

Beach Energy Ltd
 ABN: 20 007 617 969
 ASX Code: BPT

25 Conyngham Street
 GLENSIDE SA 5065

GPO Box 175
 ADELAIDE SA 5001

Tel: +61 8 8338 2833
 Fax: +61 8 8338 2336

Web:
www.beachenergy.com.au
 Email:
info@beachenergy.com.au

ASX RELEASE

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AUSTRALIA

Beach Operated Cooper-Eromanga Oil – Western Flank

Beach commenced a minimum sixteen well drilling program on the Western Flank when it spudded the Parsons-3 development well (Beach 75%) on 23-February 2011. As at March-2, Parsons-3 is preparing to run casing after successfully intersecting a nine metre oil column within high-quality reservoir sandstone. Following Parsons-3, the rig will move to further develop the field by drilling Parsons-4, followed by the first exploration well of the campaign, Jaffa-1 (also Beach 75%).

Beach Operated Cooper-Eromanga Basin Gas - PEL 106FI Block

A workover rig is currently preparing Canunda-1 to re-continue production testing after retrieving wireline and pressure gauges. The testing is expected to recommence around late March and is intended to define reservoir size and production characteristics of this high liquids gas field (Beach 50%).

Santos Operated Cooper Basin Oil and Gas Development

The Kidman North-4 gas development well (Beach 20.21%) was cased and suspended as a future gas producer. A campaign of five development and appraisal wells on the Cook Field (Beach 20%) has been completed with the last two wells of the campaign, Cook-16 and -17, having been cased and suspended as Hutton oil producers during the month. All five wells of the Cook program were successful oil wells.

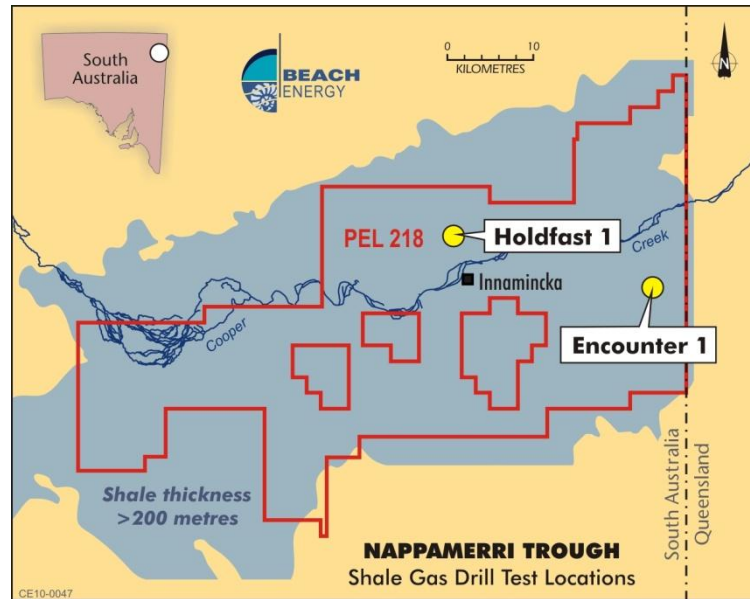


**Beach Operated Cooper Basin
Shale Gas Exploration - PEL 218**

Holdfast-1 (Beach 90%), the second of a two well back-to-back shale gas exploration program in the Nappamerri Trough, has intersected the top of the target Roseneath-Epsilon-Murteree (REM) sequence and is currently coring. An extensive coring program is planned for this well, and will extend drilling into late March.

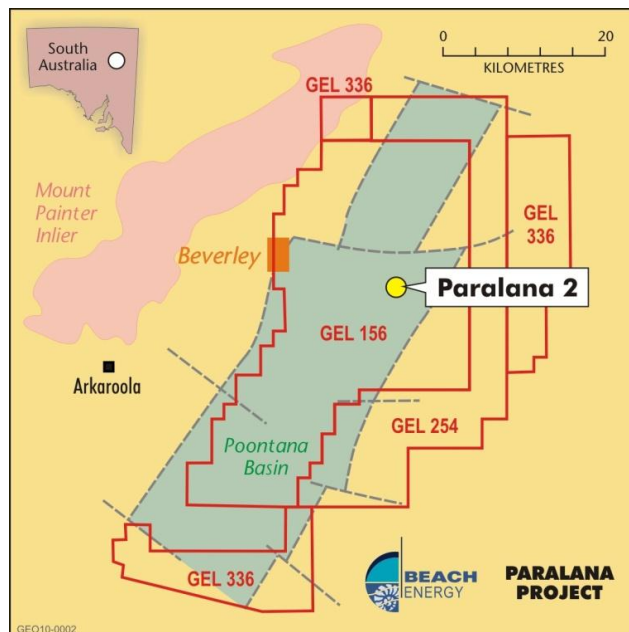
Beach has also received some preliminary results from its extensive testing program on the core recovered from the Encounter 1 well.

Early results show Total Organic Content (“TOC”) values in the REM shale sequence compare very favorably to numbers seen in the gas shale plays of the United States. Gas evolving from the core samples and good mud gas readings taken whilst drilling confirm that the REM target section contains gas outside of structural closure, which was one of the key objectives of this drilling campaign. Extensive analyses on the core will continue for some months from both Encounter-1 and from the newly acquired Holdfast-1 samples.



**Beach Operated Geothermal
- Paralana Project, Arrowie Basin**

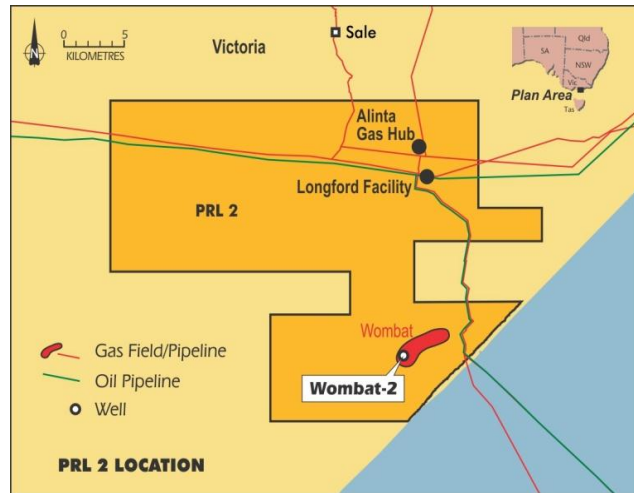
Data from the successful injection test at Paralana-2 (Beach 21%) in early January has been incorporated into the design of the main fracture stimulation. The fracture stimulation is designed to generate a permeable network for fluid flow and on-site work is expected to commence in March.



Beach Operated Gippsland Basin

- PRL-2

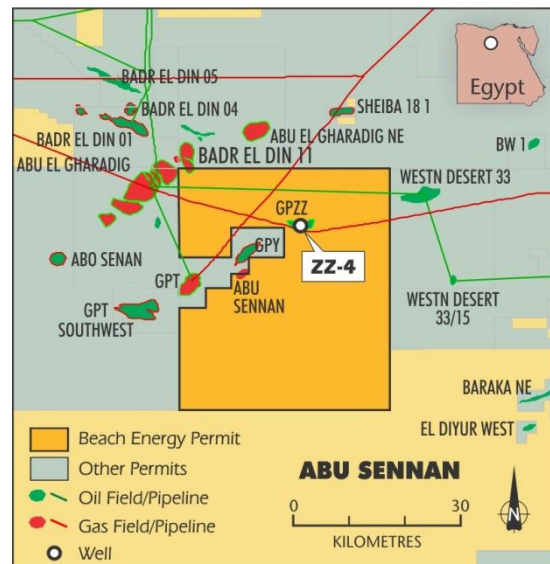
The downhole gauges were recovered from Wombat-2 in PRL-2 (Beach earning up to 33.3%) on 28th January following the well test; interpretation is ongoing. Planning for a fracture stimulation of Wombat -4 in late second quarter has commenced.



INTERNATIONAL

Kuwait Energy Operated Western Desert Oil Exploration - Abu Sennan Concession, Egypt

The ZZ-4 well (Beach 22%) re-commenced drilling operations on February 9. The well is an appraisal well of the Cretaceous GPZZ Oil Field and will be deepened to target oil exploration potential in the Jurassic. Current depth is 3383m with a prognosed total depth of 4,600m. ZZ-4 is the first in a multi-well drilling program designed to test several plays within the Abu Sennan concession.



Drilling Report – Period ending 2 March 2011

Well	Participants	Progress & Summary	Primary Targets
Holdfast-1 PEL 218 Gas Exploration C/E Basin, SA	BPT* 90.00% ADE 10.00%	Report Time: 0600 hrs (CST) 2/3/2011 Depth: 3065.8m Operation: Preparing to run back in hole for Core 2. Progress: 2110.8m	R-E-M Interval
Parsons-3 PEL 92 Oil Development C/E Basin, SA	BPT* 75.00% COE 25.00%	Report Time: 0600 hrs (CST) 2/3/2011 Depth: 1412m (TD) Operation: Preparing to run casing. Progress: 1412m	Namur Sandstone
Cook-17 PL 97 Oil Appraisal C/E Basin, QLD	BPT 20.00% STO* 55.00% ORG 25.00%	Report Time: 0600 hrs (AEST) 2/3/2011 Depth: 2042m (TD) Operation: Well is cased and suspended as a future Hutton oil producer. Progress: 2042m	Birkhead Formation Hutton Sandstone
Cook-16 PL 97 Oil Appraisal C/E Basin, QLD	BPT 20.00% STO* 55.00% ORG 25.00%	Report Time: 0600 hrs (AEST) 2/3/2011 Depth: 2042m (TD) Operation: Well is cased and suspended as a future Hutton oil producer. Progress: 0m	Birkhead Formation Hutton Sandstone
Kidman North-4 PPL 24 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 2/3/2011 Depth: 2309m (TD) Operation: Well is cased and suspended as a future Permian gas producer. Progress: 1609m	Patchawarra Formation Toolachee Formation (s) Epsilon Fformation (s)
ZZ-4 Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DVPC 28.00%	Report Time: 0600 hrs (local) 1/3/2011 Depth: 3406m Operation: Drilling Ahead. Progress: 842m	Khatatba Formation Bahariya Formation

(*) Operator (s) Secondary Targets
 BPT Beach Energy Ltd ADE Adelaide Energy KEE Kuwait Energy
 ORG Origin Energy Resources STO Santos Limited DVPC Dover Petroleum



Neil Gibbins
Chief Operating Officer

For more information contact

Corporate

Reg Nelson Beach Energy Limited 08 8338 2833
 Neil Gibbins Beach Energy Limited 08 8338 2833

Investor Relations

Chris Jamieson Beach Energy Limited 08 8338 2833