



ASX Release

Beach Energy Ltd
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ASX Code: BPT

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For Immediate Release – 11 November 2011

Ref. #137/11

ASX Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

BEACH HOLDS RELEVANT INTEREST OF 55.31% IN ADELAIDE ENERGY

Beach achieves its primary goal of majority control in its takeover offer for Adelaide Energy and now has a relevant interest of 55.31%

On 7 November 2011, Beach Energy Ltd (ASX: BPT, "Beach") announced an unconditional, on-market, cash offer of 20 cents per share ("Offer") for all of the issued and outstanding ordinary shares of Adelaide Energy Limited (ASX: ADE, "Adelaide Energy") it did not own. Beach has now secured its primary goal of majority control of Adelaide Energy and has now lifted its relevant interest in the company to 55.31%.

Beach Managing Director, Reg Nelson, said: "The takeover offer is a logical step for Beach that will remove our funding concerns relating to Adelaide Energy for the Nappamerri Trough unconventional gas work program."

"We are pleased that so many Adelaide Energy shareholders have taken the opportunity to accept the Offer and would encourage remaining shareholders to do likewise."

The remaining Adelaide Energy shareholders are encouraged to accept the Offer as:

- **Beach now has majority control** and, in Beach's view, **it is unlikely an alternative bid will emerge** as Beach now has a relevant interest of 55.31% in Adelaide Energy;
- **The Offer represents a significant premium** to the price that Adelaide Energy was trading at prior to Beach announcing its intention to acquire the company;
- The **remaining shareholders are likely to have their shareholding diluted by the future capital requirements** of Adelaide Energy; and
- The remaining **shareholders who do not accept the Offer face potential share price risk and reduced liquidity once the Offer closes.**

The Offer to Adelaide Energy shareholders will close on 22 December 2011, unless extended or withdrawn. While the Offer could be withdrawn with the consent of the Australian Securities and Investments Commission under certain circumstances, in Beach's view this is unlikely to happen.

Until that time, the remaining Adelaide Energy shareholders have the opportunity to sell into the Offer and capture value for their shareholding.

Adelaide Energy shareholders can accept the Offer by instructing their broker to sell their shareholding to Beach through its broker for the Offer, Macquarie Equities Limited.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Reg Nelson", on a light yellow background.

Reg Nelson
Managing Director, FAusIMM

For more information contact

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