



ASX Release

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ASX Ltd/SGX Singapore Exchange Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir

OFFSHORE OTWAY BASIN JOINT VENTURE WITH 3D OIL

Beach has acquired a 20% interest in the T/49P offshore exploration permit in the Otway Basin from 3D Oil Limited. The interest will be acquired for \$3 million and supports a broader portfolio strategy for the Otway Basin, both onshore and offshore

Beach Energy Limited (ASX: BPT, "Beach") advises it has executed a binding sale and purchase agreement ("SPA") for the purchase of a 20% interest in the T/49P offshore exploration permit in the Otway Basin from 3D Oil Limited (ASX: TDO, "3D Oil") ("the Transaction"). In addition to this, Beach and 3D Oil have established a new joint venture by executing a joint operating agreement ("JOA").

Under the terms of the SPA, Beach will pay 3D Oil \$3 million in cash with 3D Oil to remain as operator under the JOA. It is anticipated that the joint venture will commence a 755 km² seismic acquisition program within the next twelve months, with timing subject to regulatory approvals. This work is the major commitment required to be undertaken in the initial exploration phase of the permit, with the Transaction subject to the usual government and regulatory approvals.

The T/49P permit, located approximately 20 kilometres to the west of King Island, is 4,960 km² in size with water depths of around 100 metres. Adjacent to the permit are the Geographe and Thylacine gas fields, of which Thylacine is the largest field discovered in the Otway Basin to date.

The Transaction builds on Beach's current position in the onshore Otway Basin, which services both South Australia and Victoria in terms of gas supply.

In relation to Beach's onshore activity, the second well of a two well exploration program on the South Australian side of the onshore Otway Basin, Bungaloo-1, recently reached total depth. Initial observations from Bungaloo-1, and the first well in the program, Jolly-1, indicate good exploration potential for gas and liquids in both shallow conventional structural traps as well as deeper targets within these wells. Follow up analysis is being undertaken to confirm these initial observations, with a priority focus on the conventional potential within the permits operated by Beach.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Reg Nelson", written over a light blue rectangular background.

Reg Nelson
Managing Director, FAusIMM

For more information contact:

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