

Annual General Meeting

10 November 2016



Good morning ladies and gentlemen, and thank you for taking the time to be here today. I declare open the 2016 Beach Energy Annual General Meeting. A quorum is present.

As safety is one of our key values at Beach, I want to begin with a safety message. In the unlikely event of an emergency evacuation you will hear a “whoop whoop” alarm. On hearing that alarm please evacuate in a calm manner through the exits and follow the instructions from the Convention Centre staff who will direct you to a safe assembly point.

Very important to us at Beach are our relationships with the traditional custodians of Australia. We acknowledge that we are meeting today on the traditional country of the Kurna People of the Adelaide Plain and we pay our respect to their Elders past, present and future. We also recognise and respect their cultural heritage, beliefs and spiritual relationship with the land and acknowledge that they are of continuing importance to the Kurna People today.

A few housekeeping matters for good order:

- If you haven’t already done so could you please turn your mobile phone to silent.
- I would also ask you to note that any unauthorised recording or photography during the course of the meeting today is prohibited.
- Lastly, the presentations are being recorded and will be available on the Beach website after the meeting.

Disclaimer

This presentation contains forward looking statements that are subject to risk factors associated with oil, gas and related businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.

All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated. References to "Beach" may be references to Beach Energy Limited or its applicable subsidiaries.

Unless otherwise noted, all references to reserves and resources figures are as at 30 June 2016 and represent Beach's share.

Competent Persons Statement

The reserves and resources information in this presentation is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Tony Lake (Manager Cooper Gas). Mr Lake is an employee of Beach Energy Limited and has a BE (Mech) degree from the University of Adelaide and is a member of the Society of Petroleum Engineers (SPE). The reserves and resources information in this presentation has been issued with the prior written consent of Mr Lake in the form and context in which it appears.

Our compliance statements are set out on slide 2 of today's presentation for those of you who wish to review them later.

Chairman's Address

Glenn Davis



There are of course a few others on stage here with me today. To make sure everybody knows who we are, moving down the line from my immediate right are:

- Matt Kay, Chief Executive Officer
- Colin Beckett, Deputy Chairman
- Our non-executive directors, Ryan Stokes, Fiona Bennett, Jim McKerlie, Doug Schwebel and Phil Bainbridge, and
- Cathy Oster, Company Secretary

As you are aware, I am seeking your approval for re-election to the Board today, and Phil, Jim and Ryan are seeking your approval for election to the Board following their appointment by the Board earlier this year.

An active year in FY16



Responding to the challenges of lower oil prices, and delivering results

- Successful Drillsearch merger
- Organisational review and change implementation
- New Chief Executive Officer
- Board changes
- Strong operating and financial performance



4

This time last year we spoke of Beach positioning itself for a “lower for longer” oil price environment. Today, the “lower” part of this equation still holds true, and “longer” remains a topic of much debate and speculation.

The 2016 year posed many challenges for the oil and gas industry. Our average realised oil price was down a third in FY16 compared with FY15, and down 52% from the highs of FY14. Beach has, however, responded strongly to these challenges.

Meeting these challenges has seen significant beneficial change and transition in the business, which helped strengthen our financial position and greatly enhance our prospects for growth. We are producing operational and financial results which validate our strategy and efforts.

Key events from the year in review include:

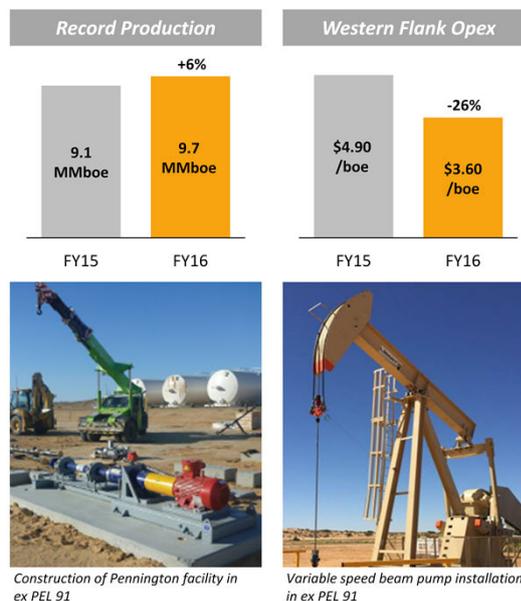
- The successful merger with Drillsearch. That acquisition delivered 100% ownership of our core PEL 91 and PEL 106 Western Flank permits, and we are now benefiting from annual pre-tax cost savings of approximately \$40 million.
- Completion of an organisational design review and implementation of changes to our operating model. These changes better equip us to meet the challenges of the current oil price environment, and ensure we are appropriately resourced to deliver on our strategy.
- We welcomed Matt Kay as our new CEO. Matt brought to Beach a wealth of experience from various roles within the oil and gas industry.
- Changes at Board level, with a number of new directors joining. To those directors that departed, I thank you for your significant contributions. I would particularly like to acknowledge John Butler. John served for many years as a director through good times and bad. John, thank you for all of your years of service.
- And while this activity was taking place, Beach continued to deliver operational excellence

and strong financial performance.

Continuing operational excellence



- Safety standard improvements
- Record production
- High drilling success rates
- Commissioning of new production facilities
- Operating and corporate cost reductions
- Cash flow breakeven reduced to US\$26/bbl



5

So turning to that operational performance, we again delivered good results across the business.

Our safety record continued to improve, with reductions in lost time injuries and injury frequency rates. Safety is a core value for Beach and a key part of our culture. The board was recently in the field at our operations in the Cooper Basin. The commitment to safety and operational excellence is first class. Our field staff are to be congratulated on both counts.

It was a year of record production, with 9.7 million barrels of oil equivalent produced. Production levels were supported by commissioning of new facilities at the Pennington and Stunsail fields, various successful field development projects, and additional production following the Drillsearch transaction. We are confident of maintaining strong production results this year.

Still in the field, our results from the drill bit were also impressive and we are repeating that again this year. We have kicked off our operated exploration program and have had pleasing early success with two new discoveries.

Volatility in commodity pricing means we have had to be agile in shaping the business to suit. Our focus on operating efficiencies has delivered excellent results. We now boast Western Flank operating expenditure of \$3.60 per barrel of oil equivalent within our operated permits, and \$22 per barrel on a total cash production cost basis. We also saw a material reduction in our cash flow breakeven to a world-class US\$26 per barrel and we generated \$233 million in operating cash flow. These results demonstrate the strength of our business and our ability to generate material free cash flow, even during times of lower oil prices. Our focus on those efficiencies cannot, however, diminish.

Strong progress across all strategic pillars



Optimise our core in the Cooper Basin



- ✓ Drillsearch merger and integration
- ✓ 26% operated field cost reduction
- ✓ 90% drilling success rate
- ✓ Continued safety standard excellence

Maintain financial strength



- ✓ Net debt free
- ✓ 40% corporate cost savings
- ✓ \$28 million net cash generated
- ✓ ~\$550 million year-end liquidity

Build an east coast gas business



- ✓ Greater influence over SACB JV participation and outcomes
- ✓ Commencement of Origin oil-linked gas sales with attractive terms
- ✓ Multiple basin reviews progressed
- ✓ Disciplined review of opportunities

Pursue other growth opportunities



- ✓ Rationalisation of poor performing assets
- ✓ Multiple basin reviews completed or progressing
- ✓ Criteria and process enhanced
- ✓ Disciplined review of opportunities

6

We are making good progress against our strategic growth objectives. The four pillars of our growth strategy are well known to you.

We continue to optimise our core in the Cooper Basin. The Drillsearch transaction, our results from the field, the divestment of under-performing assets and operating efficiency gains are clear evidence of that.

We continue to work diligently on improving our financial strength. Over the year we increased our cash reserves and ended with approximately \$550 million of available liquidity, and that position has continued to improve since year-end. In recognition of our performance and financial position, the Board declared a half cent fully franked dividend, which although lower than FY15, demonstrates our confidence in Beach's outlook. Pleasingly, this extends our run of dividends to 15 consecutive years.

Growing our exposure to east coast gas demand and pursuing growth opportunities beyond the Cooper Basin represent the inorganic growth aspect of our strategy. With a strict capital allocation framework in place, we have been very active in reviewing opportunities which fit within our areas of competence and meet our required investment hurdles.

An exciting outlook for FY17

Investing through the cycle, with a strong foundation for growth

- Reinvestment in our business
- Active exploration and development program
- Relentless focus on cost savings
- Disciplined approach to growth opportunities
- Delivering on our strategy



We look forward to the remainder of FY17. Our strict focus on operating efficiencies, the benefits from the Drillsearch transaction and a disciplined approach to capital allocation have put us in a very strong position to deliver on our growth strategy as we embark on an exciting year.

We are continuing to invest in our core business. We have an active operated exploration program in the Western Flank, and have announced two oil discoveries from the first two exploration wells. We are also undertaking major infrastructure development projects to optimise our production capacity. Out of our \$180 million capital expenditure program, \$100 million of that is discretionary expenditure, 65% of which is going straight into the Western Flank where we get our best return on investment.

Our focus on operating efficiencies will continue. Our focus on production optimisation and return on capital will continue. Our disciplined pursuit of growth opportunities will continue. Matt and his team have been very active in creating and reviewing opportunities. None have yet presented on terms that we think add real value from your perspective. We will continue to be very active but we will also continue to be patient. Our path to being the leading mid cap E&P company in Australia will continue and 2017 is an important and exciting step in that path.

That's all from me, ladies and gentlemen. In closing, I would like to thank our staff for their hard work, and thank you, our shareholders, for your continued support.

I will now ask Matt Kay to address you.

Chief Executive Officer's Address

Matt Kay



Thank you, Glenn. Good morning ladies and gentlemen.

I am very pleased to be delivering my first Chief Executive Officer's address to you, the shareholders of Beach Energy. And it is particularly pleasing to report on a solid set of results for FY16.

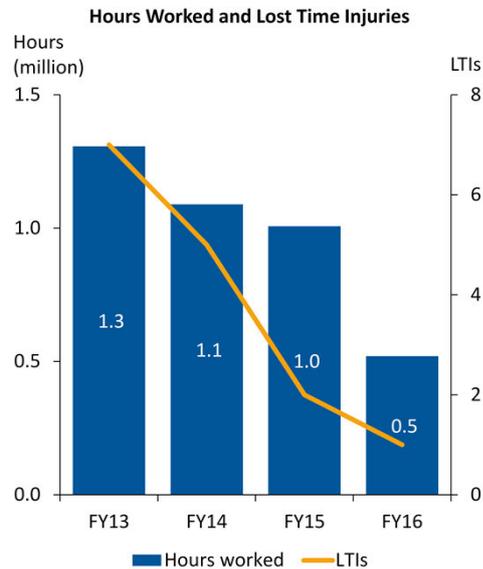
It was another challenging year for the sector, however, Beach clearly demonstrated the resilient nature of its operations by generating underlying net profit and an increase in cash reserves. As Glenn mentioned, the company also underwent much change as we continued to adapt to a "lower for longer" oil price environment. At year-end, your company was in robust shape and well positioned for growth.

FY16 Review

Safety takes precedence in everything we do



- Another year of improved safety outcomes
- One million hours with no lost time injury
 - October 2014 to April 2016
 - Employees and contractors
- Process safety enhancements to prevent major accident events
- Ongoing focus on Health and Safety Standards training
 - Communication, accountability and performance measurement
- Maintaining our social licence to operate and strong stakeholder support



Beach is committed to the health and wellbeing of its employees and contractors

9

I will begin with a review of our operations. As you would be aware, safety takes precedence in everything we do at Beach. Our already high safety performance improved during FY16, with the recordable incident rate reduced by 76% and only one lost time injury recorded.

During the year we continued to enhance our safety processes, including an increased focus on preventing major accident events, as well as new training and awareness programs. We have continued our record of high safety standards in FY17, with no lost time injuries or recordable incidents to date, during what has been a period of increased activity in the field.

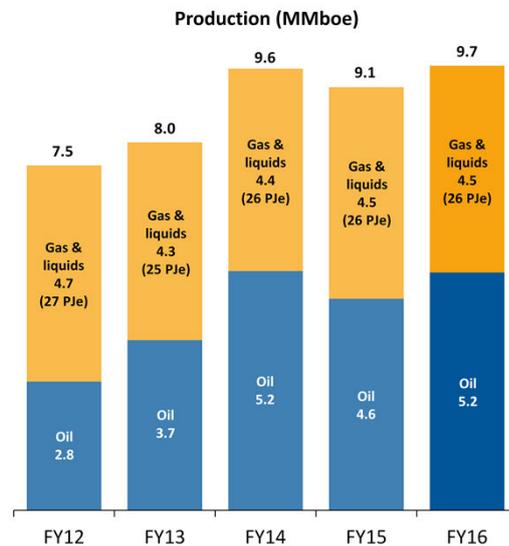
As well as our focus on safety, Beach continues to demonstrate the highest level of respect for the natural environment in which we operate. In FY16 we undertook a comprehensive aerial survey of the Western Flank to capture a high resolution image of our operated areas and surrounding environment. This imagery is now used on a daily basis to assist in determining optimal well and facility locations.

FY16 Review

Record full year production achieved



- Record production of 9.7 MMboe
 - 53% oil; 47% gas and gas liquids
- Record operated oil production of 3.6 MMbbl
- Higher portion of operated production
 - 41% of total production (FY15: 36%)
- Production supported by:
 - Successful completion of Drillsearch merger
 - Successful drilling campaigns and 46 new wells brought online
 - Optimisation projects to accelerate production



Record full year production and record operated oil production

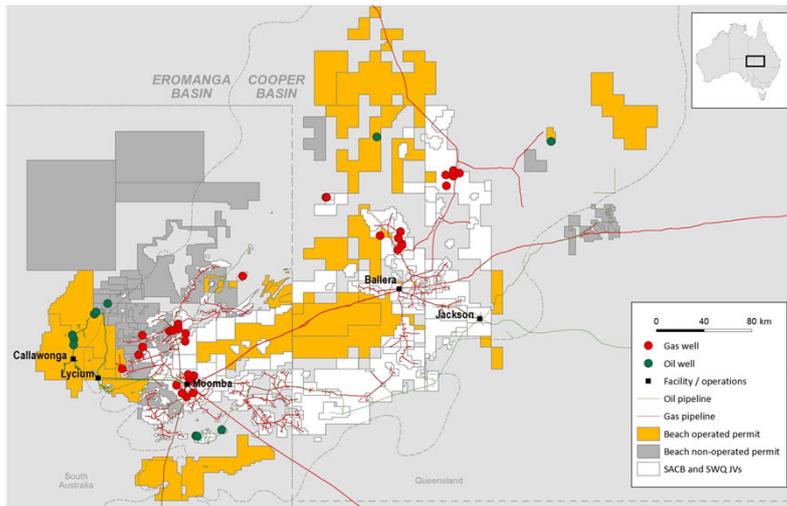
10

On the production front, we achieved a record result with 9.7 million barrels of oil equivalent produced. Production was assisted by 46 new wells brought online, completion of various field development projects, and the successful Drillsearch transaction, which completed on 1 March 2016.

It is also worth noting that Beach's operated production accounted for 41% of total production. This is higher than last year, and we will see a further increase in FY17 due to our 100% ownership of PEL 91 and PEL 106.

FY16 Review

High drilling and exploration success rates



- 51 wells drilled
- 90% success rate
- 75% exploration success
- Extension of the Bauer Field
- Five new gas field discoveries in Queensland
- Gas field extensions in Queensland
- Focus on higher margin liquids-rich fields in SA

A balanced and geographically diverse drilling program

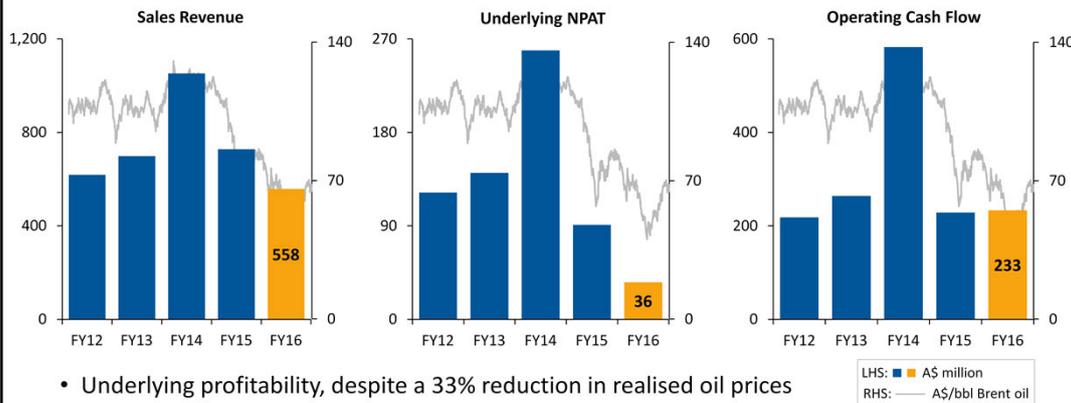
11

It was a year of reduced drilling activity due to constraints on capital expenditure brought about by lower oil prices. However, the program comprised a balance of exploration, appraisal and development activity, and drilling in the Cooper Basin targeted prospects across the acreage.

Although our well count was down, success rates were outstanding. Our exploration success rate was 75% from 16 wells, which included five new gas field discoveries from a five well program in the Windorah Trough, Queensland. Our overall success rate was 90% from 51 wells.

FY16 Review

Strong financial performance despite headwinds



- Underlying profitability, despite a 33% reduction in realised oil prices
- Low cost operations generated operating cash flow of \$233 million
- Strong balance sheet with no net debt and year-end liquidity of \$550 million
- Impairments booked in H1 FY16; no H2 FY16 impairments
- Full year dividend of 0.5 cents per share, fully franked; 15 consecutive years of payment

Resilient business model generating free cash in a lower oil price environment

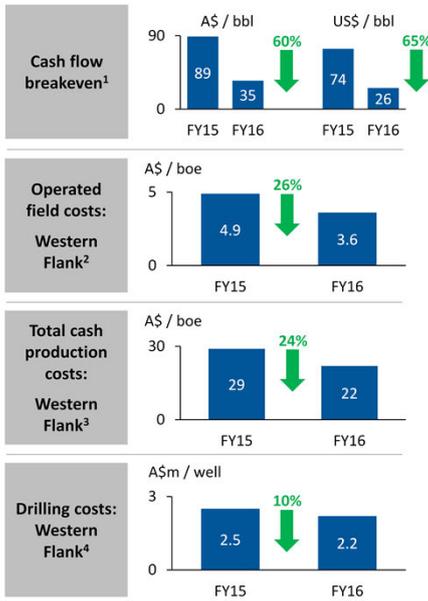
12

Turning to our financial performance, we achieved record sales volumes of 10.8 million barrels of oil equivalent, we proactively managed our capital expenditure, and we diligently focussed on reducing costs across the business. These efforts contributed to an underlying net profit of \$36 million, despite a 33% reduction in our average realised Australian dollar oil price. While this is a solid result, we will continue to focus on profit and margin improvement.

We also generated net operating cash flow of \$233 million and ended the year with increased cash reserves and no net debt. It is a credit to the team that Beach strengthened its financial position in a year of low and volatile oil prices.

FY16 Review

Cash flow breakeven reduced by 60%



FY16

- Reduced cash flow breakeven from lower costs and greater control over SACB JV capital expenditure
- Broad range of operating cost savings achieved
 - Renegotiation of supplier contracts
 - Reduced field contractors
 - Operational and maintenance efficiencies

FY17

- Further reductions in operated field costs
- Targeting 10% reduction in drilling costs
- Targeting >15% SACB and SWQ JV field operating cost savings

1. Average annual oil price whereby cash flows from operating activities before tax equate to cash flows from investing activities less discretionary expenditure and acquired cash
 2. Field operating costs for ex PEL 91, 92 and 106; excludes tariffs, tolls and royalties
 3. Field operating costs, tariffs, tolls and royalties for ex PEL 91, 92 and 106
 4. Average cost to drill, case and complete

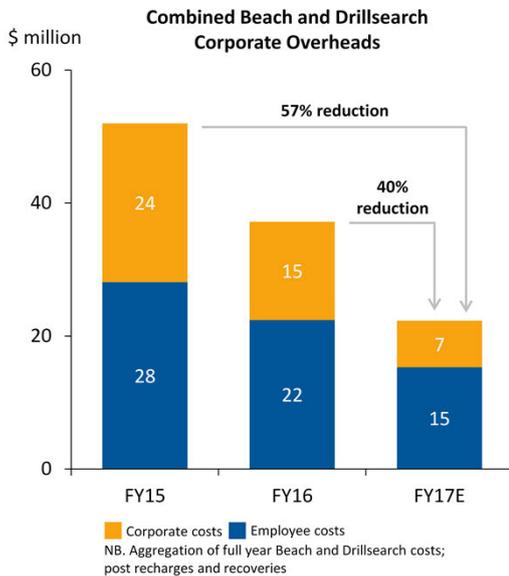
Improving profit margins from an ongoing focus on costs

Across the industry, cost reductions are front of mind. This year we continued to focus on operating efficiencies and achieved cost savings in the order of 25% within our operated Western Flank permits. We also reduced our drilling costs by 10%. These reductions were a result of broad ranging field initiatives and improved contractor terms.

Within the South Australian Cooper Basin Joint Venture, Beach now has significantly more control over its capital expenditure, largely due to greater flexibility to opt out of drilling activity if we believe appropriate returns cannot be achieved. Consequently, our committed expenditure has reduced significantly. This outcome, combined with our operating cost savings, reduced our cash flow breakeven by 65% to US\$26 a barrel. This is truly world class.

FY16 Review

\$40 million p.a. Drillsearch merger synergies



- 57% reduction in combined Beach / Drillsearch corporate overheads since FY15
 - Duplicated corporate overheads removed
 - Combined headcount reduction of 29% from FY15 to FY16
 - Cost savings across both businesses
- \$40 million of pre-tax cost savings will be realised in FY17 (including operational cost savings)
- Ongoing focus on corporate cost reductions

Lean corporate structure post Drillsearch merger and organisational review

14

Still on costs, Beach completed its whole-of-organisation review in FY16. The review aimed to clearly define the company's medium and long-term strategies, and to ensure the appropriate structure and capabilities are in place to support these endeavours. Recommended changes to our organisational design were implemented, which led to significant administration and corporate cost savings.

In relation to the Drillsearch transaction, implementation was completed ahead of schedule and this year Beach will benefit from \$40 million of pre-tax cost savings across operations, administration, corporate and finance functions.

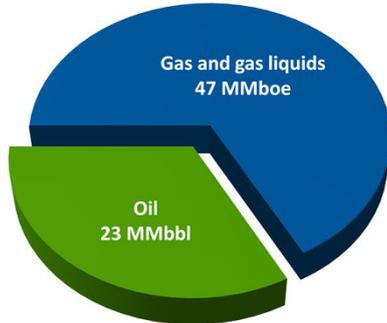
These efforts again demonstrate our ability to improve net cash flow and underlying profitability.

FY16 Review

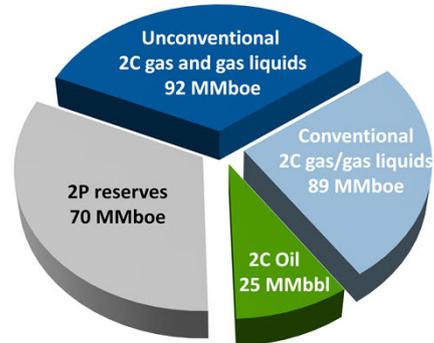
Reserves and contingent resources¹



2P: 70 MMboe



2P and 2C: 275 MMboe



- Contingent resources of operated unconventional gas acreage (PRLs 33 to 49 and ATP 855: Nappamerri Trough Natural Gas) reduced to nil, reflecting high cost of addressing fundamental technical issues and unlikely commercial development in the medium term

1. As at 30 June 2016; refer announcement to the Australian Securities Exchange on 29 August 2016; due to rounding, figures may not reconcile precisely to totals

A 20% increase in 2P oil reserves since 30 June 2015

15

A snapshot of our reserve and resource position as at 30 June 2016 is set out on the slide behind me.

During the year a thorough assessment of permit interests acquired as part of the Drillsearch transaction was undertaken, which added 11 million barrels of 2P oil and gas reserves, and contributed to a 20% increase in 2P oil reserves from the prior year.

In relation to the Nappamerri Trough natural gas project, it was considered prudent to de-book associated contingent resources. This decision reflects the high capital costs required to commercialise this gas, and is an acknowledgement that further progress will not occur over the medium term.

Our 2P reserve base remains solid, and with an active exploration and appraisal program this year I believe that we are well placed to improve our rate of reserves replacement in coming years.

FY17 Outlook

East coast gas thematic continues to build

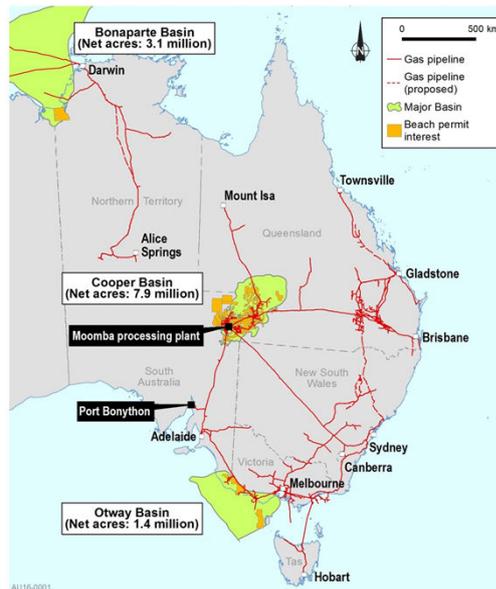


- Structural change underway in the east coast gas market
- LNG driving step-change in demand
- Increasing signs of gas supply shortages

East coast gas supply and demand 2015 – 2025 (PJ/a)¹



1. Source: EnergyQuest, March 2016; excludes potential gas from Northern Gas Pipeline



AI/16/001
Beach ownership interest in SACB JV infrastructure: 20.21%

Beach well positioned for increasing gas supply / demand imbalances

16

So let's turn to FY17. From an industry perspective, the east coast gas thematic remains a dominant theme, and is one which influences our strategic planning.

Commissioning of Queensland's recently constructed LNG plants has resulted in a tripling of east coast gas demand. At the same time, gas exploration has become more constrained as various states impose onshore drilling moratoriums. Accordingly, the tone of the gas shortage debate has become noticeably more urgent of late, with greater consensus around the need to drive change.

Fortunately, Beach is well positioned.

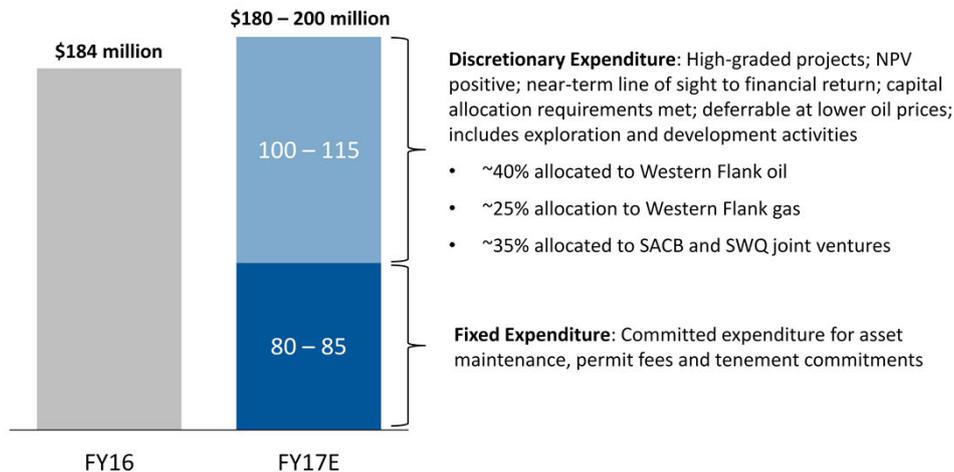
- Our core operations in South Australia and Queensland have not been affected by the various moratoriums.
- Our gas business is well-established. We are now marketing our own molecules to Origin and others, and we have significantly more control over our capital expenditure.
- We own a 20% interest in the Moomba gas processing facility and associated infrastructure, which links key energy markets.
- The Moomba facility has spare capacity and is available for new molecules and transportation of gas supply.
- And our capital expenditure program comprises a material allocation to our operated Western Flank gas acreage.

FY17 Outlook

Capital directed toward best returning projects



Capital expenditure decisions guided by a rigorous capital allocation framework



Two thirds of discretionary expenditure allocated to projects with >30% IRR

17

It is an exciting outlook for Beach in FY17. We will continue to manage our operations and expenditure under the assumption of a “lower for longer” oil price environment, but our robust, profitable business enables us to continue investing for growth.

Capital expenditure this year is broadly in line with FY16, but it is important to emphasise that our revised rigorous approach to capital allocation, coupled with greater control over capital expenditure within the South Australian Cooper Basin Joint Venture, will see a larger portion of discretionary spend directed to high impact, high expected return projects.

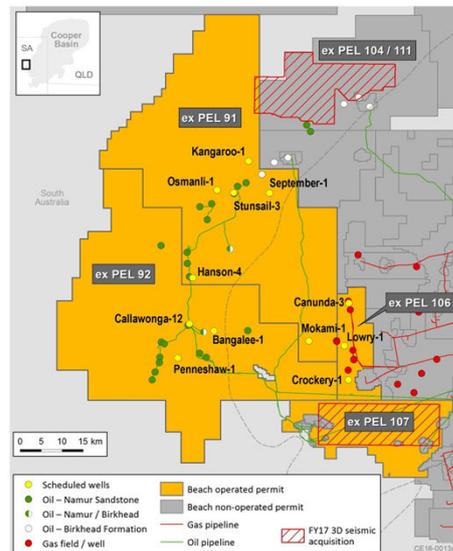
Approximately 55% of the program is discretionary expenditure. These projects have been high-graded to maximise returns and have satisfied Beach's capital allocation requirements. Furthermore, approximately two thirds of our discretionary expenditure is allocated to Beach's high yielding Western Flank oil and gas assets, with the remainder allocated to the South Australian Cooper Basin Joint Venture.

FY17 Outlook

Organic growth via exploration



- High graded prospects to expand existing footprints
- 14 operated wells currently planned
 - Low risk development wells
 - Near-field exploration / extensions
 - New focus on Birkhead / Patchawarra play types
- Material upside to size of prospects in event of exploration success
- Seismic acquisition and inversion to expand exploration seriatim
- Unconventional and deep coal strategies under review



Active Western Flank drilling program with potential for significant follow-on activity 18

Exploration success is an obvious necessity for a company like Beach. The outcomes of drilling campaigns help replace the reserves we produce, and contribute to our growth trajectory. In FY17, a greater portion of discretionary capital expenditure will be directed toward exploration drilling on the Western Flank.

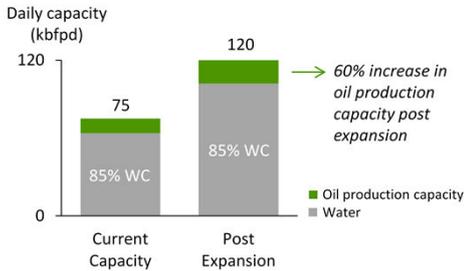
Our 14 operated wells this year include exploration, appraisal and development wells, and a new focus on Birkhead, Patchawarra and Poolowanna play types. Of the 14 wells currently planned, nine are exploration wells. The underlying objective of the exploration component is to pursue what we consider are the best prospects for material follow-on drilling. It has been pleasing to report two new oil discoveries from our first two exploration wells, which I will touch on shortly.

FY17 Outlook

Development projects to support growth

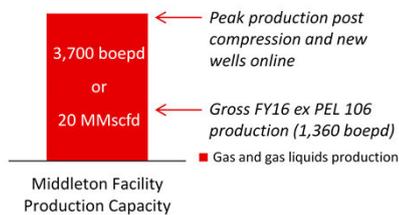


Bauer Oil Facility Expansion



- Bauer facility expansion to 120,000 barrels of fluid per day (+60%)
 - Completion expected in Q3 FY17
- Expansion to provide headroom for:
 - Increasing water cut
 - Artificial lift
 - New discoveries and new wells online
- Following initial steep decline rates, Namur reservoirs are long-life oil producers

Middleton Gas Compression



- Middleton gas compression to enable greater throughput as fields decline
 - Compression expected online in Q3 FY17
- New wells to provide incremental production
 - Raigal and Udacha brought online in July 2016
 - Three ex PEL 106 exploration wells in FY17

Major facility projects to help mitigate natural field decline

As well as drilling, field development activities play an important role in achieving growth from our existing assets. We are currently undertaking two major infrastructure projects to mitigate the naturally declining profile of our oil and gas fields, and to increase our production capacity.

Firstly, we are increasing fluids handling capacity by 60% at the Bauer facility. This will provide headroom for an increasing water cut and new discoveries.

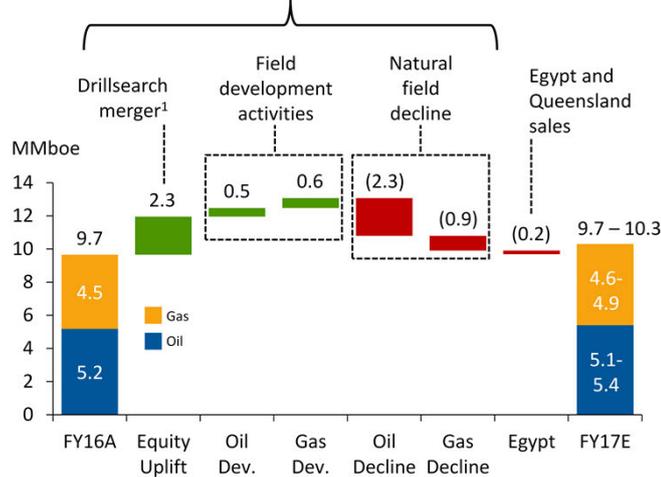
We are also underway with a gas compression project at our Middleton facility. Compression will mitigate depletion of gas reservoirs by enabling greater throughput of gas from the fields.

FY17 Outlook

Record production expected



Peak oil field decline in FY17 to be offset by merger benefits and field development activities



1. Represents FY16 Drillsearch volumes produced prior to completion of merger (July 2015 – February 2016)

- 100% ownership of core producing permits (ex PEL 91 and 106)
- Bauer facility expansion to 120,000 bfpd (+60%)
- Middleton gas compression to achieve maximum capacity of 3,700 boepd
- Conversion and production of undeveloped reserves
- Optimisation projects to accelerate production
- Reinvigorated exploration following completion of regional study

Successfully mitigating peak natural field decline, with upside from FY17 exploration 20

Our planned activities for FY17, as well as benefits from the Drillsearch transaction, give us confidence in guiding toward another year of record production. We expect to produce between 9.7 and 10.3 million barrels of oil equivalent this year.

It is worth noting that no additional production from exploration success is factored into our guidance. This leaves upside potential if successful wells are connected this financial year, which is our intention for the recent Kangaroo-1 oil discovery. That leads nicely into a brief overview of year-to-date performance.

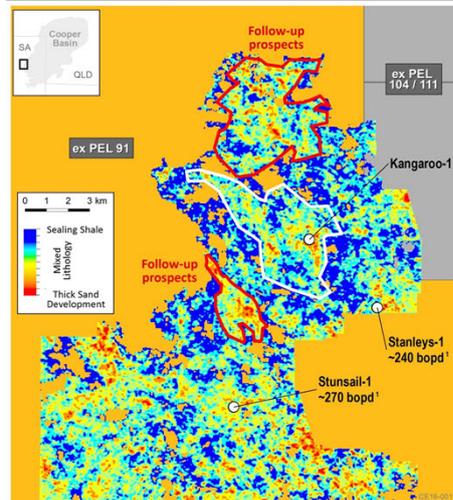
FY17 Outlook

A strong start to FY17



- Record quarterly production and sales volumes in Q1
- Net operating cash flow of \$67 million
- Five successful operated oil wells
- Oil discovery at Kangaroo-1 in ex PEL 91 (Beach 100%)
 - Discovered stratigraphically trapped oil in the Birkhead Formation
 - Expected online in Q3 FY17; two follow-on wells to be drilled
- Oil discovery at September-1 in ex PEL 91 (Beach 100%)
- Completion of sale of Beach Egypt and various Queensland oil permits

Kangaroo-1 has de-risked Birkhead leads



1. Stanley-1 Birkhead flow: two hour, free flow DST on 32/64" choke;
Stunsail-1 Birkhead flow: four hour, free flow DST on 64/64" choke

Strong operating and financial performance continues our momentum from FY16

21

It is pleasing to report that our momentum from FY16 has continued into the new financial year. Beach achieved record quarterly production of 2.9 million barrels of oil equivalent in the first quarter of FY17, supported by new wells brought online in our PEL 91 and PEL 106 oil and gas permits.

Our financial results continue to demonstrate the low-cost nature of Beach's operations. We generated net operating cash flow of \$67 million, and after capital expenditure, dividend payments and receipts from the sale of Beach Egypt, our cash reserves increased by \$44 million.

As mentioned, we have reported two new oil discoveries from the first two wells of our operated exploration program. The Kangaroo-1 and September-1 oil wells both validated new play types within our 100% owned Western Flank acreage. These discoveries confirm the ongoing prospectivity of the Western Flank, and justify our decision to allocate discretionary capital to these high returning assets. Members of our exploration team are here today, so please feel free to talk to them about these discoveries over refreshments.

Lastly, we continue to make progress with divesting non-core assets. The sale of our Egypt operations and the sale of various operated oil permits in Queensland have both been completed. We have also confirmed our intent to relinquish our permit interest in Tanzania, which will conclude our international exit efforts.

Closing remarks



- **Profitable and net debt free:** US\$26/bbl cash flow breakeven; ~\$0.6bn available liquidity
- **Leveraged to oil price recovery:** +US\$10/bbl = +\$50m NPAT and +A\$65m cash flow
- **Cost savings progressing:** Material savings delivered at Beach and SACB joint venture
- **Active E&D program:** 75% exploration success in FY16; 11 exploration/appraisal wells in FY17
- **Executing growth strategy:** Active, disciplined and patient approach to growth

Low cost operations and growth potential yield a compelling value proposition

22

Our results from 2016 and continuing strong performance this financial year reinforce Beach's underlying value proposition.

- We have a **robust core operation** which is profitable and cash generative in lower oil price environments. We have re-shaped the business and will continue to do so as needed to remain resilient in such conditions. Our cash flow breakeven of US\$26 per barrel is world class.
- With over five million barrels of oil production, oil-linked gas sales and low cost operations, Beach is **leveraged to an oil price recovery**. We estimate that a US\$10 increase in the average annual realised oil price will deliver Beach an additional \$50 million of NPAT and \$65 million of operating cash flows.
- **Material cost savings** have been achieved, demonstrating our ability to optimise our core Western Flank operations. We achieved operated cost reductions in the order of 25% and are beginning to see results from cost saving initiatives within the South Australian Cooper Basin Joint Venture. It is early days, but we have confidence in targeting further cost reductions within the joint venture in excess of 15%.
- We **continue to invest in our core business** and have an exciting drilling program planned for FY17. The exploration component has already opened up new prospectivity, and our field development projects will increase our production capacity.
- We will pursue **inorganic growth opportunities** that fit our strategy and are aligned with our risk profile. We are active and disciplined, and prepared to wait patiently for the right transactions that create shareholder value.

With a robust core business, financial strength and leverage to an oil price recovery, Beach is well positioned for growth.

In closing, I would like to extend my gratitude to the executive team and staff for their continuing diligent efforts in delivering results during challenging times. I would also like to thank those who left the company during what was a year of much change for Beach. In particular, thank you to Kathryn Presser and Neil Gibbins for your many years of dedicated service to Beach.

And on that note I will hand back to Glenn.

Q&A

Glenn Davis



Thank you, Matt.

That marks the conclusion to our webcast. Thanks to those who tuned in. Voting results for the upcoming resolutions will be lodged with the ASX as soon as possible.

Resolutions for Voting

Glenn Davis



Proxy votes



- Beach has received 1,204,466,737 valid proxy votes
 - Represents 64.6% of total votes

- The first item of business is to receive and consider the financial statements and the reports of the directors and auditors for the financial year ended 30 June 2016

Resolution 1

Adoption of remuneration report



- To consider and put to a non-binding vote the following resolution:

“That the remuneration report for the financial year ended 30 June 2016 be adopted.”

Resolution 1 Adoption of remuneration report



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Adoption of remuneration report	1,186,199,922	11,528,111	6,738,704	1,204,466,737	6,204,275
	98.48%	0.96%	0.56%	100%	

Resolution 2

Re-election of G S Davis as a director



Mr Glenn Davis

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Glenn Stuart Davis, who retires by rotation pursuant to clause 13.3 of the constitution of Beach and ASX Listing Rule 14.4 and who, being eligible, offers himself for re-election, is re-elected as a director of Beach.”

Resolution 2

Re-election of G S Davis as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Re-election of G S Davis	1,067,338,391	135,953,775	6,330,539	1,209,622,705	1,476,086
	88.23%	11.24%	0.53%	100%	

Resolution 3

Election of P J Bainbridge as a director



Mr Philip Bainbridge

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Philip James Bainbridge, who was appointed as a director subsequent to the last annual general meeting of Beach and being eligible, offers himself for re-election, is elected as a director of Beach.”

Resolution 3

Election of P J Bainbridge as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Election of P J Bainbridge	1,198,778,847	4,242,397	6,476,005	1,209,497,249	1,601,542
	99.11%	0.35%	0.54%	100%	

Resolution 4

Election of J D McKerlie as a director



Mr James McKerlie

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That James David McKerlie, who was appointed as a director subsequent to the last annual general meeting of Beach and being eligible, offers himself for re-election, is elected as a director of Beach.”

Resolution 4
Election of J D McKerlie as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Election of J D McKerlie	1,171,590,823	33,289,602	6,562,815	1,211,443,240	1,588,872
	96.71%	2.75%	0.54%	100%	

Resolution 5
Election of R K Stokes as a director



Mr Ryan Stokes

- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Ryan Kerry Stokes, who was appointed as a director subsequent to the last annual general meeting of Beach and being eligible, offers himself for re-election, is elected as a director of Beach.”

Resolution 5 Election of R K Stokes as a director



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Election of R K Stokes	1,193,668,248	9,469,441	6,513,159	1,209,650,848	1,447,943
	98.68%	0.78%	0.54%	100%	

Resolution 6

Renewal of approval of Executive Incentive Plan



- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That issues of securities by Beach under the Beach Executive Incentive Plan, the key terms of which are set out in the Explanatory Statement, be approved as an exception to ASX Listing Rule 7.1.”

Resolution 6

Renewal of approval of Executive Incentive Plan



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Renewal of approval of Executive Incentive Plan	749,534,021	21,935,042	6,379,229	777,848,292	432,822,720
	96.36%	2.82%	0.82%	100%	

Resolution 7

Increase number of directors



- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of clause 13.2 of the constitution of Beach, the maximum number of directors shall be increased from seven to nine.”

Resolution 7
Increase number of directors



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Increase number of directors	1,150,940,574	48,100,028	6,344,169	1,205,384,771	5,714,020
	95.48%	3.99%	0.53%	100%	

Resolution 8

Remuneration of non-executive directors



- To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.17, clause 13.9.2 of the constitution of Beach and for all other purposes, the maximum aggregate remuneration of the non-executive directors of Beach be increased to \$1,500,000 per year.”

Resolution 8 Remuneration of non-executive directors



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Remuneration of non- executive directors	724,381,725	47,522,094	6,334,721	778,238,540	432,432,472
	93.07%	6.11%	0.82%	100%	

Resolution 9

Financial assistance for acquisition of Drillsearch



- To consider and, if thought fit, pass the following resolution as a special resolution:

*"That the Company approve the giving by Drillsearch Energy Pty Limited and Great Artesian Oil and Gas Pty Ltd (**Specified Drillsearch Subsidiaries**) of financial assistance that may result from their entry into and performance under the following documents (**Documents**):*

- (a) the Syndicated Debt Facility Agreement dated 4 December 2015 between Beach Energy Limited and various subsidiaries, Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, The HongKong and Shanghai Banking Corporation Limited and National Australia Bank Limited (**Syndicated Debt Facility Agreement**) which the Specified Drillsearch Subsidiaries will accede to (by way of accession deed or otherwise) or be a party to in the capacity as a Guarantor and Obligor (each as defined in the Syndicated Debt Facility Agreement) and under which the Specified Drillsearch Subsidiaries provide guarantees and indemnities of the obligations of the Obligors in connection with the Finance Documents (in each case as defined in the Syndicated Debt Facility Agreement);*
- (b) any agreement granting or any arrangement otherwise granting a security interest over all of the assets of the Specified Drillsearch Subsidiaries in favour of the Beach Security Trustee (as defined in the Syndicated Debt Facility Agreement) on the same terms and conditions as the general security deed granted by Beach Energy Limited in favour of the Beach Security Trustee dated 31 July 2013; and*
- (c) any document in any way connected with or related to any of the above documents or in respect of any matter arising out of or in relation to the above documents,*

*(**Financial Assistance**) provided that the members of each of the Specified Drillsearch Subsidiaries (by way of unanimous resolution) and of Beach Energy Limited (by way of special resolution) approve the giving of Financial Assistance in accordance with Sections 260B(1) and 260B(2) of the Corporations Act 2001 (Cth) (**Corporations Act**) and the financing of the recent acquisition of the shares in Drillsearch Energy Pty Limited by Beach Energy Limited."*

Resolution 9

Financial assistance for acquisition of Drillsearch



	For	Against	Open (Usable) At Discretion of Proxy	Total Valid Available Votes	Abstain
Financial assistance for acquisition of Drillsearch Energy shares	1,199,477,588	3,134,697	6,477,622	1,209,089,907	2,008,884
	99.21%	0.26%	0.53%	100%	

Questions and Meeting Close



Contact information

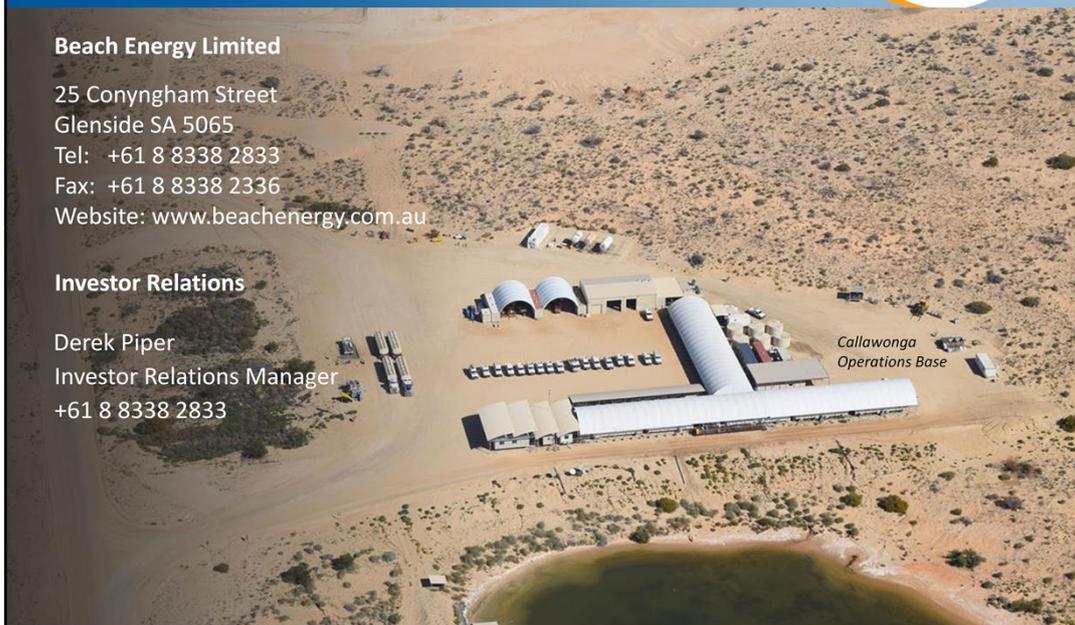


Beach Energy Limited

25 Conyngham Street
Glenside SA 5065
Tel: +61 8 8338 2833
Fax: +61 8 8338 2336
Website: www.beachenergy.com.au

Investor Relations

Derek Piper
Investor Relations Manager
+61 8 8338 2833



Callawonga
Operations Base