



Media release

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Beach quadruples 2P reserves following transformative year

Beach Energy has today provided an update to the ASX, noting a substantial increase in oil and gas reserves following the acquisition of Lattice Energy, underpinned by strong performing assets.

The update shows that Beach delivered a 405% increase in 1P (proved) reserves, a 320% increase in 2P (proved and probable) reserves, and 255% increase in 3P (proved, probable and possible) reserves from FY17 to FY18.

Chief Executive Officer Matt Kay said the 238 MMboe increase in 2P reserves clearly demonstrates the transformation of Beach over the past year, with reserves life increasing from 7 years to 11 years.

“Importantly, approximately one third of this increase was due to the strong underlying performance of the assets and ongoing exploration/appraisal success,” Mr Kay said.

“A comprehensive reserves review of the Lattice assets continues to provide additional validation of our investment and demonstrates the quality of the acquired assets.

“At 30 June 2018, approximately 48% of Beach 2P reserves are classified as undeveloped. We look forward to sharing our FY19 development programme with shareholders in our FY19 guidance statement, to be released in the coming weeks.

“An overview of our medium term development plans and capital expenditure outlook will be outlined at our investor day, planned for late September.”

Beach Energy Reserves (net)			
	1P	2P	3P
Oil (million barrels “MMbbl”)	25	42	73
Gas and gas liquids (million barrels of oil equivalent “MMboe”)	165	272	418
Total as at 30 June 2018 (MMboe)	190	313	491
Total as at 30 June 2017	38	75	138
<i>Increase / (decrease)</i>	<i>405%</i>	<i>320%</i>	<i>255%</i>

On 28 September 2017, Beach announced that it had entered into a binding agreement to acquire Lattice Energy for \$1,585 million. On 31 January 2018, Beach announced financial close of the acquisition. It was noted that this transaction would deliver a step-change in production and reserves, diversity across production hubs and gas processing infrastructure, and an expanded asset portfolio with significant optionality and value creating growth opportunities.

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