



Monthly Drilling Report

August 2016

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AUSTRALIA – COOPER AND EROMANGA BASINS

DEVELOPMENT

Western Flank Oil

(Ex PEL 91: Beach 100%)

Beach commenced its FY17 operated drilling program with the Hanson-4 development well. The well is located on the eastern culmination of the Hanson Field, approximately 85 kilometres west-northwest of the Moomba processing facility, and targeted oil bearing reservoirs in the Namur Sandstone and overlying McKinlay Member. The well also assessed potential for reservoir development in the Lower Birkhead Formation. Hanson-4 was cased and suspended as a future oil producer following intersection of approximately three metres of net pay in the Namur Sandstone and three metres of net pay in the McKinlay Member. These results were in-line with pre-drill estimates. The well is expected to be brought online in Q2 FY17.

The Stunsail-3 development well is being drilled to develop oil bearing reservoirs in the Namur and Mid-Namur Sandstone in the Stunsail Field, which is located approximately 85 kilometres northwest of the Moomba processing facility. Stunsail-3 will also assess potential for reservoir development in the Lower Birkhead Formation. The well spudded on 29 August 2016 and is awaiting clearance of wet weather conditions before drilling ahead.

Western Flank Oil

(Ex PEL 92: Beach 75% and operator, Cooper Energy 25%)

The Callawonga-12 development well was drilled following a comprehensive review of the Callawonga Field. The field is located approximately 80 kilometres west-northwest of the Moomba processing facility and the review indicated potential for various development initiatives, including Callawonga-12. The well was drilled to accelerate production from the Namur Sandstone and overlying McKinlay Member, as well as appraise the northeast flank of the field. The top Namur Sandstone reservoir was intersected 2.4 metres high to prognosis, with wireline logs indicating two metres of net oil pay in the Namur Sandstone. Callawonga-12 was cased and suspended as a future oil producer and is expected to be brought online in Q2 FY17.

EXPLORATION AND APPRAISAL

South Australian Gas

(Fixed Factor Area Joint Venture: Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

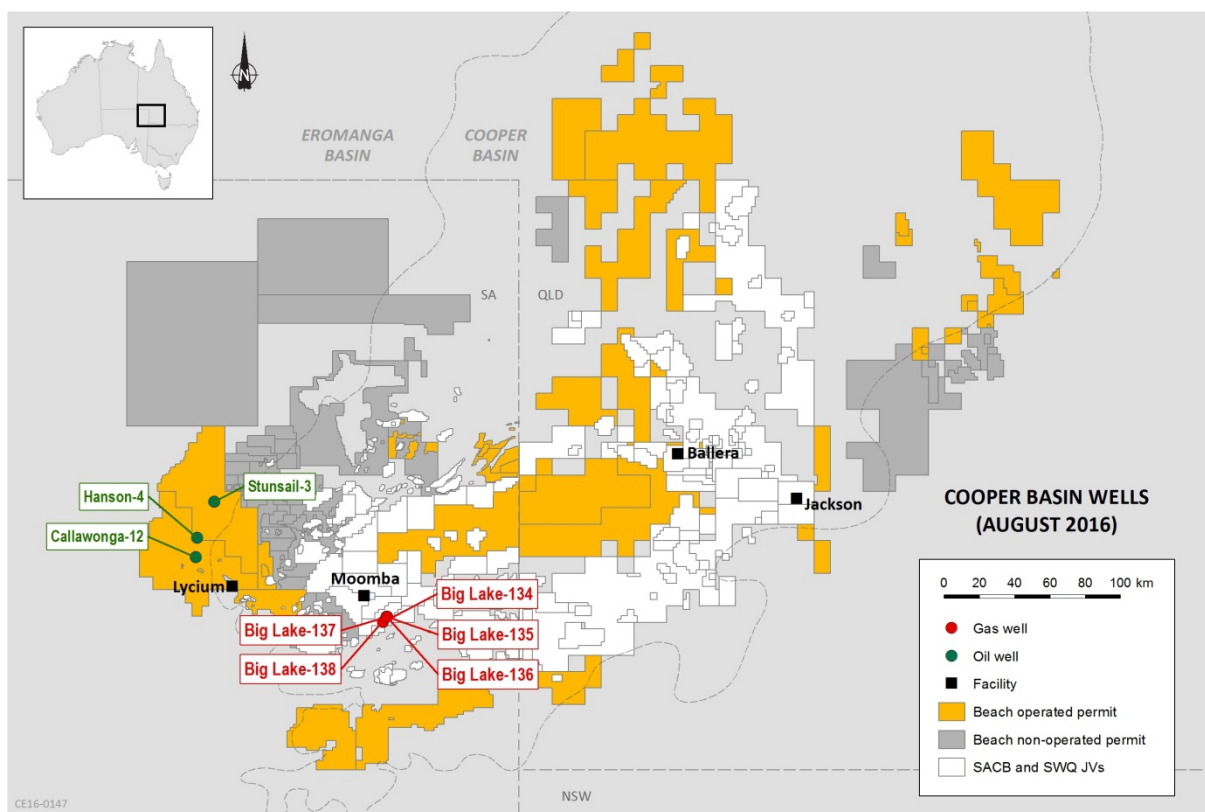
A five-well appraisal and development campaign progressed on the central flank of the Big Lake Field, which is located approximately 20 kilometres southeast of the Moomba processing facility. The campaign aims to expand the central development area of the field and is targeting the Patchawarra Formation, Tirrawarra Sandstone and Merrimelia Formation, with the Epsilon Formation providing a secondary target. The campaign includes Big Lake-134, a standalone appraisal well, which was cased and suspended as a future Permian gas producer. The well intersected net gas pay of 143 metres across a 681 metre gross Permian section. Results were in line with pre-drill estimates and confirmed down-flank extension of gas reservoirs. The remaining wells (Big Lake-135 to -138 development wells) are being drilled from a single pad. Surface holes for Big Lake-136, to -138 were batched drilled and Big Lake-135 is currently drilling ahead to total depth.

Monthly Drilling Report – Period ended 06:00, 1 September 2016

Well	Participants	Progress	Primary Targets
Cooper Basin Operated			
Hanson-4 PPL 255 (ex PEL 91) Oil development C/E Basin, SA	BPT* 100.00%	Drilling this month: 1,722 metres Current depth: 1,722 metres (total depth) Status: Cased and suspended as a future McKinlay Member oil producer	McKinlay Member Namur Sandstone
Stunsail-3 PPL 260 (ex PEL 91) Oil development C/E Basin, SA	BPT* 100.00%	Drilling this month: 679 metres Current depth: 679 metres Status: Drilling ahead	Namur Sandstone Mid-Namur Sandstone
Callawonga-12 PPL 220 (ex PEL 92) Oil development C/E Basin, SA	BPT* 75.00% COE 25.00%	Drilling this month: 1,449 metres Current depth: 1,449 metres (total depth) Status: Cased and suspended as a future McKinlay Member oil producer	McKinlay Member Namur Sandstone
Cooper Basin Non-operated			
Big Lake-134 PPL 11 Gas appraisal C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 317 metres Current depth: 3,380 metres Status: Cased and suspended as a future Permian gas producer	Patchawarra Formation Tirrawarra Sandstone
Big Lake-135 PPL 11 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 2,332 metres Current depth: 2,332 metres Status: Drilling ahead	Patchawarra Formation Tirrawarra Sandstone Merrimelia Formation
Big Lake-136 PPL 11 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 771 metres Current depth: 771 metres Status: Surface hole only; part of four well pad program	Patchawarra Formation Tirrawarra Sandstone Merrimelia Formation
Big Lake-137 PPL 11 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 771 metres Current depth: 771 metres Status: Surface hole only; part of four well pad program	Patchawarra Formation Tirrawarra Sandstone Merrimelia Formation
Big Lake-138 PPL 11 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 785 metres Current depth: 785 metres Status: Surface hole only; part of four well pad program	Patchawarra Formation Tirrawarra Sandstone Merrimelia Formation

(*) Operator

BPT: Beach Energy Ltd; COE: Cooper Energy Limited; ORG: Origin Energy Limited; STO: Santos Limited




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