



Media release

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Production and sales up after strong quarter at Beach

Growth in production volumes (10%) and sales revenue (20%) are June quarter highlights for Beach Energy, as assets from the Lattice acquisition continue to deliver success.

Beach Energy Chief Executive Officer Matt Kay said the June quarter was one of heightened activity and success across the board and rounded out what has been a transformational year for Beach.

“I’m extremely proud of the performance of Beach this quarter. I think these results are an excellent example of what our combined asset portfolio is capable of,” Mr Kay said.

“During this quarter, we completed the review of our expanded portfolio and continued the successful integration of the Lattice Energy assets into our company.

“Despite this period of transition, safety has remained the paramount focus.

“The strong performance of the integrated business is highlighted by improvements in free cash flow generation to \$149 million this quarter. This has been driven by lower capital expenditure and higher revenues.

“This free cash flow generation has seen our net debt reduce to \$639 million resulting in net gearing falling below 26 per cent at the end of FY18. We are de-gearing at a rapid rate and well ahead of initial projections.”

The results show a 10% increase in production versus the March quarter (to 7.23 MMboe) with increased output from the Bass Basin (+64%), Otway Basin (+21%) and Cooper Basin JV (+12%), offset by lower Western Flank (-2%) and NZ (-16%) volumes. The production increase combined with a 10% lift in overall realised product prices saw quarterly revenue reach \$471m, up 20% from the prior quarter.

	June Q4 FY17	March Q3 FY18	June Q4 FY18	Qtr on Qtr Change	FY18
Production (MMboe)	2.50	6.58	7.23	10%	19.0
Sales Volumes (MMboe)	2.84	6.81	7.60	12%	20.1
Sales Revenue (\$ million)	152	393	471	20%	1,251
Realised Oil Price (\$/bbl)	69.5	92.8	103.2	11%	93.4
Realised Sales Gas/Ethane Price (\$/GJ)	6.2	6.6	6.6	(0%)	6.6
Net Cash/(Debt) (\$ million)	198	(753)	(639)	(15%)	(639)
Free Cash Flow (\$million)	38	133	149	12%	316

Beach will release FY19 production and capital expenditure guidance with its FY18 result, to be released on 20 August.

For further information contact Chris Burford, Corporate Affairs Manager on +61 437 762 458