

Beach Energy Limited

ABN 20 007 617 969



Retail Entitlement Offer

Details of a one for eight accelerated non-renounceable pro rata entitlement offer of Beach Energy Limited ordinary shares at an offer price of \$1.40 per share

Retail Entitlement Offer closes at 5.00pm (Adelaide time) on 20 April 2012

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This is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety.

Please call your stockbroker, accountant or other independent professional adviser or the Beach Entitlement Offer Information Line if you have any questions.

Joint Lead Managers and Underwriters



**Goldman
Sachs**



Financial Adviser

miro
ADVISORS

Lawyers



PiperAlderman

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This Booklet, the accompanying Chairman's Letter, any accompanying ASX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**") ("**U.S. Persons**"). The New Shares to be offered and sold in the Entitlement Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, in the Entitlement Offer, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are, or are acting for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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Chairman's Letter

4 April 2012

Dear Shareholder,

On behalf of Beach Energy Limited (**Beach**), I am pleased to invite you to participate in the retail component of Beach's fully-underwritten accelerated non-renounceable entitlement offer (**Retail Entitlement Offer**) announced on 27 March 2012.

The Retail Entitlement Offer entitles all Eligible Retail Shareholders to subscribe for one New Share for every eight existing Shares held on the Record Date 30 March 2012 at 7.00pm (Adelaide time).

The Offer Price of \$1.40 per New Share represents a discount of approximately 11.1% to the closing price of \$1.575 per share on 26 March 2012, the last trading day before the announcement of the Entitlement Offer, and a 10% discount to TERP¹.

Background of the Entitlement Offer

Beach successfully completed the Institutional Entitlement Offer on 28 March 2012, raising approximately \$117 million (before expenses). A bookbuild for the Institutional Entitlement Offer shortfall was completed on this date through which entitlements not taken up by Eligible Institutional Shareholders and those entitlements that would otherwise have been offered to Ineligible Institutional Shareholders were sold to other institutional investors. The fixed price bookbuild was conducted at the Offer Price.

This Booklet relates to the Retail Entitlement Offer which is expected to raise approximately \$78 million (before expenses). The Retail Entitlement Offer is expected to close on 20 April 2012 with New Shares allotted on 3 May 2012. The Entitlement Offer is fully underwritten.

Convertible Notes offer

In addition to the Entitlement Offer, Beach successfully raised \$150 million via an offer of Convertible Notes which was completed on 28 March 2012. The Convertible Notes are senior, unsecured obligations of Beach with a five year maturity and carry a cash coupon of 3.95% per annum. The conversion price of the Convertible Notes is \$2.00, subject to certain adjustments. Further information about the Convertible Notes can be found in this Booklet, Beach's announcements on the ASX or Beach's website.

Use of proceeds

The net proceeds of the Entitlement Offer and Convertible Notes offer will be used, together with existing operating cash flow and other capital resources, to fund Beach's future capital expenditure initiatives over the next two to three years and for general working capital purposes.

The key elements of Beach's capital expenditure program include:

- Cooper Basin conventional – ongoing exploration, appraisal and development of Beach's key cash producing assets;
- Cooper Basin unconventional – continued appraisal of a gas resource in the Nappamerri Trough;
- Egypt – ongoing appraisal and development of oil discoveries and further exploration; and
- Tanzania – exploration for oil reservoirs along the proven East African Rift.

¹ The theoretical market price for shares in Beach immediately following the Entitlement Offer assuming the Entitlement Offer is fully subscribed, based on the closing price of \$1.575 per share on 26 March 2012, the last trading day before the announcement of the Entitlement Offer.

Actions required to take up your Entitlement

If you are an Eligible Retail Shareholder and wish to take up your Entitlement, either in whole or in part, you will need to complete and return your personalised Entitlement and Acceptance Form which accompanies this Booklet with the Application Money or make a payment by BPAY®. The closing date for the receipt of Entitlement and Acceptance Forms and Application Money is 5.00pm (Adelaide time) on 20 April 2012. If you do not wish to take up any of your Entitlement, you do not have to take any action. As the Entitlement Offer is non-renounceable, Entitlements will not be tradeable on ASX or otherwise transferable. If you do not take up your full Entitlement, those Entitlements that you do not take up will lapse and you will not receive any payment or value for them.

Further information

Details of the Entitlement Offer, as well as the risks associated with investing in Shares, are contained in the ASX announcements included in this Booklet which you should read carefully and in their entirety.

I recommend that you seek professional financial advice before making any investment decision.

For further information regarding the Entitlement Offer, please call the Beach Entitlement Offer Information Line on 1300 607 506 (within Australia) or +61 3 9415 4659 (from outside Australia) at any time from 8.30am to 5.00pm Monday to Friday during the Retail Entitlement Offer period or visit our website at www.beachenergy.com.au.

On behalf of your directors, I am pleased to offer this opportunity to you and thank you for your continued support of Beach.

Yours sincerely,



Bob Kennedy

Chairman

Key Dates

Event	Date
Entitlement Offer announced	27 March 2012
Record Date for the Entitlement Offer	30 March 2012 at 7.00pm (Adelaide time)
Retail Entitlement Offer opens	4 April 2012
Mailing of personalised Entitlement and Acceptance Form and this Booklet to Eligible Retail Shareholders	Completed by 4 April 2012
Retail Entitlement Offer closes	20 April 2012 at 5.00pm (Adelaide time)
Settlement of the Retail Entitlement Offer	2 May 2012
Issue of New Shares into uncertificated accounts under the Retail Entitlement Offer	3 May 2012
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	4 May 2012
Mailing of Issuer holding statements and CHESS confirmation notices	8 May 2012

Dates and times in this Booklet are indicative only and subject to change.

Beach, in conjunction with the Underwriters, reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws to withdraw or vary the dates of the Retail Entitlement Offer without prior notice. In particular, Beach reserves the right to extend the closing date of the Retail Entitlement Offer or accept late applications, either generally or in particular cases, without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible after the Retail Entitlement Offer opens. No cooling-off rights apply to applications submitted under the Retail Entitlement Offer. The commencement of quotation of New Shares is subject to confirmation from ASX.

Enquiries

If you:

- have questions on how to complete the Entitlement and Acceptance Form or how to take up your Entitlement; or
- have lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Beach Entitlement Offer Information Line on 1300 607 506 (local call cost from within Australia) or +61 3 9415 4659 (from outside Australia) at any time from 8.30am to 5.00pm (Adelaide time) Monday to Friday during the Retail Entitlement Offer period. We recommend you consult your stockbroker, accountant or other independent professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

Website

www.beachenergy.com.au

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How to Apply

1. The Retail Entitlement Offer

Eligible Retail Shareholders (as defined in the 'Additional Information' section) are being offered the opportunity to apply for one New Share for every eight existing Shares held at 7.00pm (Adelaide time) on 30 March 2012, at the offer price of \$1.40 per New Share (**Offer Price**).

You should note that not all Beach shareholders will be eligible to participate in the offer of New Shares. Please read the 'Additional Information' section for further details in this regard.

2. Please carefully read the information in this Booklet and the personalised Entitlement and Acceptance Form

The Retail Entitlement Offer is not being made under a prospectus or product disclosure statement. Rather, the Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow rights issues and related issues to be made by providing certain confirmations to the market on the basis that all information that investors and their professional advisers would reasonably require to make an informed investment decision in relation to the Entitlement Offer, when read with this Booklet and the accompanying information, is publicly available. This Booklet does not contain all of the information which may be required in a prospectus or product disclosure statement. As a result, it is important for Eligible Retail Shareholders to carefully read and understand the information on Beach and the Retail Entitlement Offer made publicly available, before accepting all or part of their Entitlement. In particular, please read this Booklet in its entirety, Beach's interim and annual reports and other announcements made available at www.beachenergy.com.au or www.asx.com.au.

Note: the Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares on behalf of a U.S. Person (see definition of Eligible Retail Shareholder in the 'Additional Information' section).

3. Please consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer. You should also refer to the 'Key Risks' section in the Investor Presentation which is included in this Booklet.

An investment in Shares is subject to investment and other known and unknown risks, some of which are beyond the control of Beach, including possible loss of income and principal invested. Beach does not guarantee any particular rate of return or the performance of Beach, nor does it guarantee the repayment of capital from Beach or any particular tax treatment. In considering an investment in Shares, investors should have regard to (among other things) the 'Key Risks' section in the Investor Presentation and the disclaimers outlined in this Booklet.

4. Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as one New Share for every eight Shares you held as at the Record Date rounded up to the nearest whole New Share. If you have more than one registered holding

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of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

New Shares issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing Shares, including in respect of entitlement to dividends.

You should note that if you do not take up all or part of your Entitlement, then your percentage shareholding in Beach will be diluted by not participating to the full extent in the Retail Entitlement Offer.

Nominees

The Retail Entitlement Offer is only being made to Eligible Retail Shareholders. Beach is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares (eg for the purposes of determining whether any such persons may participate in the Retail Entitlement Offer). Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws, as discussed further below.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the retail Entitlement Offer to, any person in the United States, any U.S. Person or any person who is acting for the account or benefit of a U.S. Person.

Nominees may not distribute any part of this Booklet in any other country outside Australia and New Zealand except to beneficial shareholders who are institutional or professional investors in other countries listed in, and to the extent permitted under, the section captioned 'International Selling Restrictions' in the attached Investor Presentation.

5. Acceptance of the Retail Entitlement Offer

If you are an Eligible Retail Shareholder, you may do any one of the following:

- take up all or part of your Entitlement; or
- do nothing, in which case all of your Entitlement will lapse.

If you do decide to take up all or part of your Entitlement please:

- pay your Application Money via BPAY; or
- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Money,

by following the instructions set out on the personalised Entitlement and Acceptance Form.

To participate in the Retail Entitlement Offer, your payment must be received no later than the close of the Retail Entitlement Offer, being 5.00pm (Adelaide time) on 20 April 2012 (subject to change).

Beach will treat you as applying for as many New Shares as your payment will pay for in full, up to the maximum allowed under your entitlement. Beach takes no responsibility for any failure to receive Application Money or payment by BPAY before the Retail Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

If you take up and pay for all or part of your Entitlement before the close of the Retail Entitlement Offer, you will be issued your New Shares on 3 May 2012. Beach's decision on the number of New Shares to be allocated to you will be final.

Any surplus Application Money received for more than your final allocation will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Eligible Retail Shareholders on any Application Money received or returned (wholly or partially).

Beach reserves the right in its absolute discretion to reduce the number of New Shares allocated to Eligible Retail Shareholders or persons claiming to be Eligible Retail Shareholders if their claims prove to be incorrect or if they fail to provide information to substantiate their claims.

Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.

6. Payment methods

BPAY

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique Customer Reference Number (**CRN**)). You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions. Please note that should you choose to pay by BPAY:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Money.

When completing your BPAY payment, please make sure to use the specific Biller Code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (ie where you have multiple holdings), please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements, you will be deemed to have applied only for New Shares on the Entitlement to which that CRN applies.

If you choose to pay by BPAY it is your responsibility to ensure that your BPAY payment is received by the Registry by no later than 5.00pm (Adelaide time) on 20 April 2012 (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Money, payable to 'Beach Entitlement Offer' and crossed 'Not Negotiable'.

Your cheque, bank draft or money order must be:

- for an amount equal to \$1.40 multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

The completed Entitlement and Acceptance Form, together with Application Money, should be mailed using the reply paid envelope provided with this Booklet or otherwise to the following address:

Beach Energy Limited Retail Entitlement Offer
c/o Computershare Investor Services Pty Limited
GPO Box 2987
Adelaide SA 5001

You should ensure that sufficient funds are held in the relevant account to cover the Application Money. If the amount of your cheque for Application Money is insufficient to pay for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, your cheque will be dishonoured and you will not receive any New Shares. If, however, the amount for your bank draft or money order for Application Money is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared Application Money will pay for and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form. Alternatively, your application will not be accepted.

If you choose to pay by cheque, bank draft or money order it is your responsibility to ensure that your payment is received by the Registry by no later than 5.00pm (Adelaide time) on 20 April 2012 (subject to variation). Cash payments will not be accepted. Receipts for payment will not be issued. You must ensure that your completed personalised Entitlement and Acceptance Form is also received by that time using the reply paid envelope provided with this Booklet or otherwise.

7. Warranties made on acceptance of the Retail Entitlement Offer

The method of acceptance of the Retail Entitlement Offer will depend on your method of payment being:

- by BPAY; or
- by cheque, bank draft or money order.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY you will be deemed to have acknowledged, represented and warranted that you are, and each person on whose account you are acting is an Eligible Retail Shareholder or otherwise eligible to participate.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- you were the registered holder of Shares on the Record Date and are an Eligible Retail Shareholder;
- you authorise Beach, the Underwriter, the Registry and their respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- you acknowledge the statement of risks in the 'Key Risks' section of the Investor Presentation, and that investments in Beach are subject to investment risk;
- you and each person on whose account you are acting for are not in the United States and are not a U.S. Person and are not acting for the account or benefit of a U.S. Person

and are not otherwise a person to whom it would be illegal to make an offer of or issue of New Shares under the Retail Entitlement Offer and under any applicable laws and regulations;

- you and each person on whose account you are acting for acknowledge that the New Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, or in any other jurisdiction outside Australia or New Zealand. Accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- you and each person on whose account you are acting have not and will not send this Booklet, the Entitlement and Acceptance Form or any other material relating to the Entitlement Offer to any person in the United States or U.S. Person or a person who is acting for the account or benefit of a U.S. Person;
- if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular way transactions on ASX where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or a U.S. Person; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States or a U.S. Person, and is not acting for the account or benefit of a U.S. Person, and you have not sent this Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person.

8. Withdrawals

You cannot withdraw your application once it has been accepted. Cooling-off rights do not apply to an investment in New Shares.

Beach reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New Shares to Eligible Retail Shareholders, in which case Beach will refund any Application Money already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

9. Confirmation of your application and managing your holding

You may access information on your holding, including your Record Date balance and the issue of New Shares from this Entitlement Offer, and manage the standing instructions the Registry records on your holding on the Investor Centre website www.investorcentre.com. To access the Investor Centre you will need your Security Reference Number (**SRN**) or Holder Identification Number (**HIN**) as shown on your Issuer Sponsored/CHES statements and you will need to pass the security challenge on the site.

ASX Announcements

1. ASX Offer Announcement dated 27 March 2012

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ASX Release

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ASX Code: BPT

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For Immediate Release – 27 March 2012
Ref. #027/12

ASX Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

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BEACH ANNOUNCES A\$345 MILLION CAPITAL RAISING

Beach Energy Limited (ASX: BPT, "Beach") announces it is undertaking a A\$345 million capital raising consisting of:

- a fully underwritten 1 for 8 pro-rata accelerated non-renounceable entitlement offer, at A\$1.40 per Beach share, to raise approximately A\$195 million ("Entitlement Offer"); and
- an offer to raise approximately A\$150 million in senior, unsecured Convertible Notes ("Notes") due 2017 ("Convertible Notes Offer")

Use of proceeds

The net proceeds from the Entitlement Offer and Convertible Notes Offer will be used, together with existing operating cash flow and other capital resources, to fund Beach's future capital expenditure initiatives over the next 2-3 years and for general working capital purposes. The key elements of Beach's capital expenditure program include:

- Cooper Basin conventional – ongoing exploration, appraisal and development of Beach's key cash producing assets
- Cooper Basin unconventional – continued appraisal of a gas resource in the Nappamerri Trough
- Egypt – ongoing appraisal and development of oil discoveries and further exploration
- Tanzania – exploration for oil reservoirs along the proven East African Rift



These activities will supplement and, over time, enhance Beach's base business which currently generates strong earnings and cash flow. As a result of the Entitlement Offer and Convertible Notes Offer, Beach's accelerated growth program over the medium term will be fully funded.

The benefits that are expected to flow from these activities are described in Beach's investor presentation lodged with the Australian Securities Exchange ("ASX") today.

Beach's Managing Director, Mr Reg Nelson, said "Beach is entering a new and exciting development and exploration phase, which we believe has the potential to transform not only Beach, but also the Cooper Basin and the east coast gas market for years to come. We believe that in order to underpin this next phase of the Company's growth, an appropriate level of capital is required to ensure we are self funded for the foreseeable future."

Details of the Entitlement Offer

The Entitlement Offer will be made on the basis of 1 new Beach ordinary share for every 8 existing Beach ordinary shares held at 7:00 pm, Adelaide time, on 30 March 2012 ("Record Date").

The Entitlement Offer will raise approximately A\$195 million at an issue price of A\$1.40 per share ("Offer Price"). The Entitlement Offer will consist of an institutional component ("Institutional Entitlement Offer") to raise approximately A\$115 million and a retail component ("Retail Entitlement Offer") to raise approximately A\$80 million.

The Entitlement Offer Price represents a:

- 11.1% discount to Beach's closing price on the ASX on 26 March 2012; and
- 10% discount to Beach's theoretical ex-rights price ("TERP").

A bookbuild for any shortfall from the Institutional Entitlement Offer will be held, through which entitlements not taken up by Eligible Institutional Shareholders and those entitlements that would otherwise have been offered to Ineligible Institutional Shareholders will be sold to other institutional investors at the Offer Price.

New shares issued in the Entitlement Offer will rank equally with existing Beach ordinary shares. Investors should refer to Beach's investor presentation, lodged with the ASX today, which includes a description of the key risks.

Miro Advisors and Piper Alderman are Beach's financial and legal advisers respectively.

Details of Convertible Notes Offer

The Convertible Notes are being offered to institutional investors, primarily in the Asian and European markets. The offering will occur outside the United States in accordance with Regulation S under the US Securities Act of 1933. Beach's directors believe accessing the convertible bond markets at this time helps to diversify the Company's sources of capital and achieve an optimal funding mix. Beach anticipates announcing the results of the convertible note offering prior to market open on 29 March 2012.

Miro Advisors and Piper Alderman are Beach's financial and legal advisers respectively.

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Summary of key dates

The following outlines an indicative timetable for the Entitlement Offer and the Convertible Notes Offer:

Event	Date
Transaction Announced	27 March 2012
Institutional Entitlement Offer opens	
Convertible Note Bookbuild Offer opens	
Institutional Entitlement Offer closes	28 March 2012
Convertible Note Bookbuild Offer closes	
Results of Entitlement Offer and Convertible Note Offer Announced	29 March 2012
Trading in Beach shares resumes on the ASX	
Record Date for the Entitlement Offer	30 March 2012
Final Convertible Note Offering Circular lodged	3 April 2012
Convertible Note settlement and listing on the SGX	
Institutional Entitlement Offer settlement	4 April 2012
Retail Entitlement Offer opens	4 April 2012
Retail Entitlement Offer booklet dispatch	Completed by 4 April 2012
Institutional Entitlement Offer allotment and trading	5 April 2012
Retail Entitlement Offer closes	20 April 2012
Retail Entitlement Offer settlement	2 May 2012
Shares issued under the Retail Entitlement Offer commence trading	4 May 2012

Notes:

1. All dates are indicative only. Beach reserves the right to change these dates without prior notice
2. All times are Adelaide, Australia times

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Shareholder Enquiries

Retail shareholders who have questions relating to the Entitlement Offer should call the Beach Offer Information line on 1300 607 506 (within Australia), +61 3 9415 4659 (outside Australia) from 8.00am to 4.30pm (Adelaide time) Monday to Friday during the retail offer period.

Yours sincerely,



Reg Nelson
Managing Director, FAusIMM

For more information contact

Corporate

Reg Nelson	Beach Energy Ltd	08 8338 2833
Kathryn Presser	Beach Energy Ltd	08 8338 2833

Investor Relations

Chris Jamieson	Beach Energy Ltd	08 8338 2833
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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "Securities Act")) ("U.S. Persons"). No action has been or will be taken to register, qualify or otherwise permit a public offering of the new shares to be offered and sold in the Entitlement Offer in any jurisdiction outside Australia or New Zealand. In particular, the new shares to be offered and sold in the Entitlement Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, in the Entitlement Offer, the entitlements may not be taken up by, and the new shares may not be offered or sold to, persons in the United States or persons who are, or are acting for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The Convertible Notes to be offered and sold in the Convertible Notes Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may only be offered and sold outside the United States in accordance with Regulation S under the Securities Act.

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Beach and certain plans and objectives of the management of Beach. All forward looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies and other factors, many of which are outside the control of Beach, which may cause the actual results or performance of Beach to be materially different from any future results or performance expressed or implied by such forward looking statements. Forward-looking statements speak only as of the date of this announcement. Factors that could cause actual results or performance to differ materially include without limitation the following: risks and uncertainties associated with the Australian and global economic environment and capital market conditions, the cyclical nature of the oil and gas industry, exploration and development risk, production risks, ability to access and develop



infrastructure, material changes to reserves and resources, oil and gas price fluctuations, fluctuations in foreign currency exchange and interest rates, competition, Beach's relationships with, and the financial condition of, its suppliers and customers, legislative changes, regulatory changes or other changes in the laws which affect Beach's business, including environmental laws, and operational risk. There can be no assurance that actual outcomes will not differ materially from these statements.

No representation or warranty is or will be made by any legal or natural person in relation to the accuracy or completeness of all or part of this document, or any constituent or associated presentation, information or material (collectively, the "Information"), or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the Information or any part of it. The Information includes information derived from third party sources that has not been independently verified.

To the full extent permitted by law, Beach disclaims any obligation or undertaking to release any updates or revisions to the Information to reflect any change in expectations or assumptions.

Nothing contained in the Information constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the Information and any action taken on the basis of the Information.

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2. Investor Presentation dated 27 March 2012

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Beach Energy Limited



Entitlement Offer and Convertible Note Offer Presentation

27 March 2012

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Important notices



The information contained in this document is for information purposes only and does not constitute an offer to issue or sell, or arrange to sell, securities or other financial products. In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "U.S. Securities Act")) or in any jurisdiction where it is unlawful to do so. The securities have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States and the securities may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

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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 2011 and represent Beach's net interest. This presentation contains information on Beach's Reserves and Resources which have been compiled by Mr Neil Gibbins, who is a full time employee of Beach, is qualified in accordance with ASX listing rule 5.11 and has consented to the inclusion of this information in the form and context in which it appears.

Investors should note that this presentation contains pro forma financial information. In preparing the pro forma financial information, certain adjustments were made to the historical financial information of Beach that it considered appropriate to reflect the capital raising. The pro forma financial information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission ("SEC").

This presentation contains data relating to oil and gas reserves that we hold. This reserve data has been prepared consistently with the SPE/QPC/AAPG/SPEE Petroleum Resources Management System (March 2007) guidelines ("PRMS Guidelines") published by the Society of Petroleum Engineers. We follow the PRMS Guidelines in order to comply with the ASX requirements for Australian publicly listed companies. Investors should note however that different reserves reporting systems employ different definitions and permit or require different assumptions and that our methodologies for classifying reserves and our reserve classifications vary in certain respects from the methodologies and classifications used by oil and gas companies subject to the reporting obligations of the SEC, including the reporting requirements set out in SEC Industry Guide 2, Regulations S-K and S-X under the Securities Act and related SEC disclosure requirements. As a result, identical geological and engineering data can produce varying estimates of reserves.

Executive summary



- Beach Energy Limited (“Beach”) is raising approximately \$345 million through a:
 - \$195 million fully underwritten 1 for 8 accelerated pro rata non-renounceable entitlement offer (“Entitlement Offer”); and
 - \$150 million convertible notes issue to sophisticated and institutional investors (“Convertible Note Offer”) pursuant to a preliminary offering circular lodged today with the ASX
- Net proceeds from the Entitlement Offer and Convertible Note Offer (collectively the “Capital Raising”) will be used, together with existing operating cash flow and other capital resources, to fund the Company’s future capital expenditure initiatives over the next 2-3 years and for general working capital purposes
- The key elements of Beach’s capital expenditure program include:
 - Cooper Basin conventional – ongoing exploration, appraisal and development of Beach’s key cash producing assets
 - Cooper Basin unconventional – continued appraisal of a gas resource in the Nappamerri Trough
 - Egypt – ongoing appraisal and development of oil discoveries and further exploration
 - Tanzania – exploration for oil reservoirs along the proven East African Rift

Overview of Entitlement Offer



Entitlement Offer Structure and Size	<ul style="list-style-type: none"> Fully-underwritten, 1 for 8 accelerated pro rata, non-renounceable entitlement offer to raise approximately \$195 million Approximately 140 million new Beach ordinary shares (“New Shares”) to be issued (12.5% of issued capital)
Offer Price	<ul style="list-style-type: none"> \$1.40 per New Share ~10.0% discount to the theoretical ex-rights price (TERP) of \$1.56 ~11.1% discount to Beach’s closing price on 26 March 2012 of \$1.575
Institutional Entitlement Offer	<ul style="list-style-type: none"> Institutional Entitlement Offer of approximately 84 million New Shares Institutional Entitlement Offer open from 27 to 28 March 2012
Retail Entitlement Offer	<ul style="list-style-type: none"> Retail Entitlement Offer of approximately 56 million New Shares Retail Entitlement Offer open from 4 April to 20 April 2012
Record Date	<ul style="list-style-type: none"> 30 March 2012
Ranking	<ul style="list-style-type: none"> New Shares issued will rank equally with existing shares on issue

Overview of Convertible Note Offer



<p>Convertible Note Offer Structure and Size</p>	<ul style="list-style-type: none"> • Senior Unsecured Convertible Notes due 2017 issued by Beach (“Convertible Notes”) • Expected issue size \$150 million
<p>Maturity</p>	<ul style="list-style-type: none"> • Unless previously purchased and cancelled, redeemed or converted, the Convertible Notes will be redeemed in cash in April 2017
<p>Coupon</p>	<ul style="list-style-type: none"> • Coupon will be set via a bookbuild process • Coupon bookbuild range of 3.50% to 4.50% per annum • Payable semi-annually in arrears
<p>Conversion Premium</p>	<ul style="list-style-type: none"> • Conversion premium to be set in the bookbuild • Conversion premium bookbuild range of 25% to 30% • Conversion price bookbuild range of \$1.95 to \$2.03 • Final Conversion Price will be subject to adjustment in certain circumstances, including payment of dividends
<p>Issuer Call Option</p>	<ul style="list-style-type: none"> • Beach has the right to redeem all of the Convertible Notes on or after the third anniversary of issue under specific circumstances, including if Beach’s share price exceeds 130% of the conversion price for a certain period of time
<p>Holder Put Option</p>	<ul style="list-style-type: none"> • Holders of Convertible Notes will have a redemption option on the third anniversary of issue or under certain other specific circumstances (including change of control and a delisting event)
<p>Listing</p>	<ul style="list-style-type: none"> • Convertible Notes will be listed on the Singapore Stock Exchange
<p>Selling Restrictions</p>	<ul style="list-style-type: none"> • Convertible Notes are being offered under Reg S only and will not be offered or sold to persons in the United States

Holders of the Convertible Notes will have the right to convert the Convertible Notes into ordinary shares, at the option of the holder, on or after the 41st day after the Closing Date, on the tenth day prior to the Maturity Date or, if the note has been called for redemption by the issuer before the Maturity Date, then up to the close of business on a date no later than the tenth day prior to the date fixed for redemption thereof.



Beach Energy Limited

Strategic and operational overview

BEACHENERGY

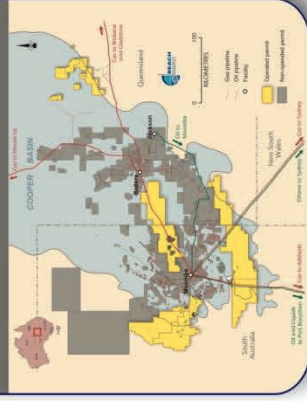
A unique value proposition



Cooper Basin Conventional oil and gas

A well established Australian onshore hydrocarbon basin

- Production of 7.5 MMboe expected in FY12
- Production split approximately: 35% oil, 65% gas / gas liquids
- Reserve additions primarily driven by enhanced infill drilling program
- Negotiations for large scale gas off-take agreement ongoing



Cooper Basin Unconventional gas opportunity

300+ Tcf of gas in place estimated for PEL 218

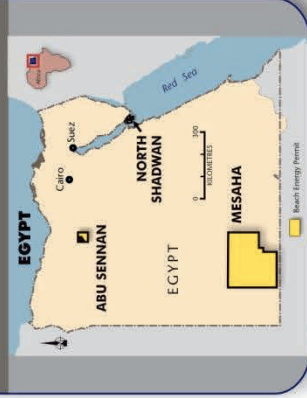
- Capital program for 2012 to include 3 horizontal pilot production wells and at least 5 vertical exploration wells
- Clear pathways available for commercialisation through domestic and export markets



Balanced Egyptian portfolio

Building a new business with production, development and exploration

- First oil produced in North Shadwan, Gulf of Suez
- Four successive discoveries in Abu Sennan, Western Desert
- Wildcat potential focusing on Rift Basin structures to the south in the Mesaha



Tanzanian 'big oil' potential

High prospectivity for oil in the East African Rift

- 2D seismic planned to commence in Q2 2012
- Large licence area with oil seeps present in the lake
- Significant oil discoveries by Tullow in the northern part of the rift
- Total SA recently offered the adjacent Lake Tanganyika North Block



Safety a priority



- Low Supervision Classification for Exploration and Oil Production Operations (SA) by South Australian Government regulator
- HSE Strategic Planning – three year plan
- Continued support for APPEA Stand Together for Safety campaign
- 2010 and 2011 without a recordable injury across all operated sites, with highest work hour exposure to date
- Leadership and Mentoring Program
- Winner of 2011 APPEA Safety Performance Award

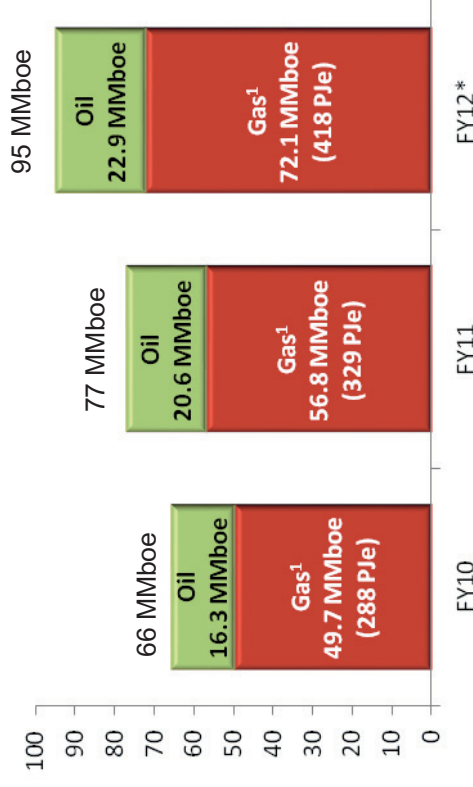
Safety takes precedence in all operations

Resource and reserve growth and production

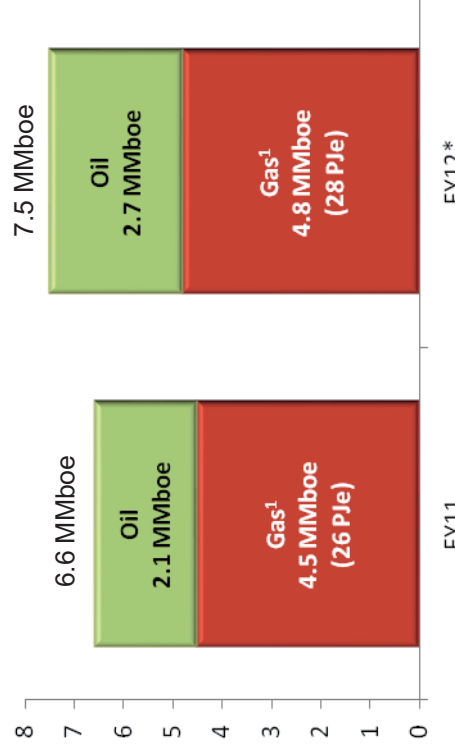


- Reserve and resources growth since 2010
- Current 2P reserves, at 77 MMboe, are a fraction of total 2P reserves plus 2C contingent resources of ~660 MMboe
- Resource to reserve conversion has historically exceeded expectations
- Potential for material unconventional resource addition in 2012
- Production growth has been driven by:
 - High success rate in exploration and development drilling
 - Improved Cooper Basin access following 2010 floods
 - New pipeline infrastructure from Western Flank oil expected to contribute to oil production from FY13

2P Reserves for FY12 likely to increase



Production growth



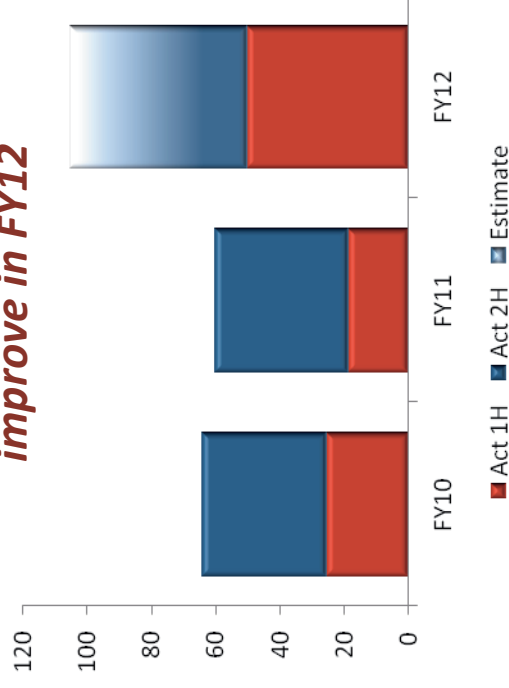
¹ Gas and Gas Liquids * Estimates only

Key financial metrics

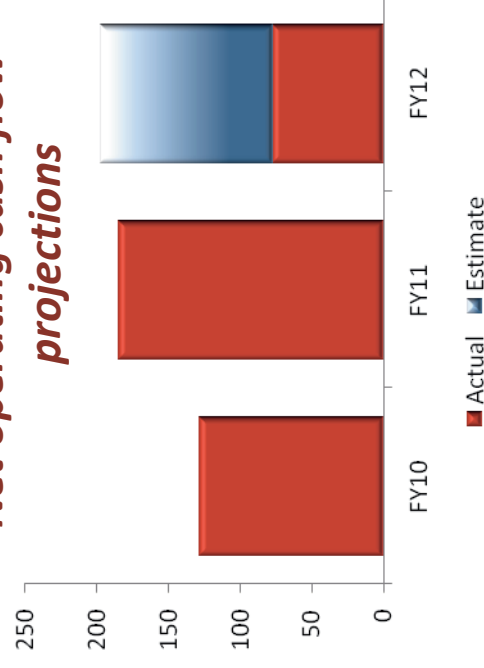


- Market capitalisation approximately \$1.8 billion
- Admitted to S&P/ASX 100 index in March 2012
- Annual net operating cash flow before capital expenditure expected to average ~\$200 million
- Financial position:
 - Cash balance of \$58.6 million at 31 December 2011
 - Undrawn \$150 million multi option debt facility
- Six months to December 2011 (1H12) underlying NPAT up by 179%, compared to previous corresponding period:
 - Driven by increased production, oil prices and renegotiated royalty agreement

Underlying NPAT expected to improve in FY12



Net operating cash flow projections



Pro-forma impact of the Capital Raising



\$000s	Reviewed 31-Dec-11	Adjustments ⁽¹⁾	Adjusted 31-Dec-11	Pro-forma transactions ⁽²⁾	Pro-forma 31-Dec-11
Cash	58,565	(4,834)	53,731	335,161	388,892
Other current assets	154,733	-	154,733	-	154,733
Non-current assets	1,439,076	-	1,439,076	-	1,439,076
Total assets	1,652,374	(4,834)	1,647,540	335,161	1,982,701
Current debt	-	-	-	-	-
Other current liabilities	141,770	-	141,770	-	141,770
Non-current debt	-	-	-	145,500	145,500
Other non-current liabilities	189,480	-	189,480	-	189,480
Total liabilities	331,250	-	331,250	145,500	476,750
Net assets	1,321,124	(4,834)	1,316,290	189,661	1,505,951
Issued capital	1,006,295	3,517	1,009,812	189,661	1,199,473
Reserves	13,347	-	13,347	-	13,347
Retained earnings	296,064	(8,351)	287,713	-	287,713
Non-controlling interests	5,418	-	5,418	-	5,418
Total equity	1,321,124	(4,834)	1,316,290	189,661	1,505,951

Note: For the purposes of the above table, the Notes have been treated as 100% Liability.

The following adjustments and assumptions have been made in the preparation of the pro-forma statement of financial position above:

- The pro-forma information has not been audited and has been prepared using Australian equivalents to International Financial Reporting Standards and reflects the accounting policies of the Issuer.
- The pro-forma adjustments reflect transactions announced by the Issuer since 31 December 2011. They exclude the impact of the general trading of the Issuer including capital expenditure which has occurred since 31 December 2011.
- The pro-forma statement of financial position reflects provisional accounting adjustments. Actual results may change between the date of the announcement of the Capital Raising and the completion of the proposed transactions.

(1) Adjustments

- Payment of an interim dividend by the Issuer in March 2012 of 0.75 cents per share equating to A\$8.351 million of which A\$4.834 million was paid in cash with the remaining \$3.517 million satisfied by the issue of 2,463,617 new Ordinary Shares @ \$1.43 per share under the terms of the Issuer's dividend reinvestment plan.

(2) Pro-forma Transactions

- The issue of Convertible Notes with a combined face value of A\$150 million, less estimated costs of the offer of A\$4.5 million.
- The 1 for 8 Entitlement Offer at \$1.40 per share (A\$195 million) less estimated costs of the offer of A\$5.63 million.

Capital expenditure to FY13



Beach has multiple development opportunities which it intends to fund through a combination of net cash flow from operations, the current Capital Raising and other available resources

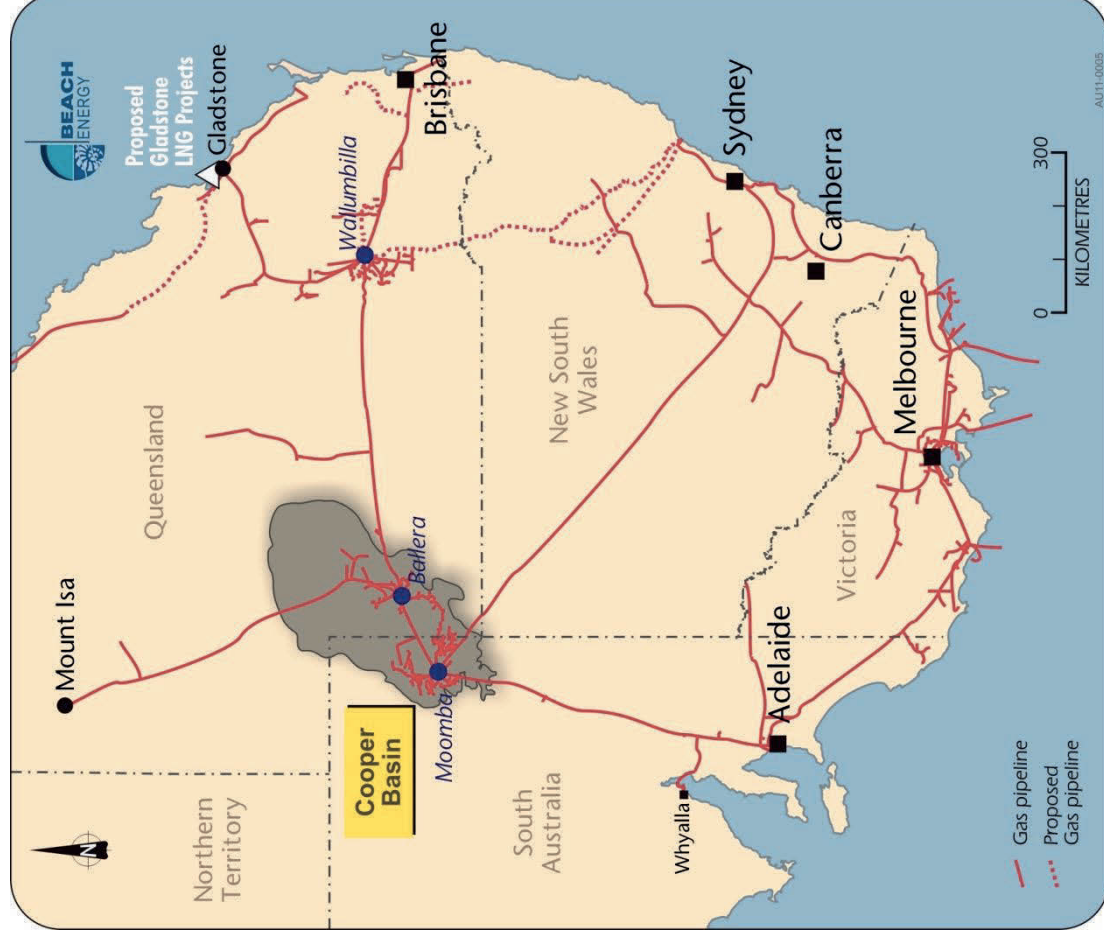
	Multiple opportunities to develop substantial resource base in FY12/13	2H FY12	FY13
Cooper Basin - SACB JV	<ul style="list-style-type: none"> Ongoing infill drilling to convert resources to reserves Opportunity to position the company for anticipated increased domestic and export gas market demand 	\$150m	\$130m-\$170m
Cooper Basin - Western Flank	<ul style="list-style-type: none"> Continued exploration and appraisal program which has been successful during previous years, with an additional focus on the Birkhead channel plays Large inventory of prospects and leads 		
Cooper Basin - Unconventional Gas	<ul style="list-style-type: none"> Upcoming drilling program in 2012 of three horizontal pilot production wells and at least five vertical exploration wells. Six horizontal wells planned for 2013 Validation of resource with potential for early gas sales Target cost reduction through efficiencies and technology improvements 	\$60m	\$120m-\$160m
International	<ul style="list-style-type: none"> Tanzania - Initial 2D seismic acquisition to identify possible well targets. Potential to introduce third party funding through farm-down Egypt - First production from North Shadwan in March 2012, with further development potential. Four successful exploration wells in Abu Sennan, with a new drilling program to be agreed with JV partners. First well planned for Mesaha in the second half of 2012 	\$15m	\$20m-\$30m
Other	<ul style="list-style-type: none"> Exploration activities in Bonaparte, Otway and Gippsland to be progressed over the next 12-24 months 	\$25m	\$30m-\$40m
TOTAL		\$250m	\$300m-\$400m

Note: Timing and size of capital expenditure may vary depending on success rates, access to equipment and resources and portfolio optimisation

High quality operations in the prolific Cooper Basin

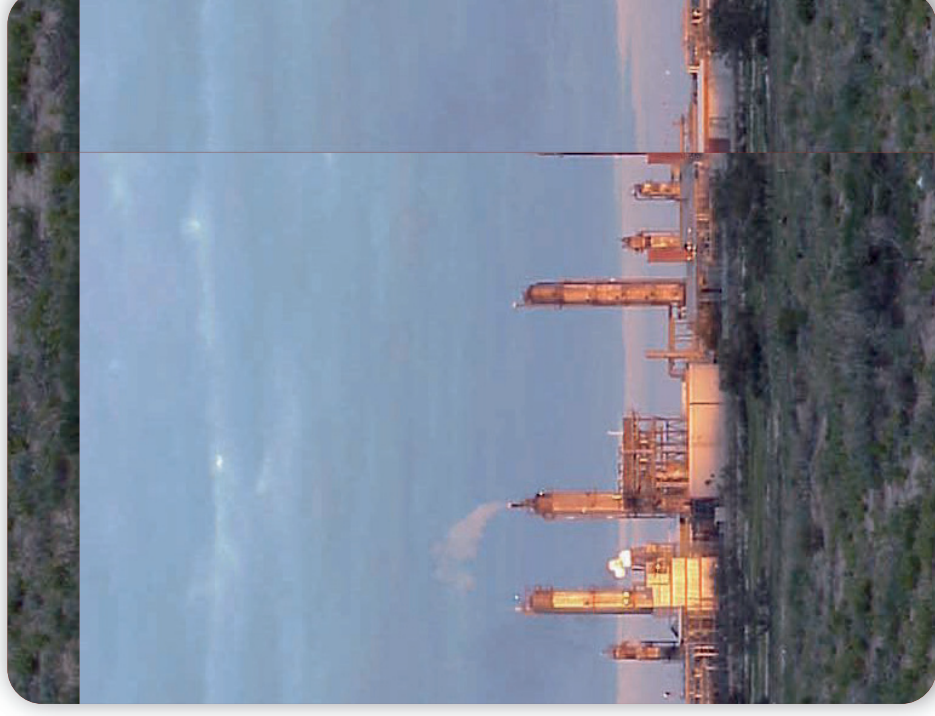


- Oil and gas production generating operating cash flow to support business growth and development
- Gas sales revenue underpinned by long-term contracts
- High historical exploration success rate across well-defined plays
- Processing and transport infrastructure in place providing rapid, low cost development of new discoveries
- Large acreage footprint, much of it in joint venture with other major players in the basin



- Equity interests of 20.21% in the SACB JV and 23.2% in the SWQ JV (Santos operated)
- Well established Australian onshore hydrocarbon basins with:
 - Over 40 years of production history
 - Proven reserve base and large booked contingent resource
 - Upside from technological development and a depth of in-house experience
 - Access to established infrastructure
- Resources to reserves conversion driven by infill drilling with denser well spacing from 200 acres toward 40 acres:
 - Expectation of ~10 MMboe p.a. for coming years
 - Recent announcement by Santos implies conversion of 20 MMboe for FY12 (net to Beach)²

Gross unrisked resource potential of 4 billion+ boe estimated within acreage¹



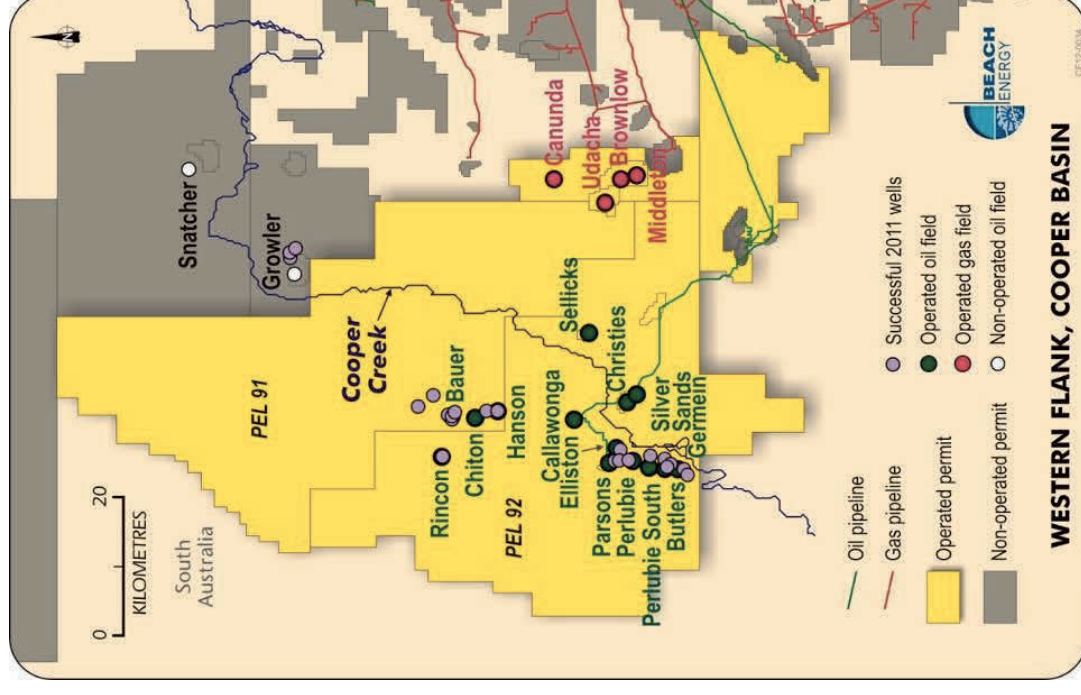
1. Source: Santos 2. Additions to be confirmed as part of Beach's annual reserves statement

Cooper Basin – Western Flank oil



- **Western Flank oil is a core contributor to Beach**
- Strong equity positions (75% in PEL 92; 40% in PEL 91; 40% in PEL 104, PEL 111 and PRL 15)
- Production target of 10,000 bopd (net to Beach) by 2013
- Sales in Brent, currently stronger than WTI:
 - High net back per barrel of approx. \$75*
- Drilling program targeting risked reserves of ~3 MMBbl (net to Beach) for FY12:
 - Newly acquired seismic data in PEL 91 and 92 expected to result in increased target inventory
 - In depth understanding of the geology
- New pipeline infrastructure to deliver increased production and protection against flooding

Strong cash generating area with perceived exploration upside



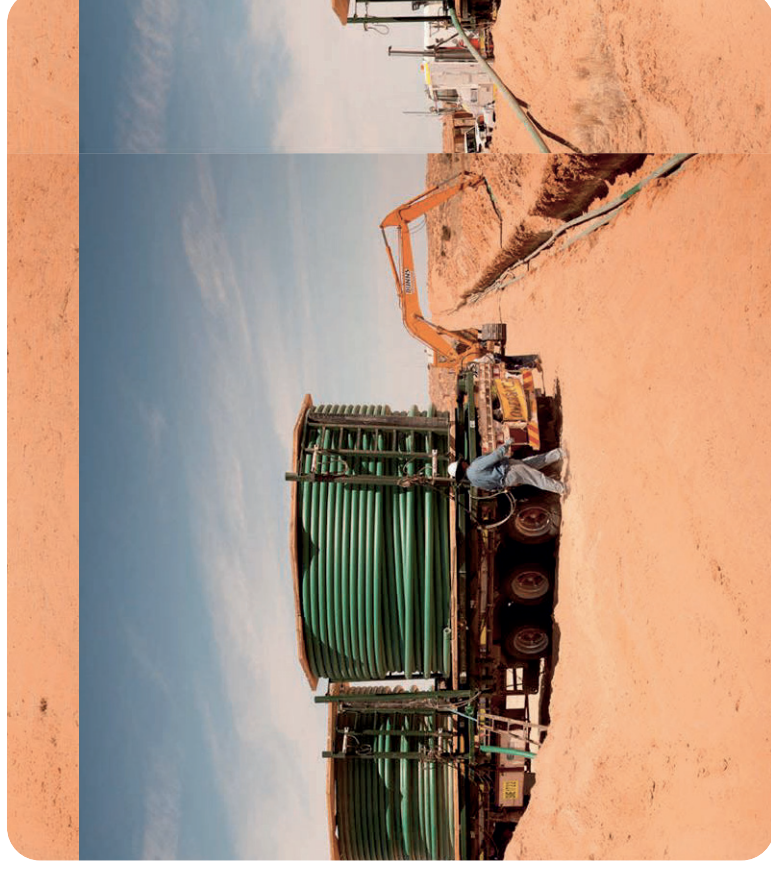
*Assumes Brent oil price of \$105 per barrel. Includes opex, royalties and transportation costs

Western Flank gas and gas liquids production



- Beach commenced wet gas production on the Western Flank in January 2012
- Beach 50% (operator), Drillsearch 50%
- Initial flow rates of 25 MMscfd, made up of 15 TJ/d sales gas and 1,250 bbls per day of LPG and condensate
- Gas sales agreement with the SACB JV for the sale of a minimum of 3 Bcf of raw gas, providing access to existing gas processing infrastructure
- Potential to grow this further with a current five well exploration program:
 - Four wells in PEL 106B (Beach 50%, Drillsearch 50%)
 - One well in adjacent PEL 107 (Beach 40%, Drillsearch 60%)

The first operated gas and gas liquids production for Beach in the Cooper Basin

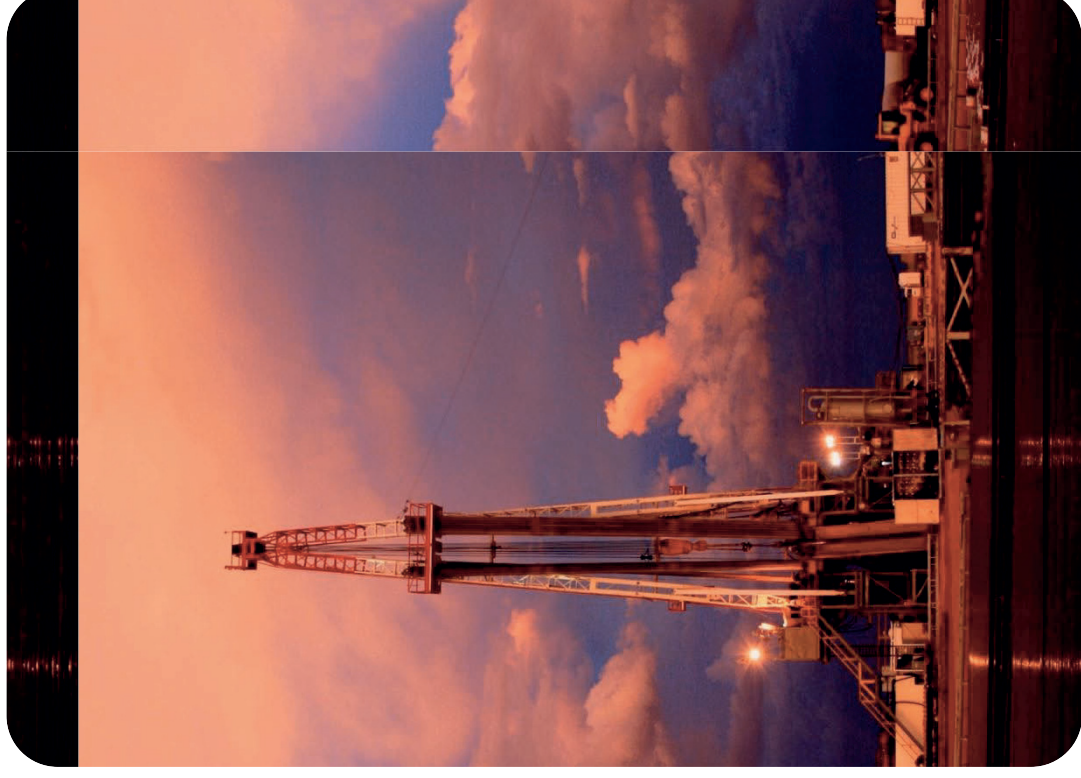


Pipeline capital cost and laying time reduced through use of Fibrespas flexible pipeline

Cooper Basin unconventional operations



- A shale and basin centred gas discovery within the Nappamerri Trough
- Estimated potential resource of 300+ Tcf gas in place in 100% held PEL 218 licence in South Australia with potential for more in adjacent areas
- Exploration and appraisal program underway – early results have been very encouraging
- Well established gas infrastructure running through, and adjacent to, PEL 218 and ATP 855P with available capacity
- Commercialisation opportunities exist both within the domestic market and through LNG export facilities being developed on the East Coast



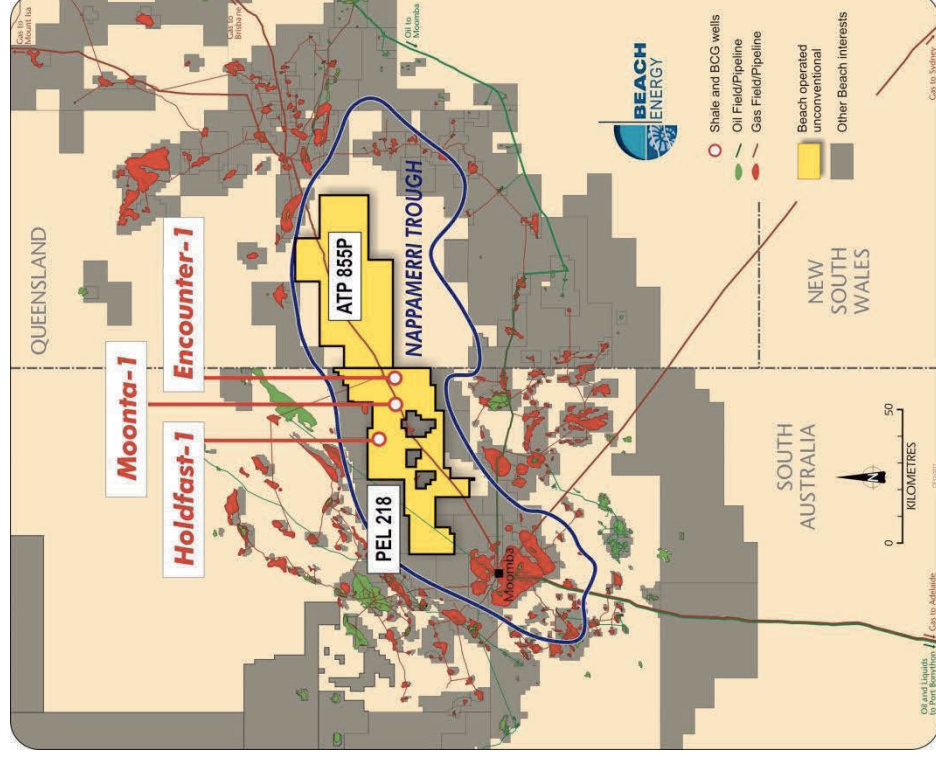
Beach's Cooper Basin unconventional gas potential



Beach has an acreage position with a very large resource potential

300+ Tcf of gas in place estimated for PEL 218

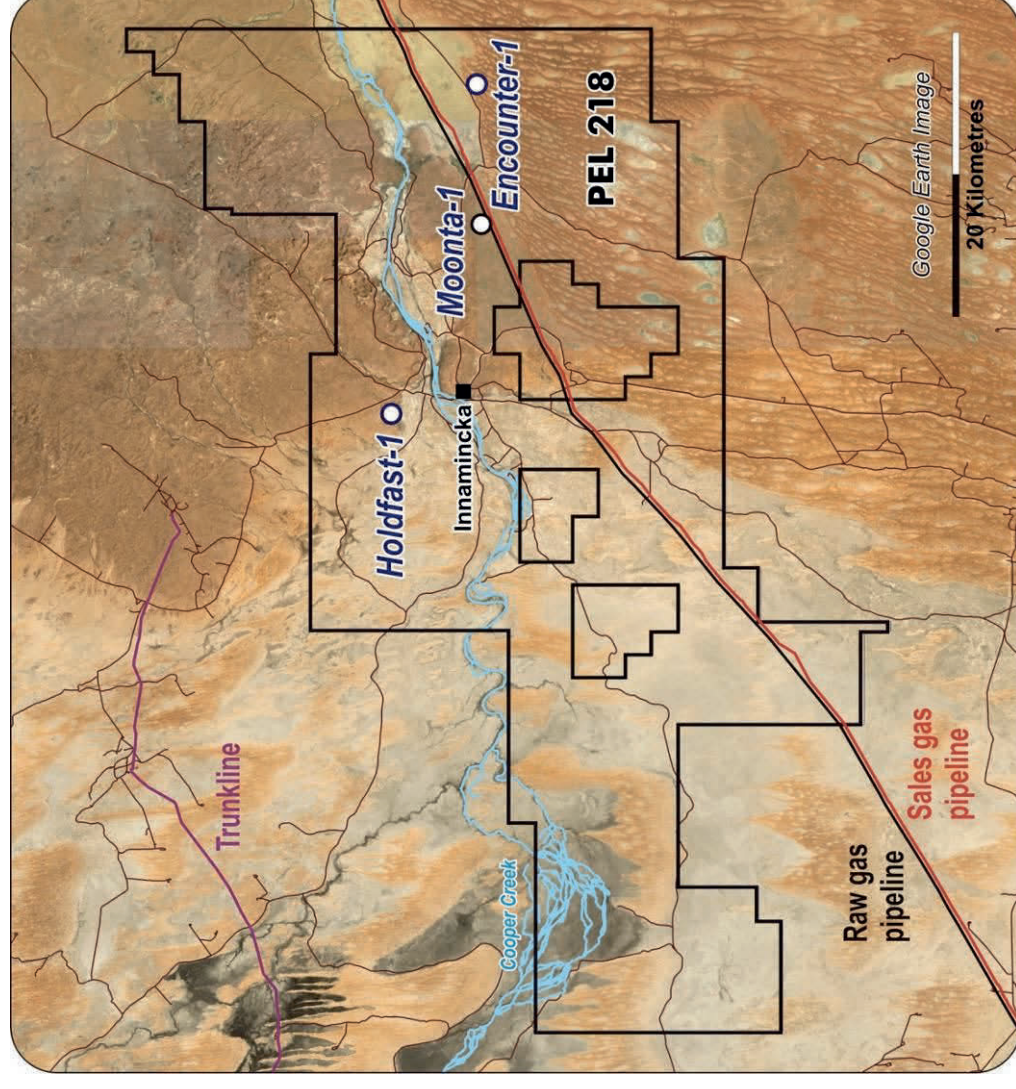
<p>PEL 218 Gross area: ~1,600km²</p>	<ul style="list-style-type: none"> • Beach 100% of Permian • Results from initial drilling in Encounter-1 and Holdfast-1 exceeded expectations: <ul style="list-style-type: none"> — Target thickness: 700 metres of gas saturated section encountered – potential to extend to 1,300 metres thickness — Gas saturated sand, shale and coal lithologies outside of structural closure — ~2 MMscfd maximum flow rate from Holdfast-1 post fracture stimulation • 2 Tcf of contingent resource booked to date
<p>ATP 855P Gross area: ~1,670km²</p>	<ul style="list-style-type: none"> • Beach 60% (operator), Icon Energy 40% • First dedicated horizontal shale well in 2012
<p>SACB JV Gross area: ~7,100km²</p>	<ul style="list-style-type: none"> • Beach 20.21%, (Santos operator) • 0.7 Tcf (net) of unconventional contingent resource booked to date • Dedicated shale well to be fracture stimulated in March 2012 • SACB JV pursuing unconventional gas appraisal adjacent to PEL 218



Advantages of Beach's unconventional acreage



- Good working relationship with pastoral owners and other stakeholders
- Co-operative not competitive land use
- Semi-desert country
- Relatively flat topography
- Well established oil and gas infrastructure
- Raw and sales gas pipelines cross PEL 218 and ATP 855P
- Multiple commercialisation options



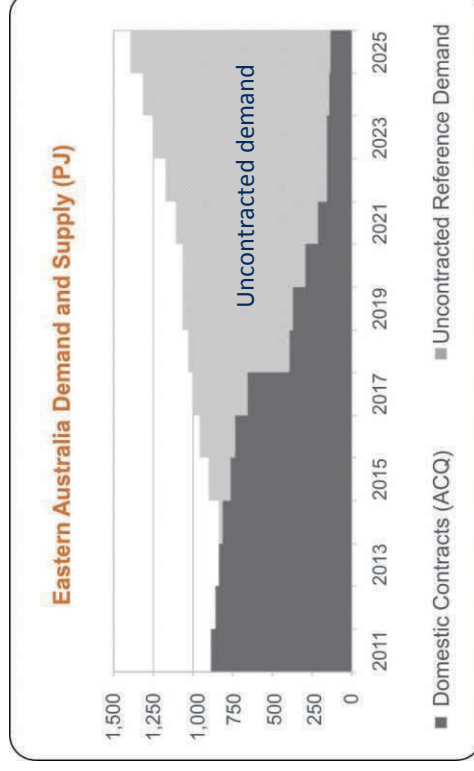
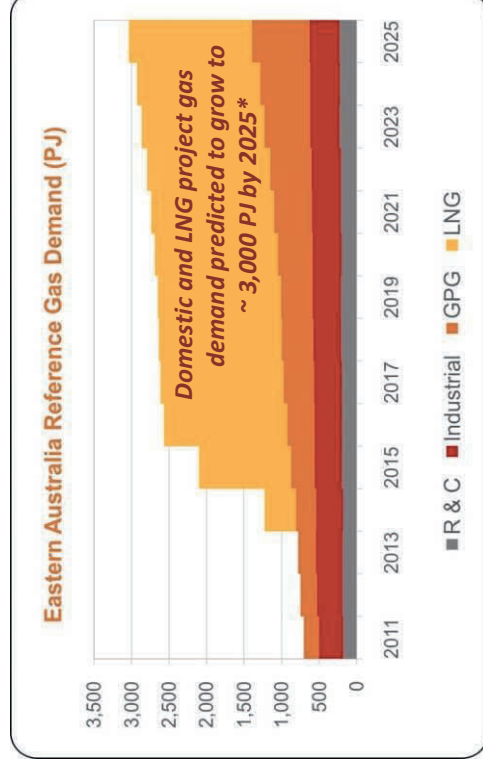
Good relationships and well established infrastructure

Strong outlook for East Coast demand



Industry commentators suggesting gas prices trending toward \$6-9/GJ

- 2015+ opens up domestic and export linked opportunities
- Three LNG projects in Gladstone have achieved FID with > 20 mtpa capacity:
 - LNG players are looking to the Cooper Basin as an alternative source of gas, to complement CSG
- Discussions ongoing between Beach and Santos for supply of gas to Santos’ GLNG Project:
 - Proposed 15 year contract to commence ~2014 with oil-linked gas pricing
 - Beach’s entitlement for supply could be ~230 PJ
 - Beach also in discussions with other large scale customers for supply



*Source: Core Energy Group 2011

Indicative timeline for Cooper Basin unconventional

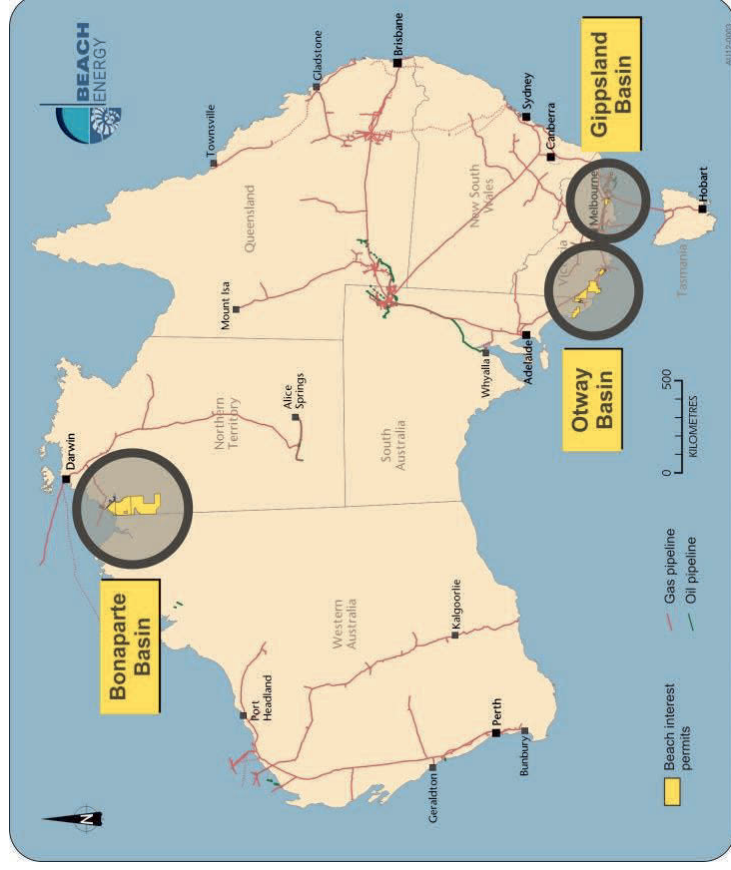


- Fracture stimulate Encounter-1 with sequential stimulation and testing
- Independent review of all reserves and resources currently underway
- Drill at least five vertical delineation wells in 2012 to appraise shale and basin centred gas potential
- Design and drill three horizontal wells in 2012 targeting highest gas yield zones
- Expand drilling program in 2013 with six horizontal wells around Holdfast-1 and Encounter-1 and further vertical wells to assess production potential of shale and basin centred gas targets
- Seek to monetise early production via existing facilities



Note: The above timeline is contingent on outcomes of exploration and appraisal programs and availability of equipment

Other unconventional opportunities



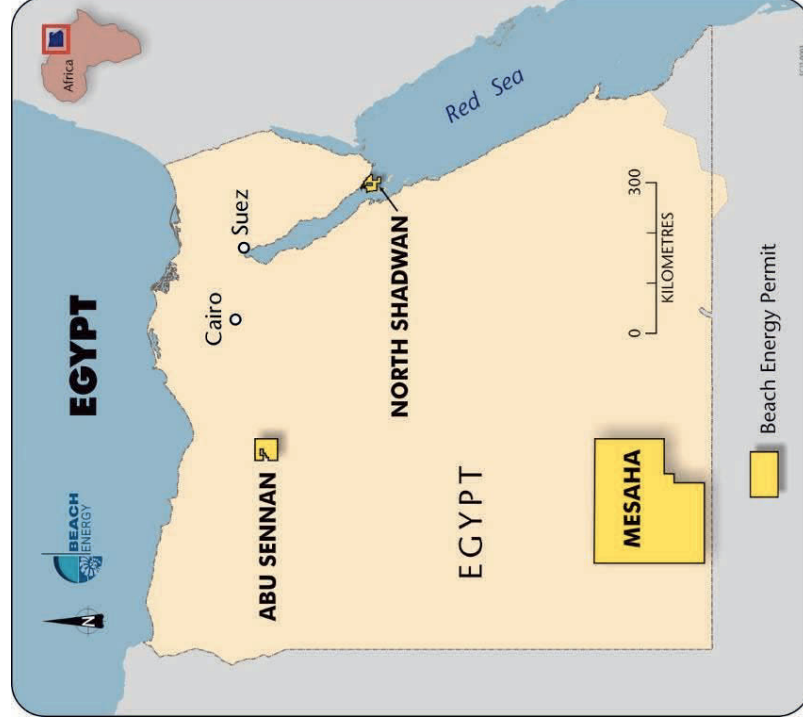
Identified opportunities to unlock the potential of lightly explored basins

<p>Otway Basin (Beach 35-67%)</p>	<ul style="list-style-type: none"> • Conventional plays proven – gas, condensate and oil • Moderate to high TOC's • Gas and liquids prone
<p>Gippsland Basin (Beach earning up to 45%)</p>	<ul style="list-style-type: none"> • Wombat gas project • Two wells planned to be fracture stimulated in 1H 2012
<p>Bonaparte Basin (Beach earning up to 90% of onshore and up to 55% of offshore areas)</p>	<ul style="list-style-type: none"> • Relatively underexplored • Conventional and deep unconventional potential • Prospectivity underpinned by: <ul style="list-style-type: none"> - Working petroleum systems identified in the few wells to date - Oil seeps identified at surface - Oil staining in mineral cores - Weaber gas field adjacent to acreage • Beach commitment of \$5 - \$36 million dependent on various options

Aiming to build a strong business in Egypt



- Established position with a portfolio of production, development and exploration opportunities
- Partners include BP and other recognised in-country players

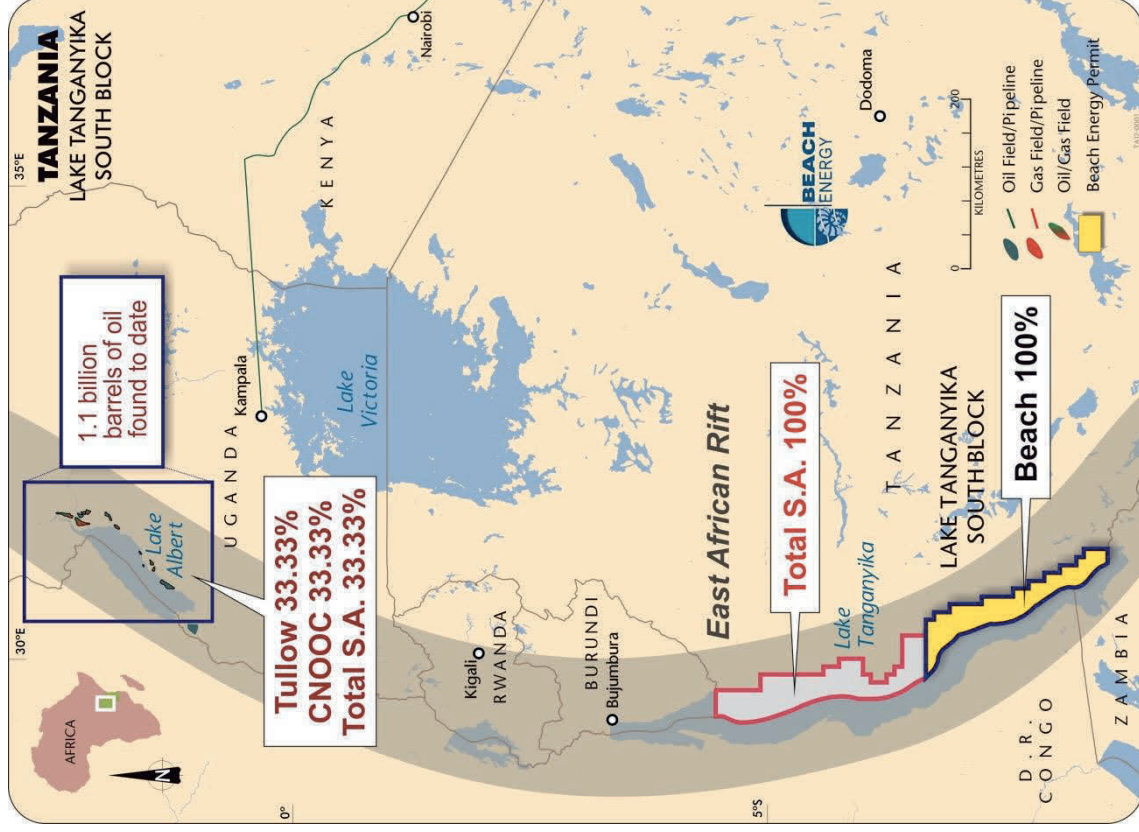


Abu Sennan (Beach 22%)	<ul style="list-style-type: none"> • Six well appraisal/exploration program • Oil, gas and condensate discoveries from first four wells drilled • Development plans under discussion
North Shadwan (Beach 20%)	<ul style="list-style-type: none"> • Oil production commenced from NS 377 field in March 2012 • Development well in NS 385 expected to spud Q2 2012 • Development of Burtocal field planned
Mesaha Concession (Beach 15%)	<ul style="list-style-type: none"> • Large concession area of 42,750 km² • Recent acquisition of 2D seismic • Potential for oil accumulations of 100 MMBbl+ • First exploration well planned for 2H 2012 • Wildcat acreage with rift graben potential

Rift systems - Lake Tanganyika South Block, Tanzania



- Beach 100%
- Underexplored area of 7,200 km² (Lake Albert 5,300 km²)
- Natural oil seeps identified on Lake Tanganyika, as with Lake Albert, indicating a working petroleum system
- Lake Tanganyika has the potential for > 200 MMBbl accumulations
- Airborne gravity and hi-resolution aeromagnetic data acquired by Beach in 2010
- 1,800 km of new 2D seismic data to be acquired in Q2 2012
- Total S.A. and CNOOC invested US\$2.9 billion for 67% of Lake Albert acreage
- Total S.A. recently awarded the Lake Tanganyika North Block



Summary investment highlights



- Profitable base business generating cash flow that has contributed to business growth and development
- History of exploration success with strong conversion of resources to reserves
- Unconventional gas upside from the Cooper Basin
- Portfolio of production, development and exploration assets in Egypt
- 'Big Oil' potential in Tanzania within the emerging East African Rift play

Multiple near-term catalysts



Capital Raising timetable

BEACHENERGY

Indicative Capital Raising timetable



Key dates

Transaction announced	27 March 2012
Institutional Entitlement Offer opens	
Convertible Note Bookbuild Offer opens	
Institutional Entitlement Offer closes	28 March 2012
Convertible Note Bookbuild Offer closes	
Results of Entitlement Offer and Convertible Note Offer announced	29 March 2012
Trading in Beach shares resumes on the ASX	
Record Date for the Entitlement Offer	30 March 2012
Final Convertible Note Offering Circular lodged	3 April 2012
Convertible Notes settlement and listing on the Singapore Stock Exchange	
Institutional Entitlement Offer settlement	
Retail Entitlement Offer opens	4 April 2012
Retail Entitlement Offer booklet dispatch	
Institutional Entitlement Offer allotment and trading	5 April 2012
Retail Entitlement Offer closes	20 April 2012
Settlement of the Retail Entitlement Offer	2 May 2012
Issue of New Shares under the Retail Entitlement Offer	3 May 2012
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	4 May 2012



Key risks and important notices regarding foreign jurisdictions

BEACHENERGY

Key risks



RISKS RELATING TO THE INDUSTRY

Exploration and development: Oil and gas exploration and development involves a certain degree of risk. In the normal course of business, the Company depends on the following factors: successful exploration; establishment of commercial oil and gas reserves; finding commercial solutions to exploitation of reserves; ability to design and construct efficient producing, gathering and processing facilities; efficient transportation and marketing of hydrocarbons; and sound management of operations.

In particular, oil and gas exploration is a speculative endeavour and the nature of the business carries a degree of risk associated with failure to find hydrocarbons in commercial quantities or at all. Exploration and development operations can be hampered by force majeure circumstances and cost overruns for unforeseen events, including, unexpected variations in location, reserves estimates, quality of oil and gas, and facility malfunction.

Exploration and development projects may be delayed or unsuccessful for many reasons, including cost overruns, lack of qualified and available personnel and contractors, lack of drill rigs, equipment shortages, power shortages and mechanical difficulties.

Certain projects may also require the use of new and advanced technologies, which can be expensive to develop, purchase and implement, and may not function as expected.

The Company is engaged in exploration and development of unconventional resources in the Cooper Basin in Australia. The area is a well-established oil and gas production region with existing infrastructure; however the Company will be amongst the first to produce from unconventional reservoirs. Development challenges associated with unconventional resource projects in Australia include the ability to:

- correctly determine the size of resource and scale of development;
- access existing facilities (through other joint ventures) or build new ones;
- access rigs which can drill to the depth required;
- secure off-take customers;
- obtain experienced and qualified personnel including those with relevant well and unconventional reservoir management experience;
- gain access to appropriate technology; and
- gain the required landholder and regulatory approvals.

The Company also conducts exploration activities in other areas, including Egypt, Tanzania, New Zealand and Papua New Guinea, where operating conditions can be challenging and costs may be high. The cost of drilling, completing and operating wells is often uncertain. These activities as a result, may incur cost overruns or may be required to curtail, delay or cancel drilling operations because of a variety of factors, including unexpected drilling conditions, dry holes, pressure or irregularities in geological formations, equipment failures or accidents, adverse weather conditions, compliance with governmental requirements, including those relating to environmental protection, and shortages or delays in the availability of drilling rigs and the delivery of equipment.

Production risks: Any oil and gas projects may be exposed to production decrease or stoppage, which may be the result of facility shut-downs, mechanical or technical failure and other unforeseeable events. A significant failure to maintain production could result in the Company lowering production forecasts, loss of revenue and additional operational costs to bring production online. There may be occasions where loss of production may incur significant capital expenditure, resulting in the requirement for the Company to seek additional funding, through equity or debt issuance.

Key risks (continued)



Exposure to oil and gas prices: A severe decline in the price of oil and gas may have a material adverse effect on the Company's financial performance. Historically, international crude oil prices have been very volatile. Although the Company has a management policy for hedging oil price and currency risks, a sustained period of low or declining crude oil prices could adversely affect the Company's operations, financial position and ability to finance developments.

The factors which impact volatility are beyond the control of the Company. Lower price expectations may reduce future margins or the economic viability of projects planned or in development (thereby reducing the size of recoverable reserves). The risk factors which may impact the Company include:

- global and regional supply and demand and expectations regarding future supply and demand for crude products;
- the status of the Australian domestic gas market supply and demand and international LNG demand;
- the associated impacts of major development projects within the region (e.g. current Australian LNG projects);
- the cost of exploring for, developing, producing, processing and marketing crude oil, natural gas and associated products;
- the ability and willingness of the Organisation of Petroleum Exporting Countries (OPEC) and other producing nations to influence global production levels and prices;
- the international political environment and any potential hostilities and acts of terrorism in resource-producing regions;
- prices and availability of alternative and competing fuels;
- global and regional economic conditions;
- unexpected failure in infrastructure;
- prices and availability of new technology; and
- weather and climate conditions and natural disasters.

It is impossible to predict future crude oil and natural gas price movements with certainty. However, the Company engages in limited hedging transactions to manage cash flows. A decline in crude oil, natural gas or associated product prices for protracted periods could have a material adverse effect on the Company's business, financial condition, operational results, prospects and ability to finance planned capital expenditures.

Ability to access and develop infrastructure: The Company will require the ability to access infrastructure to economically exploit any reserves discovered. Specifically, the ability to access or build gas pipeline infrastructure at the Cooper Basin would drive the commerciality and value of existing unconventional resources. In addition, the Company may undertake exploration in other locations where access to infrastructure to exploit discovered reserves may not currently exist and, as a result, may be challenging to develop and require significant capital investment which may impact the economic viability of the discovered reserves.

Primary risks include future capacity availability, tariff charges, regulation changes and the ability to obtain approvals for pipeline expansions / constructions from governments (across a number of different sovereign states).

The ability to develop, manage and transport products successfully relies on accessible and efficient supply chains and logistics. The Company operates in a number of geographic locations which increase the complexity of the Company's supply chain and logistics requirements. Failure to manage said requirements could result in project delays and additional capital expenditure outlays.

Key risks (continued)



Material change to reserves and resources: Underground oil and gas reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid at a certain point in time may alter significantly or become uncertain when new oil and gas reservoir information become available through additional drilling or reservoir engineering over the life of the field. As reserve and resource estimates change, development and production plans may be altered in a way that may adversely affect the Company's operations and / or financial results.

The Company's reported reserves are hydrocarbons which can be economically recovered, hence certain assumptions are made, including those relating to future oil and gas prices, rates of production, future net revenues, royalty and tax payments, cost of recovery and the timing of development based on existing economic and operating conditions. In addition, estimates necessarily depend upon a number of variable factors and assumptions, including the following:

- historical production from the area;
- interpretation of geological and geophysical data; and
- the assumed effects of regulations by governmental agencies.

Therefore, if these assumptions change, or are no longer relevant, the estimates may need to be revised.

Ongoing results from continued drilling, testing and production may cause upward or downward revisions in reported reserves and resources. Additionally, oil and gas reserves and resources assume that the Company continues to be entitled to production licences over the fields and that the fields would be produced until the economic limit of production is reached. If any production licences for fields are not renewed or cancelled, estimated oil and gas reserves and resources may materially decrease.

Negotiation with third parties: Various aspects of the Company's future performance and profitability may depend on the outcome of future negotiations with third parties. In addition to sales negotiations, these include the outcome of negotiations on land access arrangements, terms of access to third-party facilities, native title issues and discussions with government regulatory bodies in relation to:

- licence renewals and work obligations; and
- security for rehabilitation of areas of operation within the Company's tenements.

If the outcomes of these negotiations are not favourable to the Company, the Company's financial performance may be adversely impacted.

Integration of acquisitions: There are a number of inherent risks associated with acquisitions, including the ability to realise synergies, manage integration and restructuring costs. The Company may be liable for all businesses and properties acquired, which may carry unforeseen costs and litigation issues.

Land access and Native Title: Immediate and continuing access to tenements cannot in any case be guaranteed. The Company is required to obtain the consent of owners and occupiers of land within its licence areas. Compensation may be required to be paid to the owners and occupiers of land in order to carry out exploration activities.

The Company operates in a number of areas, within Australia, that are or may become subject to claims or applications for native title determinations. Although, the Company has experience in dealing with a number of native title claims in Australia in relation to some of its existing Cooper Basin licences, native title claims have the potential to introduce delays in the granting of petroleum and other licences and, consequently, may have an effect on the timing and cost of exploration, development and production.

Key risks (continued)



Health, safety and environmental impact constraints: The business of exploration, development, production and transportation of hydrocarbons involves a variety of risks which may impact the health and safety of personnel, the community and the environment. It is conceivable that an incident could occur which might negatively impact on the Company's business and reputation.

Oil and natural gas production and transportation can be impacted by natural disasters, operational error or other occurrences which can result in hydrocarbon leaks or spills, loss of containment of hazardous materials, fires, equipment failure and loss of well control. Potential failure to manage these risks could result in injury or loss of life, damage or destruction of wells and production facilities pipelines and other property and damage to the environment.

Losses and liabilities arising from such events could significantly reduce revenues or increase costs and have a material adverse effect on the operations and/or financial conditions of the Company.

Ongoing production and development of any of the Company's properties, in any country, will be dependent upon meeting environmental laws and regulatory guidelines. From time to time, laws and regulations are subject to amendment or change, which may require the Company to undertake changes to its operational procedures. The results of non-compliance, or alleged non-compliance, may result in sanctions that include administrative, civil and criminal fines and penalties, the loss of licences or permits or corrective action orders.

The Company holds operations in a number of locations around the world and the safety and security of its operations are closely monitored by management. However, there is a risk that the Company's operations could lead to injuries or loss of life for its workforce and the public and could result in regulatory action, legal liability and damage to the Company's reputation. Security threats require continuous oversight and control. A breach of security, such as an act of terrorism, against facilities and offices, pipelines, transportation or computer systems could severely disrupt operations and could cause harm to people.

Sufficient insurance coverage: The Company maintains insurance, either through its corporate entity or through a joint venture, for certain activities within ranges of coverage that it believes to be consistent with industry practice. The occurrence of an event that is uninsurable, not covered or partially covered by insurance could have a material adverse effect on the Company's business and financial position.

Ability to influence joint venture and manage future work programs and budgets: The Company and its subsidiaries participate in joint ventures for certain exploration, development and production activities. Under certain joint venture operating agreements, the Company or a subsidiary may not control the approval of work programmes and budgets and a joint venture partner may vote to participate in certain activities without the approval of the Company. As a result, the Company may experience a dilution of its interest or may not gain the benefit of the activity, except at a significant cost penalty later in time. Participating in a joint venture, as a non-operator, may cause difficulty in setting forecast budgets.

Work programme delays may arise due to joint venture partners not reaching agreement on exploration, development and production activities. Neither the Company nor its subsidiaries have any assurance of the financial viability of other joint venture partners and may incur unforeseen costs and losses in the event of default of joint venture participants.

Security of tenure: All petroleum licences held by the Company are subject to the granting and approval of relevant government bodies. Government regulatory authorities generally require the holder of the licences to undertake certain proposed exploration commitments and the failure to meet these obligations could result in loss of exploration rights. Any renewal or extension of licence terms is subject to agreement by the government; potential failure to approve may result in a financial loss for the Company.

Climatic impacts: Any adverse or extreme climatic conditions could affect the Company's operations through delaying exploration, development and production activities, causing additional expenditure and impacting production levels. For example, the Company encountered flooding at its Cooper Basin operations in 2010 which impacted production volumes and delayed the exploration programme.

Key risks (continued)



Changes in government policy and laws: Changes in government policy (such as in relation to taxation) or statutory changes may affect the Company's business operations and its financial position. A change in government regime may result in changes to fiscal, monetary, property rights and other issues which may result in a material adverse impact on the Company's business and its operations.

The possible extent of changes to legislation, regulations, guidelines or amendments to existing legislation (including taxation changes) that may affect the Company's business activities cannot be predicted with any certainty. The effects of any such actions may result in increased costs, whether in the nature of capital or operating expenses, through delays or the prevention of certain activities. Recent examples of the introduction of new legislation or policy include the introduction of carbon tax legislation and an extended petroleum resources rent tax in Australia and the potential for wild river proclamations in areas where the Company operates. The impact of those items is yet to be quantified by the Company.

Companies in the oil and gas industry may be subject to pay direct and indirect taxes, royalties and other imposts in addition to normal company taxes. The Company currently operates (or is contemplating operating) in Australia, New Zealand, Papua New Guinea, Egypt, United States of America and Tanzania. Accordingly its profitability may be affected by changes in government taxation and royalty policies or in the interpretation or application of such policies in each of these jurisdictions.

Changes in the interpretation or application of existing taxation laws by the courts or taxation authorities in Australia, or changes to the laws themselves may affect the taxation treatment of the Company's securities or the holding or disposal of those securities.

Ability to access credit and financial market risks: The oil and gas business involves significant capital expenditure, including in exploration and development, production, processing and transportation. The Company relies on cash flows from operating activities or on external sources, including bank borrowings and offerings of debt or equity securities in the Australian and international capital markets to finance capital expenditures.

If cash flows decrease or the Company is unable to raise the necessary financing, this may result in reduction in planned capital expenditures. Any such reduction could have a material adverse effect on the Company's ability to expand its business and/or maintain operations at current levels, which in turn could have a material adverse effect on the Company's business, financial condition and operations.

Hedging risks: The Company is exposed to fluctuations in currency rates, interest rates and oil and gas prices.

The Company uses derivative financial instruments such as foreign exchange contracts, commodity contracts and interest rate swaps to hedge certain risk exposures. The Company is exposed to commodity price fluctuations through the sale of petroleum productions and other oil-linked contracts. The Company's policy is to hedge up to 80% of forecast oil production by way of Australian Dollar denominated oil floor contracts for up to 18 months. In the financial year ending 30 June 2011, the Company hedged U.S.\$48 million or A\$54.3 million through instruments with ceilings and collars in place. The Company does not have a policy to hedge interest rates, which means it may be adversely affected by fluctuations in the interest rates.

The Company has three oil hedging instruments for financial years 2012 and 2013, each with a floor price of A\$50/bbl, A\$55/bbl and A\$60/bbl Brent. A total of 1.905 million barrels are hedged over the 2 financial years.

Shortage and retention of qualified personnel: There is a growing global shortage of workers in the oil and gas industry and the shortage is particularly apparent in Australia, where there are a significant number of large oil and gas projects undergoing development. A shortage in the supply of experienced technical and operational staff could impact the ability of the Company to achieve its operational objectives and also result in an increase in salaries which would increase operational costs.

The Company's key resources are its people, many of whom hold significant knowledge and qualifications. Operations could be adversely affected if the Company were to lose certain key people which it was unable to replace with equally qualified personnel. The Company has had a stable senior management group for many years and has implemented incentive plans to assist in the recruitment and retention of talented people needed to achieve successful business outcomes.

Key risks (continued)



GENERAL INVESTMENT RISKS

Global economic developments and market conditions: The Company's operational results may be adversely impacted by factors including significant changes in general economic conditions such as interest rates, inflation, deflation and general market levels. A number of factors affect the performance of stock markets, which could affect the price at which the Company's securities trade on the ASX. Among other things, movements on international and domestic stock markets, interest rates, inflation and inflationary expectations, deflation and deflationary expectations and overall economic conditions, as well as government taxation and other policy changes may affect the demand for, and price of, the Company's shares. Volatility in the Australian or international financial markets may influence the trading price of the Company's shares on the ASX.

The economic situation in global markets has in various ways been adversely affected by weakening economic conditions and recent turmoil in the global financial markets. Some countries have experienced declining GDP, reduced industrial production, increasing rates of unemployment and decreasing asset values. A continued downturn in economic conditions may result in lower demand for the Company's products and, in turn, impact negatively on its financial position.

Furthermore, recent volatility in the credit markets and the potential impact on the liquidity of major financial institutions may have an adverse effect on the Company's cost of funding.

Global security environment and political risks: An outbreak and / or a material escalation of hostilities including a declaration of war in major countries of the world may affect the global economic and commercial environment and in turn directly or indirectly affect the Company's future revenues, operating costs and share price.

The Company's non-Australian assets are more likely to be impacted by geo-political risks. The Company may be hindered in its business activities or prevented from proceeding with projects as a result of, amongst other things, such hazards as the expropriation of property, insurrection, acts of terrorism, nationalisation, renegotiation or termination of existing contracts, licences or other agreements, changes in laws or fiscal policies, currency exchange restrictions and other political risks. Such risks are difficult to predict with certainty, but any combination of one or other could have a material adverse impact on the Company's business or financial position.

Important notices regarding foreign jurisdictions



HONG KONG

WARNING. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This Investor Presentation has not been delivered for registration to the Registrar of Companies in Hong Kong and no steps have been taken to seek authorisation by the Securities and Futures Commission in Hong Kong for the registration or issue of this Investor Presentation. Accordingly, this Investor Presentation must not be issued, circulated or distributed in Hong Kong other than: (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, this Investor Presentation or any other advertisement, invitation or document relating to the New Securities which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

SINGAPORE

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Convertible Notes and/or New Shares may not be circulated or distributed, nor may the Convertible Notes and/or New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Convertible Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
 - (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:
- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
 - (2) where no consideration is or will be given for the transfer;
 - (3) where the transfer is by operation of law; or
 - (4) as specified in Section 276(7) of the SFA.

Important notices regarding foreign jurisdictions (cont.)



JAPAN

The New Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the “FIEL”). Pursuant to Article 2(3)(ii)(a) of the FIEL, a solicitation to acquire New Securities (“Acquisition Solicitation”) is required to be targeted only at persons who are Qualified Institutional Investors (*Teikikaku Kikan Toshika*) (as defined in Article 10, paragraph 1 of the Cabinet Office Ordinance Concerning the Definitions as Stipulated in Article 2 of the Financial Instruments and Exchange Law (MOF Ordinance No. 14 of 1993, as amended) as those having expert knowledge of and experience with investment in securities (each a “QII”)) and any holder of the Company’s Securities who is a resident of Japan (including a holder who is allotted the New Securities in response to the Acquisition Solicitation) is not allowed to transfer the New Securities to anyone other than a QII. As used in this paragraph, “residents of Japan” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

EUROPEAN ECONOMIC AREA

This Investor Presentation has been prepared on the basis that all offers of New Securities will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area (“EEA”), from the requirement to produce a prospectus for offers of securities. Accordingly any person making or intending to make any offer within the EEA of New Securities which are subject to the placement contemplated in this Investor Presentation should only do so in circumstances in which no obligation arises for the Company or the Joint Lead Managers to produce a prospectus for such offer. Neither the Company nor the Joint Lead Managers have authorised, nor do they authorise the making of any offer of New Securities through any financial intermediary, other than offers made by the Joint Lead Managers which constitute the final placement of New Securities contemplated in this Investor Presentation. In relation to each Member State of the EEA that has implemented the Prospectus Directive (each, a “Relevant Member State”), no offer of New Securities will be made to the public in that Relevant Member State, and an offer of New Securities in that Relevant Member State may only be made: (a) to a legal entity, which is a Qualified Investor (within the meaning of the local law of the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive or, if such implementation has not taken place, within the meaning of Article 2(1)(e) of the Prospectus Directive, respectively); (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year (or in Sweden, each of the last two financial years); (ii) a total balance sheet of more than €43,000,000; and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; (c) to fewer than 100 natural or legal persons or, if the Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 legal persons (in each case other than Qualified Investors subject to obtaining the prior consent of the Company and the Joint Lead Managers for any such offer; or (d) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive. Each person who initially acquires any New Securities or to whom any offer of New Securities is made will be deemed to have represented that it is a Qualified Investor. In the case of any New Securities being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, warranted to and agreed with the Joint Lead Managers and the Company that: (i) the New Securities acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors, as that term is defined by the local law of the Relevant Member State or as defined in the Prospectus Directive respectively, or in circumstances in which the prior consent of the Joint Lead Managers has been obtained to each such proposed offer or resale; or (ii) where New Securities have been acquired by it or on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those New Securities to it is not treated under the Prospectus Directive as having been made to such persons or under the local law of the Relevant Member State as a public offer which requires the prior publication of a prospectus or a respective offering document. The Company and the Joint Lead Managers, each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty and agreement. For the purposes of this provision, (i) the expression an “offer of New Securities to the public” in relation to any New Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Securities to be offered so as to enable an investor to decide to purchase the New Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and (ii) the expression “Prospectus Directive” means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Member State), and includes any relevant implementing measure in the Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010.

Important notices regarding foreign jurisdictions (cont.)



FRANCE

This Investor Presentation is not being distributed in the context of and does not constitute a public offering of securities (*offre au public de titres financiers*) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). Neither this Investor Presentation, nor any other offering material or prospectus relating to the New Securities has been or will be submitted to the AMF for approval. Consequently, neither this Investor Presentation, nor any other offering material relating to the New Securities may be distributed or caused to be distributed, directly or indirectly, to the public in France and the New Securities have not been, and will not be, offered, sold or distributed, directly or indirectly, to the public in France. The New Securities may only be, offered, sold or distributed to (i) qualified investors (*investisseurs qualifiés*) acting for their own account, or to (ii) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-3 of the French Monetary and Financial Code. The direct or indirect distribution to the public in France of any so acquired New Securities may be made only as provided by Articles L.411-1 to L.411-4, L. 412-1 and L. 621-8 to L. 621-8-3 of the Monetary and Financial Code.

UK

Neither this Investor Presentation nor any accompanying letter or other document has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000 of the United Kingdom (the "FSMA") has been published or is intended to be published in respect of the New Securities. Each of the Company and the Joint Lead Managers have: (a) complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the New Securities in, from or otherwise involving the United Kingdom; and (b) only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom any invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of the New Securities in circumstances in which Section 21(1) of FSMA does not apply to the Company.

For personal use only

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For personal use only

3. ASX Institutional Offer Completion Announcement dated 29 March 2012



ASX Release

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

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For Immediate Release – 29 March 2012
Ref. #032/12

ASX Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

BEACH SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER AND PRICES CONVERTIBLE NOTE OFFER

Beach Energy Limited (ASX: BPT, "Beach") is pleased to announce the successful completion of the institutional component of its fully-underwritten 1 for 8 accelerated non-renounceable pro-rata entitlement offer ("Institutional Entitlement Offer"), and that it has successfully priced A\$150 million in convertible notes (the "Notes").

The net proceeds of the entitlement offer and Notes will be used, together with existing operating cash flow and other capital resources, to fund Beach's future capital expenditure initiatives over the next 2-3 years and for general working capital purposes. The key elements of Beach's capital expenditure program include:

- Cooper Basin conventional – ongoing exploration, appraisal and development of Beach's key cash producing assets
- Cooper Basin unconventional – continued appraisal of a gas resource in the Nappamerri Trough
- Egypt – ongoing appraisal and development of oil discoveries and further exploration
- Tanzania – exploration for oil reservoirs along the proven East African Rift.

Details of Institutional Entitlement Offer

The Institutional Entitlement Offer raised gross proceeds of approximately A\$117 million at the offer price of A\$1.40 per new share ("Offer Price") and attracted very strong demand from Beach's institutional shareholders.



A bookbuild for the Institutional Entitlement Offer shortfall was held through which entitlements not taken up by eligible institutional shareholders, and those entitlements that would otherwise have been offered to ineligible institutional shareholders, were sold to other institutional investors at the Offer Price.

New Shares taken up under the Institutional Entitlement Offer are expected to be issued on 5 April 2012 and commence trading on ASX on the same day.

Beach's Managing Director, Mr Reg Nelson said, "We are very pleased with the take up of both the Institutional Entitlement Offer and the convertible note bookbuild, which were both heavily oversubscribed. Feedback received to date has been overwhelmingly in favour of what we are seeking to achieve through our capital program over the coming years."

Details of Convertible Notes (ISIN: XS0766381528)

The Notes were sold primarily to European and Asian institutions during the trading halt period.

The Notes will be issued by Beach with a fixed coupon rate of 3.95% per annum for a term of five years. They will rank as senior unsecured obligations of Beach and are expected to be listed on the Singapore Stock Exchange. Prior to maturity, the Notes are convertible into Beach shares at a price of A\$2.00 per share (subject to certain adjustments), which reflects a premium of 28% to the theoretical ex-rights price of the entitlement offer of A\$1.56.

Beach has the right to redeem all of the Notes on or after the third anniversary of issue if Beach's share price exceeds 130% of the conversion price for a certain period of time or if 10% or less of the principal amount of Notes remains outstanding. Holders have the right to have the Notes redeemed at the issue price together with any accrued interest on the third anniversary of issue or following a delisting or change of control event.

Mr Nelson said, "The Notes are being issued on attractive terms, diversifying Beach's capital sources and providing it with a highly competitive source of funding."

Retail Entitlement Offer

The retail component of the entitlement offer ("Retail Entitlement Offer") is underwritten and will raise approximately A\$78 million. The Retail Entitlement Offer will open on 4 April 2012 and close at 5.00pm (Adelaide time) on 20 April 2012.

Eligible retail shareholders will be able to subscribe for 1 new share for every 8 Beach ordinary shares held on the record date of 7.00pm (Adelaide time) on 30 March 2012, at the same offer price as the Institutional Entitlement Offer of A\$1.40.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet which is expected to be despatched on or around 4 April 2012. Copies of the Retail Offer Booklet will be available on the ASX website and the Beach website.

Beach ordinary shares are expected to resume trading on ASX from market open today on an ex-entitlement basis.

Miro Advisors and Piper Alderman are Beach's financial and legal advisers, respectively.

Retail Entitlement Offer Important Dates

Event	Date
Record Date for the Entitlement Offer	30 March 2012
Retail Entitlement Offer opens	4 April 2012
Mailing of personalised Entitlement and Acceptance Form and the Retail Offer Booklet to Eligible Retail Shareholders	Completed by 4 April 2012
Retail Entitlement Offer closes	20 April 2012
Retail Entitlement Offer settlement	2 May 2012
Retail Entitlement Offer allotment	3 May 2012
Shares issued under the Retail Entitlement Offer begin trading on the ASX	4 May 2012

Notes:

1. All dates are indicative only. Beach reserves the right to change these dates without prior notice
2. All times are Adelaide, Australia times

Shareholder Enquiries

Retail shareholders who have questions relating to the Retail Entitlement Offer should call the Beach Offer Information line on 1300 607 506 (within Australia), +61 3 9415 4659 (outside Australia) from 8.00am to 4.30pm (Adelaide time) Monday to Friday during the retail offer period.

Yours sincerely,



Reg Nelson
Managing Director, FAusIMM

For more information contact

Corporate

Reg Nelson	Beach Energy Ltd	08 8338 2833
Kathryn Presser	Beach Energy Ltd	08 8338 2833

Investor Relations

Chris Jamieson	Beach Energy Ltd	08 8338 2833
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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**")) ("**U.S. Persons**"). The New Shares to be offered and sold in the Entitlement Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, in the Entitlement Offer, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are, or are acting for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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Additional Information

This Booklet including the ASX announcements and Investor Presentation in relation to the Entitlement Offer reproduced in it and accompanying personalised Entitlement and Acceptance Form have been prepared by Beach. The information in this Booklet is dated 4 April 2012.

No party other than Beach has authorised or caused the issue of the information in this Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Booklet. ASX accepts no responsibility for any statement in this Booklet.

This information is important and requires your immediate attention. You should read the information in this Booklet carefully and in its entirety before deciding whether to invest in New Shares. In particular, you should consider the risk factors outlined in the 'Key Risks' section of the Investor Presentation, which is included in this Booklet, any of which could affect the operating and financial performance of Beach or the value of an investment in Beach.

You should consult your stockbroker, accountant or other independent professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer. Beach has applied to ASX for the grant of official quotation of the New Shares. It is expected that normal trading on ASX will commence in relation to New Shares issued under the Retail Entitlement Offer on 4 May 2012. Beach will have no responsibility and disclaims all liability (to the maximum extent permitted by law, including for negligence) to persons who trade New Shares before the New Shares are listed on the official list of ASX or before they receive their confirmation of issue, whether on the basis of confirmation of the allocation provided by Beach, the Registry or the Underwriter.

1. Eligible Retail Shareholders

The information in this Booklet contains an offer of New Shares to Eligible Retail Shareholders in Australia and New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Class Order 08/35.

Eligible Retail Shareholders are those holders of Shares who:

- are registered as a holder of Shares as at the Record Date;
- have a registered address on the share register in Australia or New Zealand;
- are not in the United States and are not a U.S. Person and are not acting for the account or benefit of a U.S. Person;
- did not receive an offer (other than as nominee) under the Institutional Entitlement Offer and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail Shareholders who do not satisfy these criteria are 'Ineligible Retail Shareholders'.

By returning a completed Entitlement and Acceptance Form or making a payment by BPAY, you represent and warrant that you satisfy each of the criteria listed above. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

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Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to any person in the United States, any U.S. Person or any person who is acting for the account or benefit of a U.S. Person.

Nominees may not distribute any part of this Booklet in any other country outside Australia and New Zealand except to beneficial shareholders who are institutional or professional investors in other countries listed in, and to the extent permitted under, the section captioned 'International Selling Restrictions' in the attached Investor Presentation.

2. Ineligible Retail Shareholders

Beach has decided that it is unreasonable to make offers under the Retail Entitlement Offer to holders of Shares who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places.

3. Convertible Notes offer

In conjunction with the Institutional Entitlement Offer, Beach issued \$150,000,000 in five year 3.95% Convertible Notes. The issue price of the Convertible Notes is 100% and interest is payable semi-annually in arrear. The Convertible Notes constitute direct, unsubordinated, unconditional and unsecured obligations of Beach. Beach is subject to a negative pledge in respect of future secured indebtedness.

The conversion price of the Convertible Notes is \$2.00, subject to certain adjustments, including adjustments to the extent that the Company pays dividends. Holders of the Convertible Notes have the right to convert such Convertible Notes into Shares in Beach at any time during the conversion period, commencing on or after 14 May 2012 and up to and including the close of business on 27 March 2017, unless previously redeemed, converted, purchased or cancelled.

Holders of the Convertible Notes have the right to redeem the Convertible Notes at the issue price together with any accrued interest on the third anniversary of issue or following a delisting or change of control event. Beach has the right to redeem all of the Convertible Notes on or after the third anniversary of issue if Beach's share price exceeds 130% of the conversion price for a certain period of time or if 10% or less of the principal amount of Convertible Notes remains outstanding.

In the event that Convertible Notes holders exercise their conversion right, Beach shareholders will be diluted. Related risk factors are set out in the Investor Presentation included in this Booklet.

4. Rounding of Entitlements

Fractional Entitlements will be rounded up to the next whole number of New Shares.

5. No Entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other financial market, nor can they be privately transferred.

6. Not investment advice or financial product advice

The Entitlement Offer to which the information in this Booklet relates is being made in reliance on section 708AA of the Corporations Act as modified by ASIC Class Order 08/35. This Booklet is

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not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Beach is not licensed to provide financial product advice in respect of the New Shares.

The information in this Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Beach's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.beachenergy.com.au or www.asx.com.au.

The information in this Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of New Shares, the subject of the Entitlement Offer. If, after reading this Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

7. Foreign jurisdictions

The information in this Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The information in this Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements, the New Shares, or otherwise permit a public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

The distribution of this Booklet (including an electronic copy) outside Australia and New Zealand is restricted by law. If you come into possession of this Booklet, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

Refer to the 'International Offer Jurisdictions' section of the Investor Presentation, which is included in this Booklet for more information.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of Beach with registered addresses in New Zealand to whom the offer is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). However, any shortfall from the Entitlement Offer may be placed to persons within New Zealand who are institutional or professional investors, to the extent permitted under the section captioned 'International Selling Restrictions' in the attached Investor Presentation.

This Booklet or material accompanying it has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Booklet or material accompanying it is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

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8. Taxation

Set out below is a general summary of the potential Australian tax implications of the Retail Entitlement Offer for Eligible Retail Shareholders who are residents of Australia for tax purposes and who hold their Shares on capital account.

The summary below does not deal with the tax implications for Eligible Retail Shareholders who are not residents of Australia for tax purposes. It also does not deal with the tax implications for Eligible Retail Shareholders:

- who hold their Shares (or will hold their Entitlements) as revenue assets or trading stock such as banks, insurance companies and taxpayers carrying on a business of share trading;
- who have acquired their Shares for the purposes of resale at a profit;
- who acquired their Shares (or will hold their Entitlements) under an arrangement that constitutes an 'employee share scheme' for Australian tax purposes.

It is intended as a general guide only and is not an authoritative or complete statement of all potential tax implications for each Eligible Retail Shareholder.

The summary below is not advice and should not be relied on as such. It also does not take account of any individual circumstances of any particular Eligible Retail Shareholder. Taxation is a complex area of law and the taxation consequences for each Eligible Retail Shareholder may differ depending on their own particular circumstances. Accordingly, Eligible Retail Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.

The summary below is based on the law in effect as at the date of this Booklet. Future changes in Australian taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect taxation treatment of an investment in Shares or the holding and disposal of Shares.

Issue of Entitlements

The issue of the Entitlements should not itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

Exercise of Entitlements

For Eligible Retail Shareholders who exercise their Entitlements and are allocated New Shares:

- the Entitlements will cease to exist and a CGT event will occur, but any capital gain or loss made on the exercise of the Entitlement should be disregarded for tax purposes;
- the New Shares acquired as a result of exercising the Entitlements will be treated for CGT purposes as having been acquired on the day on which the Entitlements are exercised; and
- the New Shares should have a cost base for CGT purposes equal to the Offer Price payable by them for those New Shares plus certain non-deductible incidental costs they incur in acquiring them.

Lapsing of Entitlements to acquire New Shares

If an Eligible Retail Shareholder does not take up their Entitlements to acquire New Shares, there should be no tax consequences for Eligible Retail Shareholders as the Entitlements lapse.

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New Shares

Eligible Retail Shareholders who exercise their Entitlements will acquire New Shares. Any future dividends or other distributions made in respect of those New Shares will be subject to the same taxation treatment as dividends or other distributions made on Shares held in the same circumstances.

On any future disposal of New Shares, Eligible Retail Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of those shares. The cost base of those shares is described above.

Any capital gain arising to Eligible Retail Shareholders who are individuals and trusts (other than trusts that are complying superannuation funds) can generally be reduced by 50% (after first offsetting current year or prior year capital losses from other asset disposals) if the New Shares are held for at least 12 months between the date the New Shares are acquired and the date of disposal. For Eligible Retail Shareholders which are complying superannuation funds, any capital gain can generally be reduced by one-third (after first offsetting current year or prior year capital losses from other asset disposals) if the New Shares are held for at least 12 months between the date the New Shares are acquired and the date of disposal. The CGT discount is **not** available to Eligible Retail Shareholders that are companies.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Retail Shareholder exercised the Entitlement to subscribe for them.

Taxation of Financial Arrangements (TOFA)

The TOFA Amendments made amendments to the Australian income tax law that operate to make assessable or deductible, gains or losses arising from certain 'financial arrangements'. The TOFA Amendments apply for income tax years commencing on or after 1 July 2010. However, a taxpayer can elect to apply the TOFA Amendments to income tax years commencing on or after 1 July 2009 and may also elect to apply the TOFA Amendments to existing financial arrangements held at the relevant start date.

An Entitlement or right to receive a share is a 'financial arrangement'. However, depending on the circumstances of the particular taxpayer the TOFA Amendments may be effectively excluded from applying. Further, certain taxpayers may be excluded from the application of the TOFA Amendments unless they make an election for it to apply.

As the application of the TOFA Amendments is dependent on the particular facts and circumstances of the taxpayer, Eligible Retail Shareholders should obtain their own advice in relation to the potential applicability of the amendments contained in the TOFA Amendments, in light of their own individual facts and circumstances.

Other Australian taxes

No GST or stamp duty is payable in respect of the grant or exercise of the Entitlements or the acquisition of New Shares.

9. Underwriting

On 27 March 2012, Beach entered into the Underwriting Agreement under which the Underwriters have agreed to manage and fully underwrite the Entitlement Offer. The Entitlement Offer is fully underwritten by Citigroup Global Markets Australia Pty Ltd, Goldman Sachs Australia Pty Ltd and Macquarie Capital (Australia) Limited.

In accordance with the Underwriting Agreement and as is customary with these types of arrangements:

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- Beach has (subject to certain limitations) agreed to indemnify the Underwriters, their related bodies corporate, directors, officers, agents, employees, representatives and advisers against losses incurred in respect of the Entitlement Offer;
 - Beach and the Underwriters have given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Entitlement Offer;
 - the Underwriters may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including where:
 - it is announced by ASX that Beach will be removed from the official list of ASX, Beach is delisted or Shares are suspended from trading (other than with the prior written consent of the Underwriters);
 - there are material adverse changes or disruptions in the political conditions or financial markets of key countries, certain falls in the ASX/S&P 200, or hostilities commence or escalate in certain key countries;
 - any of the offer materials are or become false, misleading or deceptive (including by omission); or
 - there is a material adverse change (actual or prospective) in the condition, or in the assets, liabilities, earnings, business, results of operations, management or prospects, of Beach or its subsidiaries from that disclosed to the Underwriters.

The Underwriters will be remunerated by Beach for providing these services at market rates and may be reimbursed for certain expenses.

The Underwriters have not authorised or caused the issue of this Booklet and take no responsibility for any information in this Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriters exclude and disclaim all liability, for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

10. Financial data

All dollar values in this Booklet are in Australian dollars (\$) or A\$) unless otherwise stated.

11. Replacement Booklet

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Booklet during the period of the Retail Entitlement Offer by calling the Beach Entitlement Offer Information Line and 1300 607 506 (within Australia) or +61 3 9415 4659 (from outside Australia) between 8:30am to 5:00pm Monday to Friday during the Retail Entitlement Offer period or visit our website at www.beachenergy.com.au. A replacement Entitlement and Acceptance Form can be requested by calling the Beach Entitlement Offer Information Line.

12. Forward looking statements and future performance

Neither Beach, its officers, employees, agents, associates and advisers, nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to the information in this Booklet. Forward looking statements, opinions and estimates provided in the information in this Booklet are based on assumptions and

contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Any forward looking statements including projections, guidance on sales, earnings, dividends and other estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Beach and the board of Beach, including the risks described in the accompanying Investor Presentation, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward looking statements in this Booklet.

13. Past performance

Past performance and pro-forma historical financial information given in this Booklet is provided for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. The historical information in this Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

14. Notice to nominees and custodians

Nominees and custodians which hold Shares as nominees or custodians will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to eligible institutional shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their entitlement or not), institutional shareholders who were treated as ineligible institutional investors under the Institutional Entitlement Offer and Ineligible Retail Shareholders.

15. Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Booklet. Any information or representation that is not in this Booklet may not be relied on as having been authorised by Beach, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Beach, or any other person, warrants or guarantees the future performance of Beach or any return on any investment made pursuant to this Booklet.

16. ASX Waivers

In order to conduct the Entitlement Offer, Beach sought certain waivers from the ASX Listing Rules. ASX has granted Beach conditional waivers from ASX Listing Rules 3.20, 7.1, 7.40 and 10.11.

The waivers also allow Beach, for the purposes of determining Entitlements, to ignore changes in security holdings which occur after the imposition of the trading halt in Shares on 27 March 2012 (other than registrations of transactions which were effected through Integrated Trading System (ITS) before the trading halt).

17. Governing law

The information in this Booklet, the Entitlement Offer and the contracts formed on acceptance of the personalised Entitlement and Acceptance Forms are governed by the law applicable in South

Australia, Australia. Each shareholder who applies for New Shares submits to the jurisdiction of the courts of South Australia, Australia.

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Glossary

Term	Definition
Application Money	a payment or payments made to subscribe for New Shares
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ABN 98 008 624 691 or a financial market operated by it
Beach	Beach Energy Limited ABN 20 007 617 969
Booklet	this document, including the Entitlement and Acceptance Form
CGT	capital gains tax
Closing Date	20 April 2012 at 5.00pm (Adelaide time), unless extended
Convertible Notes	3.95% senior unsecured convertible notes due 2017 issued by Beach
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CRN	has the meaning given in section 6 of 'How to Apply'
Eligible Institutional Shareholders	eligible institutional shareholders under the Institutional Entitlement Offer, details of which were announced to ASX by Beach on 27 March 2012
Eligible Retail Shareholders	has the meaning given in section 1 of 'Additional Information'
Entitlement	the number of New Shares for which an Eligible Retail Shareholder is entitled to subscribe for under the Entitlement Offer
Entitlement and Acceptance Form	the personalised entitlement and acceptance form accompanying this Booklet which Eligible Retail Shareholders may use to apply for New Shares
Entitlement Offer	the one for eight accelerated non-renounceable pro rata entitlement offer to subscribe for New Shares at the Offer Price set out in this Booklet and including the Institutional Entitlement Offer announced to ASX by Beach on 27 March 2012
GST	Australian Goods and Services Tax
HIN	has the meaning given in section 9 of 'How to Apply'
Ineligible Institutional Shareholders	ineligible institutional shareholders under the Institutional Entitlement Offer, details of which were announced to ASX by Beach on 29 March 2012
Ineligible Retail Shareholders	Retail Shareholders who do not satisfy the criteria of Eligible Retail Shareholders set out in section 1 of 'Additional Information'
Investor Presentation	the investor presentation relating to the Entitlement Offer, which was released to ASX by Beach on 27 March 2012 and a copy of which is included in this Booklet
Institutional Entitlement Offer	the institutional component of the Entitlement Offer, details of which were announced to ASX by Beach on 27 March 2012

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Term	Definition
Institutional Shareholder	A holder of Shares on the Record Date: <ul style="list-style-type: none"> • who is in Australia, and to whom an offer of New Shares may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined in ASIC Class Order 08/35; or • who is in selected jurisdictions outside Australia as determined by the Underwriters, and to whom an offer of New Shares may be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction (except to the extent to which Beach is willing to comply with such requirements).
New Share	a Share issued under the Entitlement Offer
Offer Price	has the meaning given in section 1 of 'How to Apply'
Opening Date	4 April 2012
Record Date	30 March 2012 at 7:00pm (Adelaide time)
Registry	Computershare Investor Services Pty Ltd ABN 48 078 279 277
Regulation S	Regulation S promulgated under the Securities Act
Retail Entitlement Offer	the retail component of the Entitlement Offer, details of which are set out in this Booklet
Retail Entitlement Offer period	the period from and including the Opening Date until and including the Closing Date
Retail Shareholder	a holder of Shares who is not an institutional shareholder
Securities Act	U.S. Securities Act of 1933
SRN	has the meaning given in section 9 of 'How to Apply'
Share	a fully paid ordinary share in the capital of Beach
TOFA Amendments	<i>Tax Laws Amendment (Taxation of Financial Arrangements) Act 2009</i>
Underwriters	Citigroup Global Markets Australia Pty Ltd, Goldman Sachs Australia Pty Ltd and Macquarie Capital (Australia) Limited
Underwriting Agreement	the underwriting agreement between Beach and the Underwriters dated 27 March 2012
U.S. Person	has the meaning given to that term in Rule 902(k) under the U.S. Securities Act

Corporate Directory

Directors

Robert Kennedy *Chairman*
Glenn Davis *Deputy Chairman*
Reginald Nelson *Managing Director*
John Butler *Non-Executive Director*
Franco Moretti *Non-Executive Director*
Neville Alley *Non-Executive Director*
Belinda Robinson *Non-Executive Director*

Company Secretaries

Kathryn Presser
Catherine Oster

Registered office

25 Conyngham Street
Glenside SA 5065
Australia
Telephone: +61 8 8338 2833
Facsimile: +61 8 8338 2336
Email: info@beachenergy.com.au
Website: www.beachenergy.com.au

Share registry

Computershare Investor Services Pty Ltd
Level 5
115 Grenfell Street
Adelaide SA 5000
Australia
Telephone: +61 8 8236 2300
Facsimile: +61 8 8236 2305
Website: www.computershare.com

Lawyers

Piper Alderman
167 Flinders Street
Adelaide SA 5000
Australia

Joint Lead Managers and Underwriters

Citigroup Global Markets Australia Pty Ltd
Level 23, 2 Park Street
Sydney NSW 2000
Australia

Goldman Sachs Australia Pty Ltd
Level 42, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

Macquarie Capital (Australia) Limited
Level 25, 101 Collins Street
Melbourne VIC 3000
Australia

Financial Adviser

Miro Advisors Pty Ltd
Level 1, 24 Kings Park Road
West Perth WA 6005
Australia

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How to complete the Entitlement and Acceptance Form

Please note that photocopies of this form will not be accepted. These instructions are cross-referenced to each section of the Entitlement and Acceptance Form.

A Shareholder Entitlement Details

Details of your Entitlement based on your Securityholding at 7.00pm Adelaide time on 30 March 2012 are shown in box A on the front of this Entitlement Form.

B New Securities Accepted

You can apply to accept either all or part of your Entitlement. Enter in box B the number of New Shares you wish to accept from your Entitlement.

Please ensure you complete Section B on the bottom of the form.

C Acceptance Monies

Enter the total amount of acceptance monies payable. To calculate this amount, multiply the total number of New Shares applied for in box B by the issue price.

Please ensure you complete Section C on the bottom of the form.

D Payment Details

You can apply for New Shares utilising the payment options detailed below. **Please note that funds are unable to be directly debited from your bank account.**

By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions as detailed in the Retail Entitlement Offer Booklet dated 4 April 2012.

For all payment options, payment must be received no later than 5:00pm (Adelaide time) on 20 April 2012.

(1) Payment by BPAY

You can pay by BPAY using the details set out at the bottom left of this page (under "Payment Options"). If your payment is being made by BPAY you are not required to return this Entitlement and Acceptance Form, and you will be deemed to have applied for such whole number of New Shares for which you have paid.

(2) Payment by cheque(s), bank draft(s) or money order(s)

If you choose this payment method, your cheque(s), bank draft(s) or money order(s) must be in Australian currency and drawn on an Australian branch of a financial institution. Such payment must be made payable to "Beach Entitlement Offer Account" and crossed "Not Negotiable". Payments that are not properly drawn may be rejected.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Entitlement and Acceptance Form being rejected. Paperclip (do not staple your cheque(s)) to the form where indicated. Cash will not be accepted. Receipt of payment will not be forwarded.

E Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding the slip below.

The Retail Entitlement Offer to which this Entitlement and Acceptance Form relates, does not constitute an offer to sell, or the solicitation of an offer to buy, any New Shares in the United States or to, or for the account or benefit of, any "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1933 (the "Securities Act") ("U.S. Persons")). The New Shares to be offered and sold in the Retail Entitlement Offer have not been, and will not be, registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold to persons in the United States or to persons who are, or are acting for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject, to the registration requirements of the Securities Act and applicable state securities laws.

The Entitlement and Acceptance Form may not be distributed to, or relied upon or completed by, persons in the United States or who are U.S. Persons or who are acting for the account or benefit of U.S. Persons (including nominees who hold on behalf of persons in the United States or that are acting for the account or benefit of U.S. Persons).

By returning this Entitlement and Acceptance Form along with the application monies by cheque, bank draft or money order OR paying by BPAY, I/we:

- represent and warrant (for the benefit of Beach Energy Limited, and the Lead Managers and their respective affiliates) that I/we am/are not in the United States and that I/we am/are not a U.S. Person, and I/we am/are not acting for the account or benefit of, a U.S. Person;
- acknowledge that the New Shares have not been, and will not be, registered under the Securities Act or under the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;

The directors reserve the right to make amendments to this form where appropriate.

Lodgement of Acceptance

If you are applying for shares and your payment is being made by BPAY, you do not need to return this form. Your payment must be received by no later than 5.00pm Adelaide time on 20 April 2012.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Ensure you have read and accurately followed your banking institution's BPAY FAQ or other instructions prior to making multiple payments for multiple holdings under this offer. Neither CIS nor Beach Energy Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque or bank draft, your Entitlement and Acceptance Form must be received at the Adelaide office of Computershare Investor Services Pty Limited (CIS) by no later than 5.00pm Adelaide time on 20 April 2012. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for security holders in Australia. New Zealand holders will need to affix the appropriate postage. Return your Entitlement and Acceptance Form with cheque to the address below.

Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 607 506.

This form may not be used to notify your change of address. For information, please contact CIS on 1300 607 506 or www.computershare.com (Certificated/Issuer Sponsored Holders only).

CHESS holders must contact their Controlling Participant to notify a change of address.

Payment Options:



Biller Code:

Ref No:

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



**Beach Energy Limited
Computershare Investor
Services Pty Limited
GPO Box 2987
Adelaide SA 5001
AUSTRALIA**

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

