

Quarterly Report

Period ending 30 June 2014

HIGHLIGHTS

OPERATIONS

- Record full year total production of 9.6 MMboe, 20% up on the previous corresponding period (pcp), mainly due to record oil production
- Quarterly total production of 2.3 MMboe, 1% up on the prior quarter, mainly due to increased SACB JV gas and gas liquids production, supported by steady oil production
- Record full year sales volumes of 10.8 MMboe, 20% up on the pcp, mainly driven by record oil production
- Quarterly sales volumes of 2.8 MMboe, 20% up on the prior quarter, mainly due to favourable timing of shipments and increased winter gas demand
- Record full year sales revenue of \$1.05 billion, 51% up on the pcp, resulting from record oil production and a strong A\$ Brent oil price
- Quarterly sales revenue of \$264 million, 14% up on the prior quarter, mainly due to the timing of oil shipments and higher gas demand
- Participation in 33 wells, with a success rate of 82%
- Increase in 2P gross oil reserves for the Pennington field from 1.7 to 2.7 MMbbl due to successful drilling of Pennington-2 and Pennington North-1
- 2P gross oil reserves for Stunsail-1 estimated at 1.6 MMbbl
- Retention licences granted over PEL 218 (now PRLs 33-49) and PEL 92 (now PRLs 85-104)

CORPORATE

- Retirement of lead independent non-executive director

SUBSEQUENT EVENTS

- Farm-out of the Lake Tanganyika South Block to Woodside
- FY15 production guidance of 8.6-9.4 MMboe
- FY15 capital expenditure guidance of \$450-\$500 million

FINANCIAL

- Strong balance sheet, with cash reserves of \$411 million and an undrawn secured debt facility of \$300 million

	Jun 2013 Quarter	Mar 2014 Quarter	Jun 2014 Quarter	Qtr on Qtr Change	Full Year FY14
Production (kboe)	2,227.8	2,319.2	2,333.3	1%	9,607.9
Sales (kboe)	2,480.8	2,338.8	2,809.0	20%	10,769.3
Revenue (\$ million)	199.7	231.3	263.6	14%	1,052.1
Oil Price (\$ per bbl)	110.4	124.8	122.6	(2%)	126.4
Cash (\$ million)	347.6	427.9	411.3	(4%)	411.3

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DIRECTORS

Independent

Non-executive Chairman

Glenn Davis

Managing Director

Reg Nelson

Independent

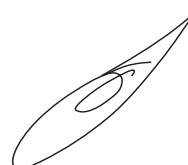
Non-executive Directors

John Butler

Belinda Robinson

Fiona Bennett

Doug Schwebel



Reg Nelson

Managing Director

29 July 2014

Ref: #053/14

OPERATIONS

PRODUCTION

Total production of 2.3 MMboe was slightly up on the previous quarter as a result of Cooper Basin gas and gas liquids production. This was underpinned by steady oil production, with Western Flank oil pipelines remaining at close to maximum available capacity. 91% of total crude was transported via pipeline with the remainder trucked.

Record full year production was mainly driven by the outstanding performance of the oil business, especially as it related to the Western Flank and the Bauer field in PEL 91. Total full year oil production was a record at 5.2 MMbbl, a 38% increase on the previous financial year, with Western Flank oil production averaging in excess of 10,000 bopd (net) for the 12 months.

Cooper Basin operated

PEL 91

Gross oil production increased marginally to 1.14 MMbbl (455 kbbl net) as a result of continued stable production from the Bauer field. Production levels are expected to remain strong with the soon to be connected Chiton-3, Bauer-12 and -13 wells, and the expansion of the Bauer facility to 50,000 barrels of fluid capacity per day.

PEL 92

Gross oil production declined by 14% to 465 kbbl (349 kbbl net), as a result of increased water cut in existing fields.

Production commenced from the Rincon field, with the Rincon North-1 well expected to be brought on-line later in the year.

PEL 106

Gross gas and liquids production increased by 14% to 196 kboe (98 kboe net), mainly due to the Middleton facility not being interrupted by downtime at Moomba.

Kenmore

Oil production continued to be steady, with a slight increase on the previous quarter to just over 40 kbbl.

Cooper Basin non-operated

PEL 104/111

A strong increase in oil production of 20% to 425 kbbls (170 kbbl net) was underpinned by the connection of two Spitfire wells.

SACB JV and SWQ JVs

Sales gas production was up 1% on the previous quarter, with 12 new gas wells brought on-line and the tie-in of expanded infrastructure completed at Ballera, Moomba North and Big Lake.

LPG production was up 11%, assisted by reduced maintenance downtime at Moomba.

In April, Moomba-194 was connected to SACB JV production infrastructure at an average rate of 1.5 MMscfd for the first month on a 24/64" choke. This is the second successful deep gas well to be connected after Moomba-191.

Egypt

Production was 13 kbbl (net), 17% down on the previous quarter.

PRODUCTION		Jun 2013 Quarter	Mar 2014 Quarter ³	Jun 2014 Quarter ⁴	Qtr on Qtr Change	Full Year FY14
Oil (kbbl)	Cooper & Eromanga Basins	1,101.3	1,272.6	1,270.1	(0%)	5,143.1
	Egypt ¹	39.7	15.4	12.7	(17%)	60.8
	Williston Basin ²	1.6	–	–	–	–
	Total Oil	1,142.5	1,288.0	1,282.8	(0%)	5,203.9
Sales Gas and Ethane (PJ)	Cooper Basin	5.2	5.0	5.0	1%	21.0
LPG (kt)	Cooper Basin	12.3	10.8	12.0	11%	48.4
Condensate (kbbl)	Cooper Basin	92.7	84.3	83.8	(1%)	382.8
TOTAL OIL AND GAS (kboe)		2,227.8	2,319.2	2,333.3	1%	9,607.9

¹ Egyptian production recognised on a net entitlement basis in FY14

² USA interests divested

³ Final reconciled figures

⁴ Preliminary data provided for SACB JV and SWQ JVs

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SALES

Quarterly sales volumes of 2.8 MMboe was 20% up on the previous quarter, mainly due to:

- Higher winter gas sales;
- Timing of oil shipments; and
- An LPG shipment, compared with no shipment in the prior quarter.

Record full year sales volumes of 10.8 MMboe was 20% up on the pcq, mainly due to record oil production and associated sales, and higher third party volumes.

SALES		Jun 2013 Quarter	Mar 2014 Quarter	Jun 2014 Quarter	Qtr on Qtr Change	Full Year FY14
Oil (kbbl)	Cooper & Eromanga Basins – own product	1,131.8	1,193.2	1,347.8	13%	5,167.9
	Cooper & Eromanga Basins – third party	237.5	363.8	389.8	7%	1,559.5
	Total Cooper & Eromanga Basins	1,369.3	1,557.0	1,737.6	12%	6,727.4
	Egypt ¹	37.8	12.3	12.6	2%	56.5
	Williston Basin ²	3.6	–	–	–	–
	Total Oil	1,410.7	1,569.3	1,750.2	12%	6,783.8
Sales Gas and Ethane (PJ)	Cooper Basin – own product	5.0	3.2	4.4	37%	16.3
	Cooper Basin – third party	0.3	0.5	0.6	30%	2.4
	Total Sales Gas and Ethane	5.3	3.7	5.0	36%	18.7
LPG (kt)	Cooper Basin – own product	9.0	7.0	13.8	97%	47.1
	Cooper Basin – third party	0.6	0.3	0.4	25%	1.7
	Total LPG	9.6	7.3	14.2	94%	48.8
Condensate (kbbl)	Cooper Basin – own product	75.9	72.9	74.3	2%	375.0
	Cooper Basin – third party	4.5	2.0	3.1	52%	15.7
	Total Condensate	80.4	74.9	77.4	3%	390.7
TOTAL OIL AND GAS (kboe)		2,480.8	2,338.8	2,809.0	20%	10,769.3
Total – own product		2,190.0	1,888.3	2,306.1	22%	8,767.9
Total – third party		290.8	450.5	502.9	12%	2,001.4

¹ Egyptian production recognised on a net entitlement basis in FY14

² USA interests divested

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REVENUE

Sales revenue of \$263.6 million was 14% up on the previous quarter, mainly due to:

- Higher sales volumes as detailed above; slightly offset by
- Lower prices for crude oil and LPG.

Record sales revenue for the full year of \$1.05 billion, was driven by:

- Record oil sales volumes of 6.8 MMbbl, 48% up on the pcq; and
- Higher average realised prices across most products, especially oil, which was up 14% on the pcq at an average price of \$126/bbl.

REVENUE	Jun 2013 Quarter \$ million	Mar 2014 Quarter \$ million	Jun 2014 Quarter \$ million	Qtr on Qtr Change	Full Year FY14 ¹ \$ million
Oil	155.7	195.9	214.6	10%	857.3
Sales Gas and Ethane	27.9	19.1	27.4	44%	102.1
LPG	7.9	8.2	12.9	57%	48.4
Condensate	8.1	8.2	8.7	7%	44.3
Gas and Gas Liquids	44.0	35.4	49.0	38%	194.8
TOTAL OIL AND GAS	199.7	231.3	263.6	14%	1,052.1
Total – own product	170.8	182.6	212.7	16%	840.8
Total – third party	28.9	48.7	50.9	4%	211.3

¹ Subject to audit

AVERAGE REALISED PRICE	Jun 2013 Quarter	Mar 2014 Quarter	Jun 2014 Quarter	Qtr on Qtr Change	Full Year FY14
All products (\$/boe)	80.5	98.9	93.9	(5%)	97.7
Oil (\$/bbl)	110.4	124.8	122.6	(2%)	126.4
Sales Gas and Ethane (\$/GJ)	5.3	5.1	5.5	6%	5.5
LPG (\$/t)	827.0	1,122.2	906.0	(19%)	991.4
Condensate (\$/bbl)	100.6	108.8	112.4	3%	113.3

CAPITAL EXPENDITURE

Quarterly capital expenditure increased by 14%, primarily due to development infill drilling and infrastructure spend relating to the SACB JV and SWQ JVs.

CAPITAL EXPENDITURE	Jun 2013 Quarter \$ million	Mar 2014 Quarter \$ million	Jun 2014 Quarter \$ million	Qtr on Qtr Change	Full Year FY14 \$ million
Exploration and Appraisal	35.6	61.6	59.1	(4%)	199.4
Development, Plant and Equipment ¹	41.0	65.4	85.2	30%	307.6
TOTAL	76.6	127.0	144.3	14%	507.0

¹ Excludes corporate office upgrade

DEVELOPMENT

AUSTRALIA – Cooper/Eromanga Basins

Operated

PEL 91

(Beach 40%, Drillsearch 60%)

Mapping of 3D seismic data is ongoing, with an emphasis on evaluating the stratigraphically trapped oil potential of the Birkhead Formation. The encouraging results for this play concept across the Western Flank indicate the potential for further Birkhead prospects to be delineated in the region. Further mapping and appraisal drilling of the Stunsail field will be undertaken to better define the extent of the Birkhead oil discovery at Stunsail-1.

With the successful follow up drilling in the Pennington field, the 2P gross oil reserves have increased by 1.0 MMbbl. It is anticipated that the field will be developed with a tie-back of producing wells via a common flow line to the Bauer production facility. Pending joint venture approval, and results from further appraisal drilling, the development of Pennington is expected to take place in the June quarter 2015 at a cost of ~\$6 million.

Using a proposed tie-back development model, the Beach preliminary estimate of gross reserves at Pennington from the McKinlay, Namur and Mid-Namur reservoirs is as follows: 1P – 1.5 MMbbl; 2P – 2.7 MMbbl; and 3P – 5.3 MMbbl.

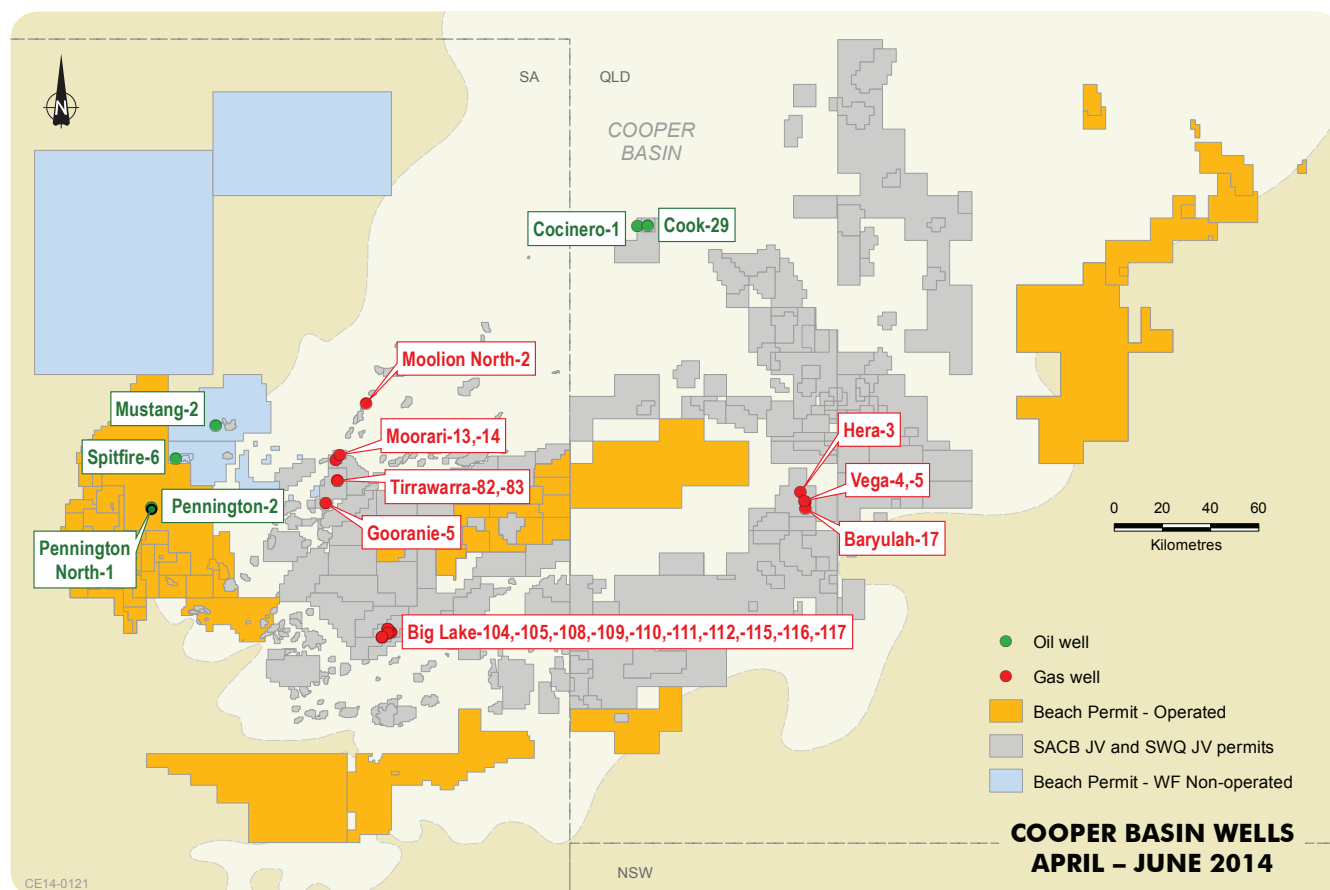
Further to the north, the Stunsail field is expected to be developed using a standalone production facility, with oil potentially transported by truck to either the Bauer facility or the Lycium hub. Pending joint venture approval, and the results from local exploration, appraisal and development drilling, development of a standalone facility for the Stunsail field is expected to take place in the June quarter 2015 at a cost of ~\$4 million.

Using a standalone development model, the Beach preliminary estimate of gross reserves at Stunsail from the McKinlay, Namur and Mid-Namur reservoirs is as follows: 1P – 1.0 MMbbl; 2P – 1.6 MMbbl; and 3P – 2.5 MMbbl.

PRLs 85-104

(Beach 75%, Cooper 25%)

The joint venture was granted Petroleum Retention Licences 85 to 104 over the PEL 92 permit, securing tenure over this strategically important oil producing province, initially



for up to 15 years. The granting of the PRLs by the South Australian Government recognises the Western Flank play fairway defined by the significant oil discoveries made over the years. Should new discoveries be made within any of the PRLs which lead to development, tenure would be further extended by conversion of the PRLs to Production Licences.

Non-operated

Cooper Gas Growth

(Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

The infill gas development program continued with the drilling of 16 wells for the quarter.

Within the Big Lake field 30 wells will be drilled targeting the Patchawarra and Tirrawarra Formations. The following activities were undertaken during the quarter:

- Big Lake-104 and -105 were drilled and cased and suspended on the same pad as the previously completed Big Lake -102 and -103 wells.
- Big Lake-108 and -109 were drilled and cased and suspended on the same pad as the previously completed Big Lake-106 and -107 wells.
- Big Lake-110 was the first well of a five well pad development program consisting of Big Lake-110 to -114. The well was cased and suspended as a Patchawarra and Tirrawarra gas well. Big Lake-111 and -112 were drilled to surface casing point and suspended at this depth due to rig repair requirements.
- Big Lake-115, -116 and -117 were the first three wells of another five well pad development program, consisting of Big Lake-115 to -119. All three wells were cased and suspended.

The drilling of the two well pad in the Tirrawarra North field was completed subsequent to period end with Tirrawarra-83. Both Tirrawarra-82 and -83 were targeting the Patchawarra and Tirrawarra Formations and cased and suspended after reaching total depths of 2,713 metres and 3,022 metres, respectively.

Non-pad gas development drilling on the South Australian side of the Cooper Basin continued to target the Patchawarra and Tirrawarra Formations.

Gooranie-5 was drilled to total depth of 3,117 metres and cased and suspended as a Toolachee, Patchawarra and Tirrawarra gas well.

Moorari-13 and -14, which reached total depths of 2,994 metres and 2,984 metres, respectively, were cased and

suspended as Toolachee, Epsilon (Moorari-13 only), Patchawarra and Tirrawarra gas wells.

Moolion North-2 was drilled to a total depth of 3,096 metres and cased and suspended as a Toolachee, Epsilon and Patchawarra gas well.

Queensland Gas

(Beach 23.2%, Santos 60.06% and operator, Origin 16.5% and Australia Pacific LNG Ltd 0.24%)

Following a flow test that delivered ~15 MMscfd, post fracture stimulation, the Barrolka-12 vertical well was completed and brought online at an initial rate of ~6 MMscfd on a 22/64" choke.

Drilling was completed in the Baryulah field, with Baryulah-17 reaching a total depth of 2,670 metres and cased and suspended as a Toolachee, Daralingie, Epsilon and Patchawarra gas well.

A separate two well gas development campaign was completed with both Vega-4 and -5 cased and suspended as Toolachee, Daralingie, Epsilon and Patchawarra gas producers.

The Hera-3 well was cased and suspended as a Toolachee and Patchawarra Formation gas producer. Hera-4 is drilling ahead and is the second well on the pad.

EXPLORATION

AUSTRALIA – Cooper/Eromanga Basins

Operated

PEL 91

(Beach 40%, Drillsearch 60%)

Pennington-2, the first of two consecutive wells to be drilled in the Pennington field, spudded on the 29 April 2014 as a deviated appraisal well. The well targeted the McKinlay/Namur and mid-Namur reservoirs, approximately 250 metres to the south west of the Pennington-1 oil discovery. The well was cased and suspended as a future Namur oil producer after intersecting 10 metres of oil pay.

The Pennington North-1 exploration well, located approximately 600 metres north of Pennington-1, tested a sub-culmination of the greater Pennington structure. The primary target Namur reservoir was intersected five metres low to prognosis, with both the McKinlay and Namur reservoir targets water bearing. Strong oil shows were observed through the Birkhead formation (secondary target), which was tested by open hole DST. The DST recovered 22 barrels of oil and approximately 10 barrels of water, mud

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and filtrate over a four hour flow period. The estimated rate from the DST was 125 barrels of oil per day. Pennington North-1 was cased and suspended as a future Birkhead oil producer.

The Hardwicke-1 exploration well, drilled in the north east of the permit, was plugged and abandoned after failing to encounter hydrocarbons.

PRLs 85-104

(Beach 75%, Cooper 25%)

The Morgan-1 and Fishery-1 wells were plugged and abandoned after encountering non-commercial hydrocarbon accumulations in the Namur Sandstone. Subsequent to period end, Shelly-1 was also plugged and abandoned after encountering non-commercial hydrocarbon accumulations.

Nappamerri Trough Natural Gas

PRLs 33-49

(Beach 70%, Chevron 30%)

The joint venture was granted Petroleum Retention Licences 33 to 49 over the PEL 218 permit, securing tenure over this strategically positioned resource, initially for up to 15 years. The granting of the PRLs by the South Australian Government recognises the proving up of the continuous nature of the basin centred and shale gas plays, as well as the demonstration of the ability to flow gas from multiple sections of the Permian target zone. Should the project proceed to development, tenure would be further extended by the conversion of the PRLs to Production Licences.

Within the Dashwood-1 vertical well, the four stage fracture stimulation of the lower Patchawarra Formation is now isolated, with preparatory work now completed for follow up fracture stimulation of shallower zones in the well. The shallower zones will be the Toolachee and Daralingie Formations, which have not been targeted to any great extent in the program to date.

The Nepean-1 vertical well was drilled through the Permian section to the base of the Patchawarra Formation to a total depth of 3,527 metres. The well was fracture stimulated over twelve stages and has a downhole obstruction, while also being choked back through a 22/64" choke. The peak flow rate was 1.3 MMscfd, with the well currently flowing at 0.6 MMscfd.

The Marble-1 vertical well was also drilled through the Permian section to the base of the Patchawarra Formation to a total depth of 3,962 metres. The well was fracture stimulated over twelve stages, and has a downhole obstruction that was not able to be fished out. It flowed at a

rate of 0.3 MMscfd through a 32/64" choke and is currently shut in for pressure build up.

The horizontal wells Boston-3 and Holdfast-2 are also currently shut-in for pressure build-up.

ATP 855

(Beach 46.9%, Icon 35.1%, Chevron 18%)

The Queensland Government recently passed legislation that extends the period of the work program for all ATP's under the Petroleum and Gas (Production and Safety) Act (2004) by two years, which includes ATP 855. The Government has embarked on a tenure reform initiative, which provides the joint venture the opportunity to consult with the Queensland Government over this period to secure more flexible tenure arrangements over the ATP 855 permit for the longer term.

In relation to the ATP 855 permit, Beach recently engaged independent petroleum consultants DeGolyer & MacNaughton ("D&M") to provide a report, as at 15 June 2014, on the Prospective Resources contained within the area. D&M estimated the gross unconventional prospective raw natural gas resource for ATP 855 as follows:

Low estimate (P90)	Best Estimate (P50)	High Estimate (P10)
21.48 Tcf	28.49 Tcf	37.74 Tcf

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

The joint venture is in the process of planning the fracture stimulation program of four wells with Condor Energy Services Ltd. It is anticipated that this program will commence in late August, once new equipment from the USA has arrived. The program is planned to include the fracture stimulation of the Geoffrey-1, Redland-1, Hervey-1 and Etty-1 vertical wells. The first well to be tested will be Geoffrey-1, which will be assessing a single zone of interest in the base of the well and the flow potential of this specific target. As such the results are expected to indicate only a fraction of the well's potential. Subject to joint venture approval, shallower zones may be fracture stimulated in Geoffrey-1 at a later date.

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Non-operated

SACB JV Deep natural gas

(Beach 20.21%, Santos 66.6%, Origin 13.19%)

Moomba-193H was drilled as a 1,000 metre horizontal well in the Murteree shale, with the well fracture stimulated over 10 stages. Micro-seismic indicated that the full 1,000 metre lateral was fracture stimulated, with the fractures contained within the REM section. A 28 day flow test resulted in rates of 1.5 MMscfd at a steady 270 psi through a 44/64" choke.

Further drilling to appraise the Basin Centred Gas accumulation focused on reservoir characterisation and stimulation optimisation. The Gaschnitz-4 vertical well is located approximately one kilometre north west of Gaschnitz-1ST1. The primary objective of this well is to assess the Toolachee Formation, with the well expected to tag the top of the Daralingie Formation at its total depth. It is anticipated that the well will be fracture stimulated through the Toolachee Formation, with the number of stimulation stages yet to be confirmed by the joint venture.

The next vertical well, Gaschnitz-3, will be drilled approximately six kilometres north of Gaschnitz-1ST1 and is expected to penetrate the full Permian section through the Tirrawarra Formation. The objective of this well will be to further evaluate all deeper lithotypes including tight sand, shale and coal targets.

Southwest Queensland oil

(Beach 20%, Santos 55% and operator, Origin 25%)

The Cocinero-1 oil exploration well, located three kilometres west of the Cook oil field in ATP 259, targeted sands within the Murta Formation and the Birkhead Formation/Hutton Sandstone. The well reached a total depth of 2,061 metres and was cased and suspended as both a Murta and Hutton oil well.

PEL 104

(Beach 40%, Senex 60%)

The Spitfire-6 development well was cased and suspended as a future oil producer after intersecting 8.9 metres of net oil pay within a well developed Birkhead sandstone.

Two wells were also drilled to appraise the extent of the Mustang field. Mustang-2 was cased and suspended as a future oil producer after intersecting 6.4 metres of net oil pay from a 12 metre section of good reservoir quality sand. This was targeted using mapped seismic attributes.

Mustang-3, drilled approximately 600 metres to the south west of the Mustang-1 discovery, encountered a water

bearing Birkhead Formation sand and was consequently plugged and abandoned.

The Tornado-1 well, located approximately four kilometres south east of the Mustang oil field, targeted Mid-Birkhead oil. The well was plugged and abandoned.

AUSTRALIA – Otway Basin

PEL 494

(Beach 70% and operator, Cooper Energy 30%)

The Bungaloo-1 exploration well was the final well of a two well exploration program on the South Australian side of the Otway Basin. The well commenced drilling on 19 April 2014, with the program addressing the potential of shale and tight sandstone in the Lower Sawpit Shale and the Casterton Formation. These zones potentially contain liquids rich gas within the Penola Trough.

Bungaloo-1 reached a total depth of 3,713 metres with four cores cut over the Lower Sawpit Shale and Casterton Formation for evaluation purposes. Encouraging gas shows over the Lower Sawpit Shale and Casterton Formation were observed, confirming the potential for unconventional gas plays within the Penola Trough. Better than expected reservoir quality in the Sawpit Sandstone also opens up the potential for conventional gas targets. As a result, the well was cased and suspended.

AUSTRALIA – Bonaparte Basin

EP 126

(Beach 75% and operator, Territory Oil & Gas 25%)

The Cullen-1 exploration well, spudded on 23 May 2014, is currently drilling ahead at 2,760 metres. The well is investigating the hydrocarbon potential of the largely unexplored Keep Inlet sub-basin of the Bonaparte Basin. The target zones include the shales and tight sandstones of the Early Carboniferous Milligans Formation and Langfield Group.

EGYPT

Abu Sennan Concession

(Beach 22%, Kuwait Energy 50% and operator, Dover 28%)

Al Jahraa-2 ST1 and El Salmiya-4 ST2 were completed as Abu Roash "C" producers.

The El Salmiya-6 well was spudded on 11 July and is drilling ahead at ~900 metres. The well is targeting the deeper Kharita formation at a depth of around 4,000 metres.

CORPORATE

Mr Franco Moretti, the lead independent non-executive director of the Board, announced his retirement effective 1 July 2014. Mr Moretti was an extremely valuable member of the Board since he commenced in the role in 2005. The Board gained considerable benefit from his experience, advice and input. Mr John Butler was appointed lead independent director effective 1 July 2014.

SUBSEQUENT EVENTS

Lake Tanganyika farm-out

After conducting a farm-out process, Beach has signed an agreement for the transfer of 70% of its 100% interest in the Lake Tanganyika South Block, Tanzania, to a wholly owned subsidiary of Woodside Petroleum Limited. Woodside will reimburse its share of back costs incurred by Beach Tanzania, fund a further round of seismic operations over the next 12 months, and contribute to Beach's share of costs associated with an initial exploration well (subject to an agreed cap), should it elect to proceed with the program beyond the seismic operations.

WELL RESULTS

Beach participated in 33 oil and gas wells for the quarter, with an 82% success rate.

Area	Category	Wells spudded	Wells completed	Successful wells	Success Rate	Successful Well Name
Cooper Basin	Unconventional exploration – gas	1	–	–	–	
	Exploration – oil	6	6	2	33%	Cocinero-1, Pennington North-1
	Development – oil	2	2	2	100%	Cook-29, Spitfire-6
	Appraisal – oil	3	3	2	67%	Mustang-2, Pennington-2
	Development – gas	20	18	18	100%	Tirrawarra-82, -83, Hera-3, Moolion North-2, Big Lake -104, -105, -108, -109, -110, -115, -116, -117, Vega- 4, -5, Moorari-13, -14, Gooranie-5, Baryulah-17
Otway	Exploration – gas	–	2	1	50%	Bungaloo-1
Bonaparte	Exploration – gas	1	–	–		
Egypt	Development – oil	–	2	2	100%	Al Jahraa-2 ST1, El Salmiya-4 ST2
	Total	33	33	27	82%	

Beach will remain operator throughout the next stage of seismic operations, with Woodside having the option to become operator at a later date. Completion of the transaction is conditional on Tanzanian Government consents.

FY15 Guidance

The FY15 oil and gas production guidance range of 8.6 to 9.4 MMboe reflects the following:

- The timing of new oil facilities to be brought on-line on the Western Flank;
- The level of natural decline in the Bauer oil field;
- The timing of ramp up production for the SACB JV conventional infill gas development drilling; and
- The outcomes of continued exploration, appraisal and development activities within the broader portfolio.

The FY15 capital expenditure guidance range of \$450-\$500 million, excluding the head office upgrade, is split between development and exploration as follows:

- Development expenditure of \$335 - \$370 million; and
- Exploration expenditure of \$115 - \$130 million.

FINANCIAL INFORMATION

CASH AND EQUITY

The balance sheet remained in a strong position, with cash reserves of \$411 million, supported by a secured undrawn \$300 million loan facility and a \$20 million letter of credit facility.

OIL HEDGING

During the quarter the following hedge was entered into:

- \$70/bbl Brent crude oil put (floor) for 37,500 bbl per month from January 2015 to December 2015.

CAPITAL STRUCTURE	Mar 2014 Quarter	Jun 2014 Quarter	Qtr on Qtr Change
Fully paid ordinary shares	1,289,179,060	1,291,999,670	0%
Unlisted employee options	2,258,977	–	(100%)
Unlisted employee rights	8,087,963	7,526,330	(7%)

	OIL HEDGED AT		
Period	Brent Floors		Total Hedged Volumes (bbl)
	\$65/bbl	\$70/bbl	
FY15	1,755,000	225,000	1,980,000
FY16	135,000	225,000	360,000
Total	1,890,000	450,000	2,340,000

GLOSSARY

\$	Australian dollars	kt	thousand tonnes
1P	Proved	Kuwait Energy	Kuwait Energy Egypt Ltd
2P	Proved and probable	LPG	Liquefied Petroleum Gas
ATP	Authority to prospect	MMbbl	Million barrels of oil
bbl	barrels	MMboe	Million barrels of oil equivalent
Beach	Beach Energy Ltd	MMscfd	Million standard cubic feet of gas per day
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	NTNG	Nappamerri Trough Natural Gas program
bopd	barrels of oil per day	Origin	Origin Energy Ltd
capex	capital expenditure	PEL	Petroleum Exploration Licence
Chevron	Chevron Exploration Australia 1 Pty Ltd	PRL	Petroleum Retention Licence
Cooper Energy	Cooper Energy Ltd	PJ	Petajoule
Dover	Dover Investments Ltd	REM	Roseneath Shale, Epsilon Formation, Murteree Shale
Drillsearch	Drillsearch Energy Ltd	SACB JV	South Australian Cooper Basin Joint Venture
DST	Drill Stem Test	Santos	Santos Ltd
FY	Financial Year	SWQ JVs	South West Queensland Joint Ventures
GJ	Gigajoule	tcf	trillion cubic feet of gas
kbbl	thousand barrels of oil	TJ	Terajoule
kboe	thousand barrels of oil equivalent	YTD	Year to date

Competent Persons Statement

The reserves and resources information in this ASX release 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 ASX release was issued with the prior written consent of Mr Lake in the form and context in which it appears.