



ASX Announcement

Proposal to acquire Warrego Energy

Reference #037/22

Date 11 November 2022

Beach Energy Limited (ASX: BPT, Beach) advises that it has submitted a proposal to acquire all the issued shares in Warrego Energy Limited (ASX: WGO, Warrego) for \$0.20 cash per share, plus any net proceeds received from the sale of Warrego's Spanish assets, by way of a conditional cash bid (the "Proposed Acquisition").

Although Beach's offer to Warrego is conditional upon due diligence, Beach has already undertaken its preliminary due diligence and is intending to finalise its confirmatory due diligence and negotiation of the binding implementation agreement promptly. Beach envisages it will be able to commit to a binding agreement before market open on Monday, 14 November 2022.

The \$0.20 cash per share proposal values Warrego at \$246 million¹ and its acceptance would deliver immediate and certain value recognition for Warrego shareholders and represents a significant premium to recent share trading:

- 14% premium to Warrego's closing share price on 10 November 2022
- 30% premium to Warrego's 1-month volume weighted average price (VWAP) to 10 November 2022
- 33% premium to Warrego's 3-month VWAP to 10 November 2022

The Proposed Acquisition would be funded through Beach's existing debt facilities and cash reserves.

Commenting on the Proposed Acquisition, Beach CEO Morné Engelbrecht said "The proposal to acquire Warrego provides a unique opportunity to complement Beach's growth strategy in the Perth Basin while delivering compelling cash value recognition for Warrego shareholders.

"Beach has a significant acreage position in the Perth Basin. We are investing heavily to bring new gas supply to market, including Waitsia Stage 2 LNG volumes and gas exploration drilling which is soon to commence. The proposed acquisition of Warrego would complement our asset portfolio and provide further optionality to develop new gas supply for many years to come," Mr Engelbrecht said.

Beach looks forward to ongoing engagement with Warrego and will provide further updates in due course.

Authorisation

This announcement has been authorised for release by Beach's Chief Executive Officer.

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¹ Equity value on a fully diluted basis