

Non deal roadshow
23-27 June 2014

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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 2013 and represent Beach’s share.

Competent Persons Statement

The reserves and resources information in this presentation is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Tony Lake (Reservoir Engineering Manager). Mr Lake is an employee of Beach Energy Limited and has a BE (Mech) degree from the University of Adelaide and is a member of the Society of Petroleum Engineers (SPE). The reserves and resources information in this presentation has been issued with the prior written consent of Mr Lake in the form and context in which it appears.

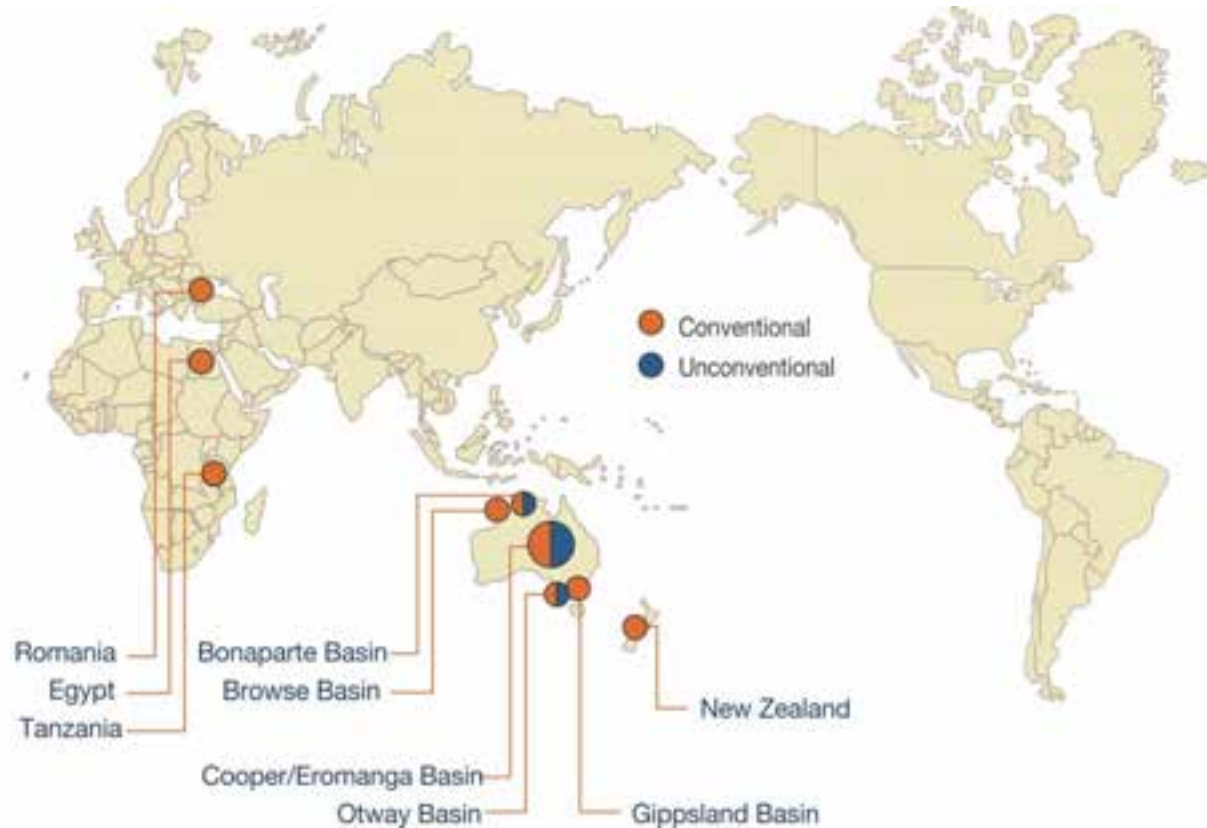
General overview



Key facts about Beach



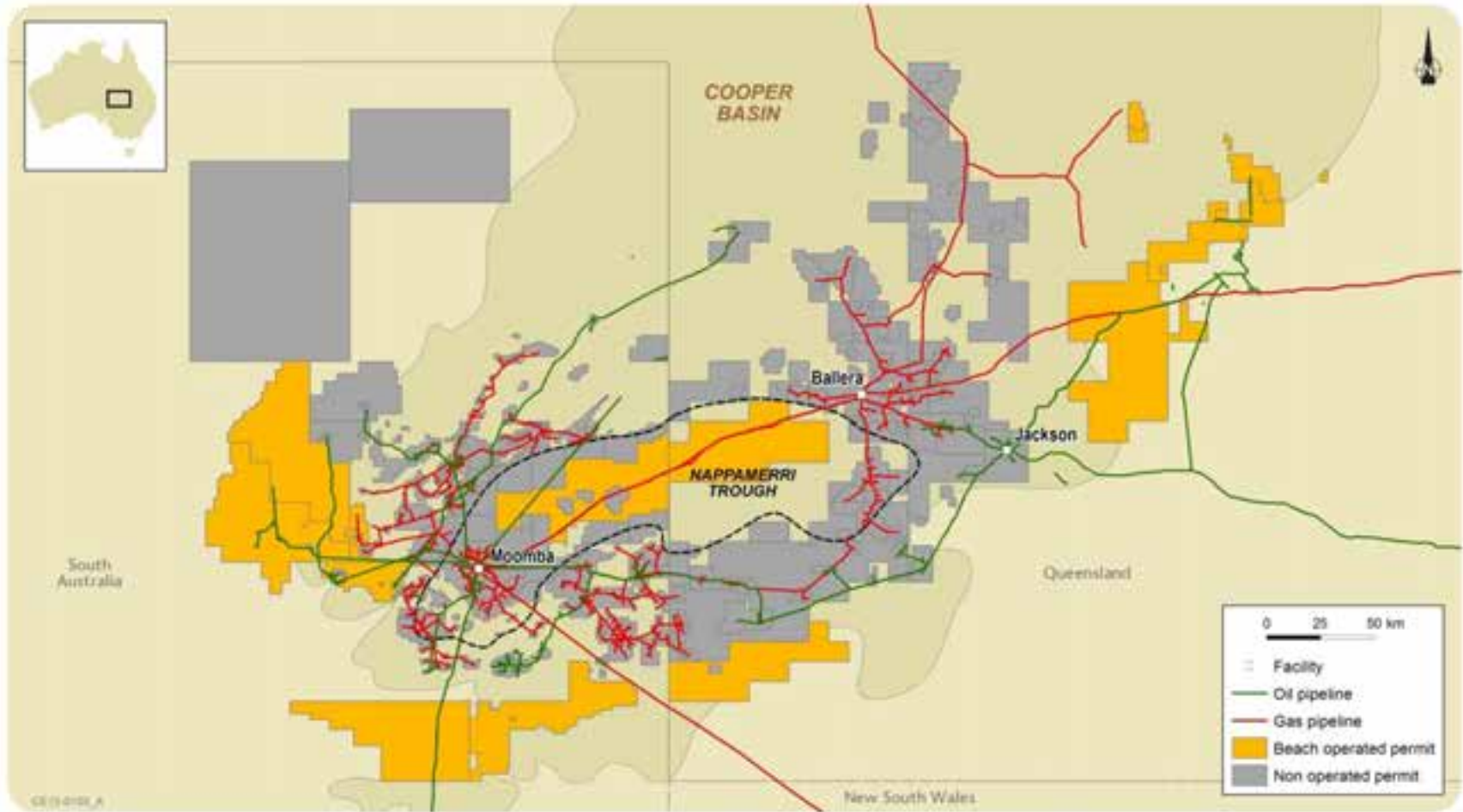
- ASX 100 company with a market capitalisation of ~A\$2.2 billion¹
- Largest Australian onshore oil producer
- Strong balance sheet with cash of \$428 million²
- Undrawn secured debt facility of \$300 million
- FY14 sales revenue on track for \$1 billion



Fully funded capex program primarily focused on the Cooper Basin

1. As at 19 June 2014 2. As at 31 March 2014

Cooper Basin acreage



Prolific gross acreage position of over 56,000 km² generating 99% of current production

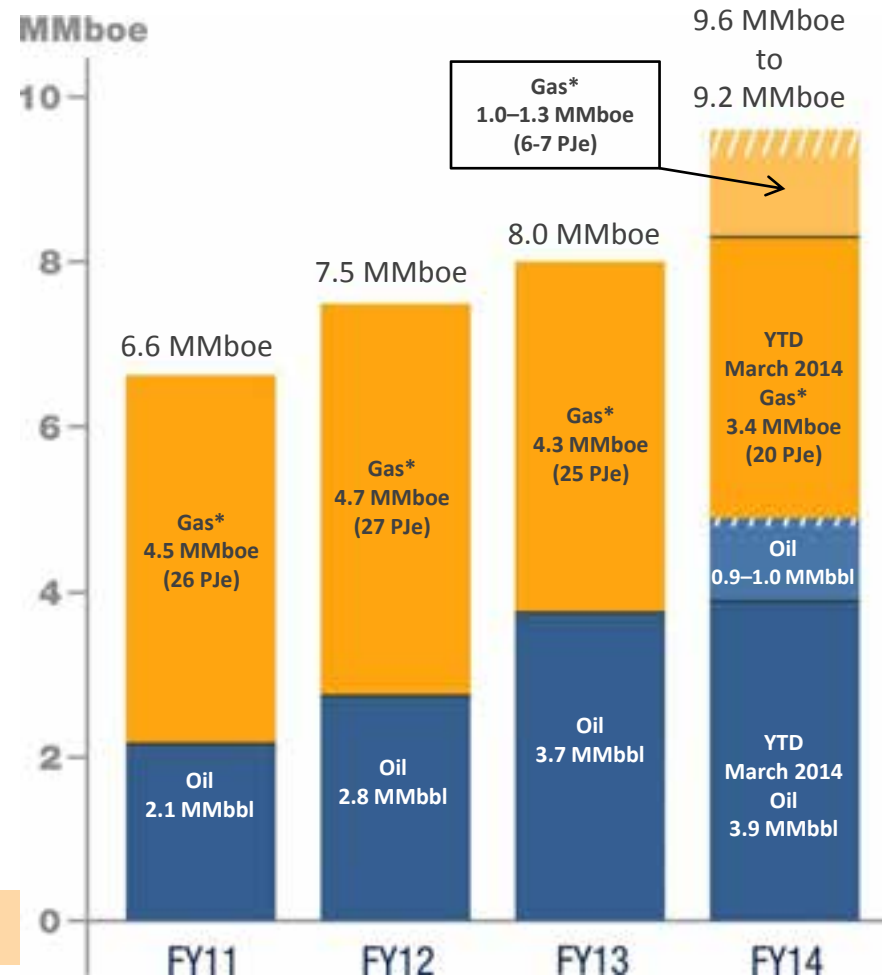
Beach targeting the following in the next 1-2 years:

- Continued investment in growth of conventional Cooper Basin gas production capacity
- First exposure to oil linked domestic gas pricing and improved margins
- New oil fields and facilities being brought online to partly offset existing field depletion
- Continued oil exploration success to increase Western Flank oil production
 - Over 100 Western Flank 3D prospects and leads
 - 40%+ historical success rate from 3D seismic prospects
- NTNG and SACB JV unconventional gas exploration in the Cooper Basin moving to pilot production and appraisal
- Discovery and development of new onshore Otway Basin gas (conventional and unconventional)
- Discovery of Bonaparte Basin conventional and unconventional gas and liquids
- Continued focus on portfolio optimisation

Increasing conventional gas production and greatly improved gas margins from oil linked pricing expected to drive future shareholder return

FY14 actual and forecast production

- Production of 7.3 MMboe to March 2014
- Production mix: 46% gas and gas liquids, 54% oil
- Production anticipated at the upper end of 9.2 – 9.6 MMboe guidance
- Cooper Basin oil production driven by:
 - Development, appraisal and exploration success
 - Flowlines remaining at close to maximum available capacity
- 87 wells drilled, with:
 - 87% overall success rate
 - 77% exploration/appraisal success



* Gas and gas liquids

Strong historical production growth

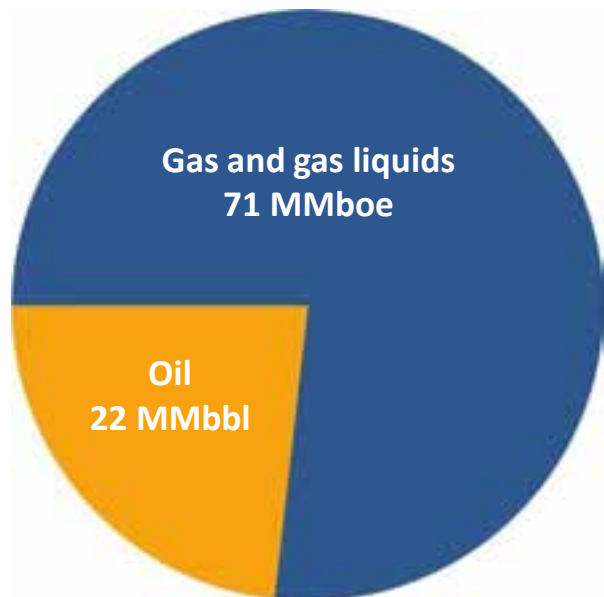
FY14 Revised capital expenditure guidance



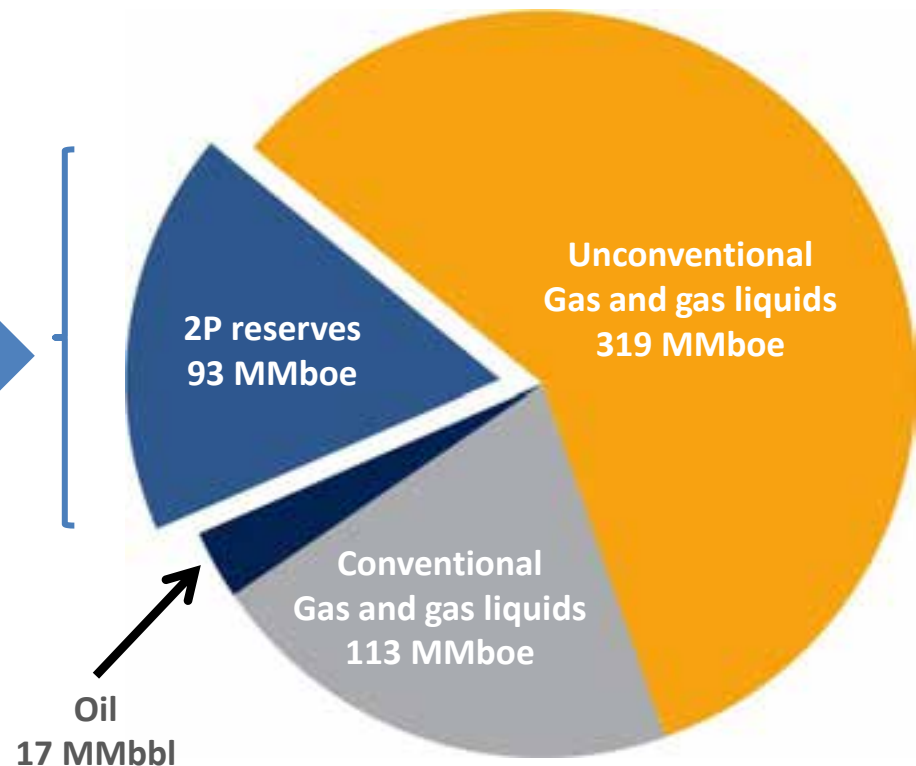
	Capex (\$ million)	Wells	Seismic	
			2D – km	3D – km ²
DEVELOPMENT				
Cooper Basin – non-SACB JV	55 – 60	10 – 13	–	–
Cooper Basin – SACB/SWQ JV	200 – 220	50	–	–
International	10	4	–	–
Total Development	265 – 290	Up to 67	–	–
EXPLORATION				
Cooper Basin – non-SACB JV	40 – 45	30 – 35	–	300
Cooper Basin – SACB/SWQ JV	10	5	–	–
Unconventional	105 – 120	16	–	120
International	25 – 30	5	–	1,050
New Ventures and Other	5	–	650	–
Total Exploration	185 – 210	Up to 61	650	1,470
TOTAL	450 – 500	Up to 128	650	1,470

Reserves and contingent resources

2P: 93 MMboe

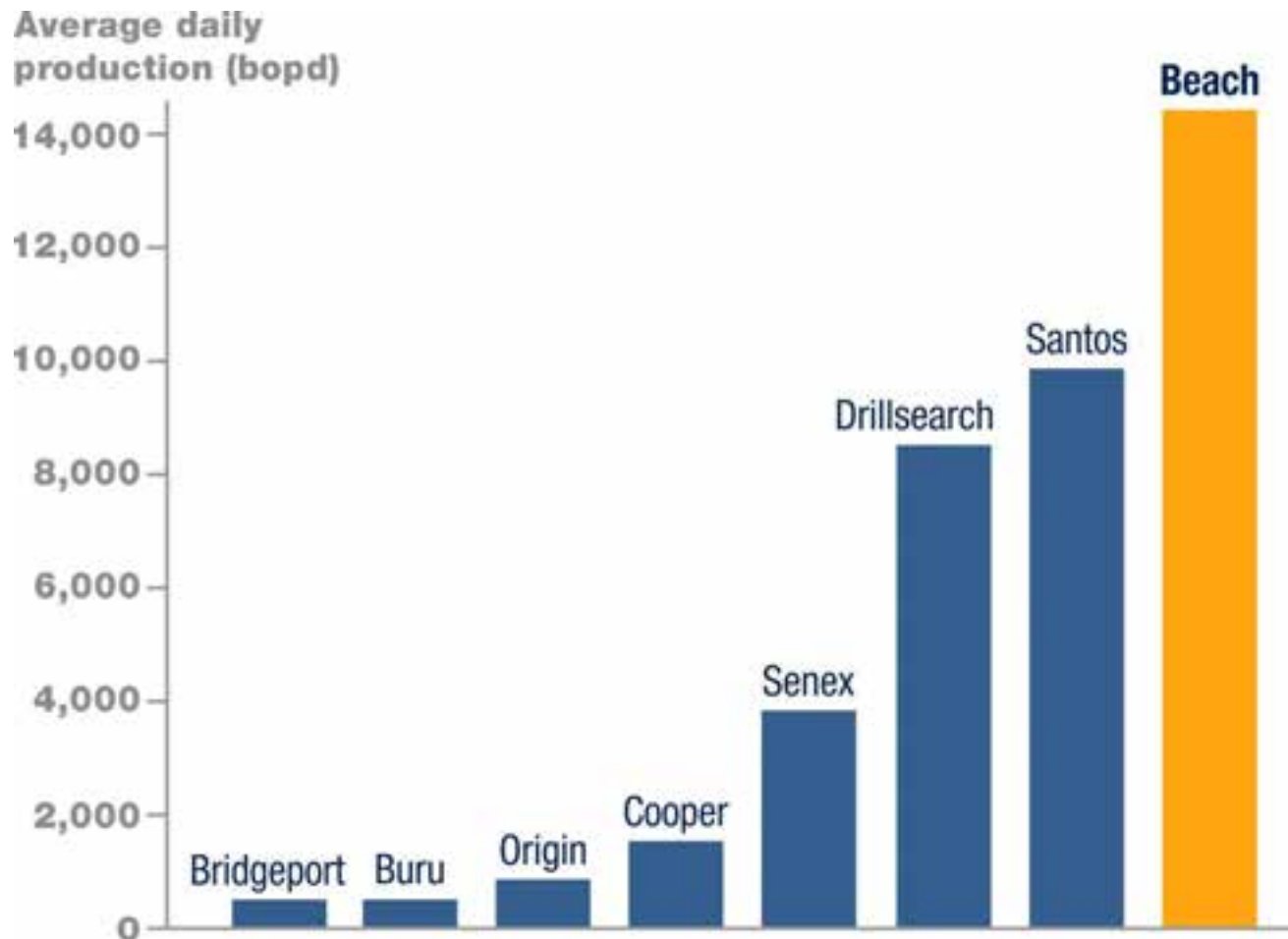


2P and 2C: 542 MMboe



Large reserve and resource base driving production growth profile

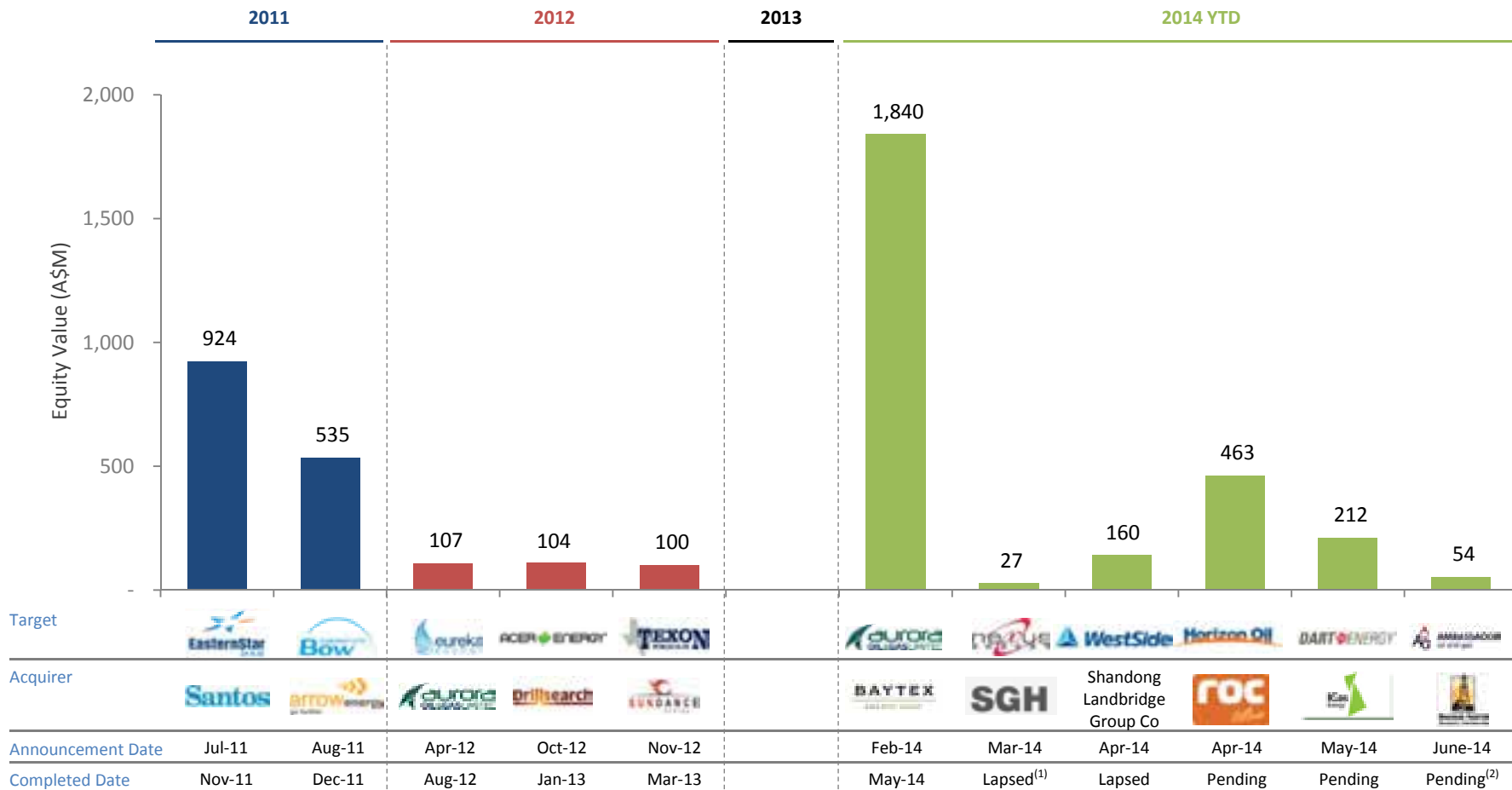
Australian onshore oil production



Australia's largest onshore oil producer, with a strong inventory of Cooper Basin oil discoveries coming on-line in FY15

Sources: Recent half year and quarterly publicly available company information

Growing corporate activity



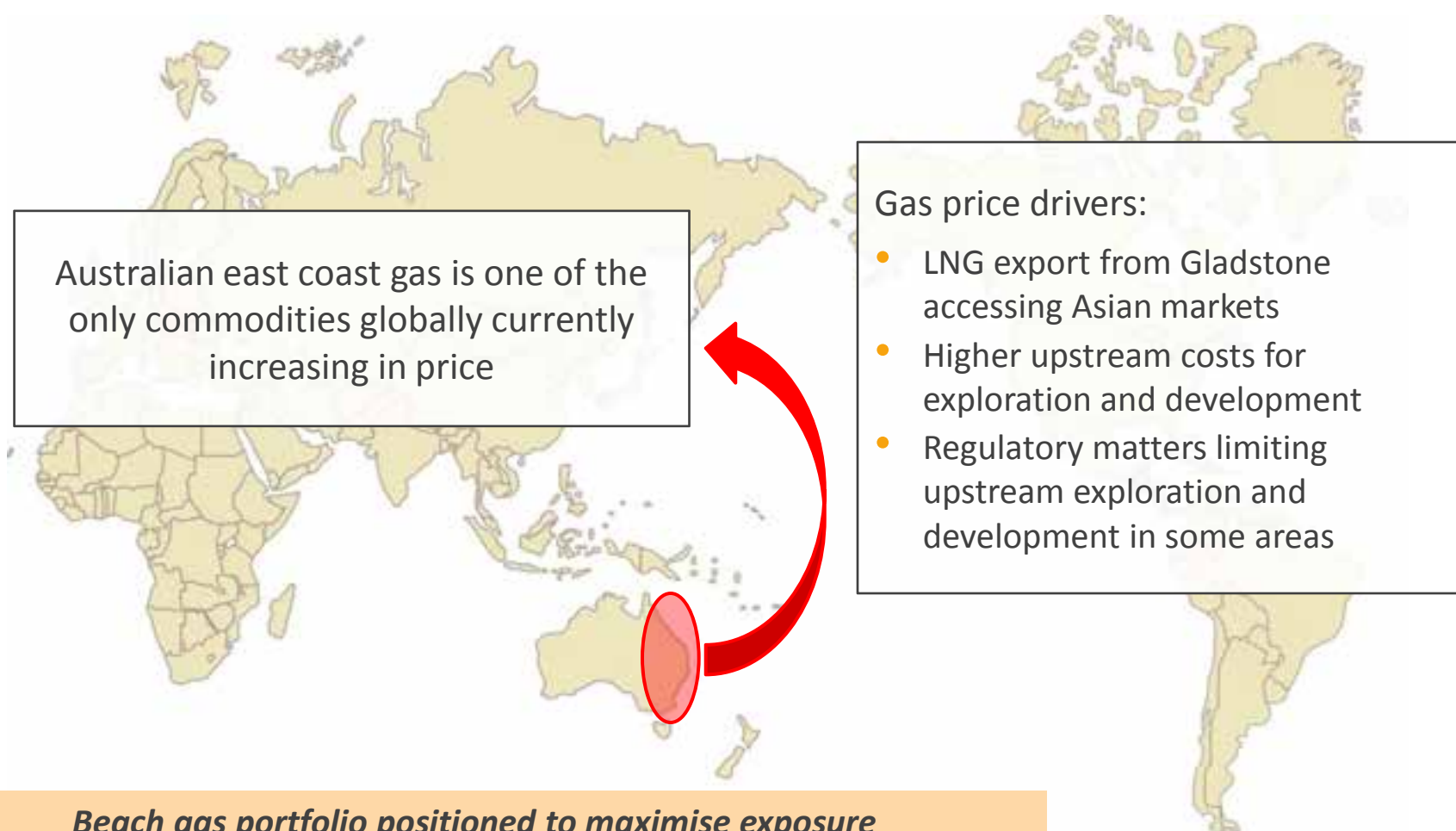
Note: (1) Subsequently entered administration on 12 June 2014 after shareholders voted down the SGH proposal; (2) Based on the offer from Magnum Hunter of \$0.38/share on 17 June 2014. Source: Company filings, IRESS, Mergermarket

2014 YTD – Greatest level of activity in the listed oil and gas industry over the last four years

Eastern Australian gas market



Australian east coast gas



Australian east coast gas is one of the only commodities globally currently increasing in price

Gas price drivers:

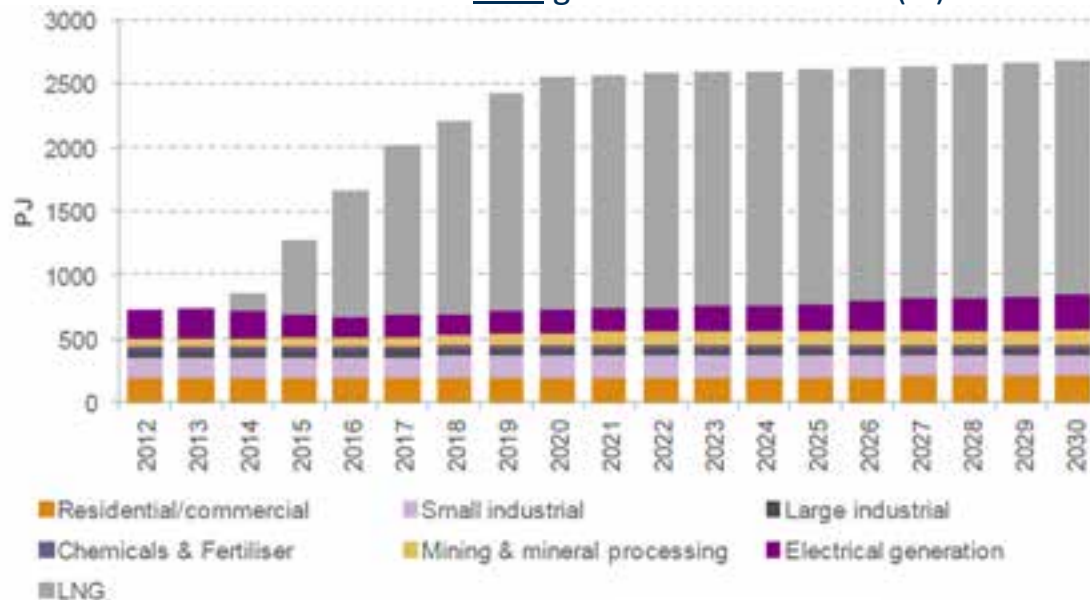
- LNG export from Gladstone accessing Asian markets
- Higher upstream costs for exploration and development
- Regulatory matters limiting upstream exploration and development in some areas

Beach gas portfolio positioned to maximise exposure to the expanding Australian east coast gas market

Eastern Australian gas markets

- Strong predicted growth in Eastern Australian gas and Asian LNG demand
- Gladstone based export LNG projects have transformed the east coast gas market
- Projected gas supply is 'tight' and demand strong
- The bulk of 'non-LNG' demand is yet to be contracted
- Upward pricing trajectory confirmed by recent contracts and market commentary

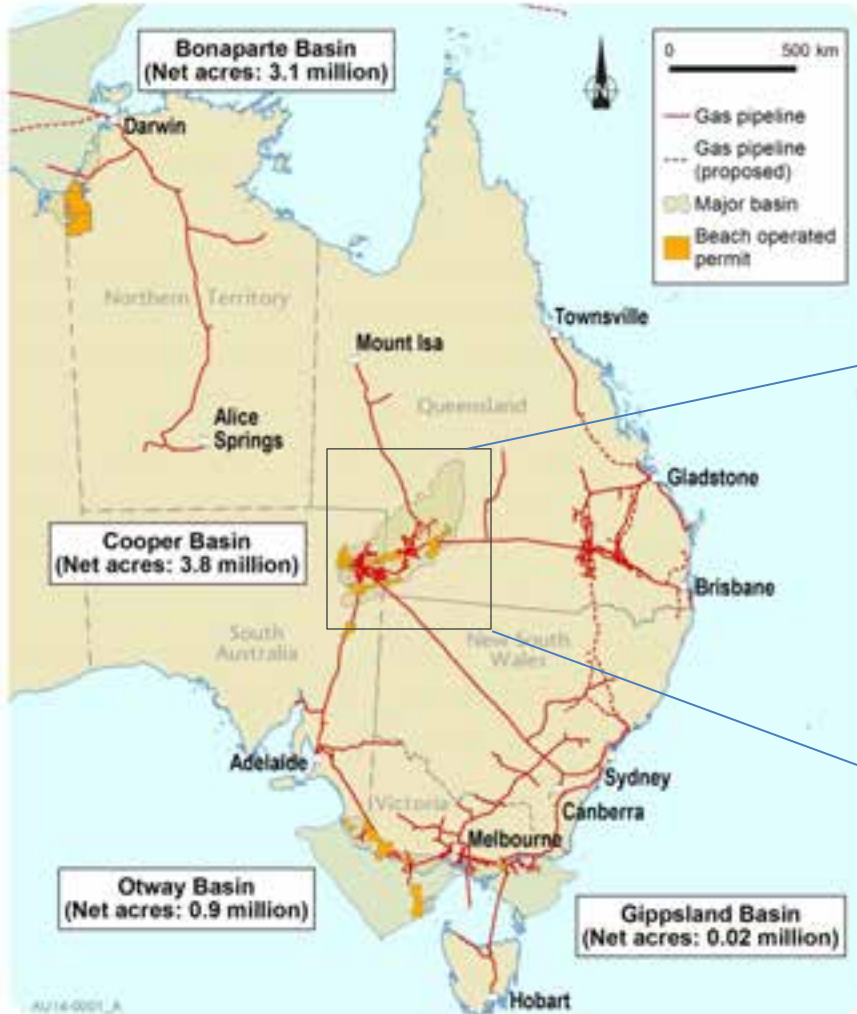
Eastern Australia total gas demand scenarios (PJ)



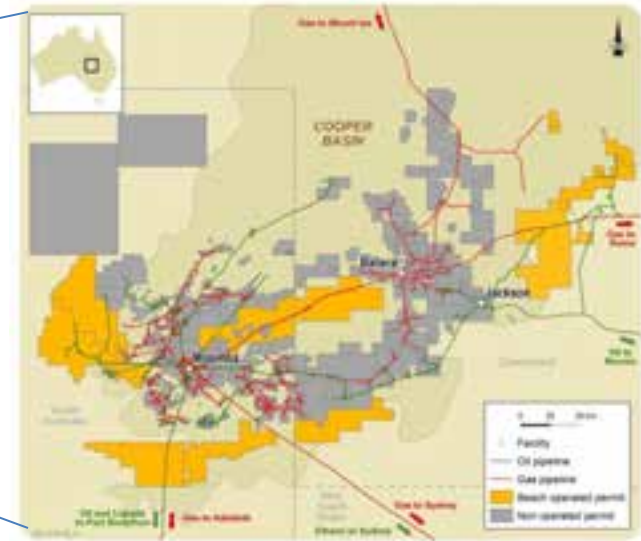
Source: ACIL Allen, 2013

CBA Energy Research prediction for 2014: "East Coast Gas prices spike above \$13/GJ with Gladstone LNG projects..... hoovering up supply to fill facility LNG capacity shortfall"

Prolific gas acreage strategically located



- Quality acreage footprints accessing multiple markets
- Prime unconventional gas acreage with transformational potential
- Gas liquids potential in most basins



Multi-basin portfolio to feed eastern and northern Australian markets

Upstream and downstream dynamics

- 'Equity' molecules to 'equity' projects
- Suppliers creating new markets via downstream investments
- Vertical integration driven by both domestic and export opportunities
- Depending on volume and deliverability, supply likely to underwrite 'equity' projects as a priority
- Strong drivers for LNG participants to fill ramp-up wedge capacity and position for future expansion

Beach well placed as an independent upstream producer with exposure to oil linked gas pricing without LNG capital outlay



Source: Logos sourced from company websites

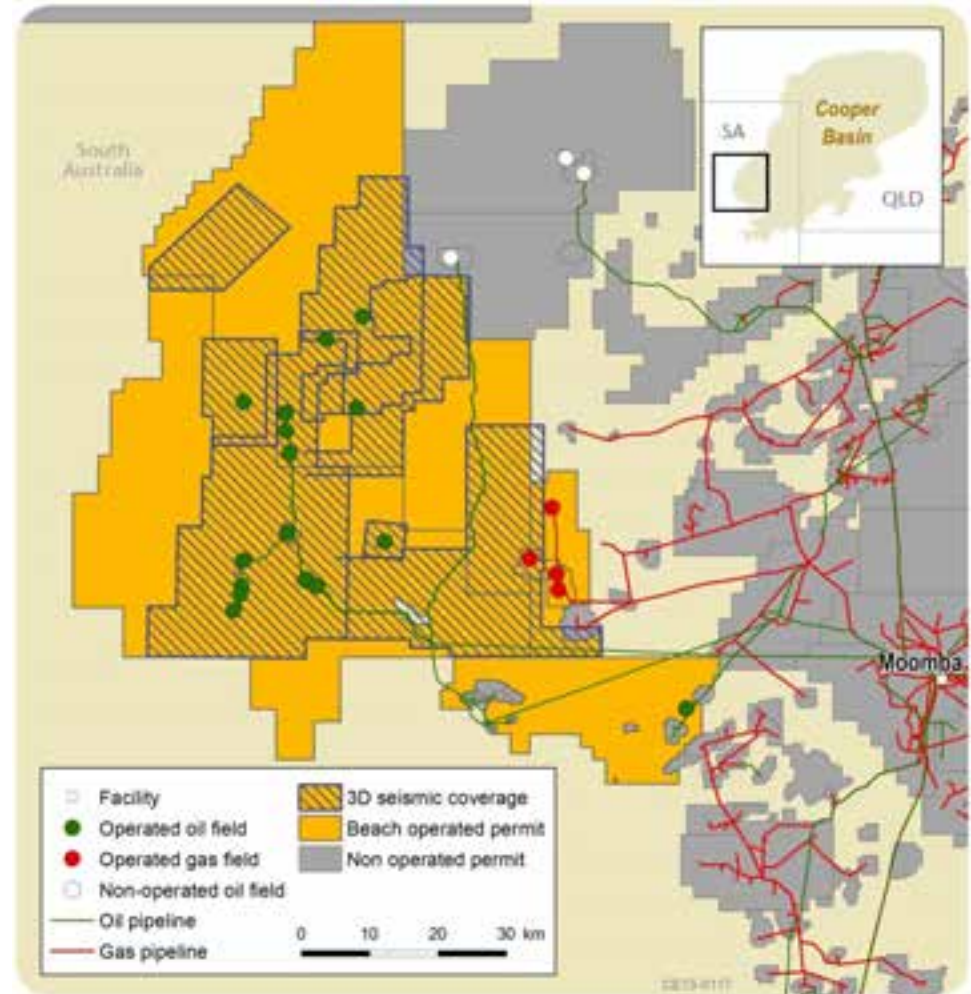
Western Flank

Cooper Basin

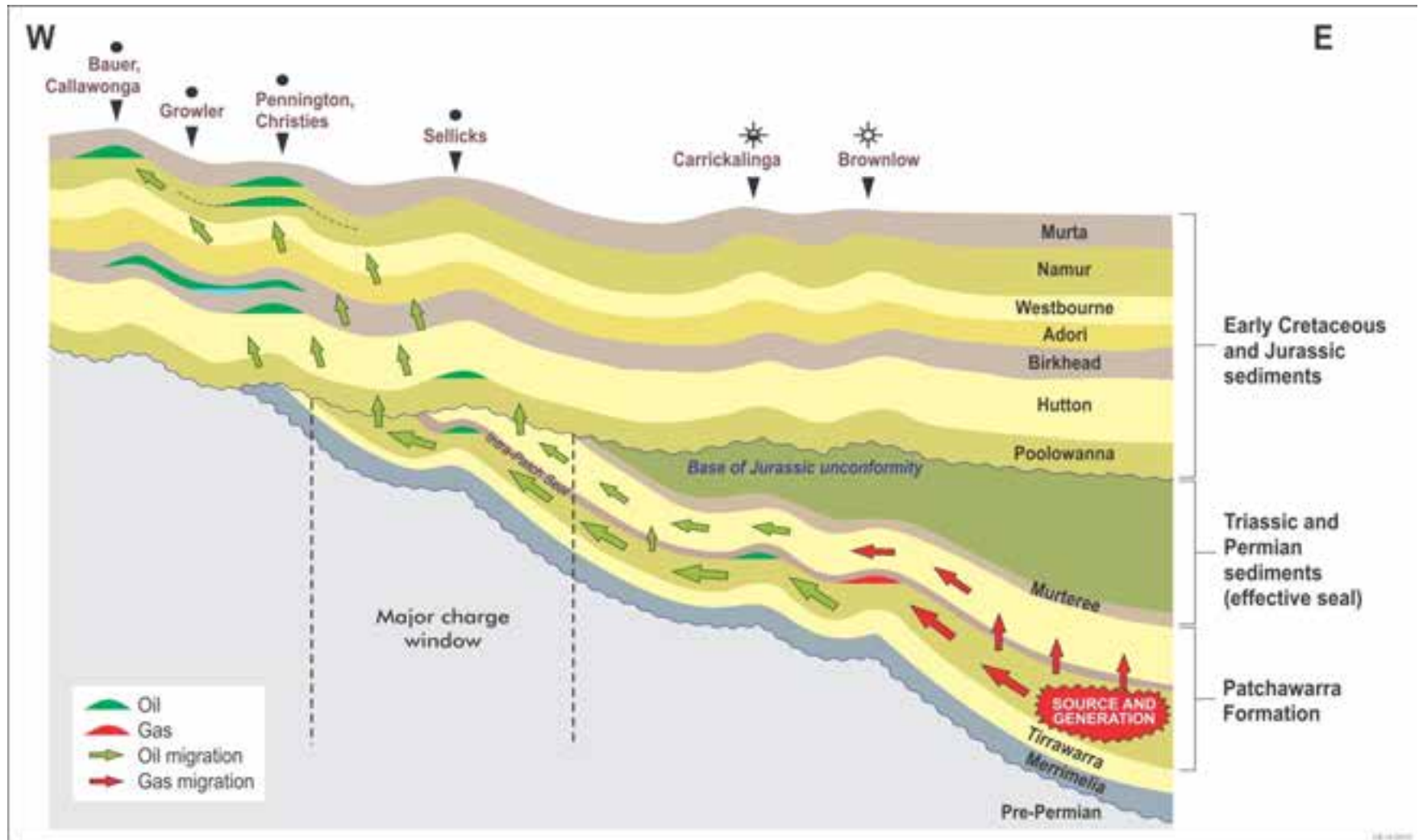


Western Flank

- High net back for oil and wet gas
- Quick drill and tie-in, high flow rates
- Excellent geological understanding
- Established infrastructure
 - 250 kilometres of flowlines
 - 10 facilities and five trucking points
 - 40 oil wells on production
- 1,200 km² of 3D seismic
- Recent success with the Stunsail-1 discovery in PEL 91
- Appraisal success at Pennington-2
- Upcoming drilling:
 - PEL 92: Fishery-1 and Shelly-1 exploration wells

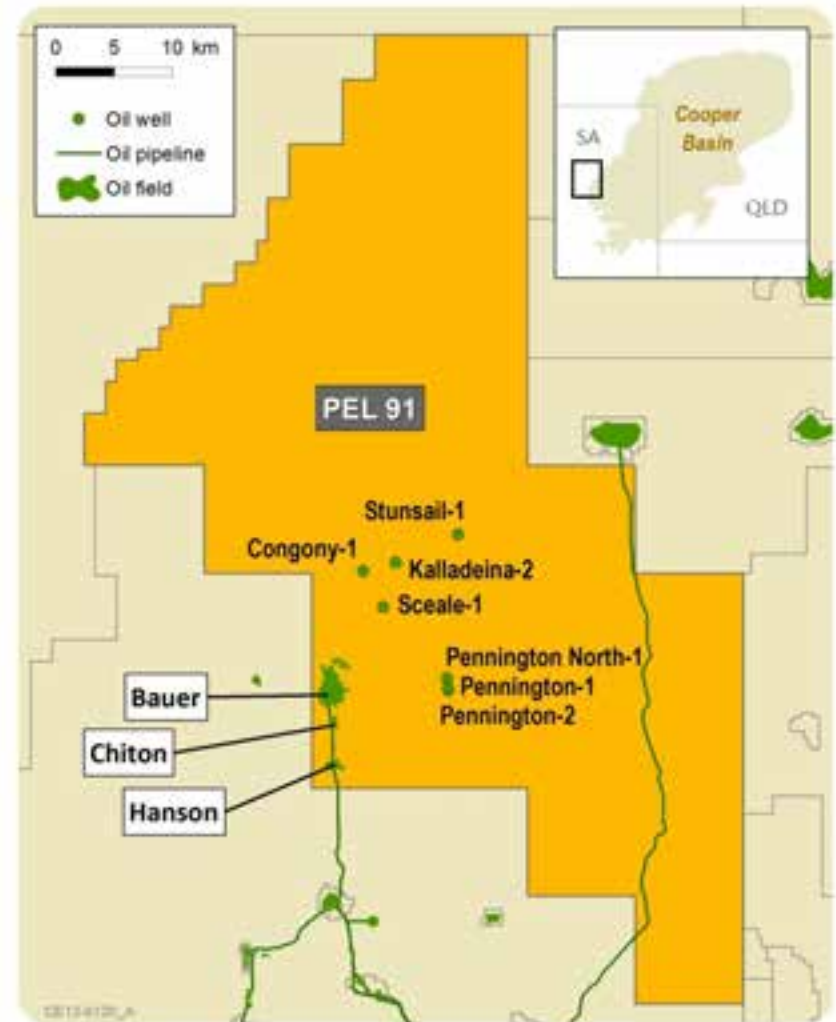


Western Flank oil migration path



- Beach 40% and operator, Drillsearch 60%
- Current gross production ~11,500 bopd, with further wells to be tied-in
- Successful Bauer-12 and Pennington-2 appraisal wells have increased reserves
- Congony, Sceale and Kalladeina facility expected on-line in 2H 2014
- Successful exploration with the Stunsail discovery and appraisal success with Pennington-2 and Pennington North-1
- Additions and changes to gross 2P EUR
 - Stunsail, new booking of 1.6 MMbbls
 - Pennington, increased from 1.7 to 2.7 MMbbls
 - Bauer, increased from 10.7 to 13.2 MMbbls

New fields at Stunsail and Pennington expected to be tied-in during FY15



The Bauer oil field

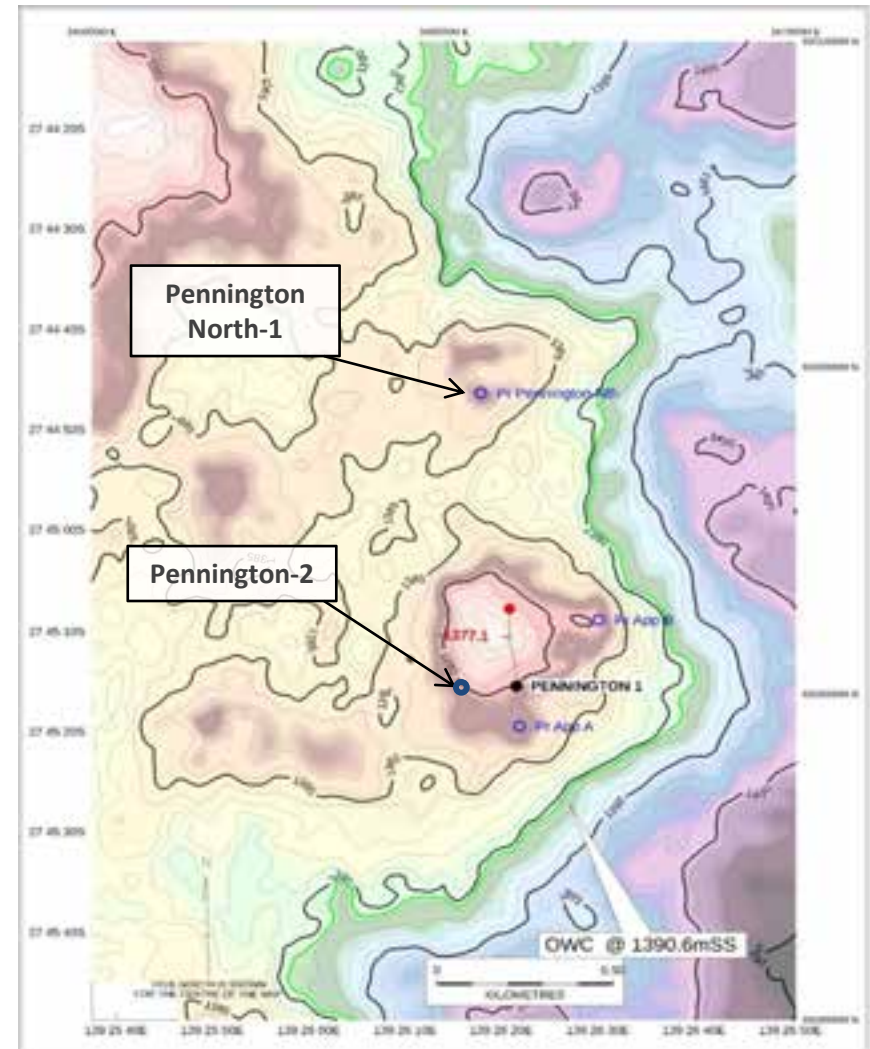
- Bauer-12 appraisal well intersected a nine metre oil column:
 - Four metres of McKinlay Member
 - Five metres of Namur Sandstone
 - Added 2.5 MMbbl (gross) of 2P reserves
- Currently producing from eight wells
- Bauer-9, -10 and -11 online
- Bauer facility expansion to 50,000 bbls of fluid (oil and water) planned for completion late June 2014
- Bauer to Lycium flowline at capacity, with seven trucks transporting excess oil
- Bauer-12 and -13 wells yet to be brought online

Bauer is the largest oil field discovered to date on the Western Flank



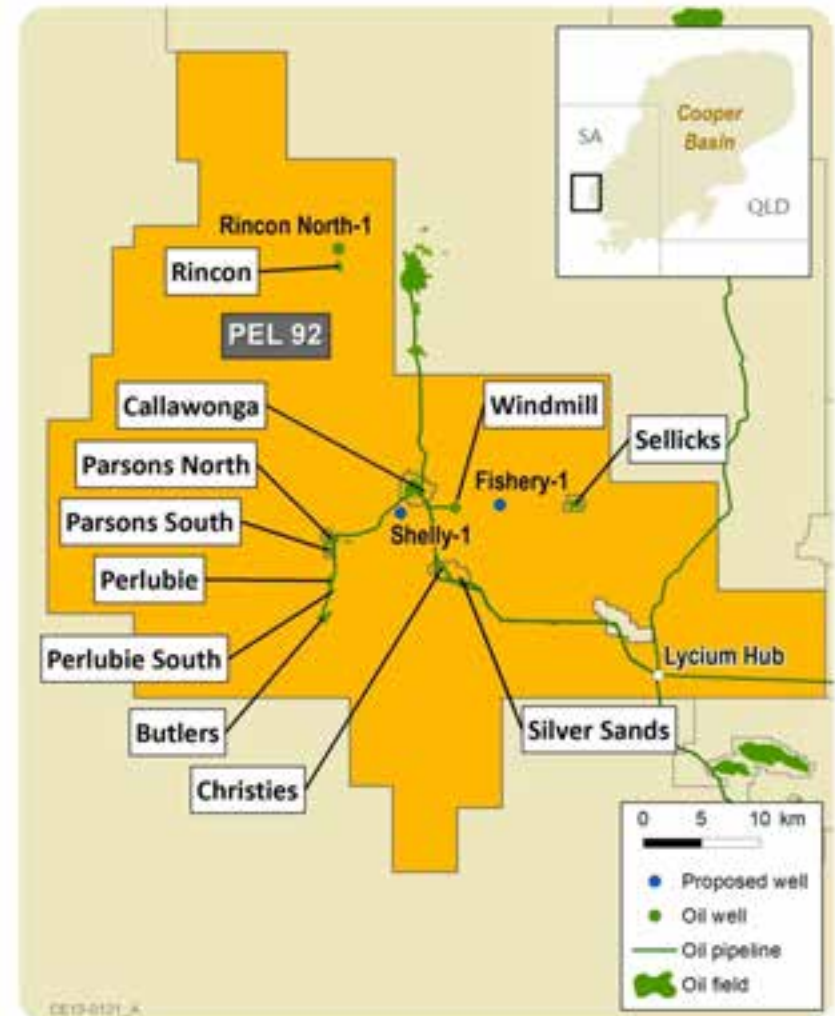
PEL 91 – Pennington field appraisal

- Beach 40% and operator, Drillsearch 60%
- 3D seismic coverage with the Aquillus and Caseolus surveys
- Pennington-1 oil discovery:
 - 13 metres McKinlay/Namur oil column
 - Six metre mid-Namur oil column
 - Oil shows in the Birkhead Formation
- Pennington-2 appraisal success with 12 metre oil column, seven metres net pay in highly productive Namur Sandstone
- Pennington North-1 oil discovery in the Birkhead Formation
- Preliminary gross undeveloped reserves:
 - 1P – 1.5 MMbbls
 - 2P – 2.7 MMbbls
 - 3P – 5.3 MMbbls
- Field expected to be tied-in during 2015



- Beach 75% and operator, Cooper Energy 25%
- Current gross production ~4,500 bopd
- Fishery-1 exploration well to spud imminently
- One further exploration well planned from FY14 program
- Interpretation of Irus and Caseolus 3D seismic data ongoing
- First wells expected to be drilled on new surveys in Q4 2014

***New seismic data to drive
FY15 exploration drilling***



PEL 104 and PEL 111

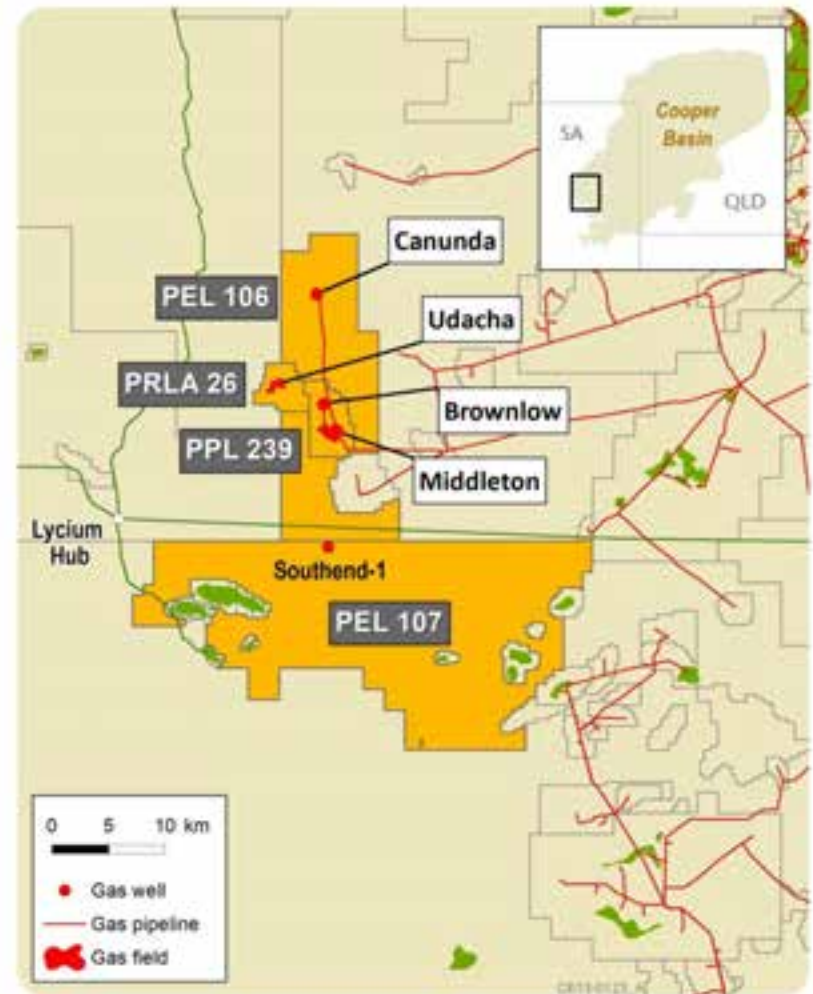
- Beach 40%, Senex 60% and operator
- Focus on the Birkhead Formation
- Gross production of ~4,000 bopd from Growler and Snatcher fields
- Further appraisal drilling at Spitfire and Mustang proposed
- Currently drilling ahead at Tornado-1
- Exploration prospects expected to be generated from 3D Lignum seismic survey

Up to eighteen further wells for the remainder of the financial year



- Beach 50% and operator, Drillsearch 50%
- Commercial discussions successful in establishing extended gas sales to March 2016
- Liquids rich Canunda field operational since July 2013
- Gross flow rate of ~10 MMscfd and ~500 bbls per day LPG and condensate
- Four exploration wells and one appraisal well planned for late 2014, early 2015

Liquids rich Beach operated gas and gas liquids production

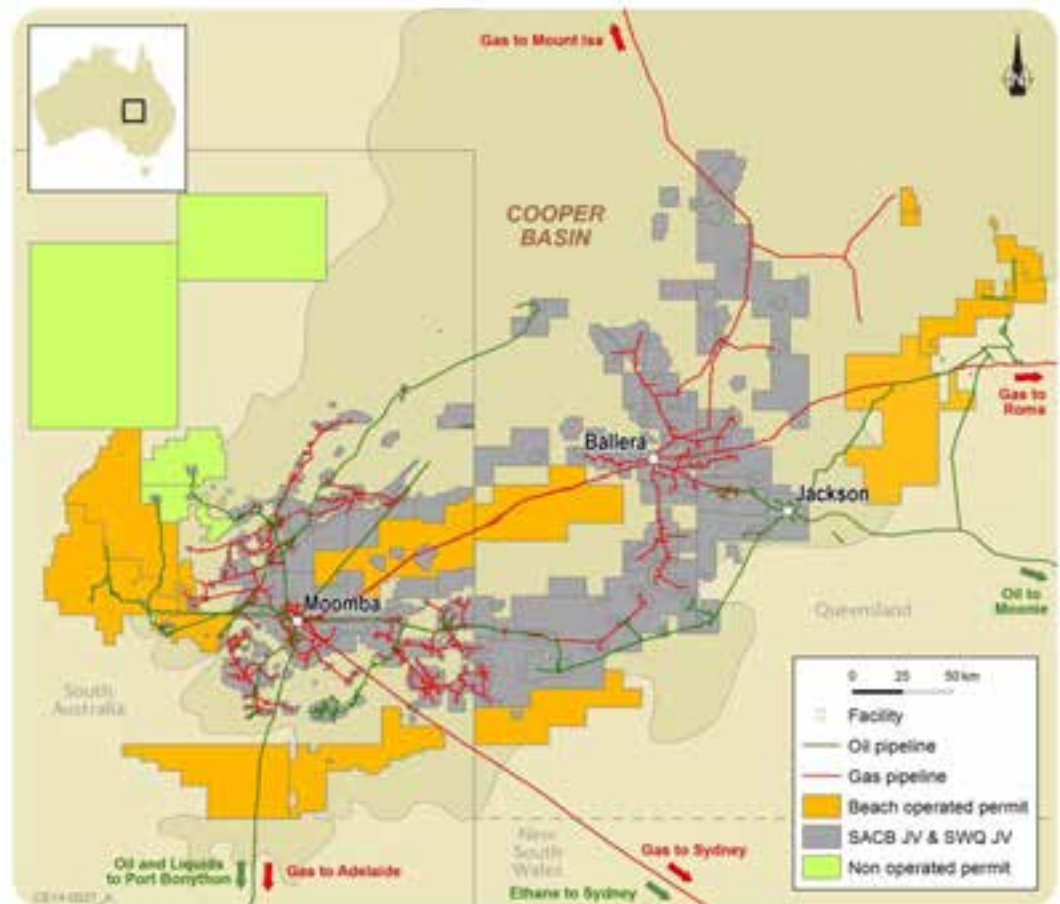


SACB JV and SWQ JVs Conventional gas



SACB JV and SWQ JVs

- Significant acreage with substantial reserves base
- 20.21% in the South Australian Cooper Basin Joint Venture (SACB JV) and 20-40% in the South West Queensland JVs (SWQ JVs)
- Gross area covered by various joint ventures ~26,800 km² (~6.6 million acres)
- Joint ventures include:
 - ~6,000 km of flowlines
 - Primary processing and transportation facilities
- Upside from shale and basin centred gas plays



Operator targeting 30% production growth by 2015

Moomba processing facility

- Strategically located expandable facility
- Current daily capacity approximately:
 - 300 TJ gas
 - 35 kbbl oil/condensate
 - 600 tonnes LPG
- Substantial gas storage system with capacity ~70 PJ
- Gas supplied directly into New South Wales, Queensland and South Australian markets
- Further processing capacity at Ballera >200 TJ per day

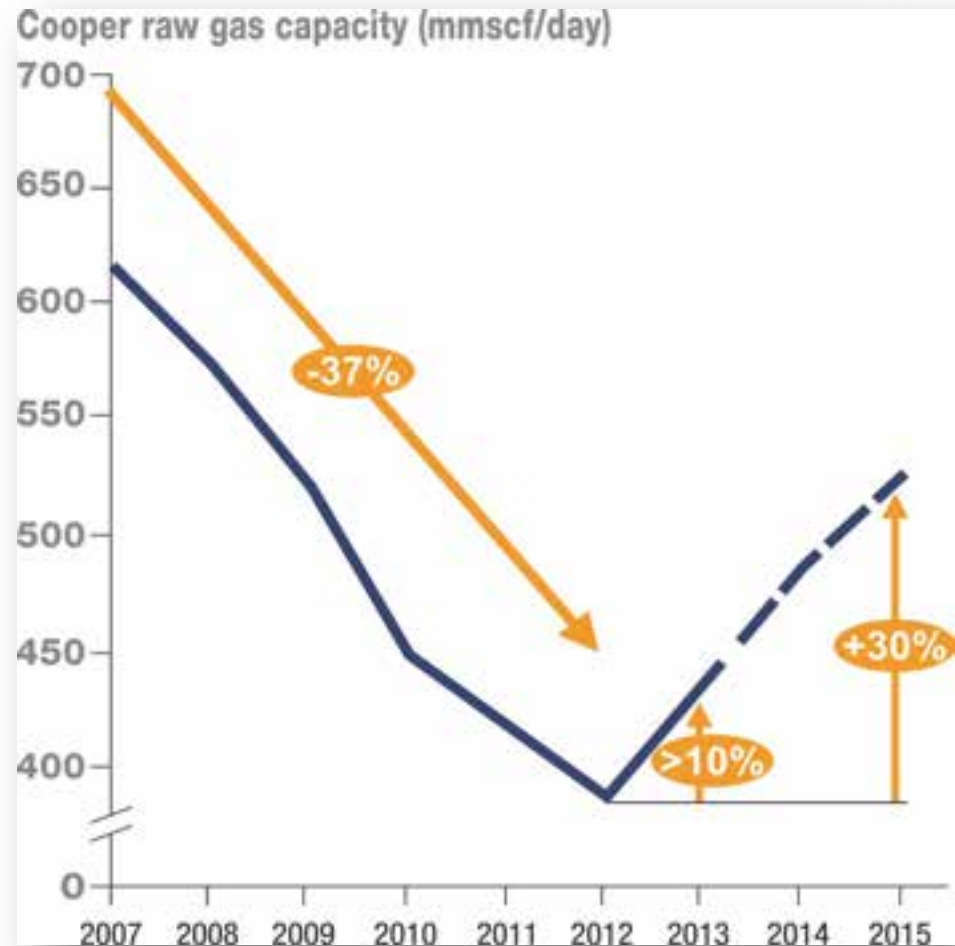
The key processing point for Cooper Basin and Eromanga Basin oil and raw gas



SACB JV conventional gas

- Five rigs operating
- Focus on cost savings through multi-well pad drilling
- SIMOPS approach to fracture stimulation
- Targeted 30% capacity growth by 2015, leading to a step-change in cost reductions
- Maintenance strategies successfully delivering record low downtime levels leading to production benefits

Extracting more gas from existing fields with active infill drilling



Source: Derived from Santos

Unconventional gas

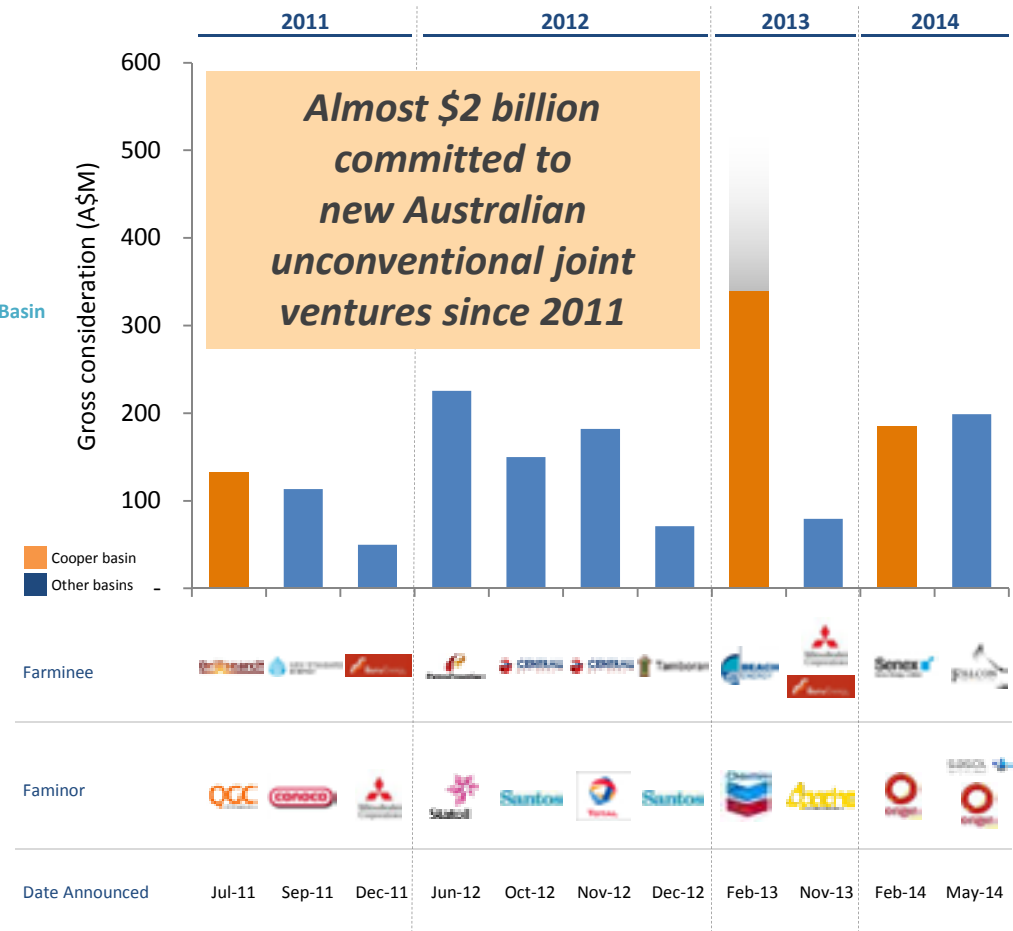
Cooper Basin



Unconventional transaction activity



- Growing investment activity in key basins
 - New entrants (Chevron, Statoil, Total, Sasol)
 - East Coast LNG proponents (Origin, Santos, Conoco, BG/QGC)
- Meaningful capital expected to be committed
- Cooper Basin transaction metrics higher than other basins given adjoining infrastructure, access to market and geological knowledge



Source: Company filings, IRESS

Note: (1) Assumes all assets go to the final development stage; Drillsearch/QGC transaction excludes value of issued options (out of the money at time of deal announcement); Senex/Origin transaction excludes A\$67m of "additional work program"; PetroFrontier/Statoil transaction based on the original announced deal on 20 June 2012; (2) Consistently applies same approach to each farm-in by comparing the gross funding for the work program divided by the gross acreage; (3) Based on Drillsearch investor presentation (May-14)

Unconventional positioning

- Strategically targeted three key basins for unconventional acreage
- Cooper Basin activity:
 - Nappamerri Trough Natural Gas with Chevron and Icon
 - SACB JV unconventional REM and BCG plays
- Otway and Bonaparte Basins targeting gas and gas liquids
- All basins proximal to infrastructure and markets
- Gas demand and pricing trending upward

Positioned to fuel growing northern and eastern gas markets



The keys to unconventional success

- Well profiles the key focus on all projects
- Uncovering 'sweet spots' with focused activity around them
- Process improvements and technology to drive efficiencies
- Costs to be driven down by efficiencies and scale
- Gas pricing trending upward
- The right partnerships with the relevant expertise

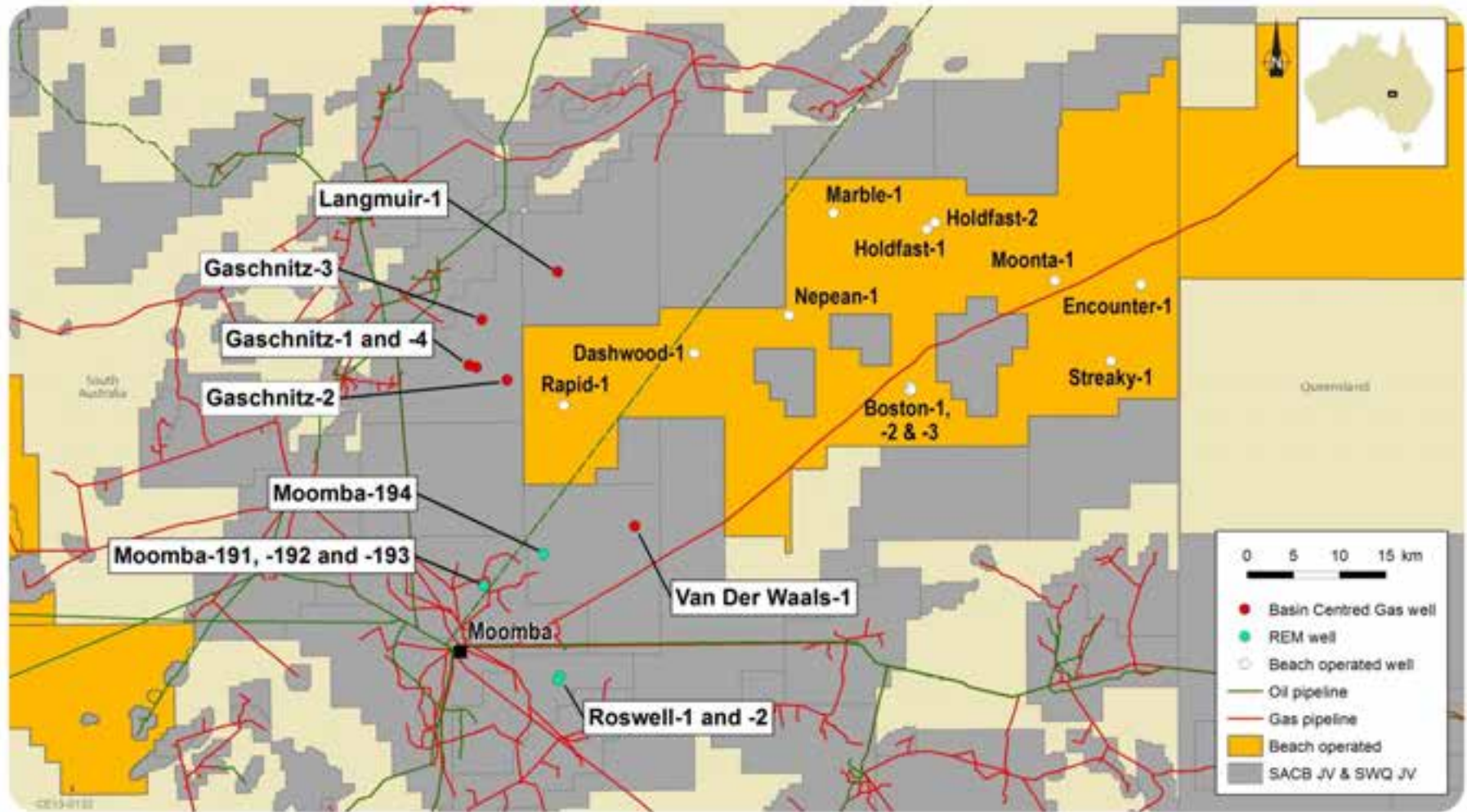
Estimated ultimate recovery per well the key for commerciality



SACB JV Unconventional gas



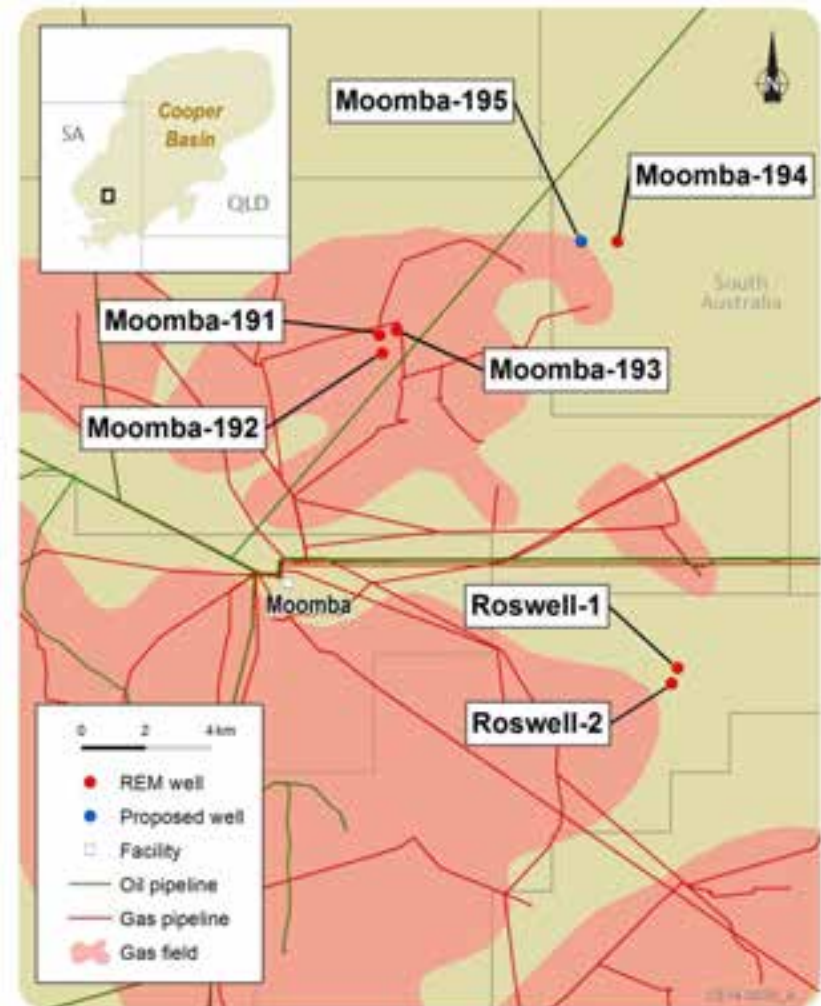
SACB JV unconventional program



REM play

- Targeting the Roseneath Shale, Epsilon Formation, Murteree Shale and Patchawarra Formation
- Moomba-191 and -194 tied-in and producing
- Roswell-1 and Moomba-192 vertical wells fracture stimulated and flow tested
- Roswell-2H and Moomba-193H fractured stimulated and undergoing flow testing
- Moomba-195H deferred, awaiting results from Moomba-193H and Roswell-2H

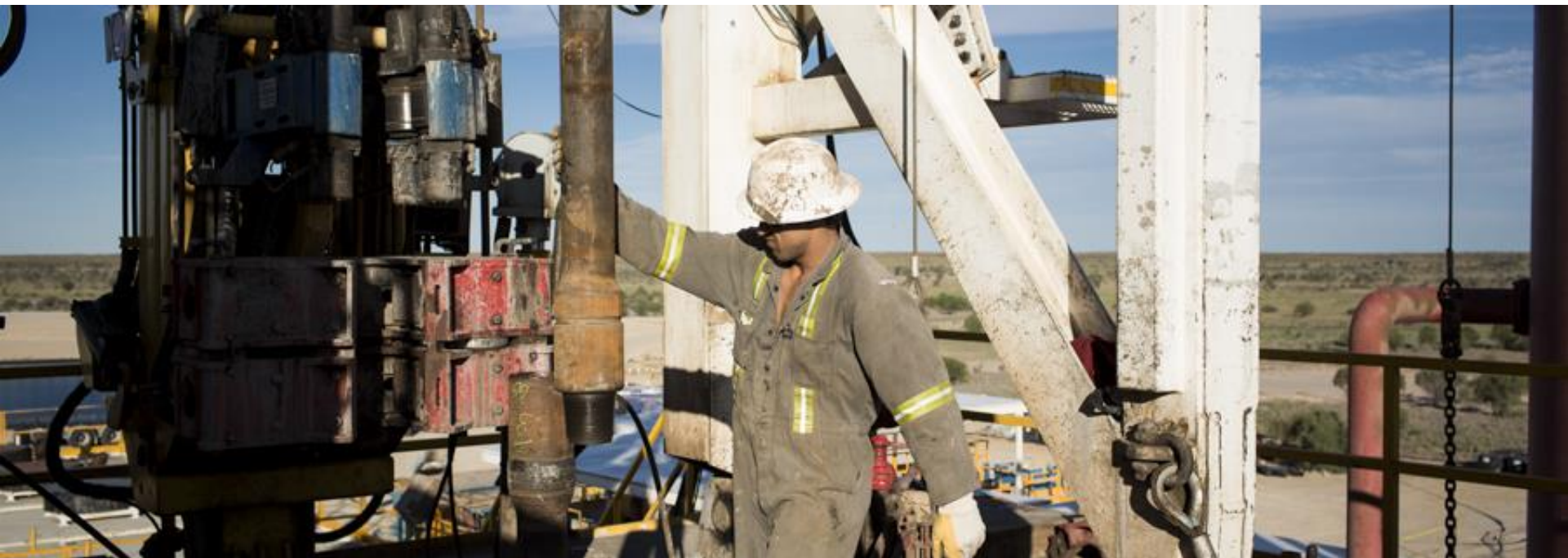
Unconventional resources that can be quickly monetised



- Gaschnitz-1 ST1 vertical well:
 - Seven zone stimulation, produced at ~1 MMscfd
 - Shut-in, awaiting completion
 - 2014 follow up program of two deep wells and up to four shallow vertical wells
 - Pilot production if fracture stimulation results are promising
 - Connection to SACB JV gathering system post fracture stimulation if flow results from pilot are commercial
- Langmuir-1 vertical well:
 - 10 zone stimulation, produced at ~1.5 MMscfd, currently at ~1 MMscfd
- Van der Waals-1:
 - Operational issues resolved
 - Fracture stimulation targets under review and based on results from Gaschnitz-1 ST1 and Langmuir-1
- Strong connection to Beach operated NTNG wells in Nappamerri Trough

Testing the western margins of the Nappamerri Trough with access to a full unconventional information set

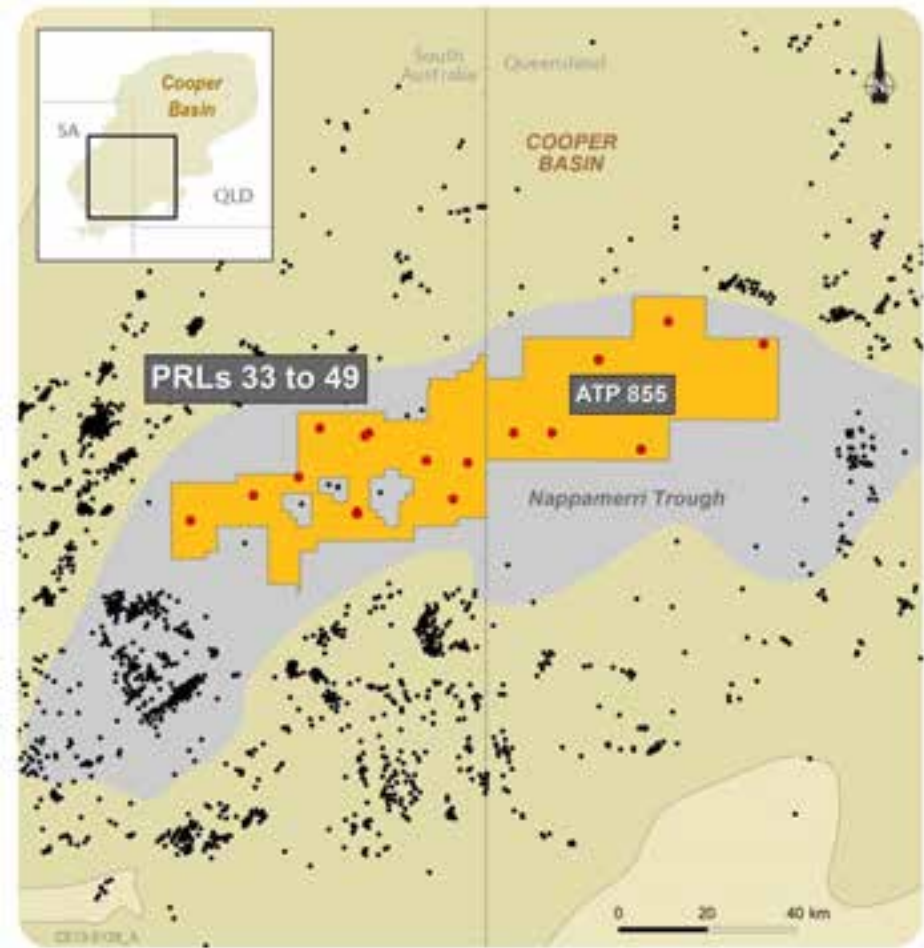
Nappamerri Trough Natural Gas



Nappamerri Trough Natural Gas

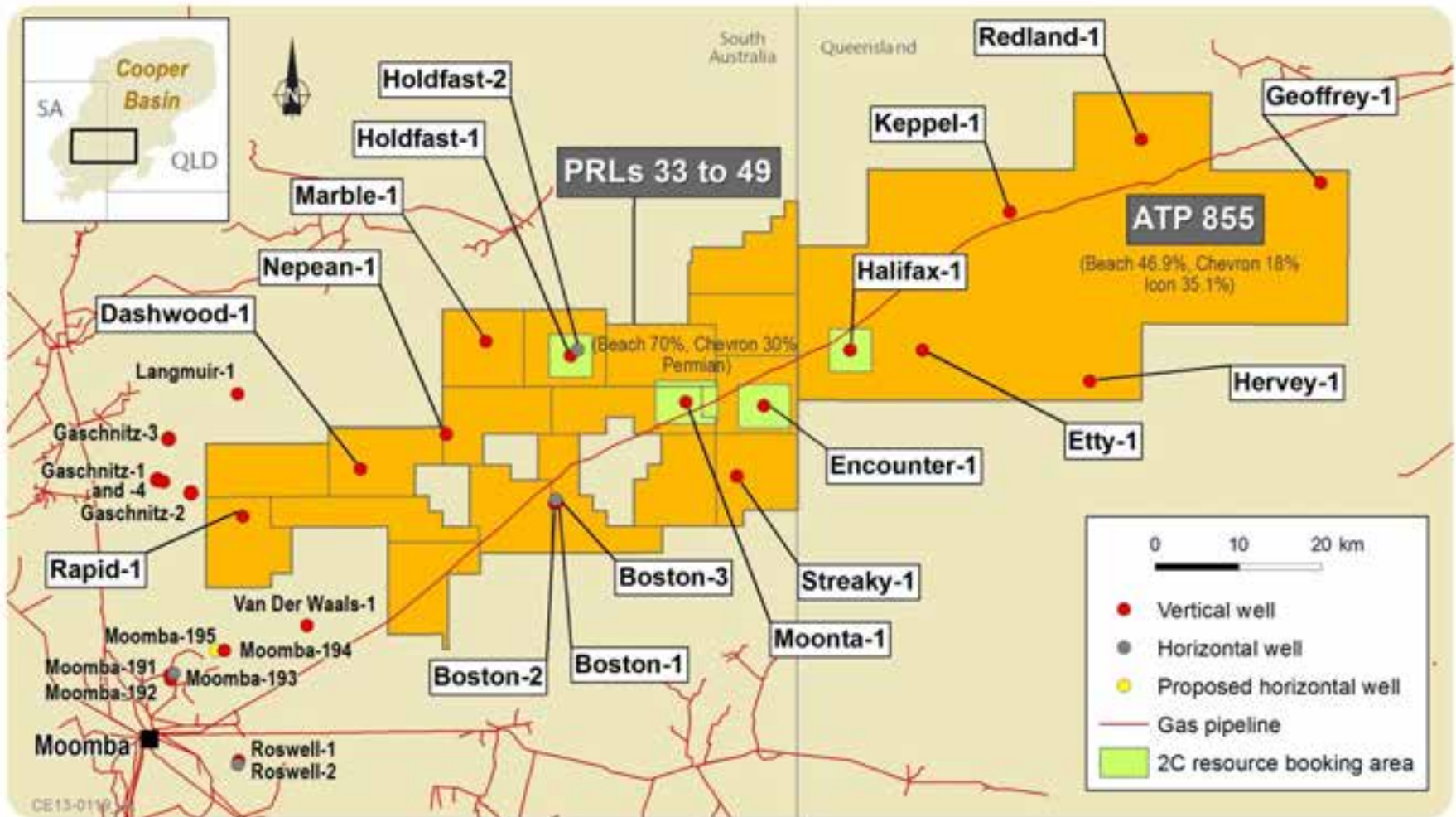
- A staged and methodical exploration and appraisal program
- Delineation of a significant untapped resource
- Multiple formations present
- Aerially extensive with permits covering more than 800,000 acres
- In excess of 1,000 metres of gas saturated section
- Currently flow testing a number of wells in PEL 218
- Retention licenses granted over the old PEL 218, now PRLs 33 to 49

Net 1.3 Tcf of 2C resource booked at 30 June 2013 in PRLs 33-49 and ATP 855

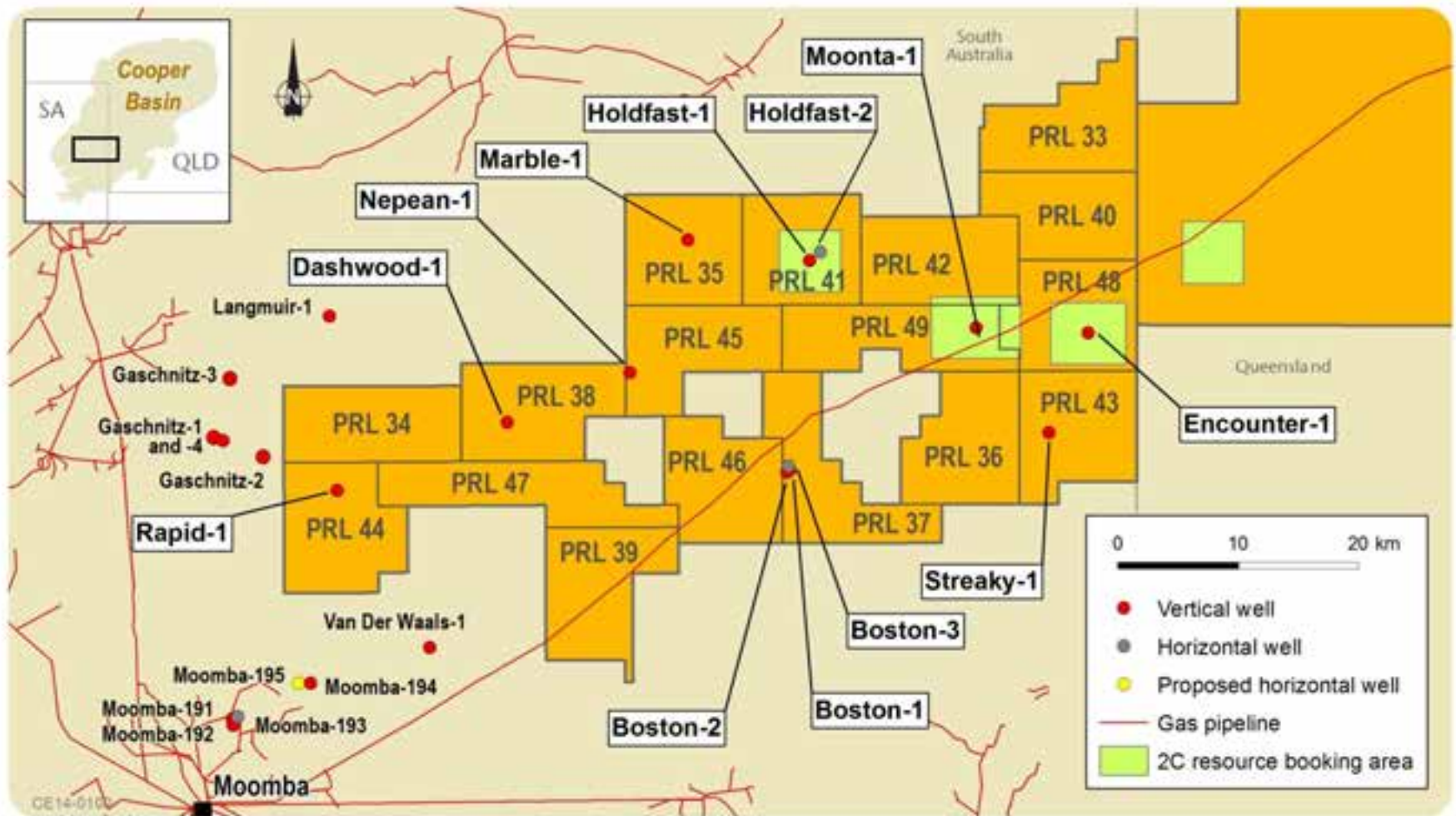


Permian section equity interests: PEL 218 (Beach 70% and operator, Chevron 30%) and ATP 855 (Beach 46.9% and operator, Chevron 18%, Icon Energy 35.1%)

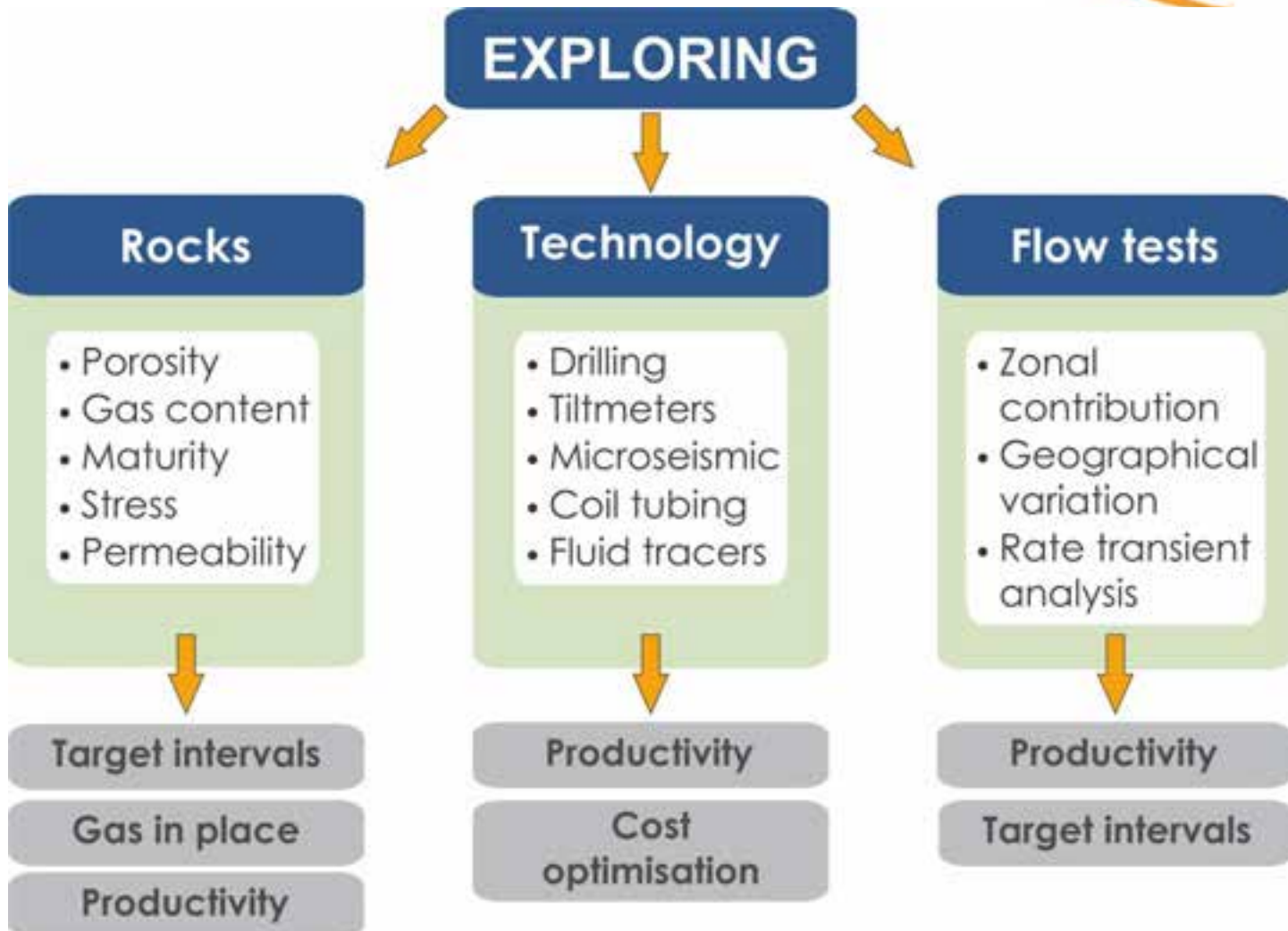
NTNG wells



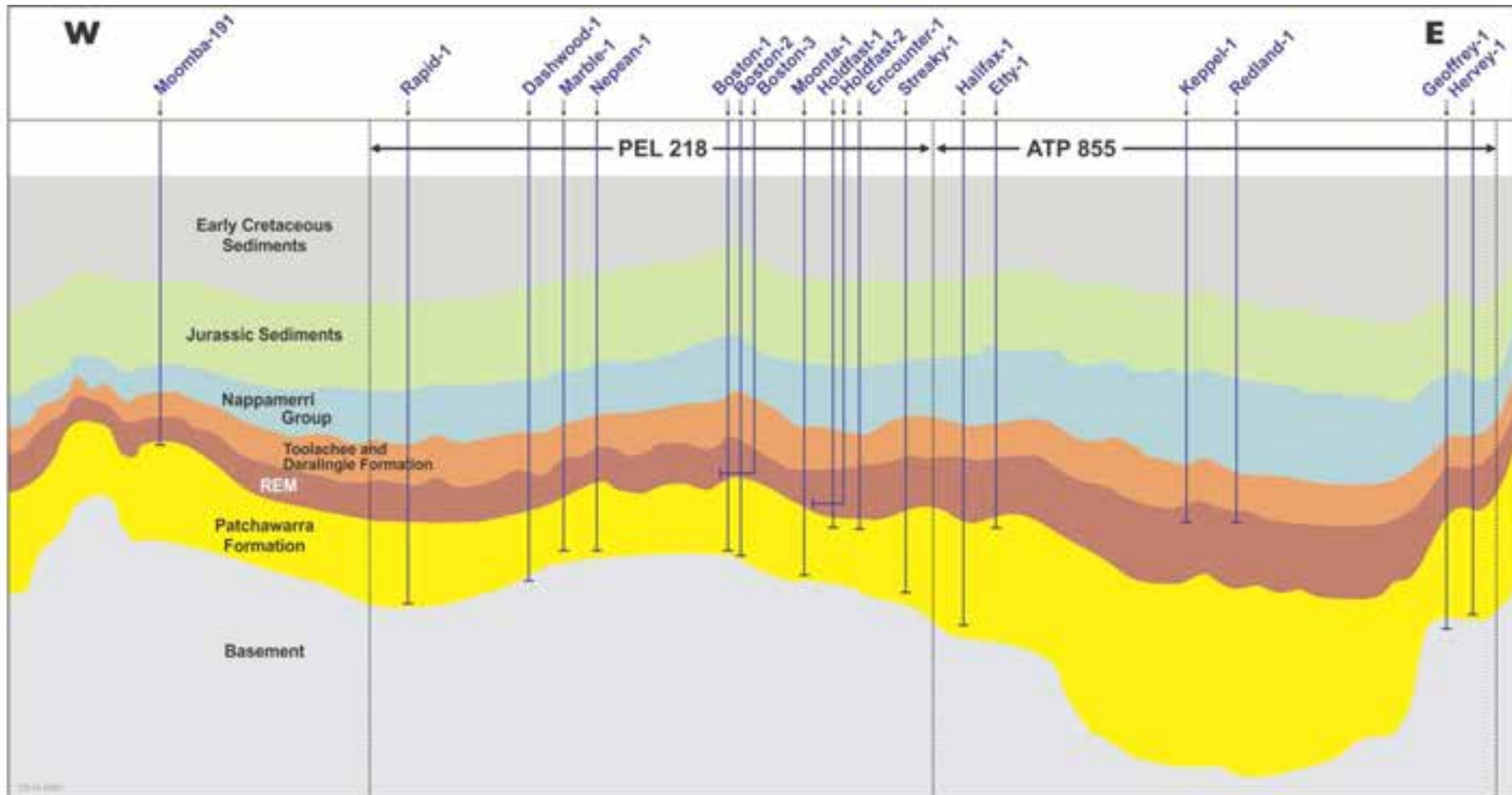
Retention licences granted



Exploration concept



Exploration and appraisal cross section



Note: Well locations are approximate only and may have been shifted to show their correct structural position on the cross section

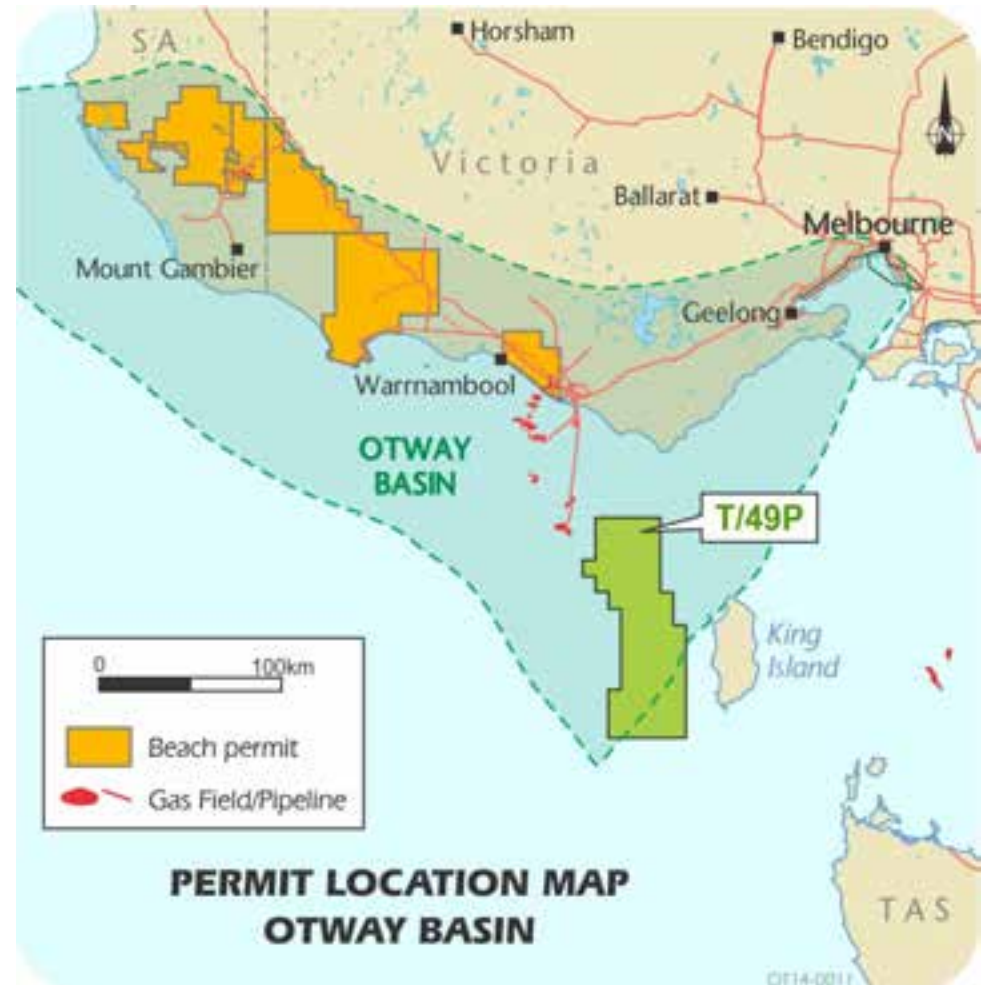
Other Australia



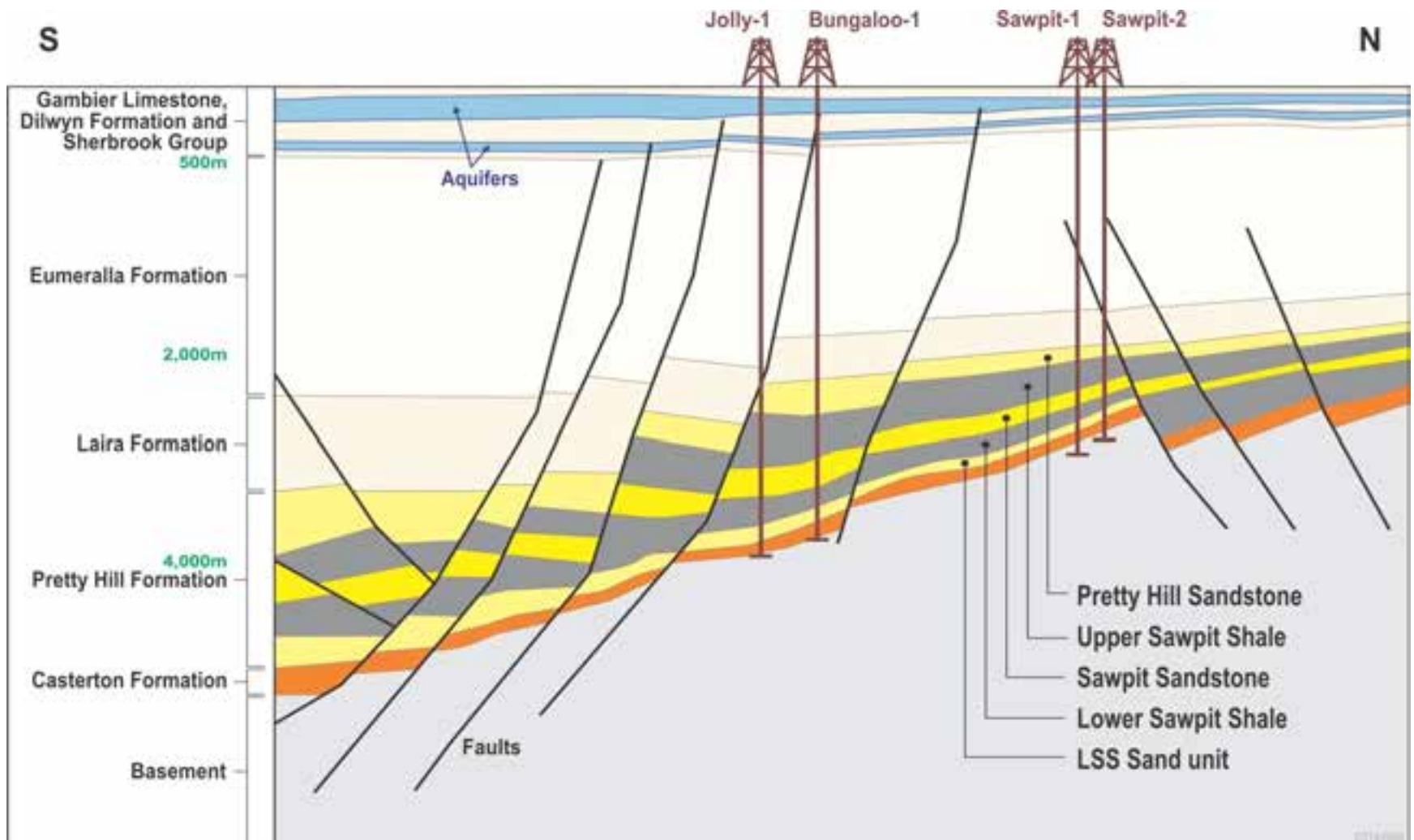
Otway Basin

- Building a portfolio of onshore and offshore gas assets
- Two onshore wells recently drilled, with conventional and unconventional targets identified
- Further conventional onshore drilling anticipated
- Joint venture with 3D Oil recently announced in the T/49P block
- Well positioned near infrastructure and producing fields

Exploring for conventional and unconventional liquids rich gas near existing infrastructure

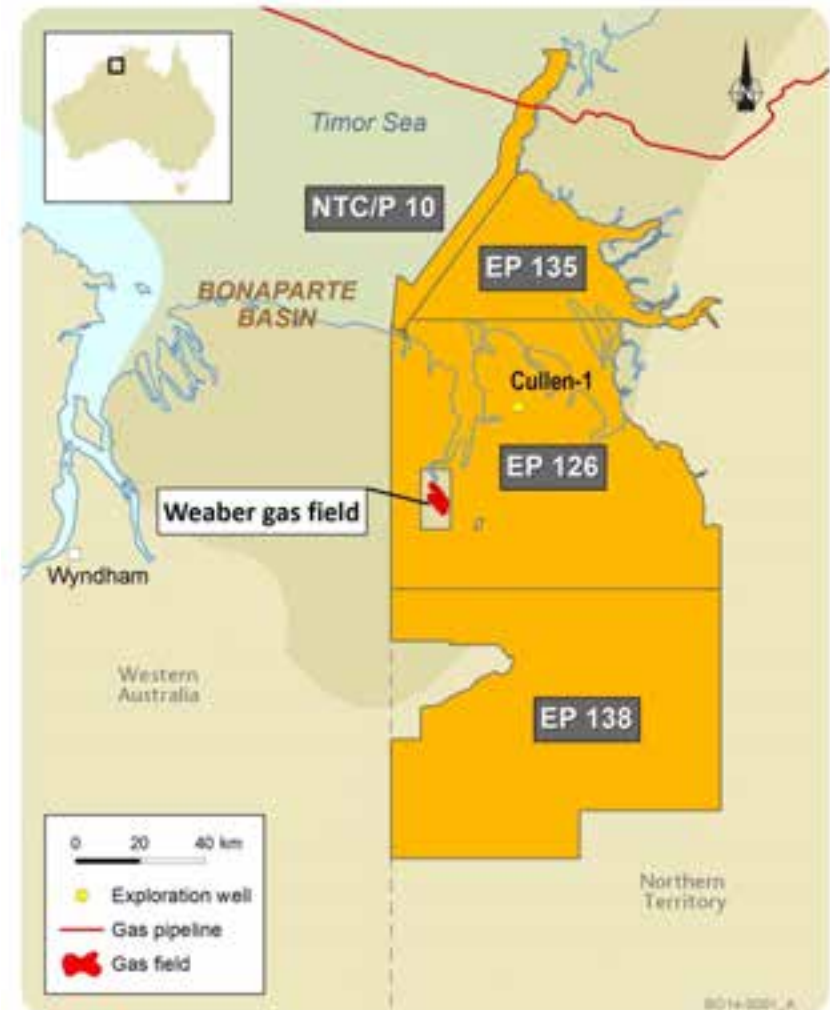


Cross section of PELs 494 and 495



Bonaparte Basin

- EP 126, 138 (Beach earning up to 90%)
- ~6,500 km² high resolution airborne gravity and magnetic survey acquired, processed and interpreted
- Cullen-1 coring at ~1,600 metres
- Undeveloped Weaber gas field evidence of hydrocarbon presence

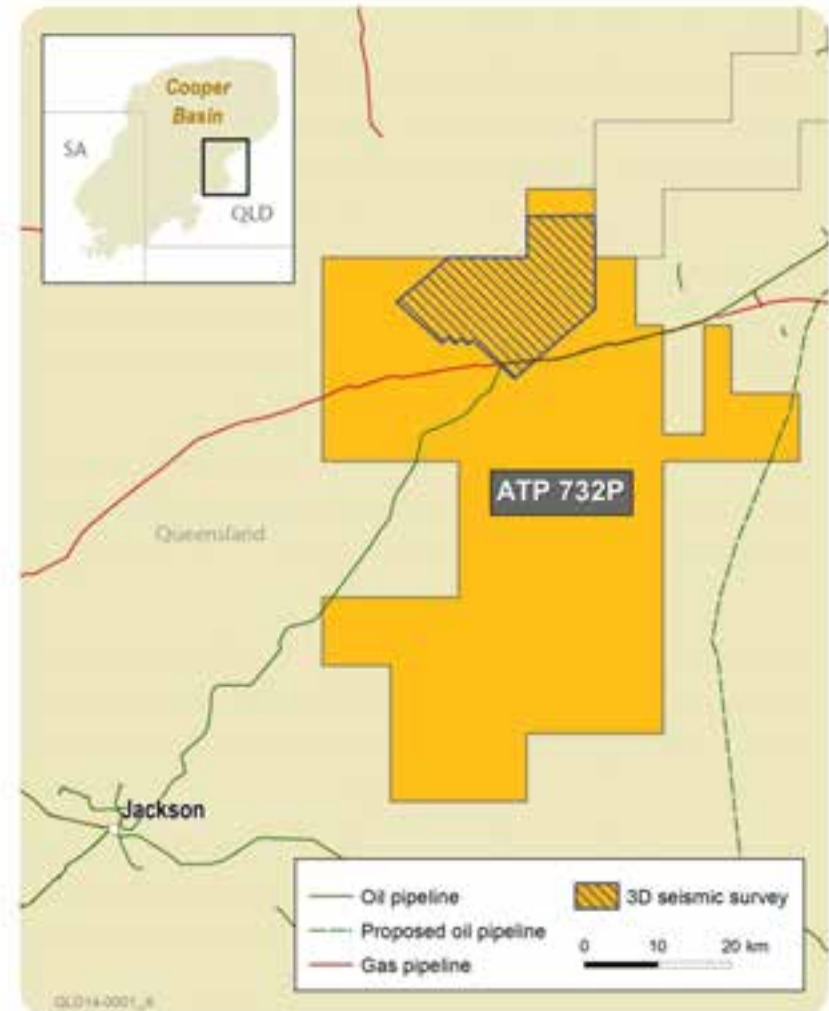


Underexplored with conventional and unconventional oil and gas targets

Cooper Basin – Eastern Flank

- ATP 732 (Beach earning 50%, Bengal 50%)
- Large underexplored permit
- Located between the Jackson (~50 MMbbl of oil produced) and the Kenmore/Bodalla (~20 MMbbl of oil produced) fields
- ~300 km² Nassarius 3D seismic survey completed
- Targeting conventional oil reservoirs
- Location of next well to be based on interpreted Nassarius 3D seismic data
- Hydrocarbon shows in previous wells drilled

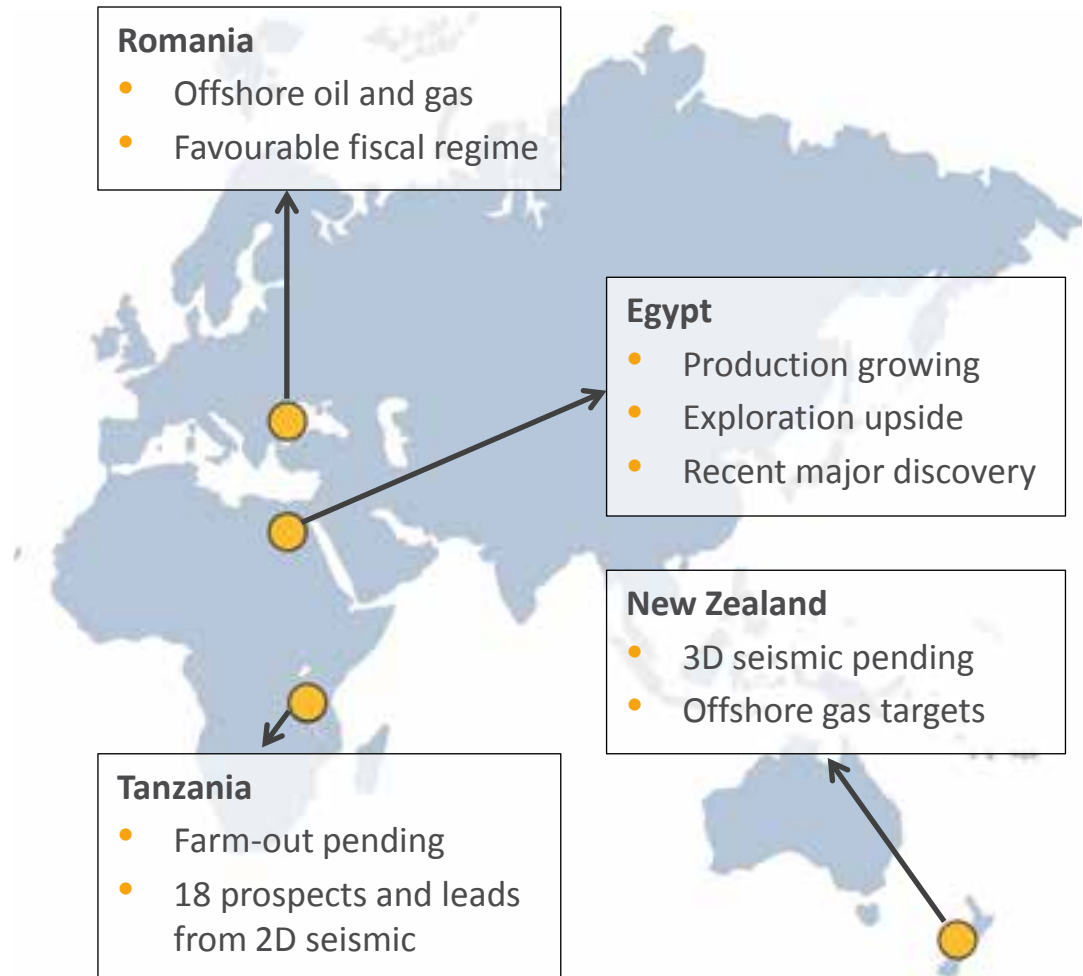
New oil fairway potential in an underexplored area between two prolific oil fields



International



- Provides long-term growth options
- Targeted and disciplined approach to key attributes:
 - Technical
 - Commercial
 - Risk/reward proposition
 - Capital allocation
- Focused on early entry step change opportunities
- Bias for oil and high price gas markets



Country status

- Recent history of political volatility and unrest
- Business as usual from an operations standpoint

Growth potential

- Targeting material oil prospects
- Abu Sennan success within the El Salmiya field

Beach value add

- Sharing of geological and operational core skill set

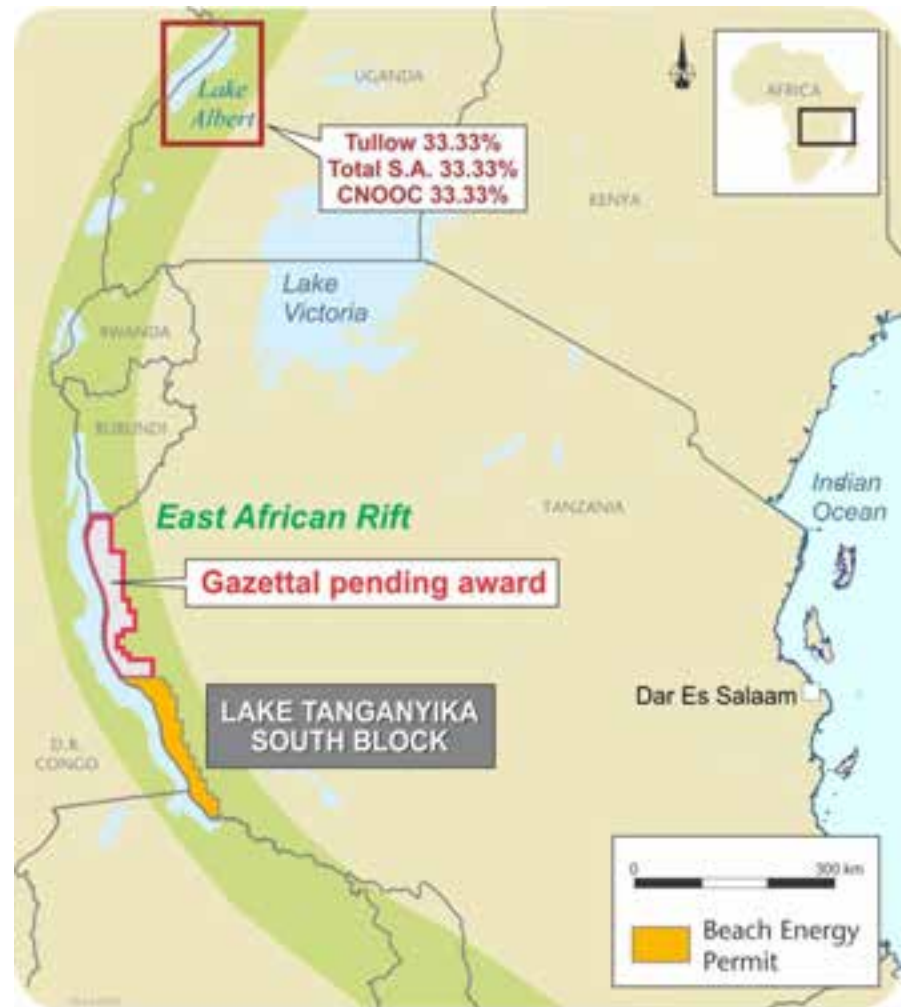
Balanced portfolio of assets with growing oil production



Tanzania – Lake Tanganyika South Block

- Beach 100%
- Block area ~7,200 km²
- Natural oil seeps indicate a working petroleum system
- 2,080 kilometre 2D seismic survey completed in August 2012
- Extensive structuring confirmed, similar to Lake Albert in Uganda
- Indications of hydrocarbons over tilted fault blocks, low-side rollovers and mounded features
- Discussions taking place with respect to the farm-out

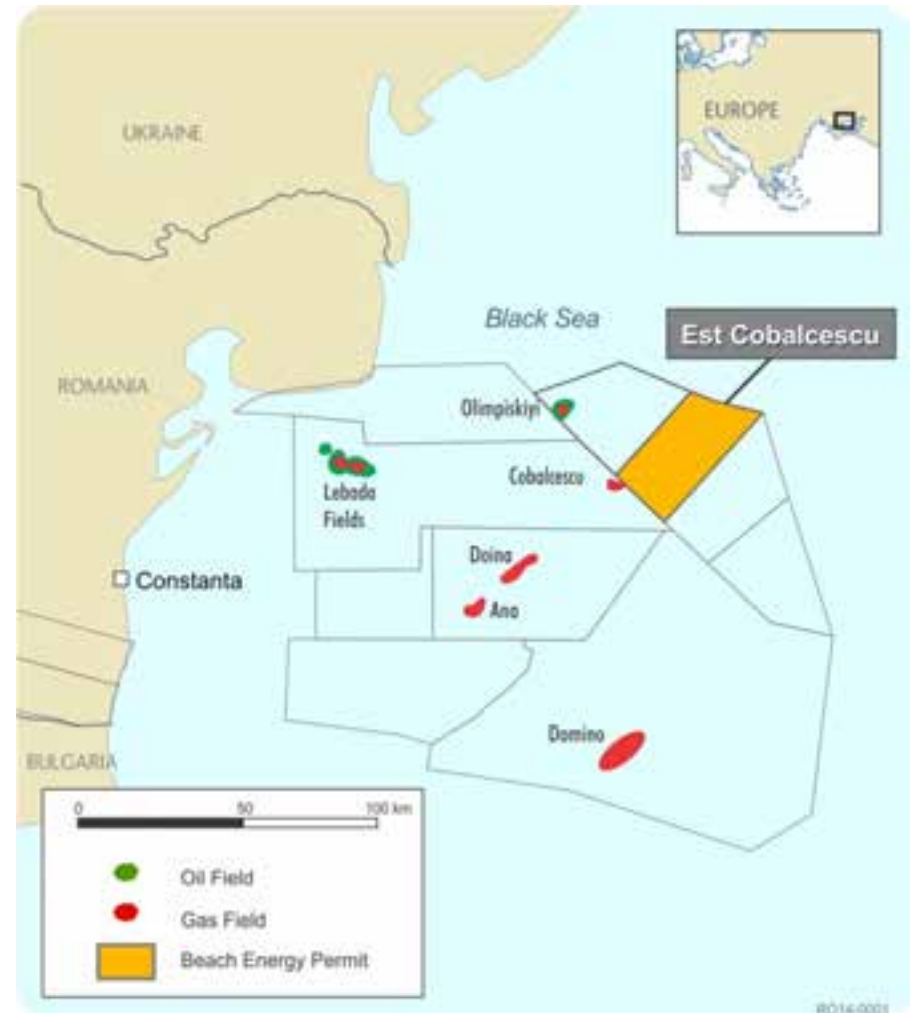
A significant acreage position in the prospective East African Rift



Romania – Est Cobalcescu block

- Beach 30%, PetroCeltic 40% and operator, Petromar 30%
- ~1,000 km² with 3D seismic coverage
- Water depth <100 metres
- ExxonMobil deep water block Domino discovery
- A further exploration well planned in the next 12 months

Newly available acreage with proven petroleum systems and multiple targets



RO14-0001

Appendices



Chevron transaction summary



- Subject to joint venture approvals, the key work program elements envisaged across the two permits involve an initial exploration program to be followed by pilot production programs

PEL 218 – potential payments

Stage 1 (initial 30%) ⁽¹⁾

- US\$36 million cash
- US\$95 million carry

Stage 2 (additional 30%) ⁽²⁾

- US\$41 million cash
- US\$47 million carry

- Commitment bonus payment of US\$35 million

ATP 855 – potential payments

Stage 1 (initial 18%)

- US\$59 million cash

Stage 2 (additional 18%) ⁽²⁾

- US\$36 million cash

(1) Vertical wells exclude Holdfast-1 and Encounter-1

(2) Permian section equity interests post stage 2 farm-in would be: PEL 218 (Beach 40%, Chevron 60%) and ATP 855 (Beach 28.9%, Chevron 36%, Icon Energy 35.1%)

Note: Chevron has the option to continue or withdraw at the end of each stage

Moomba wells - nomenclature

Current Well Name	Previous Well Name	Purpose	Status
Roswell 1	Roswell 1	Vc 50 coal, REM, Microseismic	Flowing from Vc 50 post frac
Roswell 2	Roswell 2 Horizontal	Roseneath Shale 1000 -1500'	Spud 12 Oct
Moomba 192	Aurora 1 Vertical	REM, Microseismic	Status being reviewed on Patch gas
Moomba 193	Aurora 2 Horizontal	Murteree Shale	After Roswell 2
Moomba 194	Fortuna 1 Vertical	REM and Patch, Microseismic	C & S 7 Oct REM Frac
Moomba 195	Fortuna 2 Horizontal	Murteree Shale	After Moomba 193
Moomba 196	Moomba North 30 Vertical	Gas Development	Spud 16 Oct
Moomba 197	Moomba North 44 Vertical	Gas Development	After Moomba 196
Moomba 198	Moomba North 46 Pad Well	Gas Development	Spudded 9 Oct
Moomba 199	Moomba North 45 Pad well	Gas Development	After Moomba 198
Moomba 200	Moomba North 47 Pad well	Gas Development	After Moomba 199
Moomba 201	Moomba North 48 Pad well	Gas Development	After Moomba 200
Moomba 202	Moomba South 55 Vertical	Gas Development	After Moomba 197
Moomba 203	Moomba 203	REM and Patch	1Q 2014 Possible replacement for M 192

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