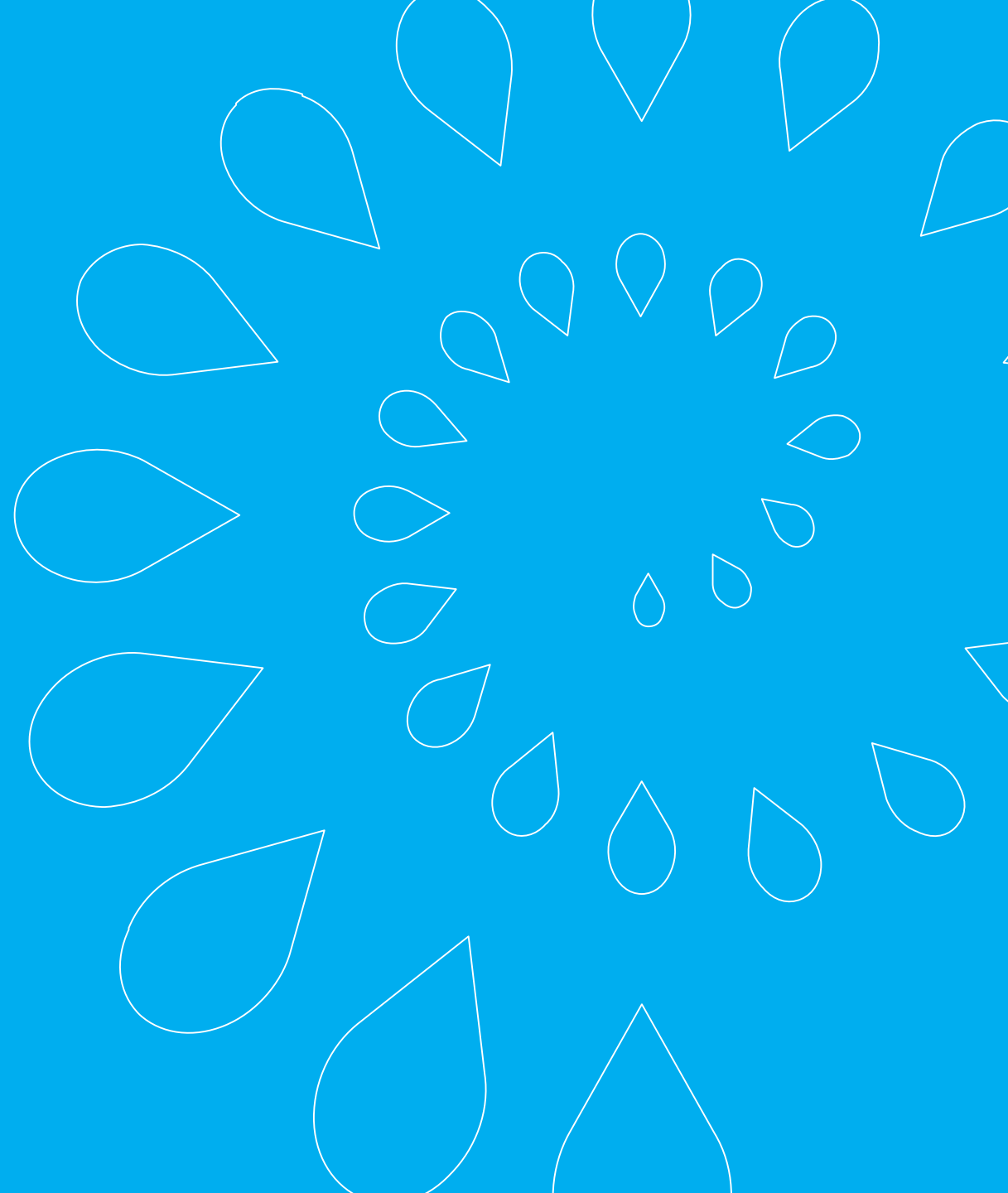


2020 ANNUAL GENERAL MEETING

Resolutions for voting



beach



Proxy voting



Vote totals based on the first resolution

Valid proxy votes received	994,479,689
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% of total votes	43.59%
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2020 Financial Report



Receipt and consideration of the Financial Report, the Directors' Report and the Auditor's Report of the Company, and the Group, for the financial year ended 30 June 2020.

There is no requirement for shareholders to approve the financial statements and reports

Resolution 1

Adoption of Remuneration Report



	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	979,875,525	10,926,149	3,678,015	994,479,689	4,754,616
%	98.53%	1.10%	0.37%	100.00%	

Resolution 2

Re-election of Glenn Davis as a director

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

That Glenn Davis, who retires by rotation pursuant to clause 6.1 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a director of Beach.



Resolution 2

Re-election of Glenn Davis as a director



	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	1,321,134,966	75,319,775	3,677,690	1,400,132,431	4,255,244
%	94.36%	5.38%	0.26%	100.00%	

Resolution 3

Re-election of Richard Richards as a director

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

That Richard Richards, who retires by rotation pursuant to clause 6.1 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a director of Beach.



Resolution 3

Re-election of Richard Richards as a director



	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	1,322,698,346	73,584,566	3,810,457	1,400,093,369	4,290,478
%	94.47%	5.26%	0.27%	100.00%	

Resolution 4



Approval of the issue of securities to the Managing Director Matthew Kay under the Beach 2019 Short Term Incentive Offer

	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	1,380,948,582	10,681,076	3,798,249	1,395,427,907	8,959,768
%	98.97%	0.76%	0.27%	100.00%	

Resolution 5

Approval of the issue of securities to Managing Director Matthew Kay under the Beach 2020 Long Term Incentive Offer



	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	1,380,220,031	11,375,133	3,800,185	1,395,395,349	8,992,326
%	98.91%	0.82%	0.27%	100.00%	

Resolution 6(a)

Requisition Resolution: Amendment to the Constitution



	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	42,196,540	1,322,082,869	3,553,027	1,367,832,436	36,555,239
%	3.10%	96.65%	0.25%	100%	

Resolution 6(b)

Requisition Resolution: Capital Protection



	For	Against	Open-Usable	Total Valid Available Votes	Abstain
QTY	75,325,247	1,320,497,658	3,612,503	1,399,435,408	4,952,267
%	5.38%	94.36%	0.26%	100.0%	

2020 ANNUAL GENERAL MEETING

Finalisation of Polls



Australian residents only



Shareholder Raffle

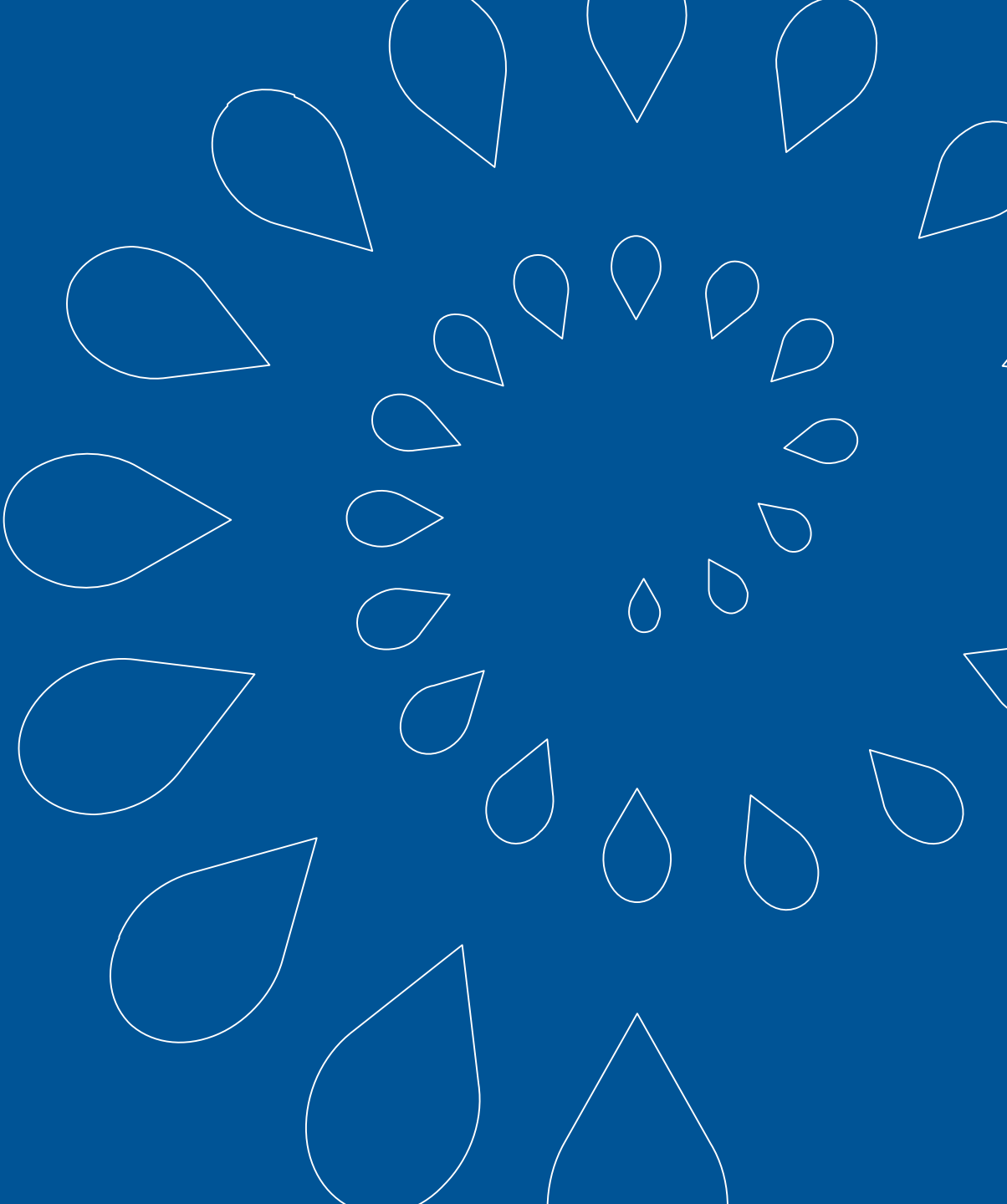
Prize

2x bottles Majella Wine
(Cabernet Sauvignon/Shiraz blend & Sparkling Shiraz)



2020 ANNUAL GENERAL MEETING

Thank You



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