Half Year Financial Report

Delivering energy security

For the six months ended
31 December 2022

Beach Energy Limited
ABN 20 007 617 969

beach

In this report

Disclaimer

This report 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: 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.

It should be noted that no universally accepted framework (legal, regulatory, or otherwise) currently exists in relation to ESG reporting. The inclusion or absence of information in Beach's ESG statements should not be construed to represent any belief regarding the materiality or financial impact of that information. ESG statements may be based on expectations and assumptions that are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters. Furthermore, no assurance can be given that such a universally accepted measurement framework or consensus will develop over time. Although there are regulatory efforts to define such concepts, the legal and regulatory framework governing sustainability is still under development. Calculations and statistics included in ESG statements may be based on historical estimates, assumptions and projections as well as assumed technology changes and therefore subject to change. Beach's ESG statements have not been externally assured or verified by independent third parties.

All references to dollars, cents or $ in this announcement are to Australian currency, unless otherwise stated. References to "Beach" may be references to Beach Energy Limited or its applicable subsidiaries.

References to planned activities in FY23 and beyond may be subject to finalisation of work programs, government approvals, JV approvals and board approvals.

Corporate Directory

Chairman

Glenn Stuart Davis
LLB, BEc, FAICD
Independent Non-Executive

Directors

Philip James Bainbridge
BSc (Hons) (Mechanical Engineering), MAICD
Independent Non-Executive

Margaret Helen Hall
B Eng (Met) (Hons), GAICD, MIEAust, SPE
Non-Executive

Sally-Anne Layman
B Eng (Mining) Hon, B Com, CPA, MAICD
Independent Non-Executive

Peter Stanley Moore
PhD, BSc (Hons), MBA, GAICD
Independent Non-Executive

Richard Joseph Richards
BComs/Law (Hons), LLM, MAppFin, CA, Admitted Solicitor
Non-Executive

Ryan Kerry Stokes, AO
BComm, FAIM
Alternate Non-Executive Director for M Hall

Company Secretaries

David Lim
LLB, BEc

Susan Jones
LLB (Hons)

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Auditors

Ernst & Young
Level 12/121 King William Street
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Securities Exchange Listing

Beach Energy Limited shares are listed on the ASX Limited (ASX Code: BPT)

Beach Energy Limited

ABN 20 007 617 969

Website

www.beachenergy.com.au

Cover: New Zealand Kupe Gas Plant

Appendix 4D

For the half year ended 31 December 2022
(Rule 4.2A)

ABN	Previous Corresponding Period
20 007 617 969	31 December 2021

Results for announcement to the market

				$A million
Revenues from ordinary activities	**Increased**	**4%**	**to**	**827.0**
Net profit from ordinary activities after tax (NPAT) attributable to members	**Decreased**	**3%**	**to**	**207.2**
NPAT for the period attributable to members	**Decreased**	**3%**	**to**	**207.2**
Underlying NPAT*	**Decreased**	**10%**	**to**	**191.2**

* Underlying results in this report are categorised as 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.

Dividends	Amount per Security	Franked amount per Security
Fully franked final dividend paid (on 30 September 2022)	1.00 cent	1.00 cent
Fully franked Interim dividend to be paid	2.00 cents	2.00 cents
Record date for determining entitlements to the interim dividend		28 February 2023
Payment date for interim dividend		31 March 2023

This Half Year Report is to be read in conjunction with the 2022 Annual Report.

Net tangible asset backing

	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security*	**$1.59**	$1.38

* Net assets excluding intangibles and lease assets.

Change in ownership of controlled entities

Control gained over entities having material effect	Not applicable
Loss of control of entities having material effect	Not applicable

Dividends

	Current Period $million	Previous Corresponding Period $million
Ordinary Securities	**22.8**	22.8

None of these dividends are foreign sourced.

Directors' report

For the half year ended 31 December 2022

The directors of Beach Energy Limited (**Beach or the Company**) present their report for the half year ended 31 December 2022 and the state of affairs of the Company at that date. The Company's consolidated financial statements for the half year ended 31 December 2022, presented on pages 15–29, form part of this report.

Operating results, review of operations, state of affairs and likely developments

Financial results from the half year are summarised below:

Group profit attributable to equity holders of Beach was $207.2 million (H1 FY22 $212.9 million).

Sales revenue was up 3% from H1 FY22 to $813.3 million due to higher third party sales, favourable FX rates and higher realised US dollar oil and contracted gas prices, offset in part by lower production volumes and one-off, non-cash impact of change to timing of revenue recognition in the Cooper Basin in Q1 FY23.

Cost of sales were up 11% from H1 FY22 to $532.3 million, as a result of higher third party purchases, field operating costs and depreciation, offset in part by lower royalties.

The reported net profit after income tax of $207.2 million is $5.7 million lower than H1 FY22, due to lower gross profit driven by higher cost of sales and higher financing costs with a higher unwind of discount on the restoration provision, partly offset by lower income tax corresponding with lower profits.

Key Results		H1 FY23	H1 FY22	Change
Operations				
Production	MMboe	**10.0**	11.0	(10%)
Sales	MMboe	**10.5**	11.2	(7%)
Capital expenditure	$m	**(569.4)**	(416.8)	(37%)
Income				
Sales revenue	$m	**813.3**	786.2	3%
Total revenue	$m	**827.0**	797.4	4%
Cost of sales	$m	**(532.3)**	(481.5)	(11%)
Gross profit	$m	**294.7**	315.9	(7%)
Other income	$m	**5.5**	5.1	8%
Other expenses	$m	**1.1**	(11.1)	110%
Net profit after tax (NPAT)	$m	**207.2**	212.9	(3%)
Underlying NPAT(1)	$m	**191.2**	212.9	(10%)
Dividends paid	cps	**1.00**	1.00	0%
Dividends announced	cps	**2.00**	1.00	100%
Basic EPS	cps	**9.09**	9.34	(3%)
Underlying EPS(1)	cps	**8.38**	9.34	(10%)
Cash flows				
Operating cash flow	$m	**404.4**	605.4	(33%)
Investing cash flow	$m	**(526.9)**	(428.3)	(23%)

(1) Underlying results in this report are categorised as 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. A reconciliation of statutory to underlying net profit after tax is provided on page 6.

		As at 31 December 2022	As at 30 June 2022	Change
Financial position				
Net assets	$m	**3,730.2**	3,539.9	5%
Cash balance	$m	**189.5**	254.5	(26%)

Directors' report

For the half year ended 31 December 2022

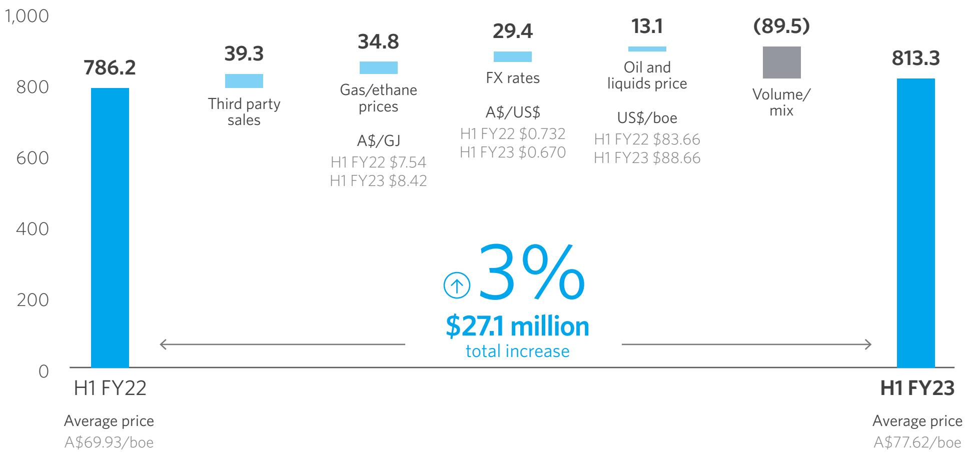
Financial review

Revenue

Sales revenue of $813.3 million in H1 FY23 was $27.1 million or 3% higher than H1 FY22, driven by higher third-party sales, higher realised product prices and lower FX rates, partly offset by lower production volumes and one-off, non-cash impact of change to timing of revenue recognition in the Cooper Basin in Q1 FY23.

Higher sales from third party product contributed $39.3 million and higher gas and ethane prices increased revenue by $34.8 million with realised prices of $8.42/GJ. Favourable FX rates in H1 FY23 increased revenue by $29.4 million and higher US dollar oil contributed to higher sales revenue of $13.1 million with the average realised liquids price increasing to US$88.66/boe. These increases are partly offset by lower production volumes, a one-off non-cash impact of change to timing of revenue recognition in the Cooper Basin and difference in sales mix, decreasing sales revenue by $89.5 million.

Sales Revenue Comparison ($m)

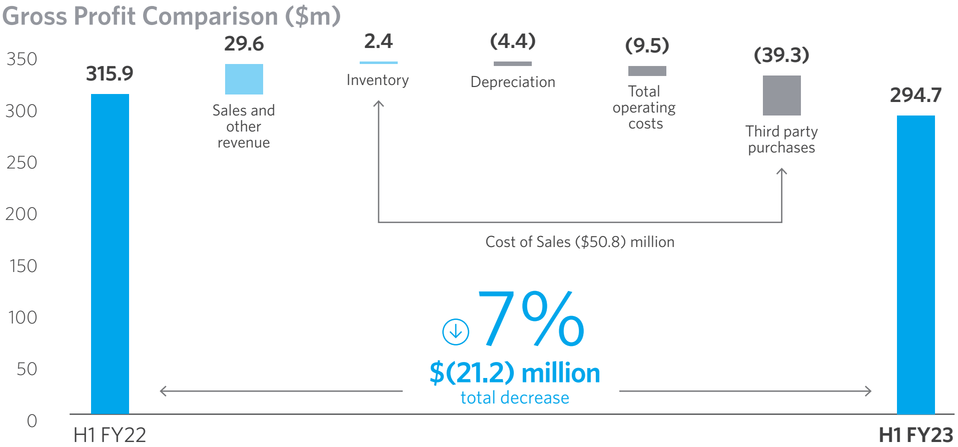


Gross Profit

Gross profit for H1 FY23 of $294.7 million (H1 FY22 $315.9 million) was down 7%, driven by higher field operating costs and depreciation, partly offset by higher revenue, lower royalties and favourable inventory movements.

The increase in cost of sales, up 11% from H1 FY22 to $532.3 million, is due to higher third party purchases ($39.3 million) driven in part by volumes and higher realised prices. Total operating costs increased by $9.5 million due to higher field operating costs ($17.3 million), driven by higher labour, logistics and fuel costs, partly offset by lower royalties ($8.9 million). In addition, depreciation increased by $4.4 million reflecting FY22 reserves revisions offset by lower production. These items were partly offset by higher sales and other revenue ($29.6 million) and favourable inventory movements ($2.4 million).

Gross Profit Comparison ($m)



Directors' report

For the half year ended 31 December 2022

Financial review (continued)

Net Profit Result

Other income of $5.5 million, is $0.4 million higher than H1 FY22, due to $1.0 million in recognised gains on sale of joint operations interests and $2.4 million in other receipts, offset by lower income from joint venture lease recoveries ($0.8 million) and lower recognised gains on foreign exchange movements ($1.7 million).

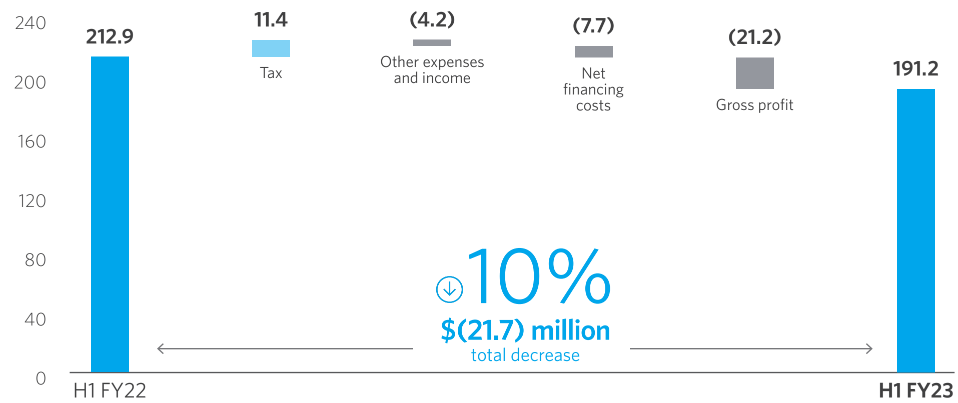
Other expenses of $1.1 million credit were $12.2 million lower than H1 FY22 primarily due to the reversal of accrued acquisition costs of $16.8 million. This is partly offset by higher unwind of acquired contract assets and liabilities of $3.3 million.

The reported net profit after income tax of $207.2 million is $5.7 million lower than H1 FY22, due to lower gross profit driven by higher cost of sales and higher financing costs with a higher unwind of discount on the restoration provision, partly offset by lower income tax corresponding with lower profits.

By adjusting the H1 FY23 profit to exclude the reversal of accrued acquisition costs and associated income tax impact, Beach's underlying net profit after tax is $191.2 million.

Comparison of underlying profit	H1 FY23 $ million	H1 FY22 $ million	Movement from PCP $ million	
Net profit after tax	**207.2**	**212.9**	**(5.7)**	**(3%)**
Adjusted for:				
Reversal of accrued acquisition costs	**(16.8)**	-	(16.8)	
Tax Impact of above changes	**0.8**	-	0.8	
Underlying Profit after tax	**191.2**	**212.9**	**(21.7)**	**(10%)**

Underlying Net Profit After Tax Comparison ($m)



Financial Position

Assets

Total assets increased by $314.2 million to $5,416.3 million during the period.

Cash balances decreased by $65.0 million to $189.5 million, primarily due to:

- Cash outflow from investing activities of $526.9 million offset by,
- Cash inflow from operations of $404.4 million,
- Cash inflow from financing activities of $57.2 million,
- Favourable foreign exchange impact of $0.3 million.

Receivables increased by $27.4 million primarily due to higher customer and joint venture partner receivables. Inventories increased by $24.0 million resulting from the change in Cooper Basin sales recognition point and other current assets were $78.3 million lower, largely driven by the unwind of prepayments relating to the Waitsia Stage 2 and Victoria Otway offshore programs.

Non current assets increased by $406.3 million primarily driven by an increase in petroleum and exploration assets of $408.5 million. Key drivers for the increase in fixed assets include capital expenditure of $569.4 million, increase in restoration of $36.3 million and capitalisation of depreciation of lease assets under AASB 16 Leases of $4.9 million, partly offset by depreciation and amortisation of $197.9 million.

Directors' report

For the half year ended 31 December 2022

Financial review (continued)

Liabilities

Total liabilities increased by $123.9 million to $1,686.1 million primarily due to an increase in drawn debt of $90.5 million and increase in provisions of $31 million primarily due to revised restoration cost estimates, and provisions for wells drilled in H1 FY23.

Equity

Total equity increased by $190.3 million, primarily due to a net profit after tax of $207.2 million, partly offset by dividends paid during the period of $22.8 million.

Dividends

During H1 FY23, the Directors declared and paid a 1.0 cent per share fully franked final dividend. The Company will also pay a fully franked interim dividend of 2.0 cents per share for the current financial year.

Operations overview

Production performance, drilling and development activities are summarised below. Further information can be found in Beach's quarterly activity reports.

Production (net to Beach)

	H1 FY22	H1 FY23					
	Oil equivalent (MMboe)	Oil (MMbbl)	Sales Gas (PJ)	LPG (kt)	Condensate (kbbl)	Oil equivalent (MMboe)	Change
Perth Basin	0.6	-	4.3	-	-	0.7	22%
Otway Basin (VIC)	1.7	-	11.6	22	167	2.3	36%
Otway Basin (SA)	0.1	-	0.1	-	-	0.0	(64%)
Bass Basin	0.6	-	1.8	4	62	0.4	(31%)
Western Flank	2.9	1.3	2.3	11	83	1.9	(35%)
Cooper Basin JV	3.7	0.5	14.3	31	242	3.4	(7%)
Cooper Basin Other	0.1	0.0	0.2	1	11	0.1	(23%)
Taranaki Basin	1.4	-	4.7	20	115	1.1	(21%)
Total Production	**11.0**	**1.8**	**39.4**	**89**	**680**	**10.0**	**(10%)**

Note that due to rounding, figures may not reconcile to totals.

Drilling

Basin	Target	Type	Wells drilled*	Successful wells**	Success rate
Cooper Basin	Oil	Exploration	2	1	50%
		Appraisal	16	15	94%
		Development	17	16	94%
	Gas	Appraisal	6	6	100%
		Development	35	34	97%
Perth Basin	Gas	Exploration	2	1	50%
		Development	3	2	67%
Total wells drilled			**81**	**75**	**93%**

* Denotes wells completed during the period; excludes CCS injector wells.
** Successful wells defined as wells cased and suspended or completed as future producers.

Directors' report

For the half year ended 31 December 2022

Operations overview (continued)

Perth Basin

Production

Total production of 0.7 MMboe was 22% higher than the prior corresponding period (H1 FY22: 0.6 MMboe) and comprised 4.3 PJ of sales gas (+22%). Higher production was mainly due to improved uptime rates and strong customer demand.

Exploration, appraisal and development

The Perth Basin gas exploration campaign commenced with the first two wells of the campaign, Elegans 1 and Gynatrix 1, drilled in the L2 and L1 Mitsui-operated permits. Elegans 1 failed to intersect gas and was plugged and abandoned. Gynatrix 1 intersected six metres of net gas pay across a 37 metre gross section in the target Kingia formation. Production testing will be undertaken later in 2023 or early 2024.

Spudding of the Beach-operated Trigg 1 well is expected in early Q4 FY23 following completion of rehabilitation work currently underway in the Hovea field. Trigg 1 is on-trend and up-dip from the West Erregulla gas field and the recent South Erregulla discovery and presents as a robust analogue to the Lockyer Deep gas discovery. Following Trigg 1, drilling of Beharra Springs Deep 2 and Tarantula Deep 1 is planned and other wells are also being considered.

The six-well Waitsia Stage 2 development drilling campaign was completed at the end of October 2022. The Waitsia field comprises reservoir units in the Kingia and High Cliff sandstone formations, with the Kingia the primary reservoir. Reservoir characteristics of the Kingia were largely consistent with pre-drill expectations with four of the six wells testing at rates up to an equipment constrained 68 MMscfd. The final well, Waitsia 10, tested the western extent of the field and reported no gas shows. The well was plugged and suspended pending a decision on future options, including a potential side-track of the well.

Beach assessed the impact on reserves from the drilling campaign and pressure tests performed in January 2023. Volumetric assessment indicated a Perth Basin net 2P reserves reduction of 11% (10.6 MMboe), primarily driven by increased structural complexity in the Waitsia field and poor reservoir quality in the High Cliff reservoir at Waitsia. An independent auditor will review the reserves. Following completion of the drilling campaign, Beach remains confident in fulfilling its LNG supply volume of 3.75 Mt under its Sale and Purchase Agreement with bp (announced on 8 August 2022) and meeting its domestic gas commitment.

Construction of the 250 TJ/day Waitsia Gas Plant continued throughout the period with several key milestones achieved on site and at the North West Shelf Karratha Gas Plant, including:

- Completion and commissioning of the Karratha Gas Plant tie-in to enable backhaul of gas molecules;
- Installation of the amine pumps and slug catcher;
- Delivery and installation of all four export gas compressors on site;
- Erection of the workshop steel framework and condensate and chemical storage shelters;
- Installation of the hot water heating system and mercury guard bed;
- Construction and installation of the electrical switchroom;
- Cable connection of all major equipment and commencement of cable pulling to the switchroom;
- Construction of all administration buildings; and
- Completion of the CO_2 absorber lift.

Commercial

On 8 August 2022, Beach announced execution of the LNG SPA with bp. The LNG SPA will see bp purchase all 3.75 Mt of Beach's expected LNG volumes from the Waitsia Stage 2 project. The LNG SPA contains a hybrid pricing structure linked to both Brent oil and JKM indices. Pricing parameters agreed support Beach's exposure to the current commodity cycle prices and do not restrict upside price participation. The SPA also includes a downside price protection mechanism.

On 6 February 2023, Beach announced that agreement had been reached with Webuild to complete delivery of the Waitsia Stage 2 project, subject to finalisation of the Clough Limited administration. Webuild's acquisition of Clough and its personnel, systems and processes will enable project execution to continue uninterrupted, with the Waitsia Joint Venture and Webuild targeting first gas from the Waitsia Gas Plant by the end of 2023.

Acreage description

Perth Basin producing licence areas include Waitsia (Beach 50%, MEPAU 50% and operator) in licences L1 and L2, and Beharra Springs (Beach 50% and operator, MEPAU 50%) in licences L11 and L22. The exploration permit is EP 320 (Beach 50% and operator, MEPAU 50%).

Directors' report

For the half year ended 31 December 2022

Operations overview (continued)

Otway Basin (Victoria)

Production

Total production of 2.3 MMboe was 36% above the prior corresponding period (H1 FY22: 1.7 MMboe) and comprised 11.6 PJ of sales gas (+33%), 22 kt of LPG (+59%) and 167 kbbl of condensate (+59%). The increase in production was mostly attributable to the connection of the Geographe 4 and 5 wells in Q3 FY22 and subsequent higher customer demand. A five-day shut-down of the Otway Gas Plant was undertaken in Q2 FY23 to conduct tie-in activity for the Thylacine development wells.

Exploration, appraisal and development

Beach completed its first major offshore drilling campaign in July 2022, a significant achievement which materially de-risked the Otway Basin program. Key highlights from the campaign include:

- Beach's first extended offshore drilling campaign, delivered safely, on schedule and on budget;
- One gas discovery at Artisan and six development wells in the Geographe and Thylacine fields;
- Beach was the only Australian offshore operator to drill continuously through the COVID-19 pandemic;
- Over 820,000 operational hours to deliver the campaign, with the campaign receiving the 2021 IADC Safety Award recognising outstanding safety performance;
- Longest horizontal well drilled in the Otway Basin (Thylacine North 2 lateral section of 3.5 kilometres);
- Longest horizontal campaign in the Otway Basin (three wells with a total lateral section of 8.1 kilometres); and
- First gas from the two Geographe development wells delivered in less than nine months from spud.

Beach commenced activities to connect the four Thylacine development wells to the Otway Gas Plant during the period. These wells are expected to enable the Otway Gas Plant to produce at full nameplate capacity of 205 TJ/day, with an targeted online date of mid-2023. Activities during the period included:

- Departure of the Scandi Acergy subsea installation vessel from the UK in December 2022, with arrival in Australia expected in February 2023;
- Delivery of all major procurement items, including umbilicals, connecting pipes and spools, and hydraulic and electrical flying leads;
- Completion of all diving construction activities;
- Completion of all engineering activities; and
- Substantial progress on required modifications to the Thylacine platform.

In addition to connecting the four Thylacine wells, Beach is progressing connection of the Enterprise discovery to the Otway Gas Plant. The Enterprise discovery was drilled from an onshore well pad in H1 FY21 and resulted in a 2P gas and associated liquids reserves booking of 34 MMboe gross (20 MMboe net to Beach), including 2P gas reserves of 161 PJ (gross). Due to severe wet weather and having regard for land access negotiations, Beach is targeting Enterprise coming online in mid-FY24, subject to receipt of approvals.

Acreage description

Otway Basin (Victoria) (Beach 60% and operator, O.G. Energy 40%) includes producing nearshore licence VIC/L1(v) which contains the Halladale, Black Watch and Speculant gas fields, nearshore production licence VIC/L007745(v), containing the Enterprise gas field, and offshore licences VIC/L23, T/L2, T/L3 and T/L4 which contain the Geographe and Thylacine gas fields. Gas from all producing fields is processed at the Otway Gas Plant.

Otway Basin (Victoria) also includes non-producing nearshore VIC/P42(v) (Beach 60% and operator, O.G. Energy 40%), and offshore licences VIC/P43 (Beach 60% and operator, O.G. Energy 40%), containing the Artisan gas discovery, VIC/P73 (Beach 60% and operator, O.G. Energy 40%), containing the La Bella gas field and T/30P (Beach 100%). It also includes the nearshore exploration permit VIC/P007192(v) (Beach 60% and operator, O.G. Energy 40%), onshore exploration permit PEP 168 (Beach 50% and operator, Essential Petroleum Exploration 50%), and onshore production licences PPLs 6 and 9 (Lochard Energy 90% and operator, Beach 10%).

Otway Basin (South Australia)

Production

Total production of 22 kboe was 64% below the prior corresponding period (H1 FY22: 61 kboe) and comprised 0.1 PJ of sales gas (-63%). Production at the Katnook Gas Plant was suspended in Q1 FY23 and no further production in FY23 is expected. The plant will be kept available for production in the event of future development or exploration success.

Exploration, appraisal and development

Processing of the Dombey 3D seismic survey continued. The survey covers 165 square kilometres in PEL 494 and captures the Dombey field and surrounding exploration prospects. It aims to assess opportunities to supply gas to the Katnook Gas Plant. Processing and interpretation of data to inform next steps is expected to be completed in H1 FY24.

Acreage description

Otway Basin (South Australia) comprises producing licences PPLs 62, 168 and 202 (Beach 100%) and non-producing licences PEL 494, which contains the Dombey gas field, PEL 680 and PRL 32 (Beach 70% and Cooper Energy 30%), and PRLs 1 and 2 (100% Beach).

Directors' report

For the half year ended 31 December 2022

Operations overview (continued)

Bass Basin

Production

Total production of 0.4 MMboe was 31% below the prior corresponding period (H1 FY22: 0.6 MMboe) and comprised 1.8 PJ of sales gas (-29%), 4 kt of LPG (-50%) and 62 kbbl of condensate (-32%). The decline in production was mainly attributable to unplanned outages at the Lang Lang Gas Plant and extended Yolla production recovery.

Exploration, appraisal and development

Well planning activities and review of rig availability for the Yolla West infield opportunity continued. Yolla West was identified from reprocessing of the existing 3D seismic survey over the Yolla field which revealed a previously unidentified fault block. The opportunity has been assessed as having a probability of success of ~50%, and if successful, could be connected to the Lang Lang Gas Plant soon after drilling. Drilling of Yolla West in the first half of 2024 is targeted.

Beach completed an assurance review of mapping and seismic interpretation of the Prion 3D seismic survey that relates to the Trefoil, White Ibis and Bass discoveries. Final inversion results are expected in Q3 FY23 which will better inform development opportunities for each discovery.

Acreage description

Bass Basin (Beach 88.75% and operator, Prize Petroleum 11.25%) includes the Yolla field, situated approximately 140 kilometres off the Gippsland coast in licence T/L1. Gas from the Yolla field is piped to the Lang Lang Gas Plant approximately 70 kilometres southeast of Melbourne. Beach also holds a 90.25% operated interest in licences T/RL2 (pending production licence application), T/RL3, T/RL4 and T/RL5, which capture the Trefoil, White Ibis and Bass discoveries.

Western Flank Oil and Gas

Production

Total production of 1.9 MMboe was 35% below the prior corresponding period (H1 FY22: 2.9 MMboe) and comprised 1.3 MMbbl of oil (-30%), 2.3 PJ of sales gas (-41%), 11 kt of LPG (-44%) and 83 kbbl of condensate (-50%). The decrease in production was primarily attributable to flooding in the Cooper Creek, weather related downtime and supply chain and procurement challenges arising from changes to the drilling schedule due to the rain delays. Consequently, a number of well connections planned for the period were delayed to H2 FY23. A total of 10 wells were drilled and unconnected at the end of the period, including five horizontal development wells, four appraisal wells and one exploration well.

Based on the current outlook for drilling and connection activity during H2 FY23, Beach is expecting full-year Western Flank oil production decline of ~10% from FY22 production of 3.4 MMbbl. The revised outlook reflects a deferral of production which is principally related to weather and operational delays, with reservoirs performing as expected.

Exploration, appraisal and development

The FY23 drilling campaign commenced with a four-well oil appraisal program in the Martlet field which followed successful appraisal drilling in FY22. The campaign successfully delivered four future oil producers with work currently underway on facility capacity expansion for connection of the new wells.

A two-well horizontal oil development campaign in the Growler field was completed and a four-well horizontal oil development campaign in the Spitfire field was commenced during the period. Growler 19 and 20 both drilled 1.5 kilometre horizontal sections and were cased and suspended as future producers.

Spitfire 11 and 12 drilled 3.4 kilometre and 1.2 kilometre horizontal sections, respectively, and both wells were cased and suspended as future producers. Spitfire 13 came in low to prognosis with results indicating sections of swept reservoir from nearby producing wells. The well was side-tracked to test the final target of the campaign. Spitfire 13 DW1 was drilling ahead as at 31 December 2022.

Two vertical oil exploration wells were drilled targeting the Birkhead reservoir. Knapmans 1 was plugged and abandoned due to sub-commercial oil pay. Rocky 1 discovered approximately three metres of net oil pay and was cased and suspended. This result indicates oil migration west of existing commercial fields and will help inform the Birkhead exploration campaign planned for FY24.

A Birkhead reservoir fracture stimulation campaign was successfully delivered which comprised four vertical oil wells in the Bauer and Kangaroo fields and two horizontal oil wells in the Kangaroo and Stunsail fields. A second phase of Birkhead horizontal fracture stimulation wells is under consideration for FY24.

Acreage description

Western Flank oil producing acreage includes ex PEL 91 (Beach 100%), ex PEL 104/111 (Beach 100%) and ex PEL 92 (Beach 75% and operator, Cooper Energy 25%). Western Flank gas producing assets include ex PEL 106 (Beach 100%) and the Udacha Block – PRL 26 (Beach 100%). Non-producing assets include ex PEL 101 (100% Beach) and ex PEL 107 (100% Beach).

Cooper Basin JV

Production

Total production of 3.4 MMboe was 7% below the prior corresponding period (H1 FY22: 3.7 MMboe) and comprised 0.5 MMbbl of oil (-5%), 14.3 PJ of sales gas (-7%), 31 kt of LPG (-14%) and 242 kbbl of condensate (-12%). The decrease in production was primarily attributable to planned and unplanned downtime and natural field decline.

Various development activities and optimisation initiatives were conducted during the period to optimise production levels. A fifth rig commenced in June 2022 to accelerate gas development drilling and other initiatives included in-wellbore and maintenance optimisation activities.

Exploration, appraisal and development

Beach participated in 68 oil and gas wells with three wells drilling ahead at the end of the period. An overall success rate of 95% was achieved and included 11 oil appraisal wells, 11 oil development wells, six gas appraisal wells and 34 gas development wells.

Drilling activity included completion of oil appraisal and development campaigns in the Coorikiana and Ragno fields and gas development campaigns in the Dullingari, Moomba and Swan Lake fields. A 13-well gas development campaign commenced in the Big Lake field with the first two wells cased and suspended as future producers.

The first two Moomba CCS wells were drilled and cased as future injector wells, with a third well drilling ahead at the end of the period. The Moomba CCS project remains on schedule for first injection in 2024, with 40% of works now complete. Earthworks for the Moomba CCS project were completed and key equipment packages continued to arrive onsite during the period.

Acreage description

Beach owns non-operated interests in the South Australian Cooper Basin joint ventures (collectively 33.40% in SA Unit and 27.68% in Patchawarra East), the South West Queensland joint ventures (various interests of 30% to 52.5%) and ATP 299 (Tintaburra; Beach 40%), which are collectively referred to as the Cooper Basin JV. Santos is the operator.

Directors' report

For the half year ended 31 December 2022

Taranaki Basin

Production

Total production of 1.1 MMboe was 21% below the prior corresponding period (H1 FY22: 1.4 MMboe) and comprised 4.7 PJ of sales gas (-20%), 20 kt of LPG (-21%) and 115 kbbl of condensate (-30%). The decline in production was attributable to natural field decline, lower customer gas nominations towards the end of the period and a planned three-week shutdown of the Kupe Gas Plant to enable the four-yearly statutory integrity inspection of the amine system and the first annual statutory inspection of the new inlet compressor.

Exploration, appraisal and development

Subsurface analysis, planning and regulatory activities continued for the drilling of the Kupe South 9 development well. Spudding of Kupe South 9 in Q2 FY24 is targeted, subject to joint venture and regulatory approval and rig access. The well has the potential to return the Kupe Gas Plant to capacity gas processing rates of 77 TJ/day.

Acreage description

Taranaki Basin operations comprise Kupe (Beach 50% and operator, Genesis 46%, NZOG 4%) in the Taranaki Basin. Kupe produces gas from the offshore Kupe field, situated approximately 30 kilometres off the New Zealand North Island in licence PML38146. Gas from the Kupe field is then piped to the onshore Kupe Gas Plant.

FY23 Full Year Outlook

In the second half of FY23 Beach will continue its focus on delivering major growth projects in the Otway Basin (connection of the offshore Thylacine wells) and Perth Basin (Waitsia Stage 2), as well as other initiatives across its portfolio. These include planning for development wells in the Bass and Taranaki basins, active drilling and connection activities in the Western Flank and Cooper Basin JV, commencing the Beach-operated gas exploration campaign in the Perth Basin, and maturing exploration prospects in the Otway Basin.

Based on year-to-date results and the outlook for the remainder of FY23, Beach has provided the following updates to its FY23 full-year guidance.

	Original FY23 guidance	Revised FY23 guidance	H1 FY23
Production (MMboe)	20.0 – 22.5	**19.0 – 20.5**	10.0
Capital expenditure ($ million)	800 – 1,000	**900 – 1,000**	569
Unit field operating costs (1) ($ per boe)	12 – 13	**13.75 – 14.75**	14.46
DD&A (2) ($ million)	410 – 440	**410 – 440**	201

(1) Unit field operating costs exclude pipeline tariffs, royalties and third-party purchases
(2) Depreciation, Depletion and Amortisation excludes corporate DD&A

Directors' report

For the half year ended 31 December 2022

DIRECTORS

The names and qualifications of the directors of Beach in office during the half year financial reporting period and at the date of this report are:

Glenn Stuart Davis

Independent Non-Executive Chairman

LLB, BEc, FAICD

Colin David Beckett AO (retired 16 November 2022)

Independent Non-Executive Deputy Chairman

FIEA, MICE, GAICD

Philip James Bainbridge

Independent Non-Executive Director

BSc (Hons) Mechanical Engineering, MAICD

Margaret Helen Hall

Non-Executive Director

B Eng (Met) (Hons), GAICD, MIEAust, SPE

Robert (Rob) Jager ONZM (retired 16 November 2022)

Independent Non-Executive Director

BE Mechanical Engineering (Hons), MBA (distinction).
MAICD, CMinsdtD, FENZ

Sally-Anne Layman

Independent Non-Executive Director

B Eng (Mining) Hon, BCom, CPA, MAICD

Peter Stanley Moore

Independent Non-Executive Director

PhD, BSc (Hons), MBA, GAICD

Richard Joseph Richards

Non-Executive Director

BComs/Law (Hons), LLM, MAppFin, CA, Admitted Solicitor

Ryan Kerry Stokes AO

Alternate (Non-Executive) Director for Margaret Helen Hall

BComm, FAIM

ROUNDING OFF OF AMOUNTS

Beach is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission applies relating to the rounding off of amounts. Accordingly, amounts in the Directors' Report and the Half Year Financial Report have been rounded to the nearest hundred thousand dollars, unless shown otherwise.

EVENTS OCCURRING AFTER THE BALANCE DATE

Whilst Beach typically commences the annual reserve audit process during March, with completion in August of each year, given recent drilling results of the six-well Waitsia Stage 2 drilling campaign completed in October 2022 and pressure data acquired from Waitsia 4 in late January 2023, the results of which have helped further define the reservoir in the southern part of the field where there is less well data, the Company has undertaken a review of Perth Basin reserves in January 2023 with a volumetric assessment indicating a net 2P reserves reduction of 11% (10.6 MMboe) with the reduction primarily driven by increased structural complexity in the Waitsia field and poor reservoir quality in the High Cliff reservoir at Waitsia. An independent auditor will review the reserves.

In February 2023, Beach Energy Limited reached agreement with Webuild for Webuild to complete delivery of the Waitsia Stage 2 project, subject to finalisation of the Clough Limited administration. Following Webuild's due diligence and review of cost and work schedules, Beach has revised its total capital expenditure estimate to $400 – 450 million net to Beach ($350 – 400 million originally) with the Waitsia Joint Venture and Webuild targeting first gas from the Waitsia Gas Plant by the end of 2023.

Following the revision to Waitsia reserves and the expected increase in construction costs for the Waitsia Stage 2 project, the carrying value of the Perth Basin CGU, which includes the Waitsia asset, was reassessed using this updated information and there was no impairment required as at 31 December 2022.

Other than the matters described above, there has not been in the period since 31 December 2022 and up to the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years, unless otherwise noted in the financial report.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, Ernst & Young, to provide the directors of Beach with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is made on page 13 and forms part of this Directors' Report.

Dated at Adelaide this 13th day of February 2023 and signed in accordance with a resolution of the directors.

G S Davis

Chairman

Auditor's independence declaration

Ernst & Young
121 King William Street
Adelaide SA 5000 Australia
GPO Box 1271 Adelaide SA 5001

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Building a better working world

Auditor's independence declaration to the directors of Beach Energy Limited

As lead auditor for the review of the half-year financial report of Beach Energy Limited for the half-year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Beach Energy Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

L A Carr
Partner
13 February 2023

Half Year
Financial Report

Of Beach Energy Limited and controlled entities
For the six months ended 31 December 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2022

Beach Energy Limited and Controlled Entities

		CONSOLIDATED	
	Note	Dec 2022 $million	Dec 2021 $million
Revenue	2(a)	**827.0**	797.4
Cost of sales	3(a)	**(532.3)**	(481.5)
Gross profit		**294.7**	**315.9**
Other income	2(b)	**5.5**	5.1
Other expenses	3(b)	**1.1**	(11.1)
Operating profit before net financing costs		**301.3**	**309.9**
Interest income	11	**1.4**	0.2
Finance expenses	11	**(16.5)**	(7.6)
Profit before income tax expense		**286.2**	**302.5**
Income tax expense	4	**(79.0)**	(89.6)
Net profit after income tax expense		**207.2**	**212.9**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Net gain/(loss) on translation of foreign operations		**4.5**	(0.3)
Other comprehensive income/(loss) net of tax		**4.5**	**(0.3)**
Total comprehensive income after tax		**211.7**	**212.6**
Basic earnings per share (cents per share)	5	**9.09**	**9.34**
Diluted earnings per share (cents per share)	5	**9.08**	**9.33**

This consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the half year consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2022

	Note	CONSOLIDATED Dec 2022 $million	June 2022 $million
Current assets			
Cash and cash equivalents		**189.5**	254.5
Receivables		**249.9**	222.5
Inventories		**125.4**	101.4
Contract assets		**15.4**	15.6
Other	7	**23.5**	101.8
Total current assets		**603.7**	**695.8**
Non-current assets			
Property, plant and equipment	6	**4.7**	6.2
Petroleum assets	7	**4,119.4**	3,759.5
Exploration and evaluation assets	8	**493.3**	444.7
Intangible assets		**76.6**	77.1
Contract assets		**22.3**	26.8
Lease assets	9	**36.3**	31.7
Other		**60.0**	60.3
Total non-current assets		**4,812.6**	**4,406.3**
Total assets		**5,416.3**	**5,102.1**
Current liabilities			
Payables		**351.4**	334.9
Provisions		**85.4**	89.4
Current tax liabilities		**32.5**	48.3
Contract liabilities		**2.4**	4.3
Lease liabilities	9	**17.8**	14.7
Total current liabilities		**489.5**	**491.6**
Non-current liabilities			
Payables		**3.0**	3.4
Provisions		**890.2**	855.2
Interest bearing liabilities	11	**177.8**	87.3
Deferred tax liabilities		**104.5**	106.4
Lease liabilities	9	**21.1**	18.3
Total non-current liabilities		**1,196.6**	**1,070.6**
Total liabilities		**1,686.1**	**1,562.2**
Net assets		**3,730.2**	**3,539.9**
Equity			
Contributed equity	13	**1,862.9**	1,862.3
Reserves		**798.1**	815.6
Retained earnings		**1,069.2**	862.0
Total equity		**3,730.2**	**3,539.9**

The consolidated statement of financial position is to be read in conjunction with the notes to the half year consolidated financial statements.

Consolidated Statement of Changes In Equity

For the half year ended 31 December 2022

	Note	Contributed equity $million	Retained earnings $million	Share based payment reserve $million	Foreign currency translation reserve $million	Profit distribution reserve $million	Total $million
For the half year ended 31 December 2022							
Balance as at 1 July 2022		**1,862.3**	**862.0**	**36.1**	**(10.5)**	**790.0**	**3,539.9**
Profit for the period		**–**	**207.2**	**–**	**–**	**–**	**207.2**
Other comprehensive income/(loss)		**–**	**–**	**–**	**4.5**	**–**	**4.5**
Total comprehensive income/(loss) for the period		**–**	**207.2**	**–**	**4.5**	**–**	**211.7**
Transactions with owners in their capacity as owners:							
Shares issued during the period	13	**0.2**	**–**	**–**	**–**	**–**	**0.2**
Shares purchased on market, net of tax (Treasury shares)	13	**(0.4)**	**–**	**–**	**–**	**–**	**(0.4)**
Utilisation of treasury shares for employee and executive incentive plans	13	**0.8**	**–**	**(0.8)**	**–**	**–**	**–**
Final dividend paid from profit distribution reserve	14	**–**	**–**	**–**	**–**	**(22.8)**	**(22.8)**
Increase in share-based payments reserve		**–**	**–**	**1.6**	**–**	**–**	**1.6**
Transactions with owners		**0.6**	**–**	**0.8**	**–**	**(22.8)**	**(21.4)**
Balance as at 31 December 2022		**1,862.9**	**1,069.2**	**36.9**	**(6.0)**	**767.2**	**3,730.2**
For the half year ended 31 December 2021							
Balance as at 1 July 2021		1,859.5	361.2	36.5	(5.0)	835.6	3,087.8
Profit for the period		–	212.9	–	–	–	212.9
Other comprehensive income/(loss)		–	–	–	(0.3)	–	(0.3)
Total comprehensive income/(loss) for the period		–	212.9	–	(0.3)	–	212.6
Transactions with owners in their capacity as owners:							
Shares issued during the period		0.5	–	–	–	–	0.5
Shares purchased on market (Treasury shares)		(0.3)	–	–	–	–	(0.3)
Utilisation of Treasury shares for employee and executive incentive plan		2.4	–	–	–	–	2.4
Final dividend paid from profit distribution reserve	14	–	–	–	–	(22.8)	(22.8)
Increase in share-based payments reserve		–	–	(1.3)	–	–	(1.3)
Transactions with owners		2.6	–	(1.3)	–	(22.8)	(21.5)
Balance as at 31 December 2021		**1,826.1**	**574.1**	**35.2**	**(5.3)**	**812.8**	**3,278.9**

The consolidated statement of changes in equity is to be read in conjunction with the notes to the half year consolidated financial statements.

Consolidated Statement of Cash Flows

For the half year ended 31 December 2022

	CONSOLIDATED	
	Dec 2022 $million	Dec 2021 $million
Cash flows from operating activities		
Receipts from customers and other	**938.3**	964.3
Payments to suppliers and employees	**(415.7)**	(357.4)
Receipt on settlement of arbitration	**-**	42.2
Payments for restoration	**(17.9)**	(7.5)
Interest received	**1.2**	0.2
Financing costs	**(4.7)**	(7.2)
Income tax paid	**(96.8)**	(29.2)
Net cash provided by operating activities	**404.4**	**605.4**
Cash flows from investing activities		
Payments for petroleum assets	**(464.7)**	(397.7)
Payments for exploration and evaluation assets	**(61.8)**	(44.2)
Payments for intangibles	**(1.3)**	-
Proceeds on sale of joint operations interests	**0.7**	-
Proceeds on sale of non-current assets	**0.2**	-
Completion adjustment on acquisition of joint interests	**-**	13.6
Net cash used by investing activities	**(526.9)**	**(428.3)**
Cash flows from financing activities		
Proceeds from employee incentive loans	**0.4**	0.5
Payment for shares purchased on market (Treasury shares)	**(0.4)**	(0.5)
Proceeds from borrowings	**155.0**	80.0
Repayment of borrowings	**(65.0)**	(115.0)
Payment of lease liabilities	**(10.0)**	(33.5)
Dividends paid	**(22.8)**	(22.8)
Net cash provided/(used) by financing activities	**57.2**	**(91.3)**
Net increase/(decrease) in cash held	**(65.3)**	85.8
Cash at the beginning of the half year	**254.5**	126.7
Effect of exchange rate changes on the balances of cash held in foreign currencies	**0.3**	0.7
Cash at the end of the half year	**189.5**	**213.2**

The consolidated statement of cash flows is to be read in conjunction with the notes to the half year consolidated financial statements.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Basis of preparation of Half Year Financial Report

Beach Energy Limited (**Beach** or the **Company**) is a for profit company limited by shares, incorporated in Australia and whose shares are publicly listed on the Australian Securities Exchange (ASX). The Half Year Financial Report of the Company for the six months ended 31 December 2022 comprises the Company and its controlled entities (together referred to as the **Group**). The Half Year financial report was authorised for issue in accordance with a resolution of the Directors on 13 February 2023.

The 2022 Annual Report is available upon request from the Company's registered office at Level 8, 80 Flinders Street, Adelaide, 5000 South Australia or at www.beachenergy.com.au.

The Half Year Financial Report for the six months ended 31 December 2022 is a general purpose report prepared in accordance with Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. It is intended to provide users with an update on the latest annual financial statements of the Group and as such they do not include full disclosures of the type normally included in the annual report. It is recommended that they be read in conjunction with the 2022 Annual Report and any public announcements made by Beach during the half year reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules. The functional and presentation currency for the Company is Australia dollars.

The Half Year Financial Report for the six months ended 31 December 2022 has been prepared in accordance with the accounting policies adopted in the 2022 Annual Report and have been consistently applied by the entities in the Group except for those that have arisen as a result of new standards, amendments to standards and interpretations effective from 1 July 2022. The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year. These have not had a significant or immediate impact on the Group's Half Year Financial Report.

The consolidated financial statements provide comparative information in respect of the previous period. Where there has been a change in the classification of items in the financial statements for the current period, the comparative for the previous period has been reclassified to be consistent with the classification of that item in the current period.

Critical accounting estimates & judgements

The preparation of the Half Year Financial Report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Half Year Financial Report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2022.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

RESULTS FOR THE HALF YEAR

This section explains the results and performance of the Group including additional information about those individual line items in the financial statements most relevant in the context of the operations of the Group, including accounting policies that are relevant for understanding the items recognised in the financial statements and an analysis of the Group's result for the year by reference to key areas, including operating segments, revenue, expenses, taxation and earnings per share.

Note 1 Segment information

The Group has identified its operating segments to be its South Australian, Western Australian, Victorian and New Zealand interests based on the different geographical regions and the similarity of assets within those regions. This is the basis on which internal reports are provided to the Chief Executive Officer for assessing performance and determining the allocation of resources within the Group.

The Group operates primarily in one business, namely the exploration, development and production of hydrocarbons. Revenue is derived from the sale of gas and liquid hydrocarbons. Gas sales contracts are spread across major Australian and New Zealand energy retailers and industrial users with liquid hydrocarbon product sales being made to major multi-national energy companies based on international market pricing.

Details of the performance of each of these operating segments for the six month period ended 31 December 2022 and 31 December 2021 are set out below.

	SA		WA		VICTORIA		NEW ZEALAND		TOTAL	
	31 Dec 2022 $million	31 Dec 2021 $million	31 Dec 2022 $million	31 Dec 2021 $million	31 Dec 2022 $million	31 Dec 2021 $million	31 Dec 2022 $million	31 Dec 2021 $million	31 Dec 2022 $million	31 Dec 2021 $million
Segment revenue										
Sales revenue	**551.6**	559.5	**19.9**	15.2	**171.1**	126.7	**70.7**	84.8	**813.3**	786.2
Segment results										
Gross segment result before depreciation, and amortisation	**296.7**	346.6	**13.5**	9.4	**123.4**	85.7	**48.7**	59.9	**482.3**	501.6
Depreciation and amortisation	**(128.0)**	(125.3)	**(5.8)**	(7.1)	**(58.6)**	(49.5)	**(8.9)**	(15.0)	**(201.3)**	(196.9)
	168.7	221.3	**7.7**	2.3	**64.8**	36.2	**39.8**	44.9	**281.0**	304.7
Other revenue									**13.7**	11.2
Other income									**5.5**	5.1
Net financing costs									**(15.1)**	(7.4)
Other expenses									**1.1**	(11.1)
Profit/(loss) before tax									**286.2**	**302.5**
Income tax expense									**(79.0)**	(89.6)
Net profit/(loss) after tax									**207.2**	**212.9**

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 1 Segment information (continued)

Details of the assets and liabilities of each of these operating segments for the period ended 31 December 2022 and 30 June 2022 are set out below.

	SA		WA		VICTORIA		NEW ZEALAND		TOTAL	
	31 Dec 2022 $million	30 Jun 2022 $million	31 Dec 2022 $million	30 Jun 2022 $million	31 Dec 2022 $million	30 Jun 2022 $million	31 Dec 2022 $million	30 Jun 2022 $million	31 Dec 2022 $million	30 Jun 2022 $million
Segment assets	**2,677.0**	2,535.2	**708.6**	603.1	**1,462.6**	1,387.6	**288.5**	243.9	**5,136.7**	4,769.8
Total corporate and unallocated assets									**279.6**	332.3
Total consolidated assets									**5,416.3**	**5,102.1**
Segment liabilities	**583.6**	538.1	**65.5**	19.8	**389.0**	361.8	**161.3**	121.2	**1,199.4**	1,040.9
Total corporate and unallocated liabilities									**486.7**	521.3
Total consolidated liabilities									**1,686.1**	**1,562.2**

Note 2 Revenue and other income

(a) Revenue

	CONSOLIDATED	
	Dec 2022 $million	Dec 2021 $million
Crude oil	**332.4**	**283.2**
Sales gas and ethane	**337.0**	310.7
Liquefied petroleum gas	**71.5**	89.9
Condensate	**72.4**	95.4
Gas and gas liquids	**480.9**	**496.0**
Revenue from contracts with customers	**813.3**	**779.2**
Crude oil – revaluation of provisionally priced sales	**–**	7.0
Sales Revenue[(1)]	**813.3**	**786.2**
Other operating revenue	**13.7**	11.2
Total revenue	**827.0**	**797.4**

(1) No provisionally priced oil sales revenue recorded as a receivable at Dec 2022 (Dec 2021 $73.2 million) due to change in contractual terms for Cooper Basin sales.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 2 Revenue and other income (continued)

(b) Other income

	CONSOLIDATED	
	Dec 2022 $million	Dec 2021 $million
Other income related to joint venture lease recoveries	**1.6**	2.4
Gain on reversal of acquired liabilities	**-**	0.5
Gain on sale of joint operations interests	**1.0**	-
Government grants	**0.4**	0.4
Foreign exchange gains	**0.1**	1.8
Other	**2.4**	-
Total other income	**5.5**	**5.1**

Note 3 Expenses

	CONSOLIDATED	
	Dec 2022 $million	Dec 2021 $million
(a) Cost of sales		
Field operating costs	**143.8**	126.5
Tariffs and tolls	**51.2**	50.1
Royalties	**67.3**	76.2
Total operating costs	**262.3**	252.8
Depreciation and amortisation of petroleum assets	**197.9**	193.3
Depreciation of leased assets	**3.4**	3.6
Third party oil and gas purchases	**80.3**	41.0
Change in inventories	**(11.6)**	(9.2)
Total cost of sales	**532.3**	**481.5**
(b) Other expenses		
Depreciation of leased assets	**1.7**	1.8
Corporate expenses(1)	**8.0**	7.1
Unwind of acquired contract assets and liabilities	**5.5**	2.2
Reversal of accrued acquisition costs	**(16.8)**	-
Loss on sale of non-current assets	**0.5**	-
Total other expenses	**(1.1)**	**11.1**

(1) Includes depreciation of property, plant & equipment and amortisation of software costs of $4.0 million (Dec 2021: $4.6 million)

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 4 Income tax

(a) Reconciliation of income tax expense calculated on operating profit to income tax charged in the statement of profit or loss

	CONSOLIDATED	
	Dec 2022 $million	Dec 2021 $million
Accounting profit before tax	**286.2**	302.5
Prima facie tax on accounting profit before tax at 30%	**85.9**	90.7
Adjustment to income tax expense due to:		
Non-deductible expenditure	**0.7**	0.5
Non-assessable income	**(6.6)**	-
Impact of tax rates applicable outside Australia	**(1.0)**	(1.6)
Income tax expense	**79.0**	**89.6**

Note 5 Earnings per share

(a) Earnings after tax used in the calculation of earnings per share (EPS) is as follows:

	Dec 2022 $million	Dec 2021 $million
Basic earnings per share	**207.2**	212.9
Diluted earnings per share	**207.2**	212.9

(b) Weighted average number of ordinary shares and potential ordinary shares used in the calculation of earnings per share is as follows:

	Dec 2022 Number	Dec 2021 Number
Basic earnings per share	**2,279,918,871**	2,279,502,818
Share rights	**1,290,573**	1,357,298
Diluted earnings per share	**2,281,209,444**	2,280,860,116

(c) Calculation of earnings per share is as follows:

	Dec 2022 Number	Dec 2021 Number
Basic earnings per share (cents per share)	**9.09**	9.34
Diluted earnings per share (cents per share)	**9.08**	9.33

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

CAPITAL EMPLOYED

This section details the investments made by the Group in exploring for and developing its petroleum business including property plant and equipment, petroleum assets, exploration and evaluation assets, leases and details of future commitments.

Note 6 Property, plant and equipment

	CONSOLIDATED	
	Dec 2022 $million	Jun 2022 $million
Plant and equipment	**12.7**	13.3
Plant and equipment under construction	**3.2**	3.0
Less accumulated depreciation	**(11.2)**	(10.1)
Total property, plant and equipment	**4.7**	**6.2**
Reconciliation of movement in property, plant and equipment		
Balance at beginning of financial year	**6.2**	8.6
Additions	**-**	-
Depreciation expense	**(1.5)**	(2.4)
Total property, plant and equipment	**4.7**	**6.2**

Note 7 Petroleum assets

	CONSOLIDATED	
	Dec 2022 $million	Jun 2022 $million
Cost	**7,985.2**	7,417.6
Less: Accumulated depreciation and impairment	**(3,865.8)**	(3,658.1)
Balance at end of period	**4,119.4**	**3,759.5**
Balance at beginning of period	**3,759.5**	3,431.6
Additions(1)	**512.4**	707.6
Acquisition of assets and joint operation interest	**-**	1.7
Depreciation and amortisation expense	**(197.9)**	(357.4)
Increase/(decrease) in restoration	**40.1**	(70.3)
Disposals	**(6.0)**	(0.2)
Borrowing costs capitalised	**4.6**	7.5
Capitalised depreciation of lease assets	**0.8**	44.4
Foreign exchange movement	**5.9**	(5.4)
Balance at end of period	**4,119.4**	**3,759.5**

(1) Includes transfer of $78.6 million in prepayments from other current assets relating to the Waitsia Stage 2 and Victoria Otway offshore programs.

Impairment of Petroleum Assets

The carrying amounts of petroleum assets are assessed half yearly on a cash generating unit (CGU) basis to determine whether there is an indication of impairment or impairment reversal for those assets which have previously been impaired. The only indicator of impairment or impairment reversal identified in the period related to the Perth Basin CGU where there was a reserves revision for Waitsia along with latest forecast timing of first gas production and an expected increase in construction costs for the Waitsia Stage 2 project. The carrying value of the Perth Basin CGU has been reassessed using this updated information and there is no impairment required as at 31 December 2022. Other key estimates and judgements used have not materially changed from those that applied to the financial report as at and for the year ended 30 June 2022.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 8 Exploration and evaluation assets

	CONSOLIDATED	
	Dec 2022 $million	Jun 2022 $million
Exploration and evaluation assets at beginning of financial year	**444.7**	334.8
Additions	**52.1**	100.1
Increase/(decrease) in restoration	**(3.8)**	3.1
Acquisition of assets and joint operation interests	**–**	(2.3)
Exploration and evaluation expenditure expensed	**–**	0.2
Disposal of joint operation interests	**(3.8)**	(0.3)
Foreign exchange movement	**–**	(0.1)
Capitalised depreciation of lease assets	**4.1**	9.2
Balance at end of period	**493.3**	**444.7**

Impairment of exploration and evaluation assets

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective area of interest (AOI). Each potential or recognised AOI is reviewed half-yearly to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. Where a potential impairment is indicated, assessment is performed using a fair value less costs to dispose method to determine the recoverable amount for each AOI to which the exploration and evaluation expenditure is attributed. No indicators of impairment were identified in the period. The key estimates and judgements used have not materially changed from those that applied to the financial report as at and for the year ended 30 June 2022.

Note 9 Leases

Lease Assets

	Dec 2022 $million	Jun 2022 $million
Lease Assets at the beginning of the financial year	**31.7**	72.2
Additions	**9.4**	24.1
Lease remeasurement	**5.2**	0.2
Depreciation expense[(1)]	**(10.0)**	(64.8)
Total Lease Asset	**36.3**	**31.7**

(1) In Instances where the underlying costs regarding a lease contract would previously have been capitalised, the depreciation on the lease asset is capitalised. The Group capitalisation of depreciation is $4.9 million (FY22 $53.6 million).

Lease Liabilities

	Dec 2022 $million	Jun 2022 $million
Lease Liabilities at the beginning of the financial year	**33.0**	103.0
Additions	**9.4**	24.1
Repayments[(2)]	**(10.6)**	(101.5)
Lease remeasurement	**5.2**	5.6
Accretion of interest	**0.6**	1.5
Foreign exchange movements	**1.3**	0.3
Total Lease Liabilities	**38.9**	**33.0**
Current Liabilities	**17.8**	**14.7**
Non-current Liabilities	**21.1**	**18.3**

(2) Instances where the payments regarding a lease contract are part of a joint arrangement and the Group is the responsible party for payment, the Group recognises the full lease liability, and recognises other income for the portion of payment that is recovered through other parties within the joint venture arrangement. The Group recognised $1.6 million of other income relating to joint venture recoveries.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 10 Commitments

There has been no material change to total capital and minimum exploration commitments since 30 June 2022.

FINANCIAL AND RISK MANAGEMENT

This section provides details on the Group's debt and related financing costs, interest income, cash flows and the fair values of items in the Group's statement of financial position. It also provides details of the Group's market, credit and liquidity risks and how they are managed.

Note 11 Finances and borrowings

Beach currently has a Senior Secured Debt Facility in place for $675 million, comprised of a three year $250 million syndicated revolving debt facility maturing September 2024 (Facility A), a five year $350 million syndicated revolving facility maturing September 2026 (Facility B), and three year $75 million bilateral Contingent Instrument facilities (CI Facilities) with a maturity date of September 2024. As at 31 December 2022 $180 million of Facility A was drawn with $46 million of the CI Facilities being utilised by way of bank guarantees.

	CONSOLIDATED	
	Dec 2022 $million	Jun 2022 $million
Bank Debt	**180.0**	90.0
Less debt issuance costs	**(2.2)**	(2.7)
Total non-current borrowings	**177.8**	**87.3**

	CONSOLIDATED	
Net financing expenses	Dec 2022 $million	Dec 2021 $million
Finance costs	**2.0**	2.3
Interest expense	**2.6**	1.1
Discount unwinding on net present value assets and liabilities	**15.9**	6.7
Finance costs associated with lease liabilities	**0.6**	0.8
Less borrowing costs capitalised	**(4.6)**	(3.3)
Total finance expenses	**16.5**	7.6
Interest income	**(1.4)**	(0.2)
Net financing expenses	**15.1**	**7.4**

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 12 Financial risk management

The Group's activities expose it to a variety of financial risks including currency, commodity, interest rate, credit and liquidity risk. Management identifies and evaluates all financial risks and may enter into financial risk instruments such as foreign exchange contracts, commodity contracts and interest rate swaps to hedge certain risk exposures and minimise potential adverse effects of these risk exposures in accordance with the Group's financial risk management policy as approved by the Board. The Group does not trade in derivative financial instruments for speculative purposes.

The carrying value of the group's financial assets and financial liabilities which also approximates their fair values are set out below.

		FINANCIAL ASSETS / FINANCIAL LIABILITIES AT AMORTISED COST	
Carrying amount	Note	Dec 2022 $million	Jun 2022 $million
Financial assets			
Cash and cash equivalents		**189.5**	254.5
Receivables		**249.9**	222.5
		439.4	**477.0**
Financial liabilities			
Payables		**354.4**	338.3
Lease liabilities	9	**38.9**	33.0
Interest bearing liabilities	11	**180.0**	90.0
		573.3	**461.3**

Fair Values

Certain assets and liabilities of the Group are recognised in the statement of financial position at their fair value in accordance with accounting standard AASB 13 Fair Value Measurement. The methods used in estimating fair value are made according to how the available information to value the asset or liability fits with the following fair value hierarchy:

- Level 1 – the fair value is calculated using quoted prices in active markets;
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability; and
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2022 and there have been no transfers between the levels of the fair value hierarchy during the half year to 31 December 2022.

The Group also has a number of other financial assets and liabilities, including cash and cash equivalents, receivables and payables which are recorded at their carrying value which is considered to be a reasonable approximation of their fair value.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

EQUITY AND GROUP STRUCTURE

This section provides information which will help users understand the equity and group structure as a whole including information on equity and dividends.

Note 13 Contributed equity

(a) Movement in share capital

	CONSOLIDATED	
	Dec 2022 $million	Jun 2022 $million
Balance at beginning of period	**1,862.3**	1,859.5
Repayment of employee loans and sale of employee shares	**0.2**	1.0
Shares purchased on market (Treasury shares), net of tax	**(0.4)**	(0.7)
Utilisation of Treasury shares on vesting of shares and rights under employee and executive incentive plans	**0.8**	2.5
Balance at end of period	**1,862.9**	**1,862.3**

Treasury shares

Treasury shares are purchased for use on vesting for the executive incentive plan and the employee share scheme. Shares are accounted for at the weighted cost for the period.

(b) Movement in Treasury shares

	Dec 2022 Number	Jun 2022 Number
Balance at beginning of period	**1,920,244**	2,974,400
Shares purchased on market during the period	**-**	709,379
Utilisation of Treasury shares on vesting of shares under employee or executive incentive plan	**(507,050)**	(1,763,535)
Balance at end of period	**1,413,194**	**1,920,244**

(c) Movement in fully paid ordinary shares

	Dec 2022 Number	Jun 2022 Number
Balance at beginning of period	**2,281,333,656**	2,281,333,656
Shares issued on vesting/exercise of unlisted incentive rights	**-**	-
Balance at end of period	**2,281,333,656**	**2,281,333,656**

(d) Movement in unlisted Incentive Rights

	Dec 2022 Number	Jun 2022 Number
Balance at beginning of period	**7,433,153**	8,184,339
Issued during the period	**751,740**	4.195,803
Forfeited during the period	**(819,128)**	(3,346,082)
Vested/Exercised during the period	**(507,050)**	(1,600,907)
Balance at end of period	**6,858,715**	**7,433,153**

Employee Rights

During the period, Beach issued 356,293 unlisted rights pursuant to the Executive Incentive Plan for the 2021 short term incentive offer. 178,149 of the unlisted performance rights vest on 1 July 2023 and 178,144 vest on 1 July 2024 subject to the holder of the rights remaining employed with Beach on the vesting dates. Beach also issued 168,598 Long Term Incentive unlisted rights under the Executive Incentive plan. These rights, which expire on 30 November 2026, are exercisable for nil consideration and are not exercisable before 1 December 2024 and are subject to performance testing on 1 December 2024. Beach also issued 226,849 matched share rights under the Employee Share Plan. Further details of the Executive Incentive Plan and Employee Share Plan are detailed in the 2022 Annual Report.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2022

Note 14 Dividends

	CONSOLIDATED	
	Dec 2022 $million	Dec 2021 $million
Final fully franked dividend of 1.0 cent per fully paid ordinary paid on 30 September 2022	**22.8**	–
Final fully franked dividend of 1.0 cent per fully paid ordinary paid on 30 September 2021	**–**	22.8
	22.8	**22.8**

Subsequent to the end of the period, the Company resolved to also pay a fully franked dividend of 2.0 cents per share for the interim period.

OTHER INFORMATION

Additional information required to be disclosed under Australian Accounting Standards.

Note 15 Contingent liabilities

Timing of first gas from the Waitsia Gas Plant may give rise to unavoidable costs under certain commercial arrangements that Beach has in place for the transportation, processing and sale of LNG from Waitsia.

The Federal Government is seeking to regulate the Australian gas market using its Gas Market Emergency Price Orders with the setting of a temporary price cap along with the planned implementation of a mandatory code of conduct. It is also reforming the Safeguard mechanism with proposed legislation and regulations still being finalised. Whilst Beach has assessed available information there remains inherent uncertainty as to what impact these changes may have on the company going forward with Beach continuing to monitor further developments.

Other than matters described above, there has been no material change to the contingent liabilities since 30 June 2022.

Note 16 Events occurring after the balance date

Whilst Beach typically commences the annual reserve audit process during March, with completion in August of each year, given recent drilling results of the six-well Waitsia Stage 2 drilling campaign completed in October 2022 and pressure data acquired from Waitsia 4 in late January 2023, the results of which have helped further define the reservoir in the southern part of the field where there is less well data, the Company has undertaken a review of Perth Basin reserves in January 2023 with a volumetric assessment indicating a net 2P reserves reduction of 11% (10.6 MMboe) with the reduction primarily driven by increased structural complexity in the Waitsia field and poor reservoir quality in the High Cliff reservoir at Waitsia. An independent auditor will review the reserves.

In February 2023, Beach Energy Limited reached agreement with Webuild for Webuild to complete delivery of the Waitsia Stage 2 project, subject to finalisation of the Clough Limited administration. Following Webuild's due diligence and review of cost and work schedules, Beach has revised its total capital expenditure estimate to $400 – 450 million net to Beach ($350 – 400 million originally) with the Waitsia Joint Venture and Webuild targeting first gas from the Waitsia Gas Plant by the end of 2023.

Following the revision to Waitsia reserves and the expected increase in construction costs for the Waitsia Stage 2 project, the carrying value of the Perth Basin CGU, which includes the Waitsia asset, was reassessed using this updated information and there was no impairment required as at 31 December 2022.

Other than the matters described above, there has not been in the period since 31 December 2022 and up to the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years, unless otherwise noted in the financial report.

Directors' declaration

The Directors of the Company declare that:

1. The half year financial report and notes set out on pages 15 to 29, are in accordance with the Corporations Act 2001 including:
   (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
   (b) complying with Accounting Standard AASB 134 Interim Financial Reporting, and the Corporations Regulations 2001.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Adelaide this 13th day of February 2023.

This declaration is made in accordance with a resolution of the Directors.

G S Davis

Chairman

Independent Auditor's Review Report

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Building a better working world

Independent auditor's review report to the members of Beach Energy Limited

Conclusion

We have reviewed the accompanying half-year financial report of Beach Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a description of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Independent Auditor's Review Report

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

L A Carr
Partner
Adelaide
13 February 2023

Glossary

$	Australian dollars
BassGas	The BassGas Project (Beach 88.75% and operator, Prize Petroleum International 11.25%), produces gas from the offshore Yolla gas field in the Bass Basin in production licence T/L1. Beach also holds a 90.25% operated interest in licenses T/RL2 (pending production licence application), T/RL4 and T/RL5 (Prize Petroleum International 9.75%)
bbl	Barrels
Beach	Beach Energy Limited and its subsidiaries
Beharra Springs	Beharra Springs (Beach 50% and operator, MEPAU 50%) produces gas from the onshore Beharra Springs gas field in the Perth Basin in production licences L11 and L22
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
bp	BP Singapore Pte. Limited, a subsidiary of BP plc
C&S	Cased and suspended
CCS	Carbon capture and storage
Cooper Energy	Cooper Energy Ltd and its subsidiaries
Cooper Basin	Includes both Cooper and Eromanga basins
Cooper Basin JV	The Santos operated, SACB JVs and SWQ JVs and ATP 299 (Tintaburra) (Beach 40%, Santos 60% and operator)
CY23	Calendar year 2023
DD&A	Depreciation, depletion and amortisation
EP	Exploration Permit
Ex PEL 91	PRLs 151 to 172 and various production licences. Beach 100% and operator
Ex PEL 92	PRLs 85 to 104 and various production licences. Beach 75% and operator, Cooper Energy 25%.
Ex PEL 104 / 111	PRLs 136 to 150 and various production licences. Beach 100% and operator
Ex PEL 106	PRLs 129 and 130 and various production licences. Beach 100% and operator
EBITDA	Earnings before Interest Tax Depreciation and Amortisation
FEED	Front-End Engineering Design
FID	Final Investment Decision
FY(23)	Financial year (2023)
Genesis	Genesis Energy Limited and its subsidiaries
GSA	Gas sales agreement
GJ	Gigajoule
H(1) (FY23)	(First) half year period of (FY23)
H(1) (CY23)	(First) half of calendar year 2023
JV	Joint Venture
JKM	LNG Japan/Korea Marker
Kbbl	Thousand barrels of oil
kboe	Thousand barrels of oil equivalent
kbopd	Thousand barrels of oil per day
kt	Thousand metric tonnes
Kupe	Kupe Gas Project (Beach 50% and operator, Genesis 46%, NZOG 4%) produces gas from the offshore Kupe gas field in the Taranaki Basin in licence PML38146
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
MEPAU	Mitsui E&P Australia
Mitsui	Mitsui & Co., Ltd and its subsidiaries
MMbbl	Million barrels of oil
MMboe	Million barrels of oil equivalent
MMscfd	Million standard cubic feet of gas per day
Mt	Million metric tonnes
MTPA	Million metric tonnes per annum
NZOG	New Zealand Oil & Gas and its subsidiaries
O.G. Energy	O.G. Energy Holdings Limited., a member of the Ofer Global group of companies
Origin	Origin Energy Limited and its subsidiaries
Other Cooper Basin	Other Cooper Basin producing permit areas are ex PEL 513/632 (Beach 40%, Santos 60% and operator) and ex PEL 182 (Vanessa) (Beach 100%)
P&A	Plugged and abandoned
PEL	Petroleum Exploration Licence
Perth Basin	Includes Beach's Waitsia and Beharra Springs assets
PRL	Petroleum Retention Licence
Prize	Prize Petroleum International
PJ	Petajoule
Qtr	Quarter
RL	Retention Licence
SACB JV	South Australian Cooper Basin Joint Ventures, which include the Fixed Factor Area (Beach 33.4%, Santos 66.6% and operator) and the Patchawarra East Block (Beach 27.68%, Santos 72.32% and operator)
Santos	Santos Limited and its subsidiaries
SPA	Sale and Purchase Agreement
SWQ JV	South West Queensland Joint Ventures, incorporating various equity interests (Beach 30-52.5%, Santos operator)
TJ	Terajoule
Victorian Otway Basin	Produces gas from licences VIC/L1(v), which contain the Halladale, Black Watch and Speculant nearshore gas fields, VIC/L007745(v), which contains the Enterprise gas field, and licences VIC/L23, T/L2, T/L3 and T/L4 which contain the Geographe and Thylacine offshore gas fields. Beach also holds non-producing offshore licenses VIlC/P42(v), VIC/P43, VIC/P73 and VIC/P007192(v)
Waitsia	Waitsia Gas Project (Beach 50%, MEPAU 50% and operator) produces gas from the onshore Waitsia gas field in the Perth Basin in licence L1/L2.
Webuild	Webuild SPA
Western Flank Gas	Comprises gas production from ex PEL 91 and 106 (Beach 100% and operator)
Western Flank Oil	Comprises oil production from ex PEL 91 (Beach 100% and operator), ex PEL 92 (Beach 75% and operator, Cooper Energy 25%) and ex PEL 104/111 (Beach 100% and operator)

Half Year Financial Report
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