



ASX Announcement

LNG SPA signed with bp

Reference #021/22

Date 8 August 2022

Beach Energy (ASX: BPT, Beach) is pleased to confirm finalisation and signing of the LNG Sale and Purchase Agreement ("SPA") with BP Singapore Pte. Limited, a subsidiary of BP plc ("bp").

The LNG SPA will see bp purchase all 3.75 million tonnes of Beach's expected LNG volumes from the Waitsia Stage 2 project. Supply is targeted to commence in the second half of 2023 and will continue for approximately five years. Terms include flexibility around the commencement of supply, ensuring alignment with Waitsia Stage 2 construction and commissioning activities.

The LNG SPA contains a hybrid pricing structure linked to both Brent and Japan Korea Marker ("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.

Supply will be delivered on a Free on Board basis from the North West Shelf ("NWS") facilities in Karratha, Western Australia to leverage bp's leading LNG trading and shipping capabilities. bp is an existing participant in the NWS Joint Venture and has a long history of lifting LNG from the NWS facilities.

Commenting on the LNG SPA, Chief Executive Officer Morné Engelbrecht said "Signing of the LNG SPA with bp is a significant milestone in our delivery of material growth and another step closer to Beach becoming a supplier of LNG to the global market. We thank bp for their custom and look forward to a long and mutually beneficial relationship.

"Once LNG sales commence, Beach will have further diversified its commodity pricing exposure. Beach's oil and gas portfolio will provide exposure to Brent oil prices, spot LNG prices, east coast, west coast and New Zealand domestic gas prices, and oil-linked gas prices. This places Beach in an enviable position within the Australian energy sector", Mr Engelbrecht said.

Authorisation

This release has been authorised for release by the Beach Board of Directors.

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