



October 2012

Disclaimer

- This presentation contains forward looking statements that are subject to risk factors associated with oil, gas, geothermal and related businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.
- All references to dollars, cents or \$ in this 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 2012 and represent Beach’s share.

Competent Persons Statement

- This presentation contains information on Beach’s Reserves and Resources which have been compiled by Mr Gordon Moseby, who is a full time employee of Beach, is qualified in accordance with ASX listing rule 5.11 and has consented to the inclusion of this information in the form and context in which it appears.



Strategic, operational and financial overview

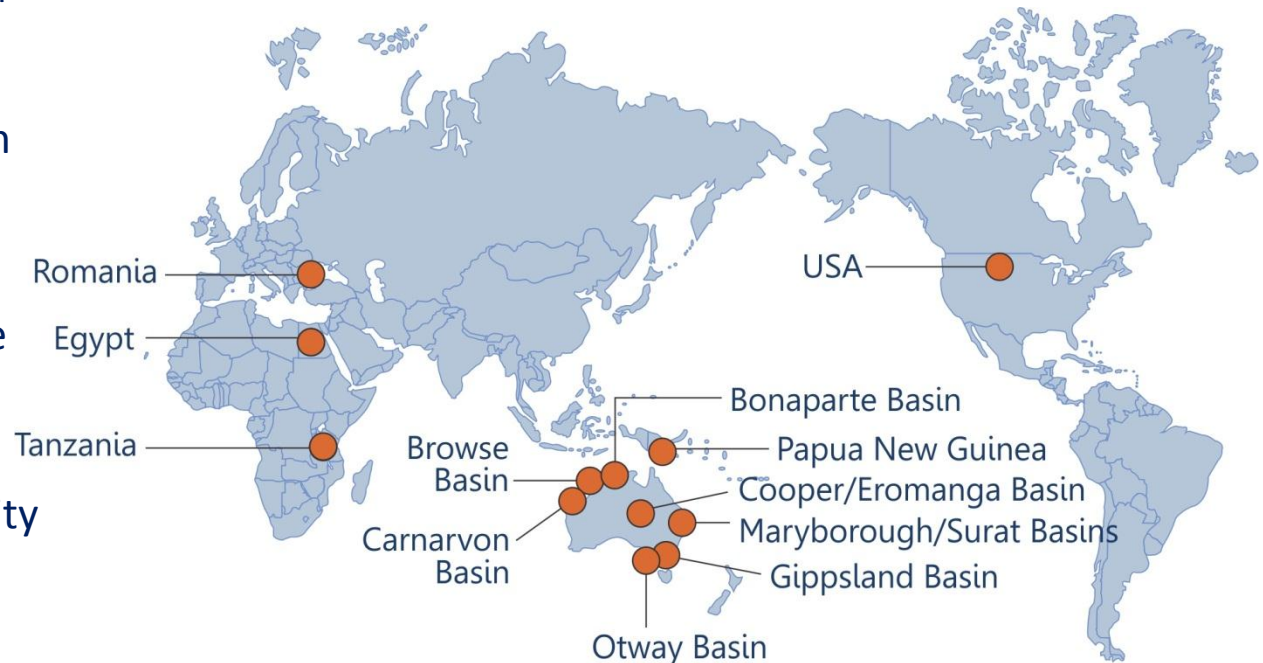
- ASX 100 company
- Market Cap ~ \$1.7 billion*

Financial

- FY12 NPAT of \$164 million
- Cash at 30 September 2012 of \$352 million
- Nil debt, 2017 convertible note of \$150 million
- Undrawn \$150 million multi-option finance facility
- FY12 Operating cash flow \$219 million

Share register

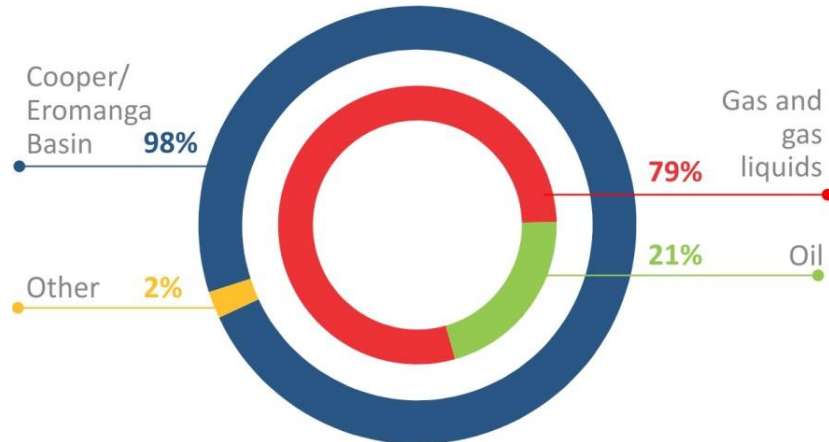
- ~ 60% institutional, 40% retail
- Institutional geographic mix – Australia ~ 60%, USA ~ 25%, UK/Europe ~ 10%, Asia ~ 5%
- Shares on issue – ~ 1,263 million*



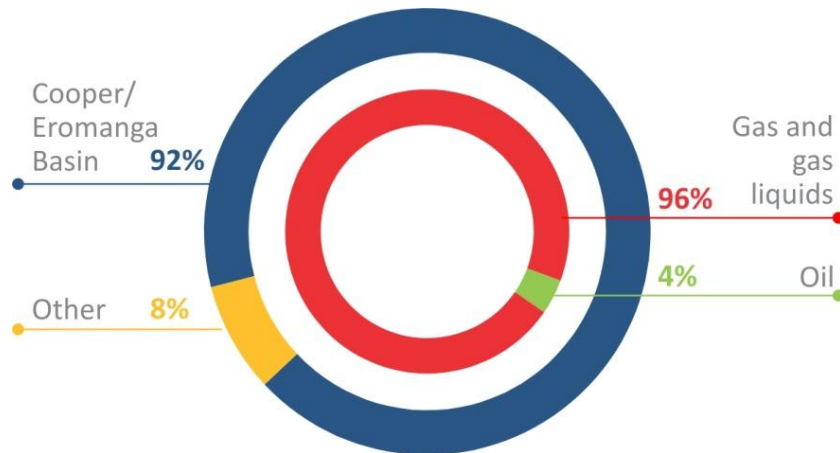
* As at 22 October 2012

Well funded for upcoming active exploration and development program

2P reserves – 93 MMboe¹

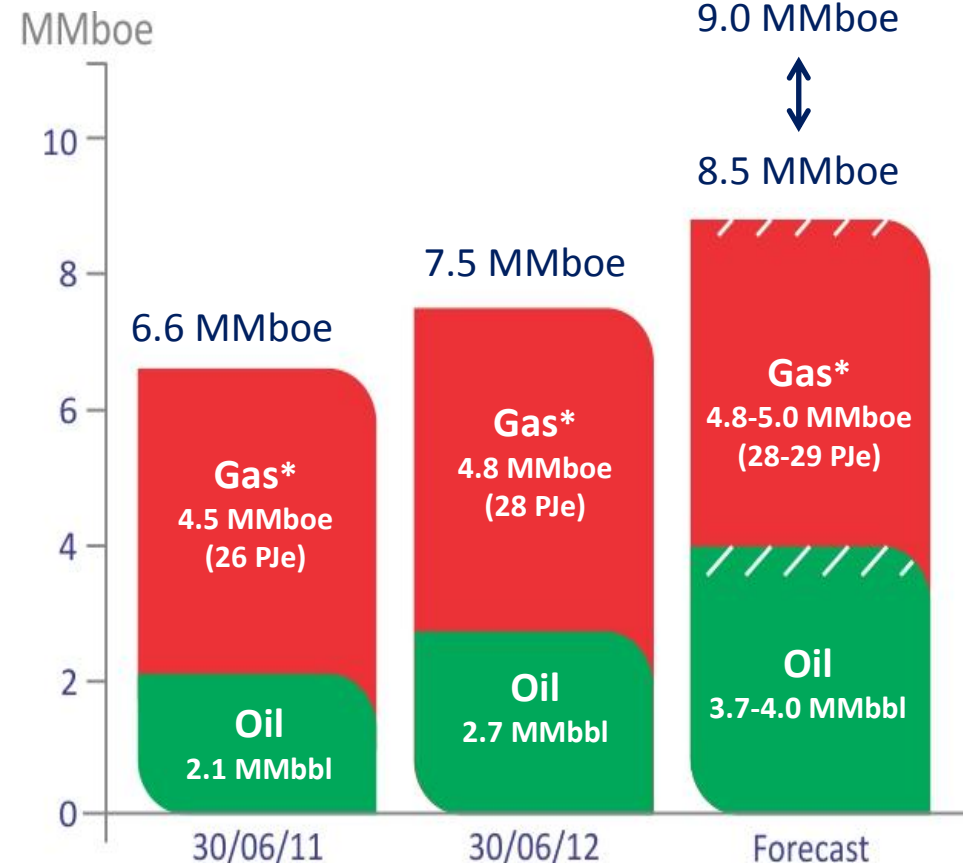


2C resources – 466 MMboe¹



¹ As at 30 June 2012

Actual and forecast production



Forecast FY13 production growth underpinned by large reserve and resource base

Key FY13 operational activities



Project	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Outcomes
Operated - Cooper Basin unconventional gas	2 vertical wells, mobilise Ensign 965 drill rig	2 vertical wells, 1 horizontal well, frac 3 vertical wells	3 vertical and 2 horizontal wells, frac 2 horizontal and 4 vertical wells, EFT of vertical wells		Book significant 2C contingent resource
SACB JV	Continued infill drilling to convert 2C contingent resource to 2P reserves				Conversion of approximately 10 MMboe resource to reserves
Western Flank oil pipelines	Tie-in of Bauer-Lycium, Growler-Lycium and Lycium-Moomba operated pipelines and Snatcher-Charo pipeline in Q4 2012				Increased oil production to around 9,000 to 10,000 bpd net to Beach
Operated - Western Flank oil	12 exploration and 10 development wells				Increased production and 2P reserves
Operated - Western Flank gas and gas liquids	PEL 106B - Four exploration wells and tie-in of Canunda PEL 107 - One exploration well				Increased production and 2P reserves, five new wells and tie-in of two new discoveries
Non-operated - Cooper Basin Western Flank	7 exploration and 7 development wells				Increased production and 2P reserves
Egypt: Abu Sennan	3 exploration wells and EPT's on existing discoveries			Workover and assessment of discoveries	New and increased oil production, 2P reserve additions
Tanzania: Lake Tanganyika	2D Seismic acquisition	Process and interpret 2D seismic data, identify prospects and leads		Assess farm-down options	Initial prospects and leads, potential farm-down

FY13 Capital expenditure guidance

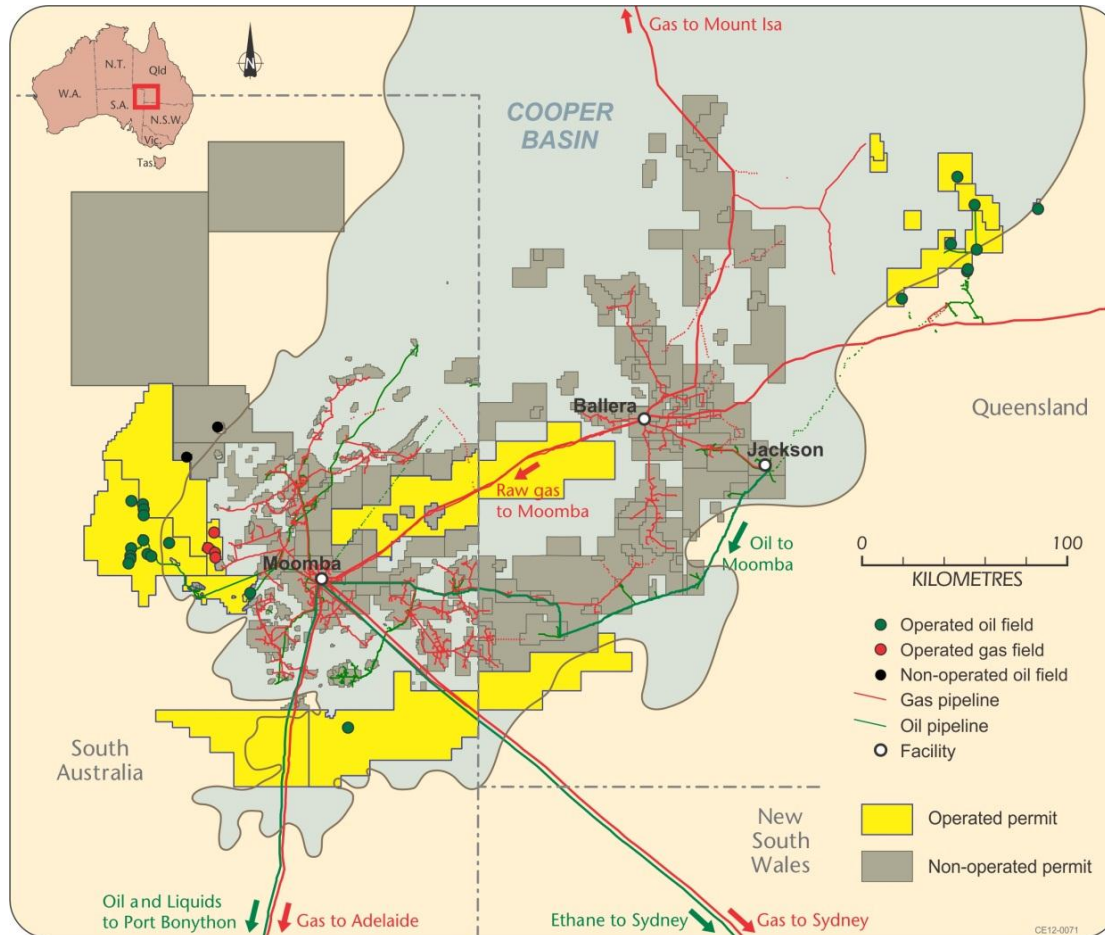


	FY13 Forecast Capex (\$M)	FY13 Forecast Wells	FY13 Forecast Seismic		Forecast reserves additions
			2D – km	3D – km ²	MMboe
DEVELOPMENT					
Cooper Basin – non-SACB JV	50 – 60	15 – 20	–	–	–
Cooper Basin – SACB/SWQ JV	100 – 130	35 – 45	–	–	10.0
International	5 – 10	2 – 4	–	–	–
Total Development	155 – 200	Up to 69	–	–	10.0
EXPLORATION					
Cooper Basin – non-SACB JV	30 – 40	16 – 21	250	1,500	3.3
Cooper Basin – SACB/SWQ JV	15 – 20	5 – 10	–	–	0.4
Other Australasia	5	2 – 3	–	–	1.7
Unconventional	120 – 150	10 – 15	670	–	–
International	20 – 30	3 – 5	2,100	–	1.3
New Ventures and Other	5	–	–	–	–
Total Exploration	195 – 250	Up to 54	3,020	1,500	6.7
TOTAL	350 – 450	Up to 123	3,020	1,500	16.7



The Eastern Australian gas market opportunity

Strategically located acreage

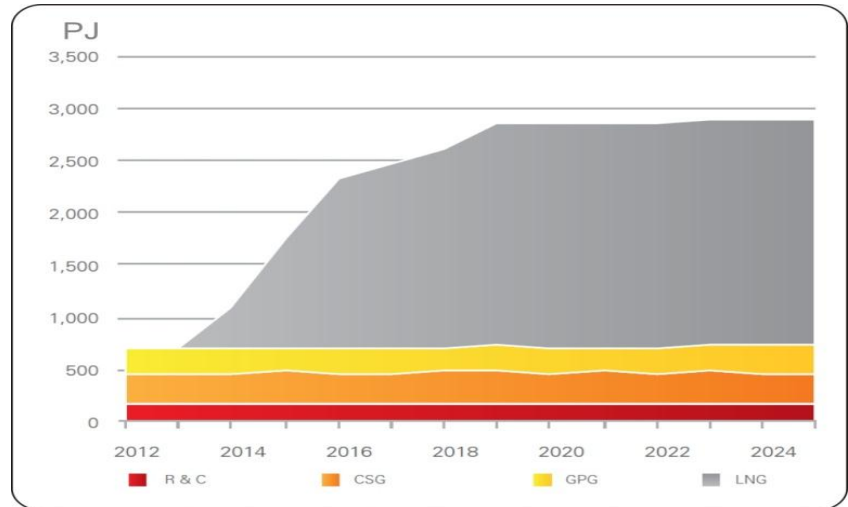


Beach is well placed to supply gas to the market for generations to come

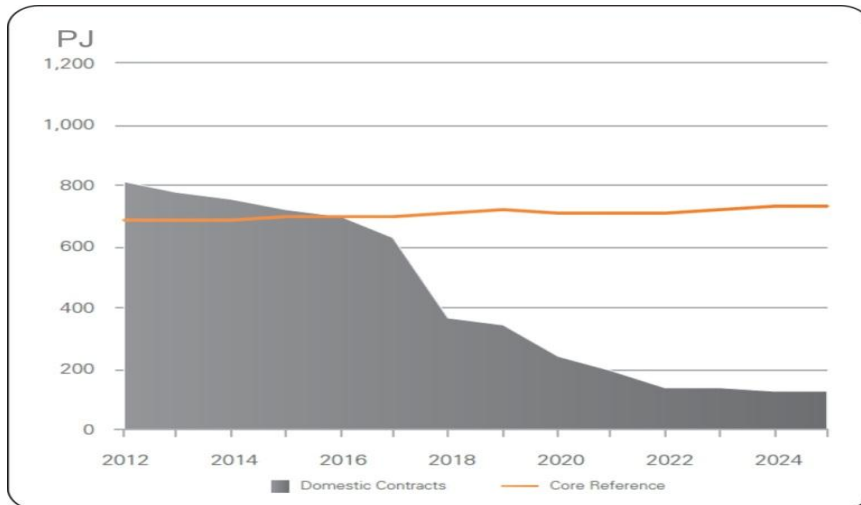
Eastern Australian gas markets are growing

- The 'clean energy future' is likely to incorporate a larger role for natural gas
- Gas demand for domestic market and LNG projects expected to grow to ~ 3,000 PJ by 2025
- 2015+ opens up various domestic and export linked opportunities

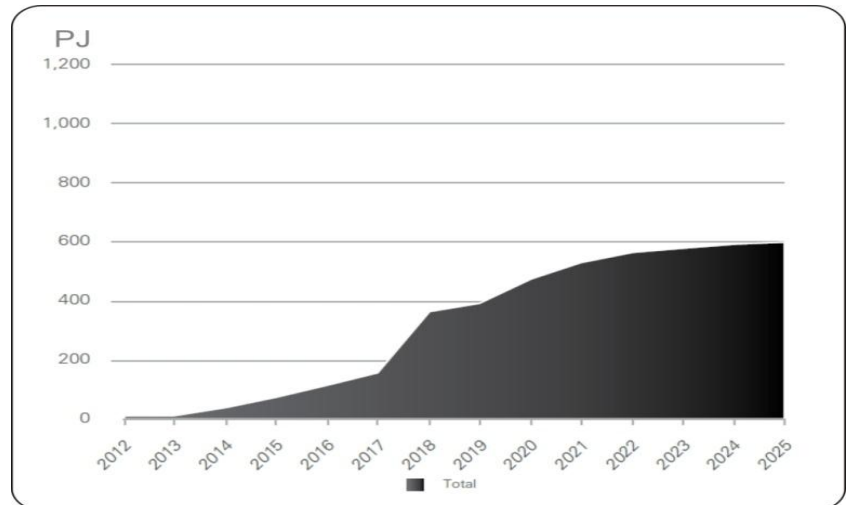
Projected east coast total demand



Existing domestic east coast contracts



Projected east coast domestic uncontracted demand



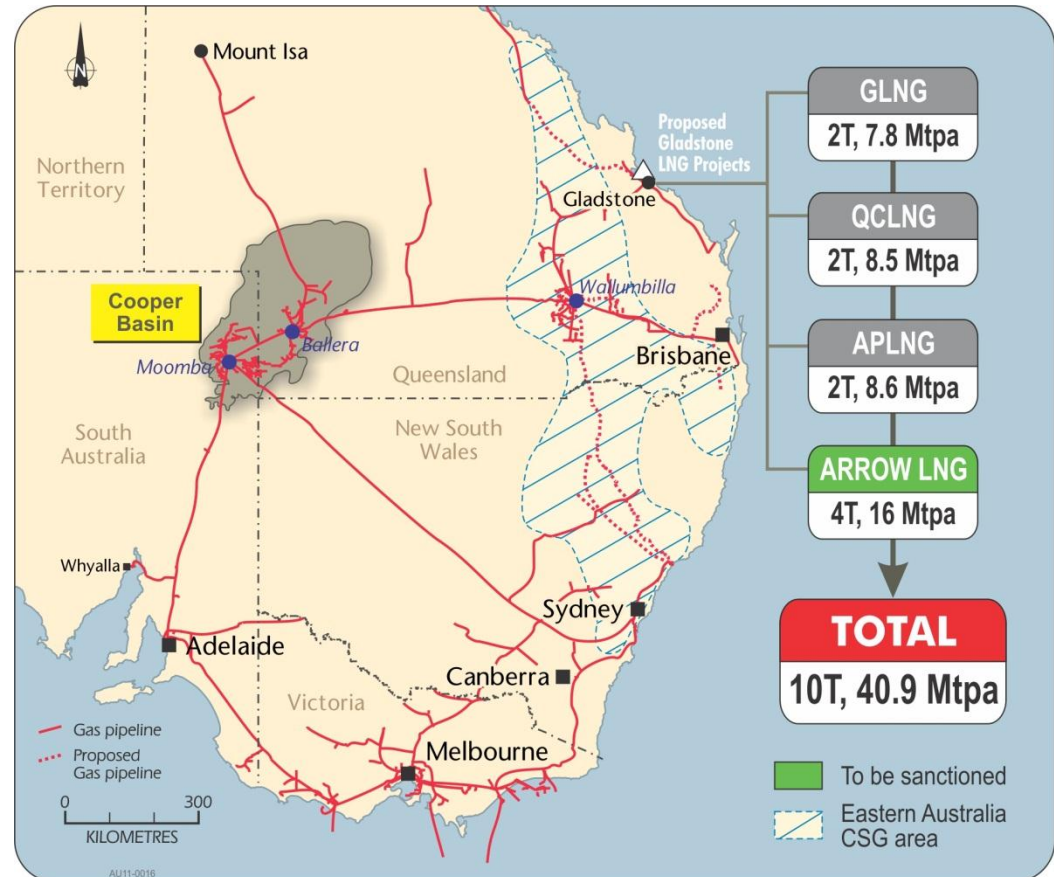
Source: Core Energy Group July 2012

- ~ 80% of east coast 2P reserves are owned by parties developing LNG projects or with LNG aspirations
- Industry commentators suggesting gas prices trending toward \$6-9/GJ

Benefits of non-CSG supply to LNG proponents include:

- Flexibility, security and base load supply
- Field sequencing optimisation, delivering enhanced project economics
- Different risk profile in terms of environmental and/or land access
- Established infrastructure accessing a large reserves and resource base

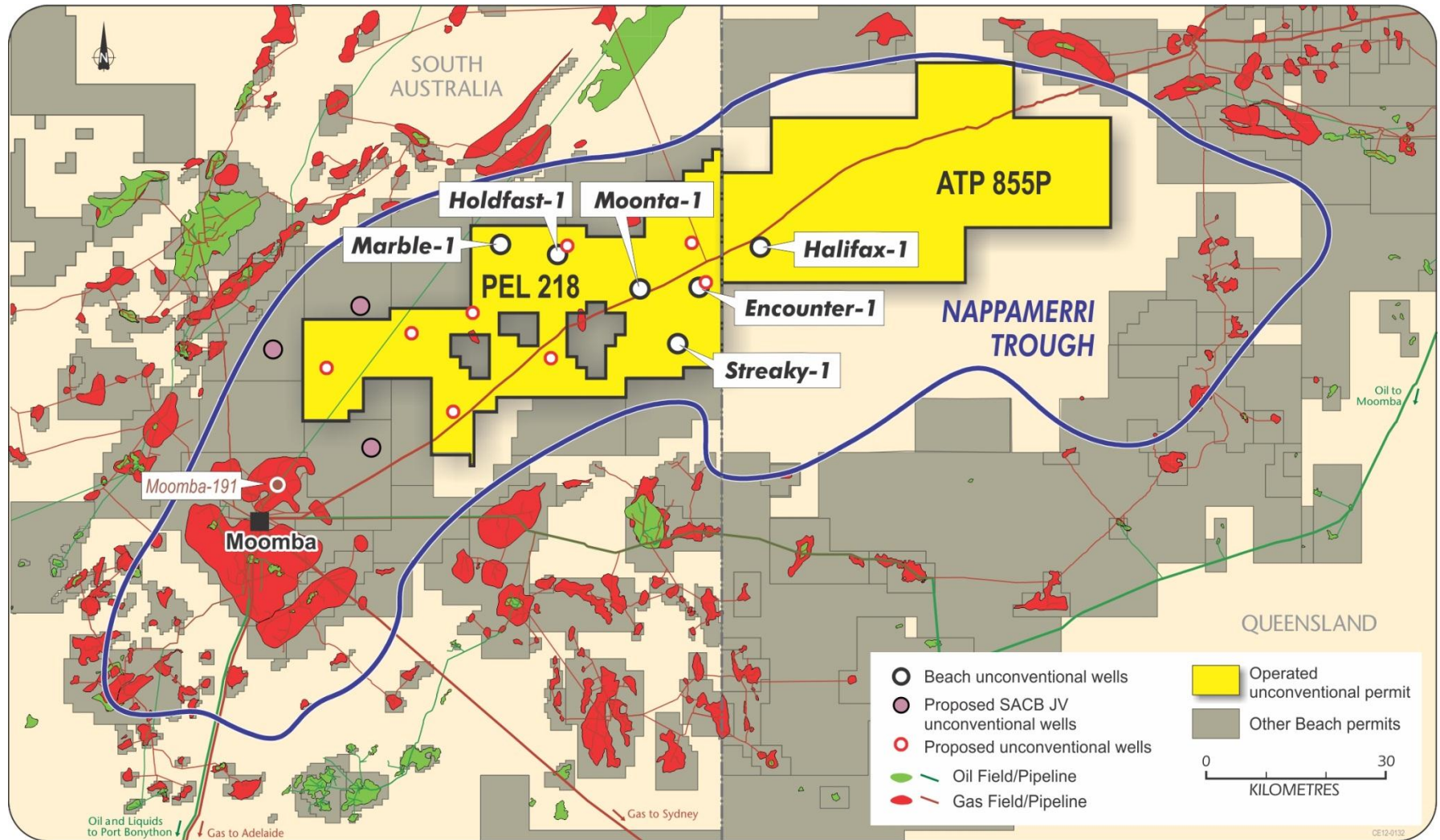
Gladstone based LNG projects



Cooper Basin gas supply has multiple potential benefits to LNG projects



**An unconventional and
logical thought process**



Commanding acreage position with multiple targets to be addressed

PEL 218 ~ 1,600 km²

- Beach 100% (Permian)
- Four vertical wells drilled
- Gas flow from first two wells up to ~ 2 MMscfd per well
- Fracture stimulation of Moonta-1 and Streaky-1 imminent

ATP 855P ~ 1,670 km²

- Beach 60% (operator), Icon Energy 40%
- Halifax-1 TD at 4,267 metres

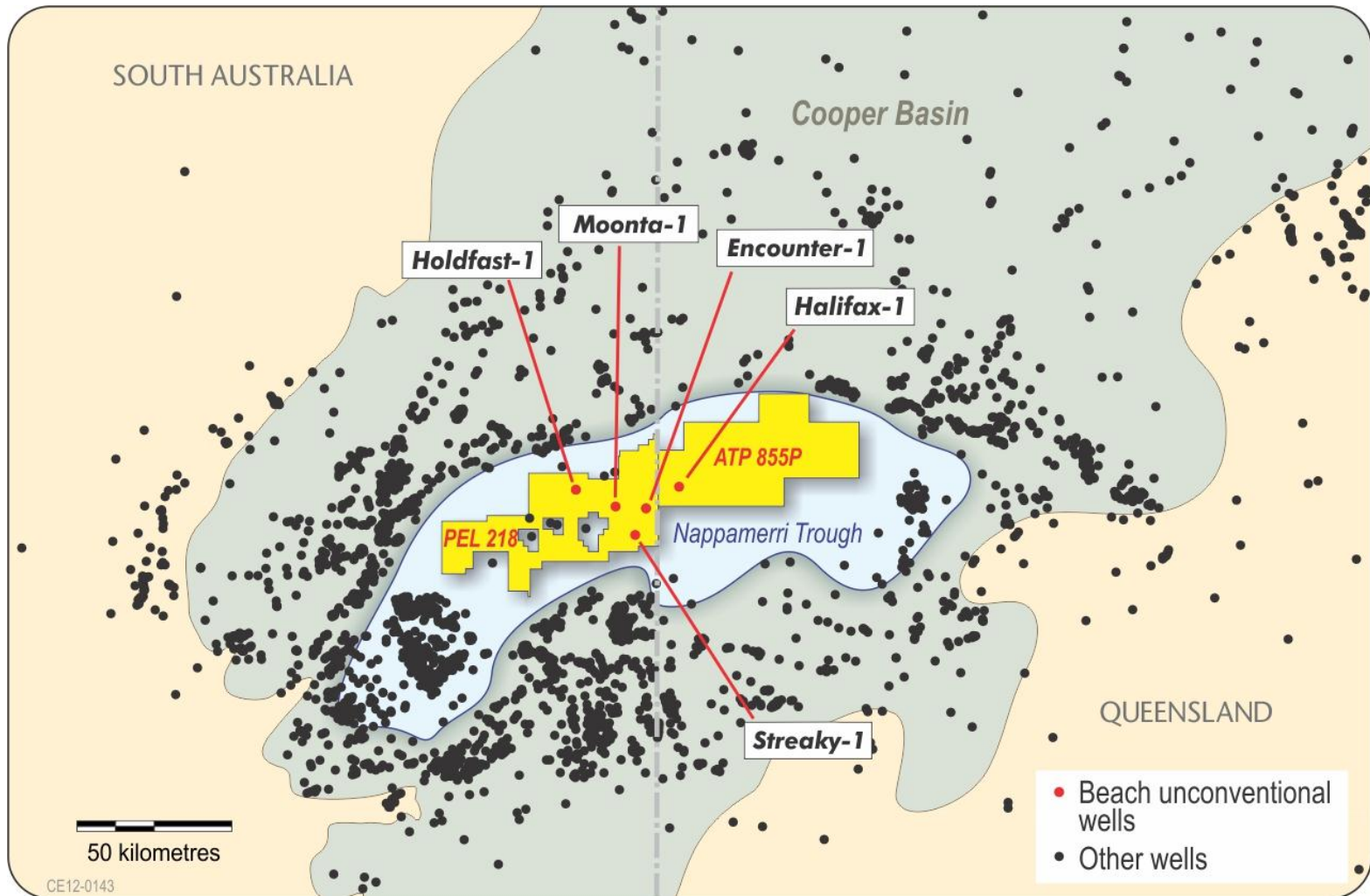
SACB JV ~ 7,100 km²

- Beach 20.21%, Santos 66.6% (operator), Origin Energy 13.19%
- Moomba-191 flowed gas at up to ~ 3 MMscfd and tied-in



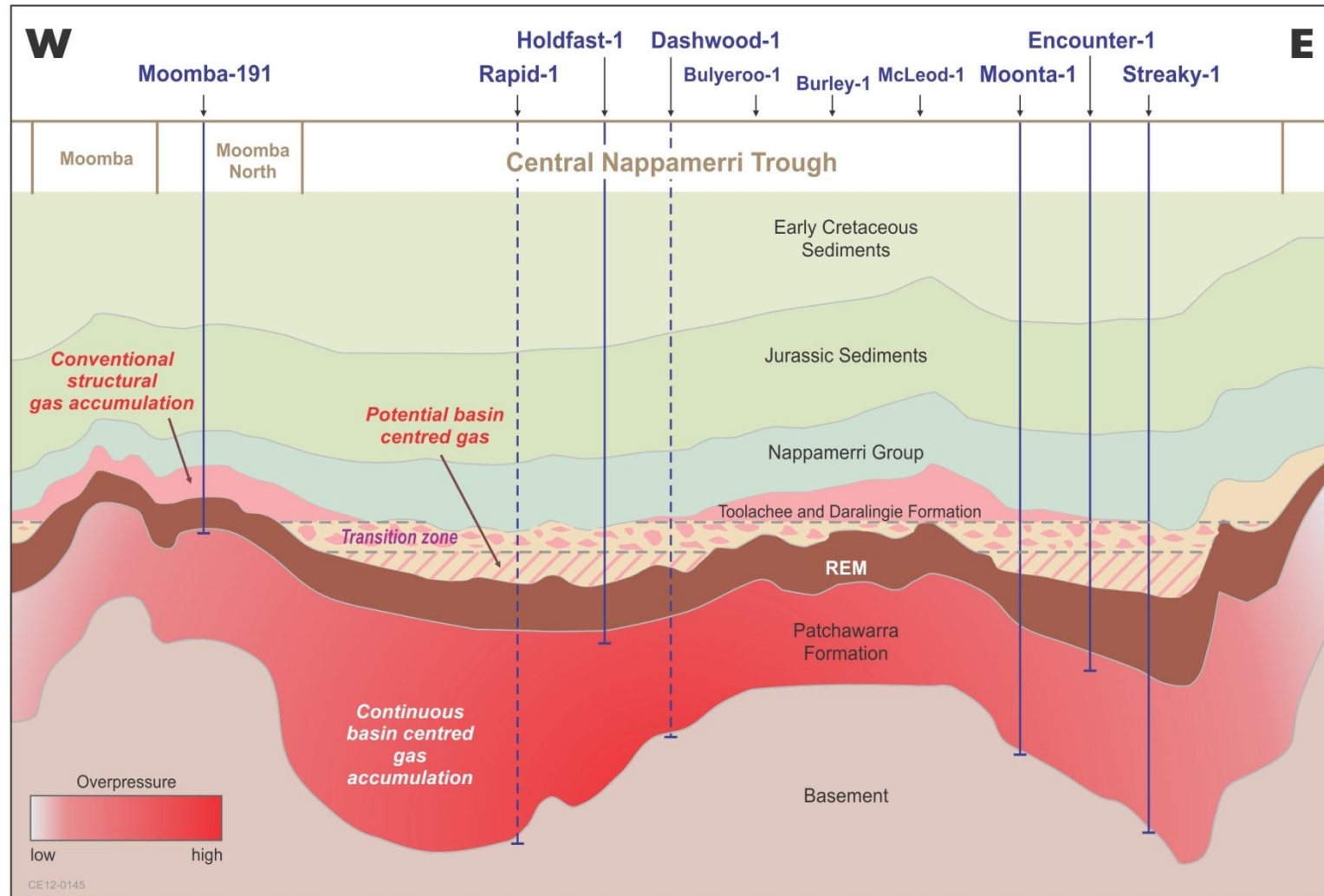
SACB JV's Moomba-191 shale well connected to Moomba infrastructure

Things you can find in your own backyard...



A relatively under-explored part of the Cooper Basin with enormous potential

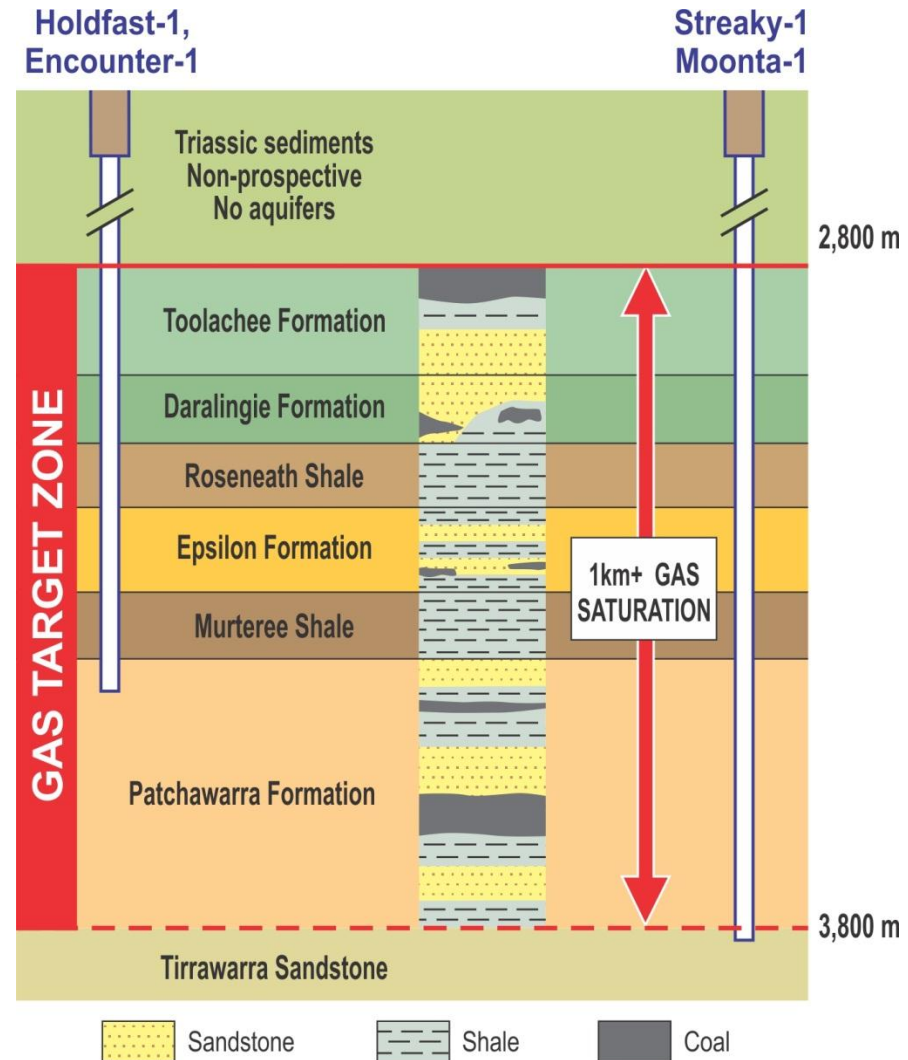
Shale and basin centred gas play



Gas saturation expected through the Permian zone of the Nappamerri Trough

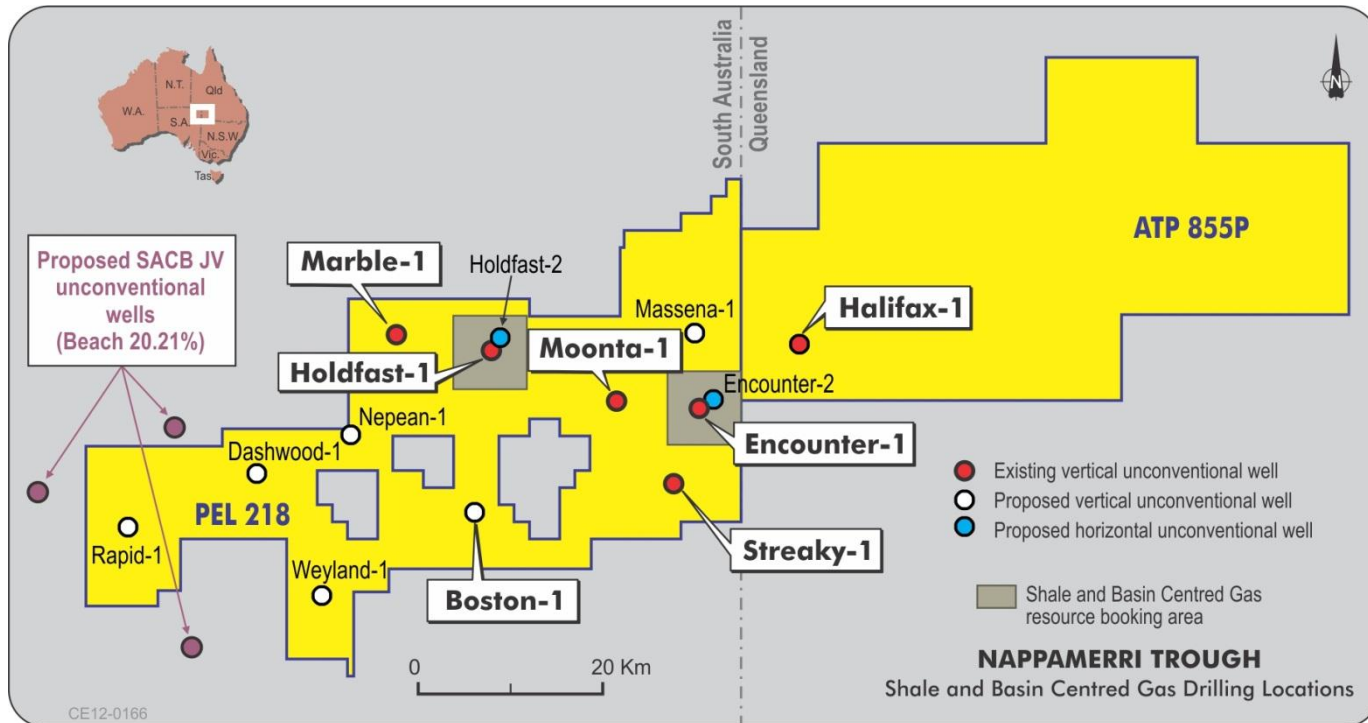
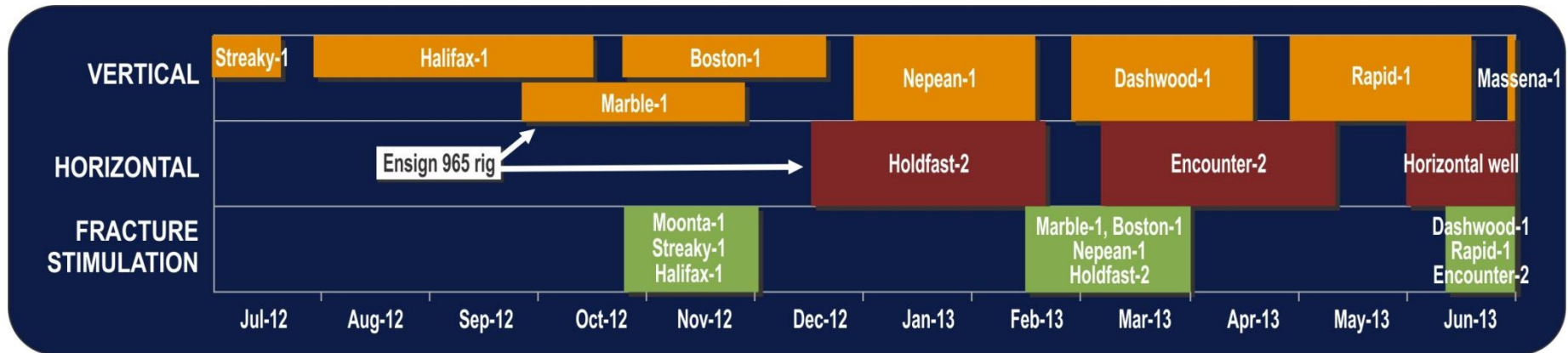
Beach operated program highlights to date

- Holdfast-1 and Encounter-1 gas flows up to 2.1 MMscfd, post fracture stimulation
- Seven stage fracture stimulation for Holdfast-1 and six stage for Encounter-1
- Logs from Moonta-1 and Streaky-1 indicate in excess of 1,000 metres of Permian target zone gas saturated
- Fracture stimulation of Moonta-1 to commence imminently, followed by Streaky-1 and Halifax-1
- Moonta-1 stimulation program to target up to 10 zones in the Patchawarra Formation
- Halifax-1 vertical exploration well in ATP 855P reached TD at 4,267 metres
- Halifax-1 REM section of 461 metres and Patchawarra in excess of 490 metres



300+ Tcf of gas in place estimated for PEL 218

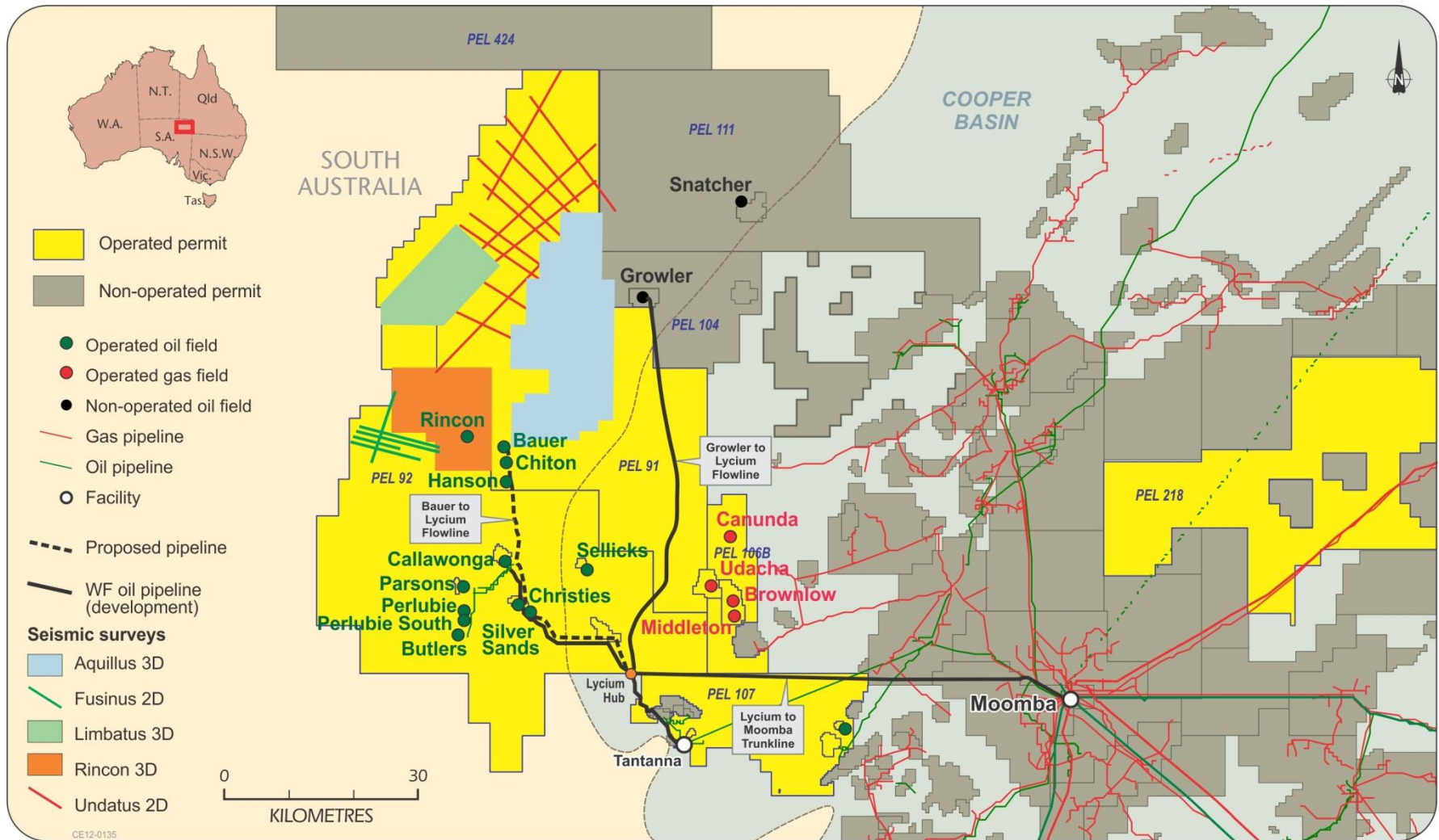
FY13 unconventional drilling program





Dominant Western Flank acreage position

Western Flank – Cooper Basin



2013 net production target of 9,000 to 10,000 bopd from the Western Flank

Western Flank oil is a core contributor to Beach due to:

- Sales in Brent
- High net back per barrel of ~ A\$80* (including opex, royalties and transportation costs)
- Strong equity positions
- Quick drill and tie-in periods
- High flow rates from wells
- Excellent understanding of the geology resulting in high success rates
- Multiple play types
- Established and proposed pipeline infrastructure to increase production rates

*Assumes Brent oil price of A\$105 per barrel

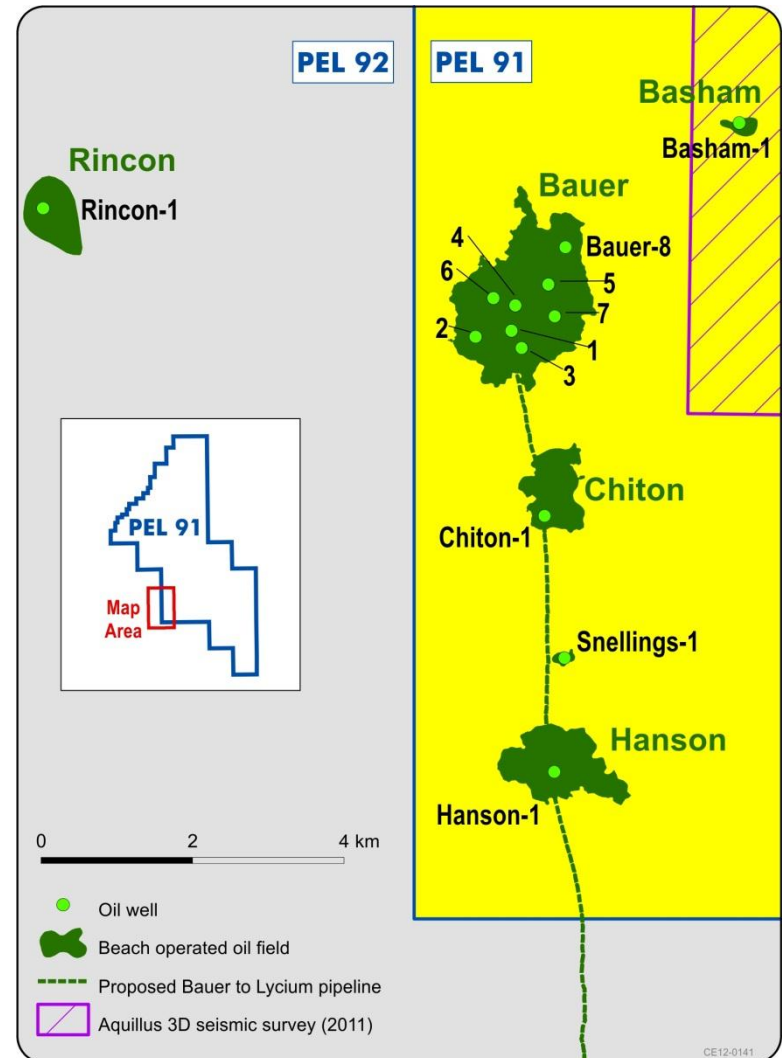


Strong cash generating area with significant exploration upside

- Beach 40% (operator), Drillsearch 60%
- Bauer potential recoverable oil of 10+ MMbbls
- Production of 1,000 bopd (gross) from Bauer-1, targeting 10,000 bopd (gross) in Q2 2013
- Hanson facility expected to be on-line Q1 2013
- Chiton production potential of 200 bopd (gross)
- 336 km² Aquillus 3D, 151 km² Limbatus 3D and 249 km Undatus 2D seismic being interpreted, targeting Birkhead and Namur

FY13 capital program

- Five exploration and seven development wells
- Four development wells drilled to date in FY13
- New Bauer-Lycium pipeline, capacity 10,000 bopd, expected net cost \$5 million
- Expected net total capex for PEL 91 of \$20 million

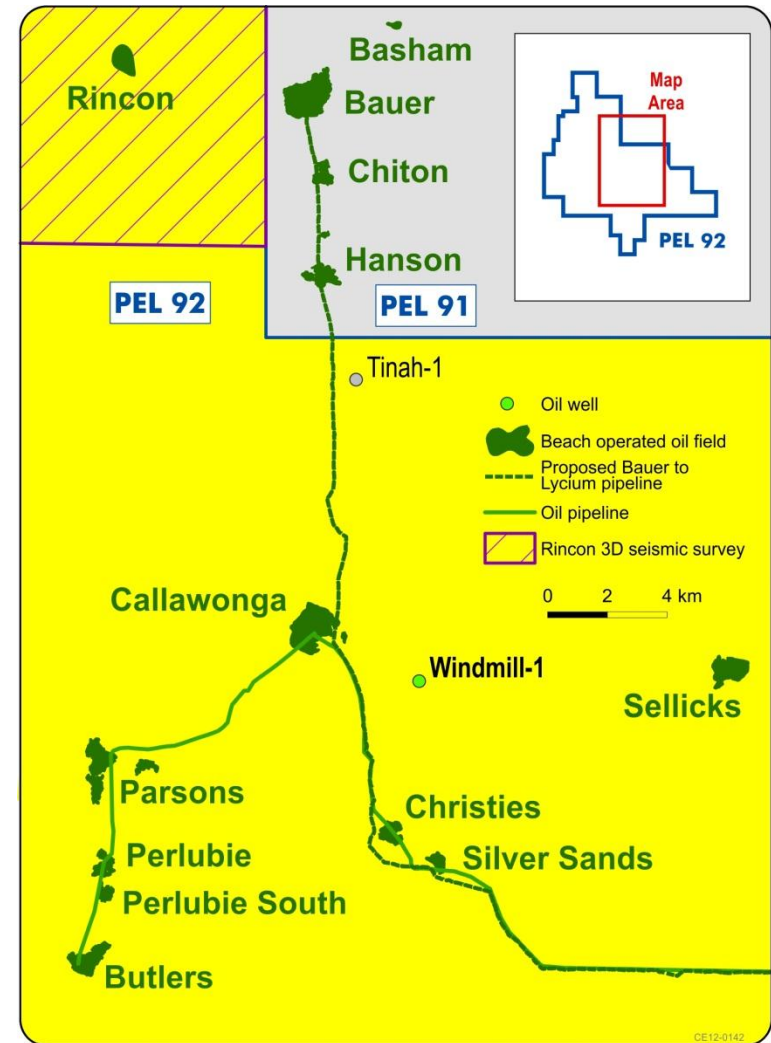


FY13 program targeting a gross reserves addition of 3 MMbbl

- Beach 75% (operator), Cooper Energy 25%
- Current gross production of 4,500 bopd
- Gross production expected back at 6,000 bopd upon completion of Lycium-Moomba trunkline
- Butlers-2, -3, -4, Parsons-5, Germein-1 and Elliston-1 all tied-in
- Butlers-5, -6 and Christies-6, -7 expected to be on-line Q1 2013
- Oil discovery at Windmill-1, six metre column in the Namur and three metres in the Birkhead

FY13 capital program

- Seven exploration and three development wells
- One exploration and one development well drilled to date in FY13
- Expected net total capex for PEL 92 of \$31 million

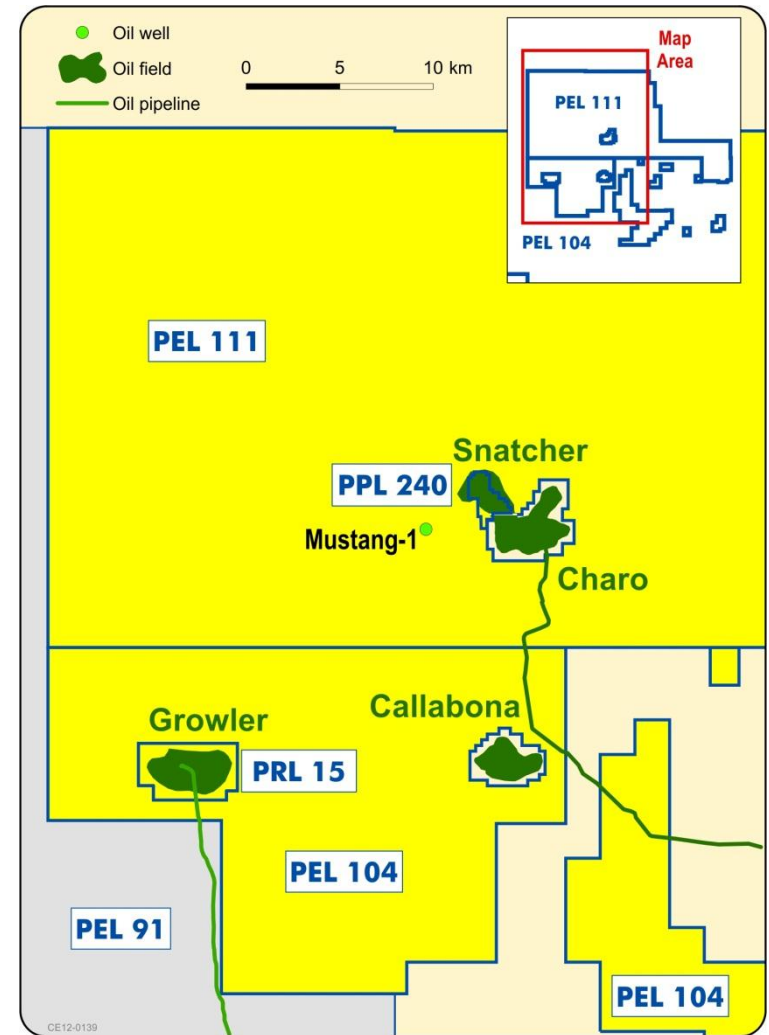


FY13 program targeting a gross reserves addition of 1 MMbbl

- Beach 40%, Senex Energy 60% (operator)
- Current gross production of 5,000 bopd from Growler and 350 bopd from Snatcher
- Oil discovery at Mustang-1, 800 bopd (gross) flowed from a controlled initial production test
- PPL 240 granted over the Snatcher oil field

FY13 capital program

- Seven exploration and seven development wells
- Two exploration and four development wells drilled to date in FY13
- 70 kilometre Growler-Lycium pipeline, capacity 8,000 bopd, completed
- Four kilometre Snatcher-Charo pipeline, capacity 2,600 bopd, commenced construction
- Expected total net capex for PRL 15, PPL 240, PEL 104 and PEL 111 of \$29 million

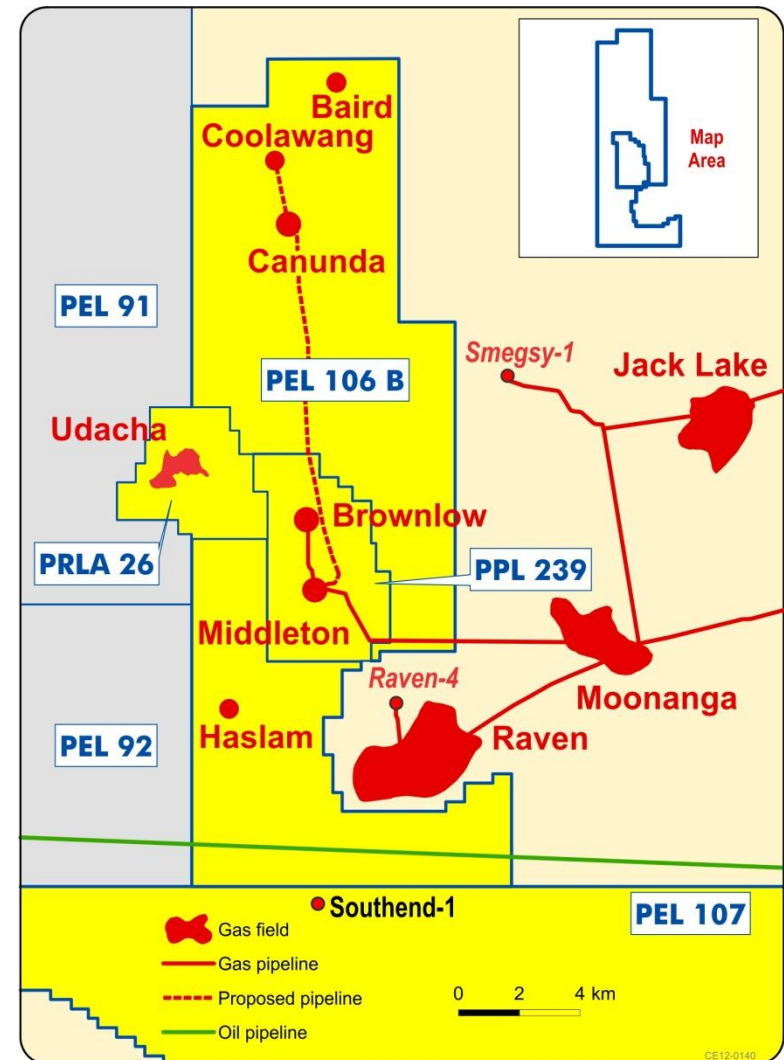


FY13 program targeting a gross reserves addition of 2.5 MMbbl

- PEL 106B – Beach 50% (operator), Drillsearch 50%
- First production in FY12 from the Middleton / Brownlow production licence
- Initial gross flow rates of 25 MMscfd (15 TJd sales gas and 325 bbld LPG and condensate)
- Production under current contract shut-in in accordance with customer's rights under interruptible GSA
- Commercial discussions underway for extended gas sales beyond April 2013

FY13 capital program

- PEL 106B – Four exploration wells, expected net cost \$7 million, net cost of development (incl. Canunda tie-in) expected at \$5 million
- PEL 107 – Beach 40% (operator), Drillsearch 60% – one exploration well, expected net cost \$1 million



The first Beach operated gas and gas liquids production



International

Romania

- Attractive royalty based fiscal regime and farm-in terms
- Est Cobalcescu offshore block 1,000 km², block-wide 3D seismic
- Water depth < 100 metres
- Potential for both oil and gas plays

Tanzania

- Natural oil seeps in the 7,200 km² Lake Tanganyika south concession
- Potential for large oil discoveries (> 200 MMbbl)
- 2,080 kilometre 2D seismic survey completed in August 2012
- Preliminary results confirm extensive structuring, similar to Lake Albert in Uganda

Egypt

North Shadwan

- Near shore oil field NS 377 producing
- NS 385-1 development well spudded
- NS 394 (Burtocal) production anticipated in 2015

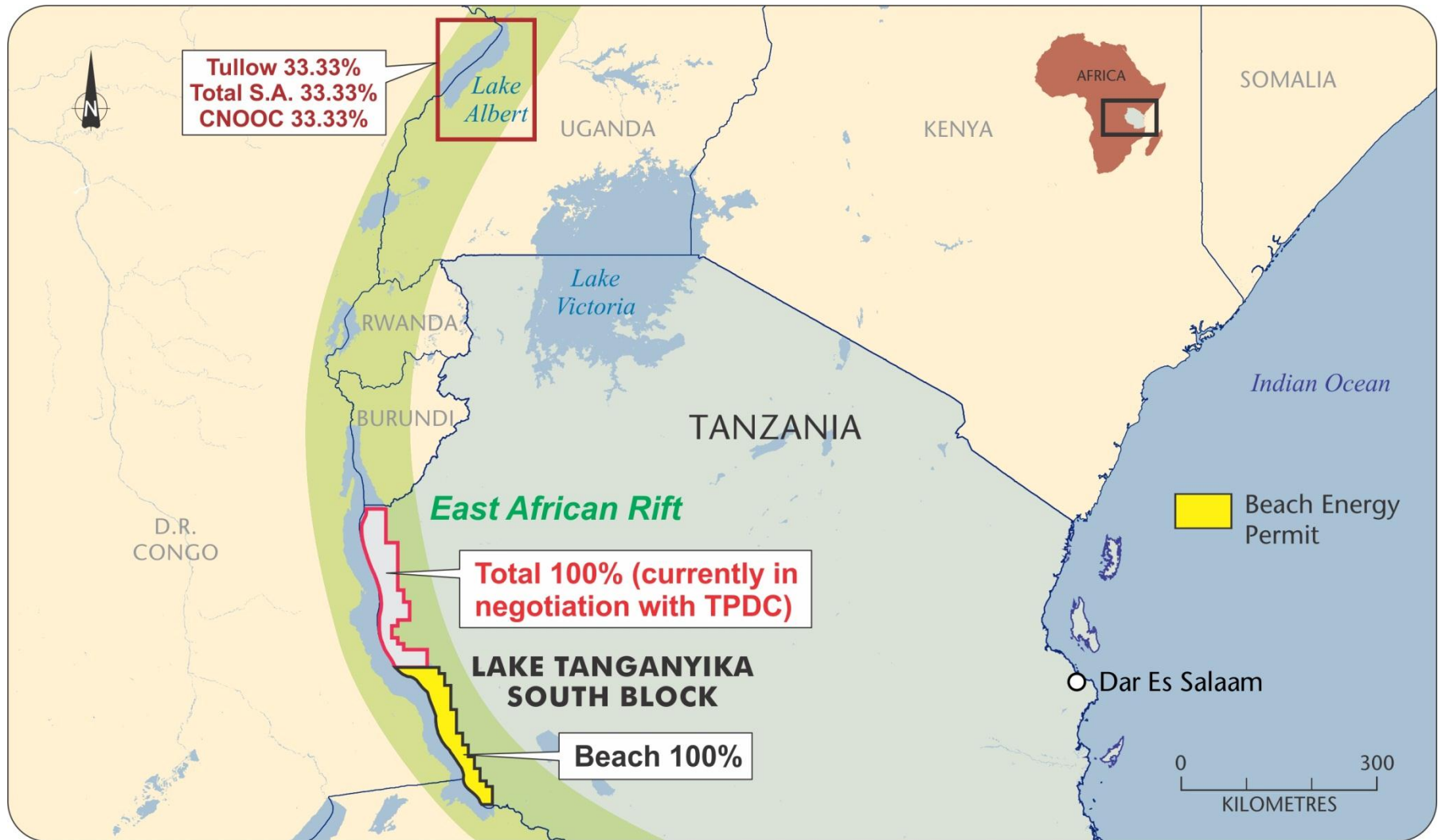
Abu Sennan

- Four exploration wells successful, new three well exploration program
- EPTs choked back and producing 800 bopd, with associated gas

Mesaha

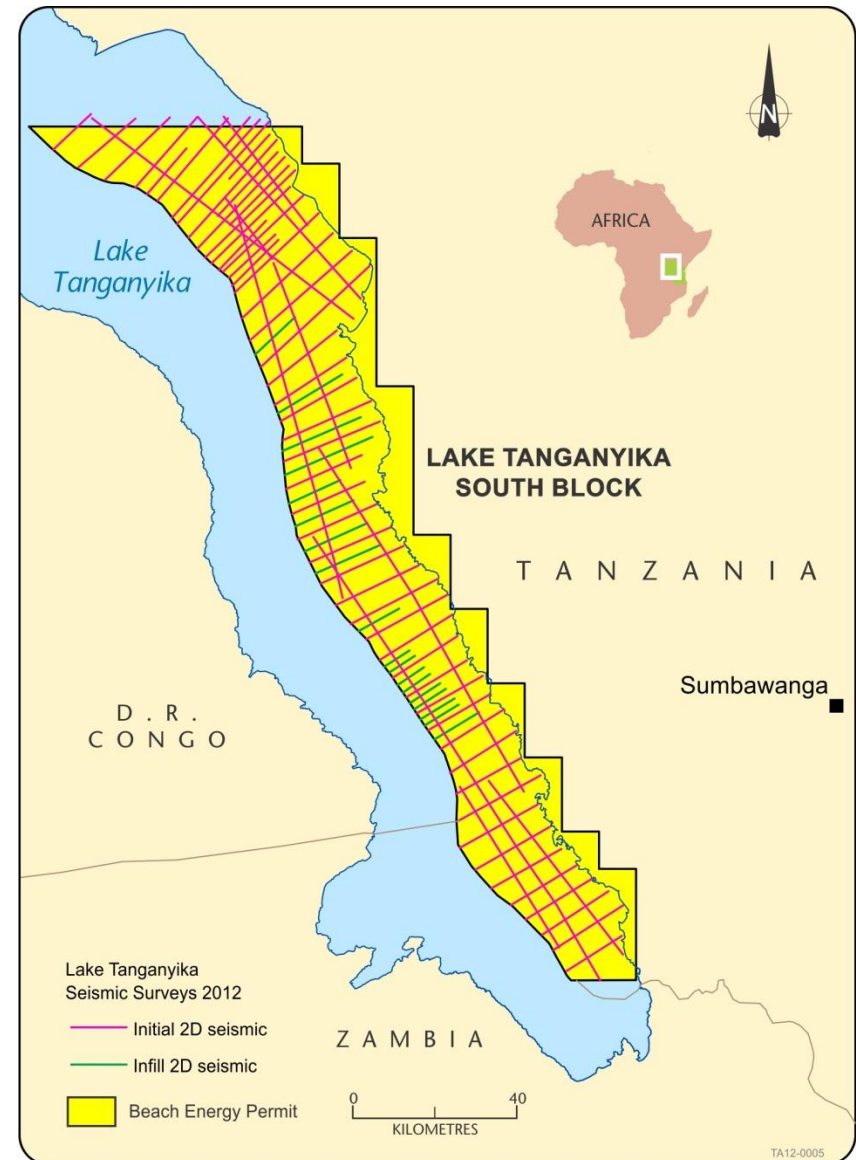
- Largest concession in Egypt at 42,700 km²
- First exploration well in Q4 2012

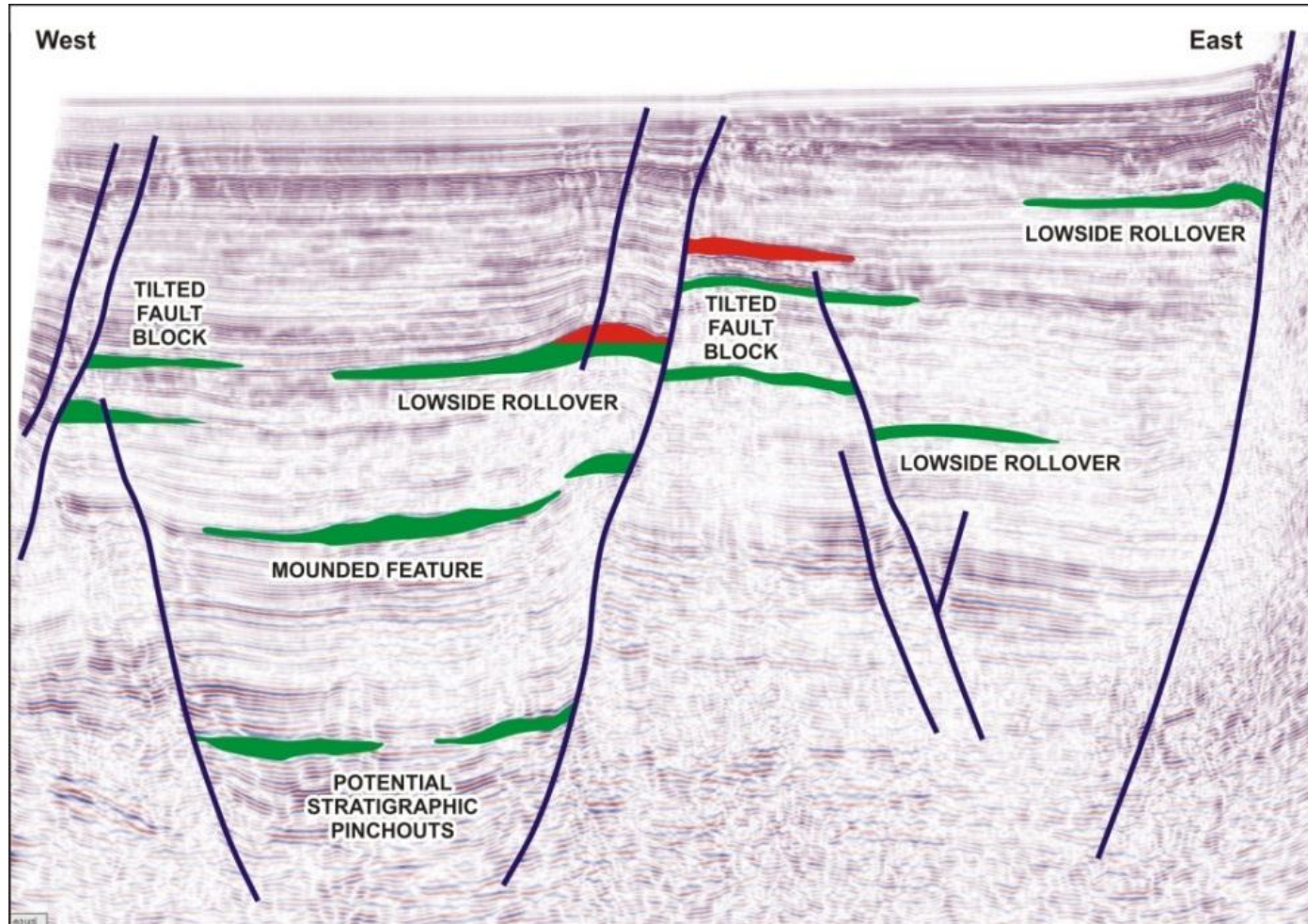
Tanzania – Lake Tanganyika South Block



A significant acreage position in the prospective East African Rift

- Natural oil seeps in the Lake Tanganyika south block (7,200 km²) indicate a working petroleum system
- Potential for large discoveries (> 200 MMbbl)
- Airborne gravity and hi-resolution aeromag data acquired in 2010
- 2,080 kilometre 2D seismic survey completed in August 2012
- Preliminary results confirm extensive structuring, similar to Lake Albert in Uganda
- Indications of hydrocarbons over tilted fault blocks, low-side rollovers and mounded features





Potential targets from recently acquired 2D seismic, red = gas, green = oil

Direct hydrocarbon indicators consistent with an active petroleum system



A balanced portfolio of assets with growing oil production

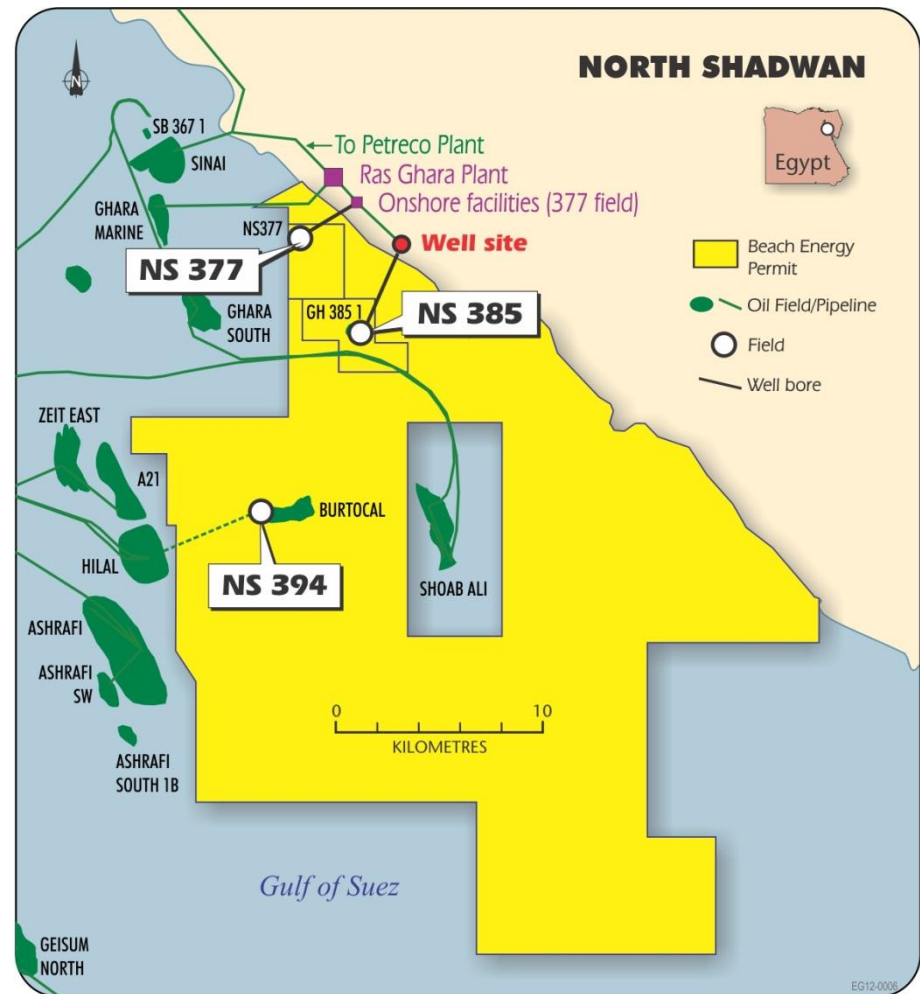
- Beach 20%, BP 50% (operator), Tri Ocean 30%

NS 377 and NS 385

- Near shore field NS 377 producing ~ 700 bopd (gross) via pipeline to Ras Ghara facility
- NS 385-1 development well spudded
- Total oil production expected to build to ~ 2,500 bopd (gross) in 2013, with the move away from pipeline to trucking

NS 394 (Burtocal)

- Project engineering, construction and installation expected in 2013/14
- NS 394-1A C&S in 2008, 60 metres net pay
- Production anticipated in 2015, flow rate potential of 7,000 bopd (gross)

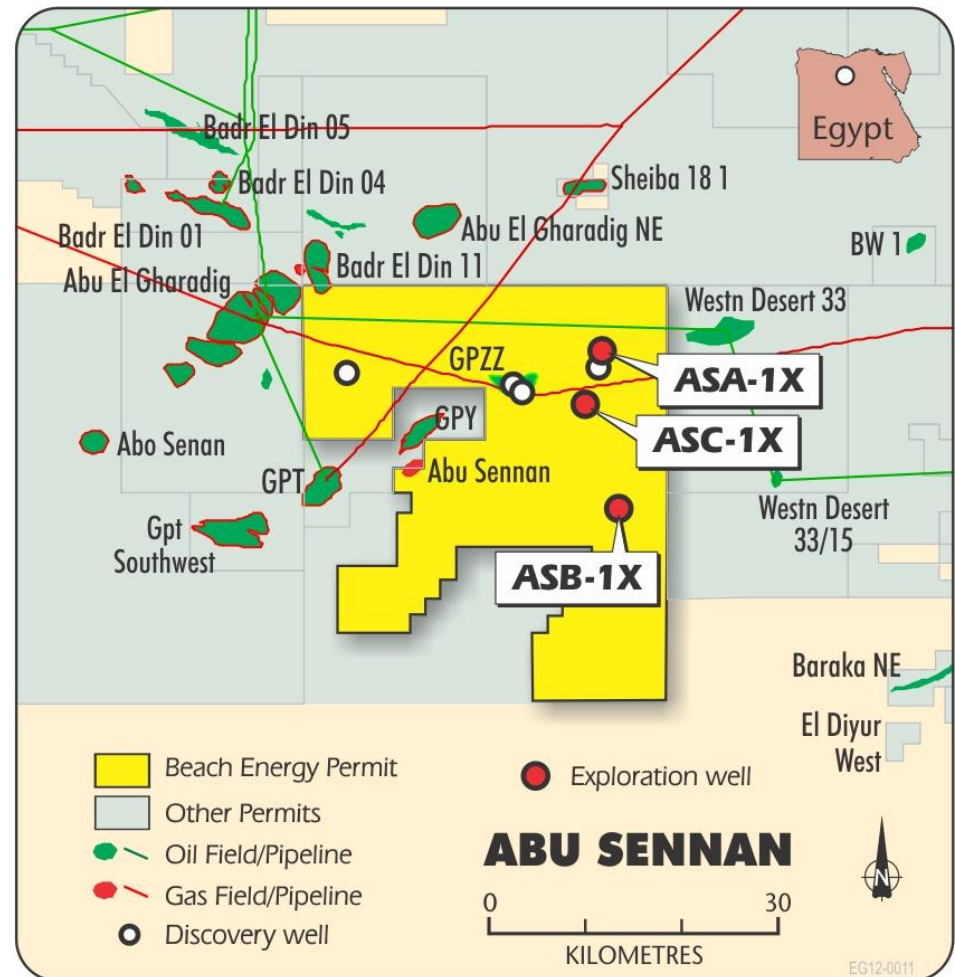


Oil production expected to increase, with near term development opportunities

- Beach 22%, Kuwait Energy 50% (operator), Dover Investments 28%
- Four exploration wells successful, with combined total gross flow rate of ~ 12,000 boepd (gross)
- New three well exploration program approved:
 - First well, ASA-1X, spudded in August 2012
 - Currently drilling ahead at 3,200 metres

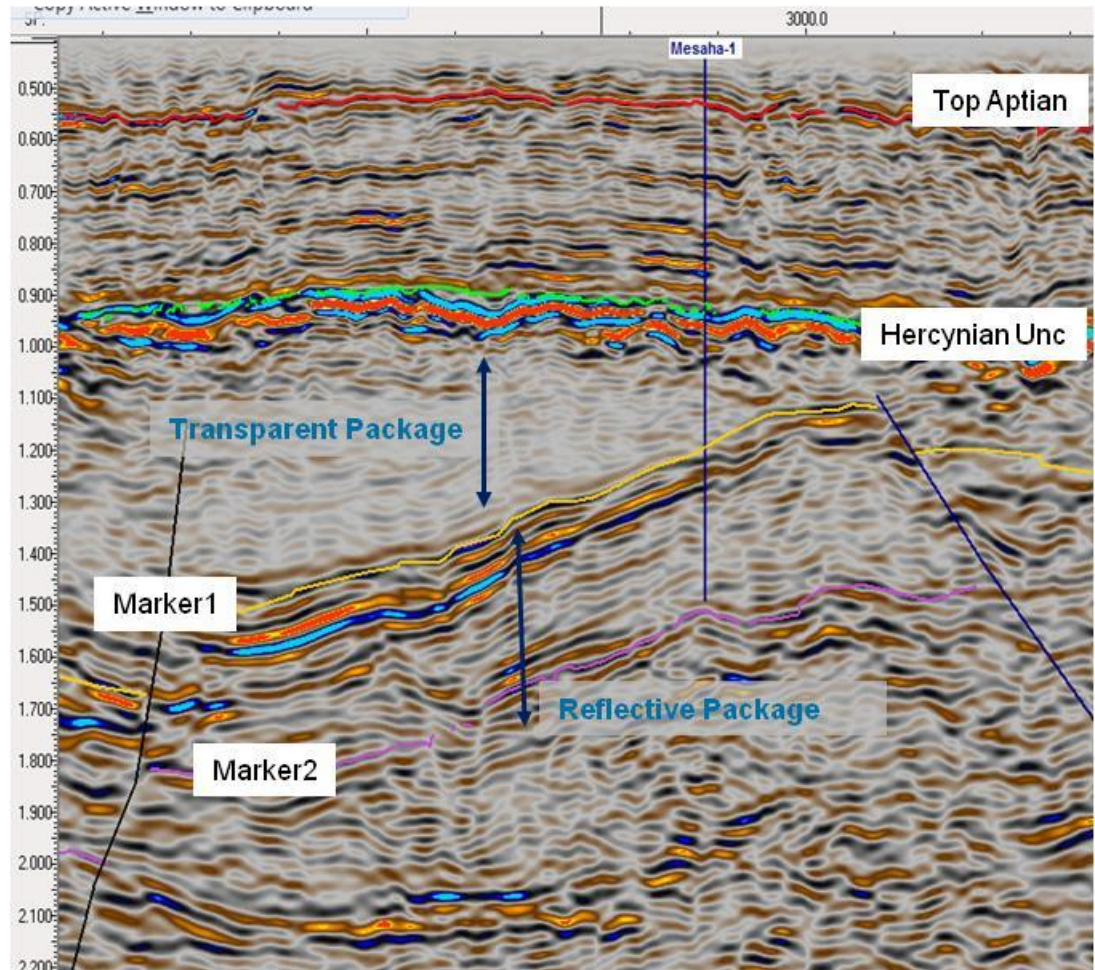
Extended production tests

- EPTs on four discoveries over six months
- Initial test flows up to 2,400 bopd, with associated gas
- EPTs currently choked back and producing 800 bopd, with associated gas



67% exploration success to date in the highly prospective Western Desert

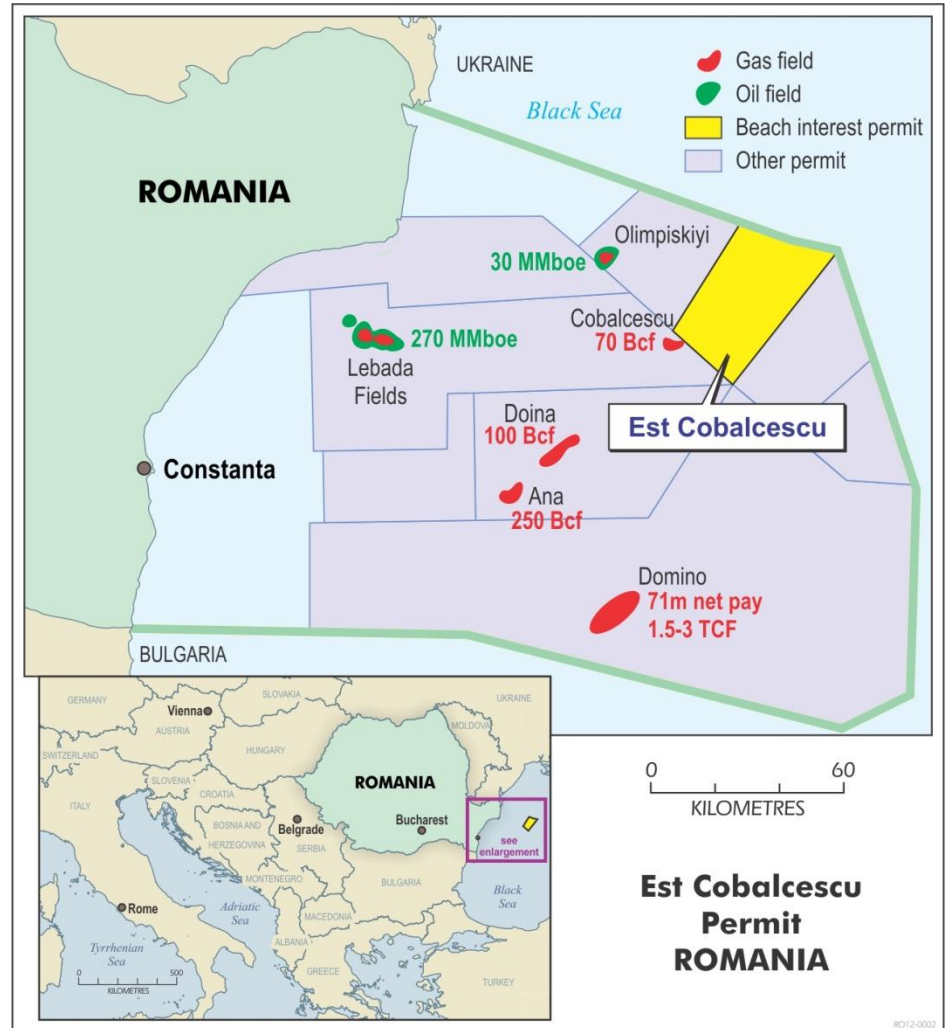
- Beach 15%, Melrose 40% (operator), Hellenic 30%, Kuwait Energy 15%
- The largest concession area in Egypt at 42,700 km²
- Possible rift basin similar to Gulf of Suez
- Potential for very large oil fields (>100 MMbbl+)
- 2,885 kilometres of regional and infill 2D seismic acquired and interpreted
- First exploration well, Mesaha-1, planned for Q4 2012
- Currently 35% rigged up



Wildcat acreage with rift graben potential

Romania – Est Cobalcesu block

- Post Beach farm-in: Beach 30%, Melrose 40% (operator), Petromar 30%
- Est Cobalcesu block is 1,000 km², with 3D seismic over block being processed
- Water depth < 100 metres
- Potential for both oil and gas plays
- Significant leads identified on available data
- Adjacent to Exxon-Mobil deepwater block with a 2012 discovery estimated at between 1.5-3 Tcf
- Strategically aligned with local company Petromar
- Attractive royalty based fiscal regime and farm-in terms



Newly available acreage with proven petroleum systems and multiple targets

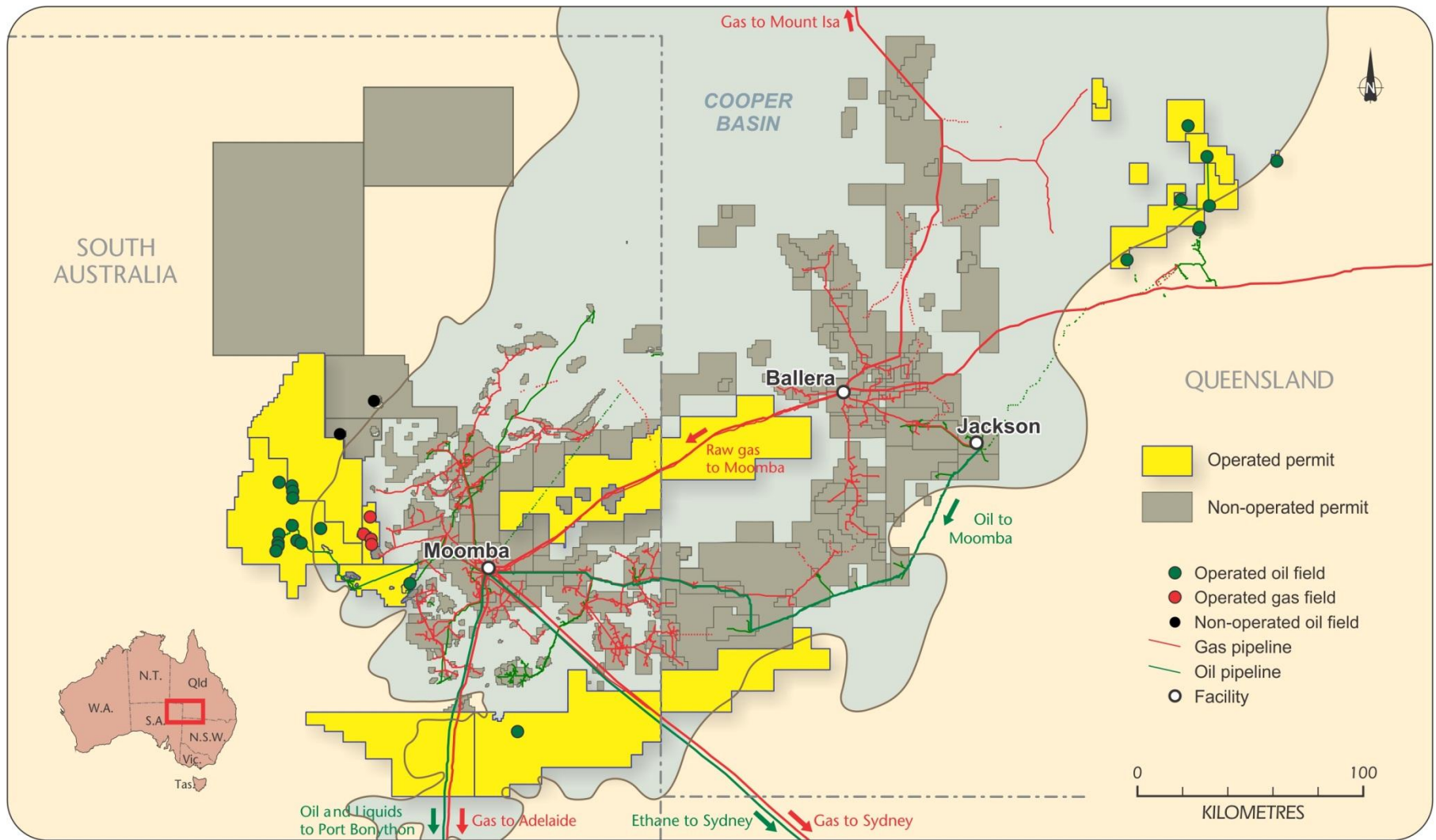


Appendices

1. General

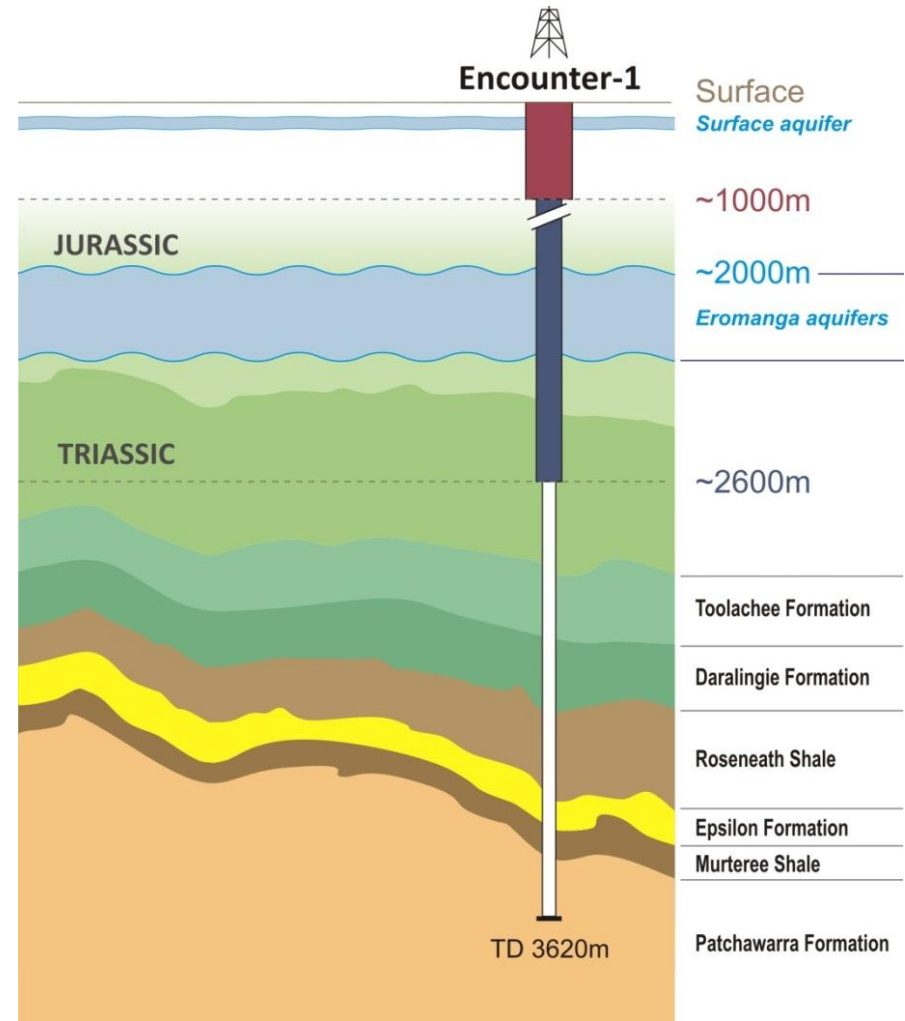
2. Other operations

The Cooper Basin



Advantages of Beach's Cooper Basin acreage

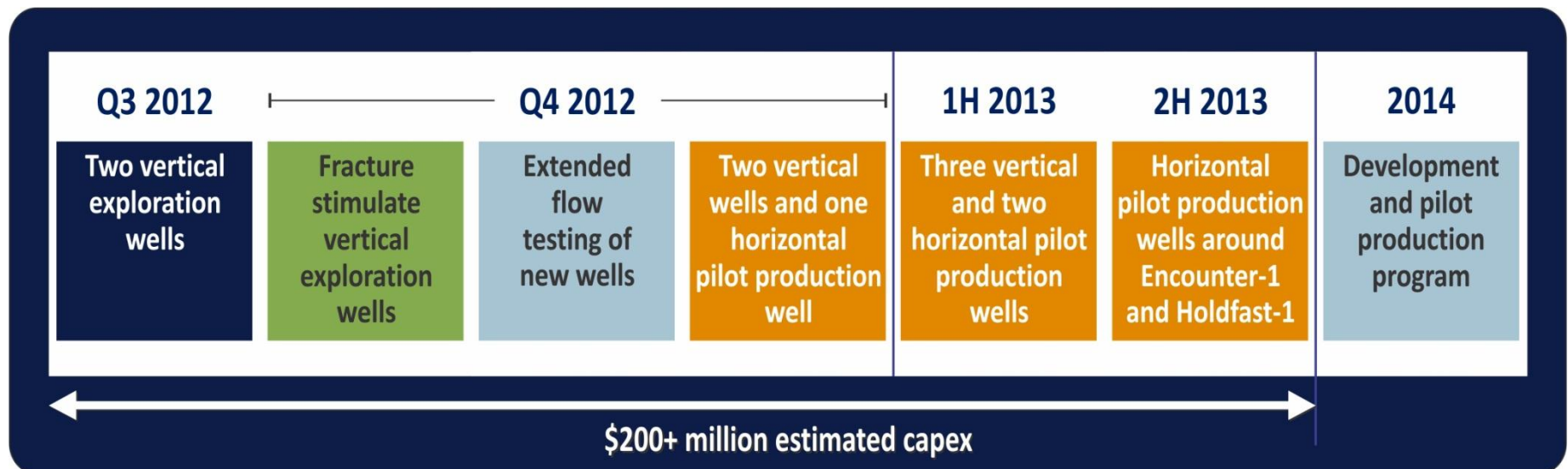
- Co-operative not competitive land use with pastoral owners and stakeholders
- Semi-desert country
- Relatively flat topography
- Well established gas infrastructure
- Three cemented casing strings in the first 1,000 metres isolate surface aquifer
- Two cemented casing strings between 1,000 and 2,000 metres isolate the Eromanga aquifers
- Eromanga aquifers well above the target zone
- Triassic zone provides a thick protective seal from target intervals
- Over 700 wells fracture stimulated in the Cooper Basin to date



Significant distance and mechanical isolation ensures aquifer protection

Next steps – unconventional program

- Drill vertical delineation wells to appraise shale and basin centred gas accumulation
- Design and drill horizontal wells
- Expand drilling program with up to six horizontal wells around Holdfast-1 and Encounter-1 to further characterise production potential of shale and basin centred gas targets
- Seek to monetise early production via existing facilities
- Investigate horizontal and vertical development options
- Farm-out options to be considered

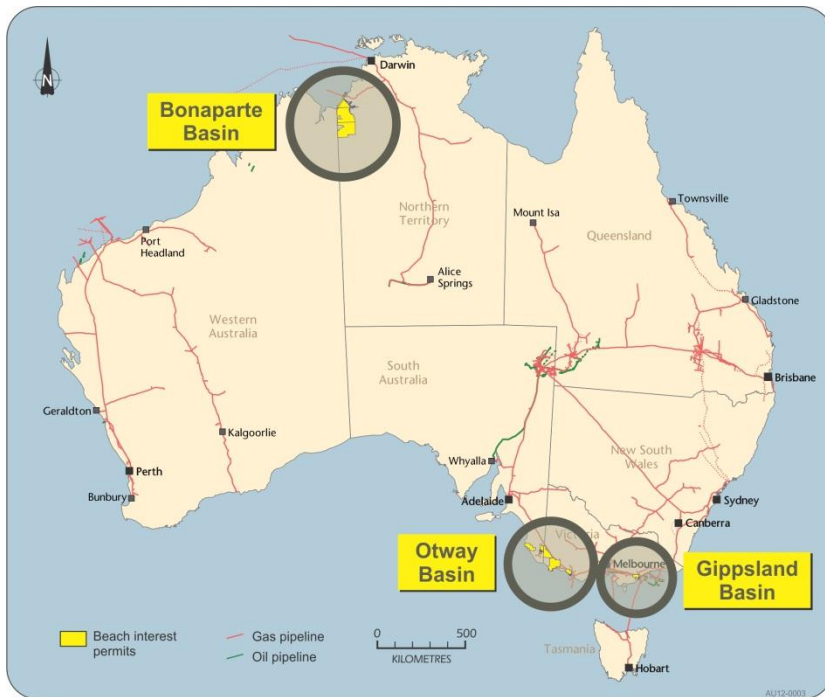




Other operations

Other unconventional opportunities

- Significant acreage positions in other prospective basins
- Further potential for gas and liquids
- Complementary to conventional portfolio



Otway Basin (Beach 35-67%)

- Conventional plays proven – gas, condensate and oil
- Moderate to high TOC's
- Gas and liquids prone
- Mature and overpressured
- Thick and areally extensive

Gippsland Basin (Beach earning up to 33.3%)

- Wombat gas project

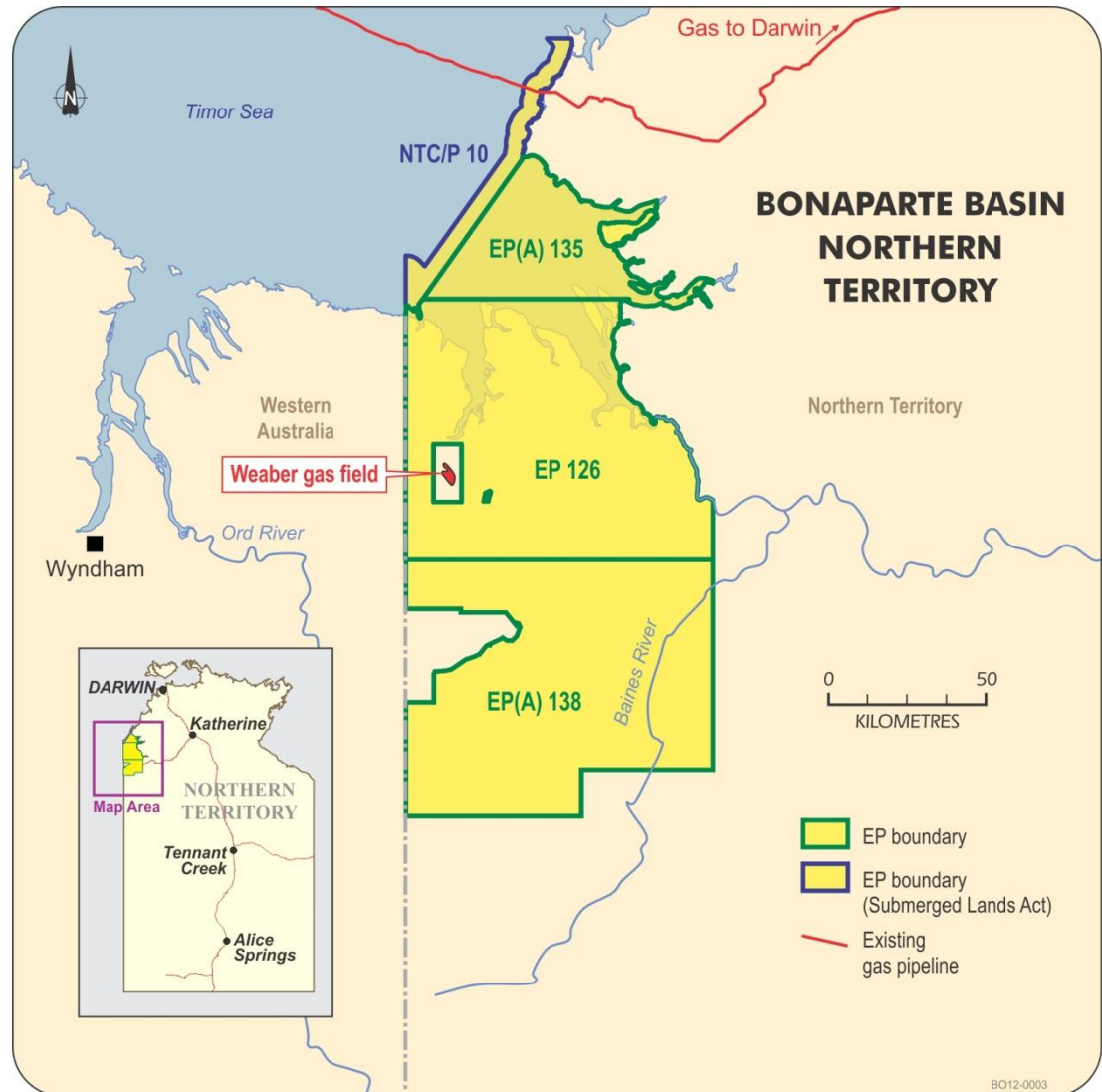
Bonaparte Basin (Beach earning up to 90% of onshore and up to 55% of offshore areas)

- Underexplored due to lack of quality modern seismic
- Conventional and deep unconventional targets
- Highly prospective as a result of:
 - Working petroleum systems identified in the few wells to date
 - Oil seeps identified at surface
 - Oil staining in mineral cores
 - Weaber gas field adjacent to acreage
- Beach commitment of \$5 - \$36 million dependent on various options

Proven but lightly explored basins with access to growing markets

Bonaparte Basin

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- Underexplored to date due to lack of quality modern seismic
- Conventional and deep unconventional targets
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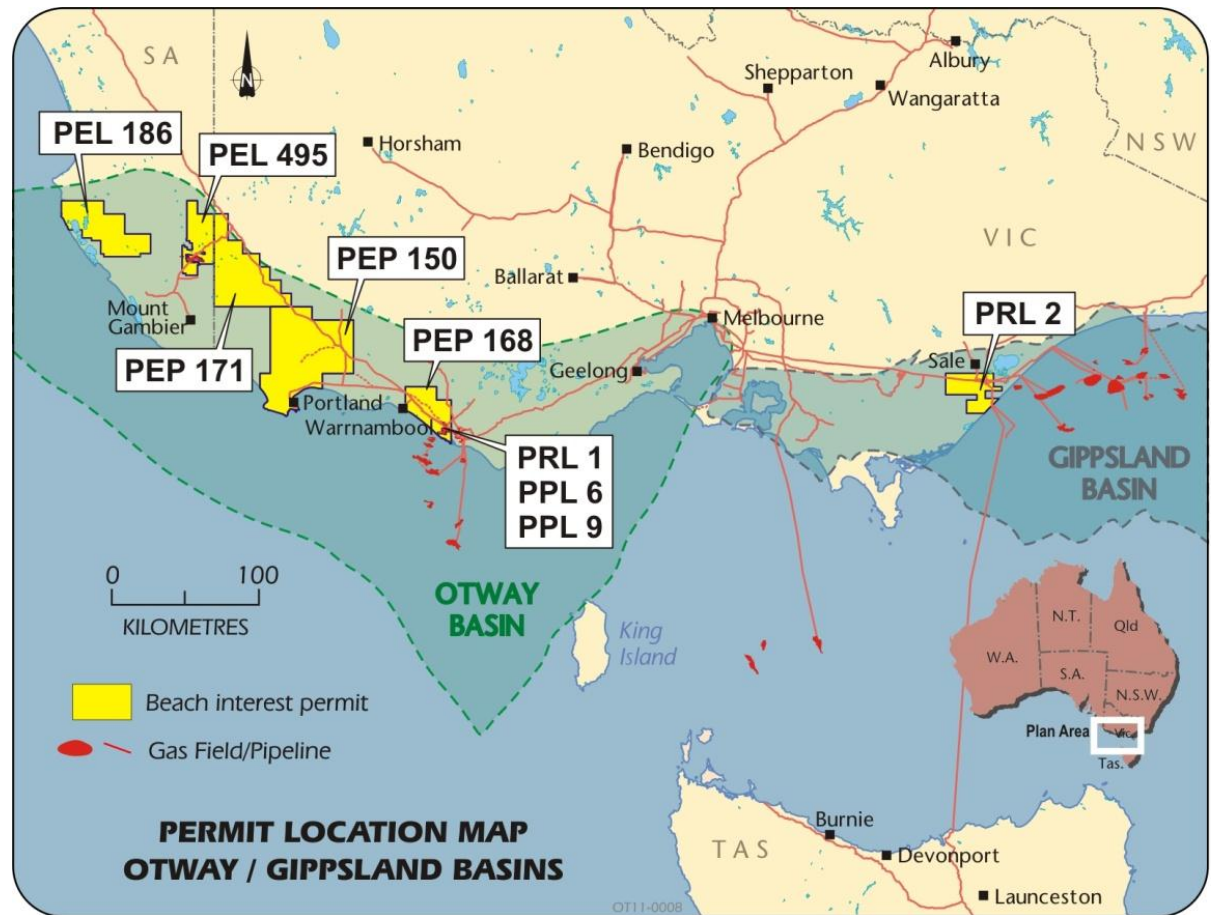


Otway gas and liquids

- Beach 35-67%
- Conventional plays proven – gas, condensate and oil discoveries
- Casterton main source rock, with most attractive unconventional targets
 - Moderate to high TOC's
 - Gas and liquids prone
 - Thick and areally extensive
 - Mature and overpressured

Gippsland gas

- Beach earning up to 33.3%
- Wombat gas project



Note: PEP 150 and PEP 171 are subject to Native Title Agreement

Significant onshore acreage positions well located to access growing markets

Head office

25 Conyngham Street

Glenside SA 5065

Tel: +61 8 8338 2833

Fax: +61 8 8338 2336

Website: www.beachenergy.com.au

Chris Jamieson

General Manager Investor Relations

Tel: +61 8 8338 2833

Mob: +61 8 (0)487 173 244

Email: chris.jamieson@beachenergy.com.au

