



ASX Release

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NON-CASH WRITE DOWN OF BASKER-MANTA-GUMMY PROJECT

Beach advises it intends to make a non-cash accounting adjustment to the carrying value of its Basker-Manta-Gummy project (BMG). A nominal value for BMG will be retained while options are evaluated for a potential Phase 2 gas and liquids development project.

As part of its bi-annual impairment review and in accordance with its policies, Beach Energy Limited (ASX: BPT, "Beach") intends to write down its share in BMG to a nominal value, in light of BMG moving to a non-production phase and as planning proceeds in relation to Phase 2 gas and liquids development options.

It should be noted that there will be no cash flow impact from this write down as it is purely an accounting adjustment.

Beach remains committed to BMG as the project has generated positive cash for Beach over its life to date. Also, Beach looks forward to the potential gas and liquids development phase which is undergoing planning and assessment by the BMG joint venture partners.

The carrying value of BMG will be written down by \$118.5 million (pre-tax) as part of the half year results. This will be coupled with the recognition of a tax expense relating to the BMG Petroleum Resource Rent Tax asset of \$27.0 million. A nominal residual value has been retained for the potential gas and liquids development phase.

Beach has the option of writing back the value of the BMG project in accordance with its policies should a gas and liquids development be commissioned at some point in the future.

Participating interests in the BMG project are:

Beach Energy Limited	30%
Roc Oil (VIC) Ltd (Operator)	30%
CIECO Exploration and Production (Australia) Pty Ltd	20%
Sojitz Energy Australia Pty Ltd	10%
Pertamina Hulu Energi Australia Pty Ltd	10%

