



ASX Announcement

Enterprise 1 Gas Discovery

Reference #038/20

Date

10 November 2020

Highlights

- A new gas discovery in the Victorian Otway Basin at exploration well Enterprise 1
- Preliminary net gas pay estimate of 115 metres in the Upper Waarre Formation
- Sampling indicates a low CO₂ gas composition
- Well to be cased and suspended ahead of connection to the Otway Gas Plant

Beach Energy Limited (ASX: BPT, Beach) is pleased to announce a gas discovery at Enterprise 1 in licence VIC/P42(V) (Beach 60% and operator, O.G. Energy 40% interest) in the nearshore Victorian Otway Basin.

Enterprise 1 was spud from an onshore location, 3.5 km from Port Campbell and 8 km from the Otway Gas Plant. The well was drilled directionally using an extended reach drilling (ERD) approach to deliver a well with a 3.2 kilometre step-out, to target a location within the offshore permit VIC/P42(V).

The well was successfully drilled to a total depth of 4,974 metres measured depth (MD) and encountered the primary reservoir target of the Upper Waarre Formation 89 metres high to prognosis at a depth of 4,594m (MD) (2,052 metres vertical depth sub-sea). The well intersected 146 metre of gas column in the Upper Waarre Formation, including 115 metres of net gas pay with no gas-water contact identified. Sampling indicates a gas composition with 10% CO₂ by volume.

The forward plan is to case and suspend the well as a future producer. A well test will confirm well productivity and provide data for the proposed pipeline to the Otway Gas Plant. Detailed engineering work and regulatory approvals process for the pipeline is already underway.

Estimates of potential resource size are not yet defined, with the formation evaluation program still in progress. Beach's preliminary assessment is that key reservoir parameters are interpreted to be in-line with pre-drill expectations.

Beach Energy Managing Director and CEO Matt Kay said he was pleased to see the Otway campaign build on its early success at Black Watch 1.

"To have our first exploration well in the Victorian Otway program deliver a successful result is an excellent outcome for the business," Mr Kay said.

"This success enhances our plans to develop more supplies for the East Coast gas market. The Enterprise result also de-risks other nearby prospects, warranting their evaluation as potential future drilling candidates."

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Investor relations

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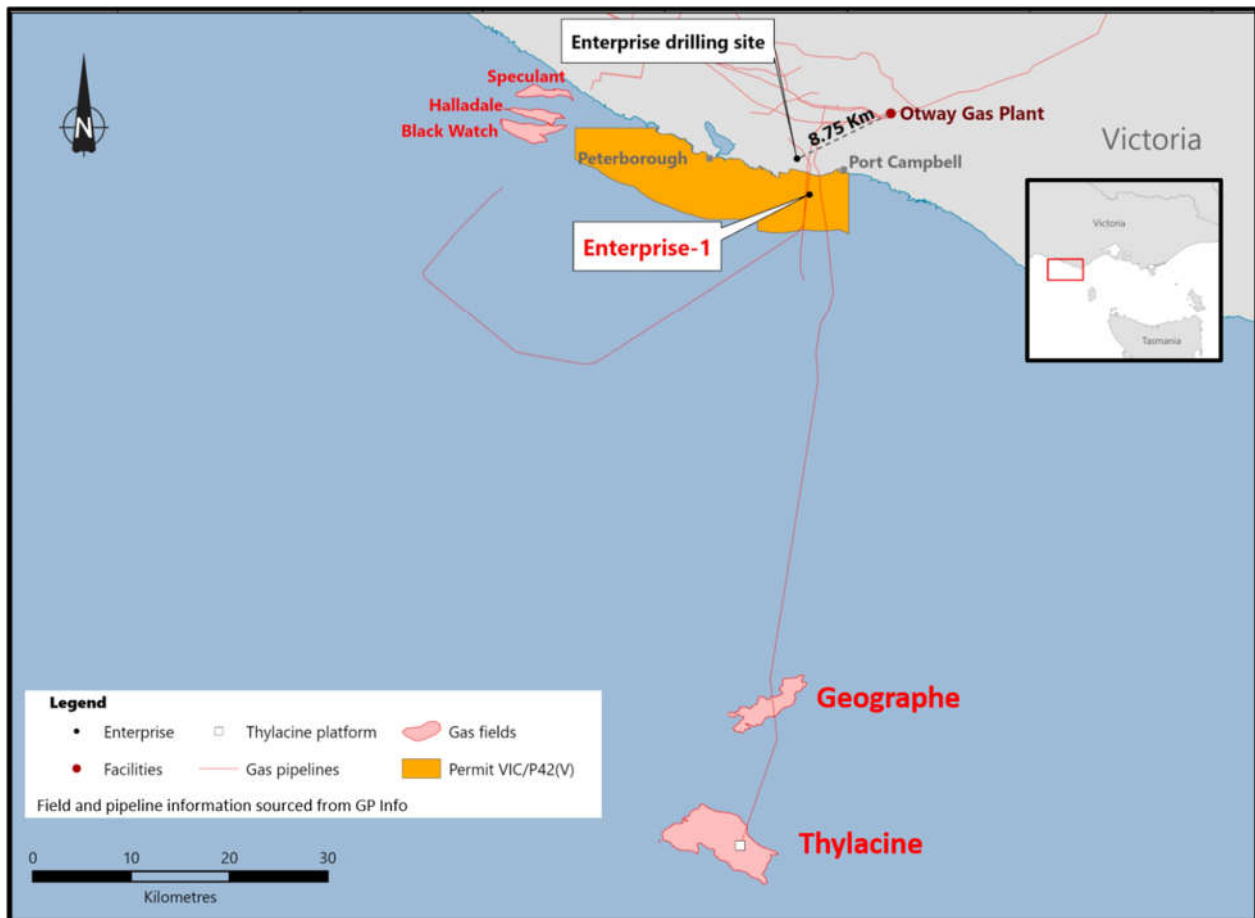
Media

Rob Malinauskas, Head of Corporate Affairs and Community Relations

“Our focus now moves to the upcoming offshore Victorian Otway Basin drilling campaign, which is due to commence in the March 2021 quarter. The first well drilled will be the Artisan 1 exploration well, followed by development wells in the Geographe and Thylacine fields.”

A volumetric estimate for the Enterprise discovery is expected to be completed before the release of the company’s FY21 half year results in February 2021.

Enterprise 1 location map



Authorisation

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