

Project overview

Beach Energy is preparing to further develop the existing Yolla offshore gas field in Bass Strait to meet the ongoing demand for natural gas in Australian homes and industries.

Beach currently produces natural gas from the Yolla field via three wells on the existing Yolla offshore platform in Bass Strait. Raw gas is transported via a 147 km subsea pipeline to shore, and a 32 km gas buried pipeline across land to the Lang Lang Gas Plant where it is processed for local supply.

Beach is planning to drill an additional infield well into the existing Yolla field. A Jack-up Mobile Offshore Drilling Unit (MODU) will be towed into position adjacent the Yolla platform to drill the well. This is the same drilling method used for the last four wells in the Yolla field.

Environmental assessment and approvals

Beach is preparing an Environment Plan (EP) for the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) to assess and accept before activities can commence.

The EP must include:

- definitions and descriptions of the activities required to drill the well
- a detailed description of the existing marine environment
- an assessment of relevant scientific studies
- the identification and evaluation of impacts and risks of the activities on the environment



- environmental performance outcomes and control measures to reduce any potential impacts
- an implementation strategy and reporting requirements.

The EP must demonstrate to NOPSEMA that the impacts and risks will be managed to acceptable levels, and how activities will be conducted to ensure that potential impacts and any residual risks will be managed and reduced to “As Low As Reasonably Practicable” (ALARP). If NOPSEMA is satisfied that the EP meets the criteria set out in the Environment Regulations, it will accept the EP and publish it on its website.

Summary of activities

The infield well activities would include:

- towing a Jack-up MODU into position adjacent to the Yolla platform
- jacking down the legs of the MODU to the seabed once it is in position to stabilise it, and minimising seabed disturbance by placing inverted cones mounted at the base of the MODU legs (spud cans) into the existing seabed impressions from previous drilling campaigns
- the MODU will self-elevate out of the water to above maximum expected sea conditions, and drilling operations will begin from the existing well slot on the platform
- drilling an extended reach well from the existing Yolla platform slot to the targeted gas reservoir and completing the well if it is commercially viable
- workover of existing Yolla 3 and/or Yolla 5 wells for modification or replacement of production tubulars
- operations support activities to include support vessels and helicopters
- completing tie-in activities on the Yolla platform by connecting the well into the existing production piping, with no seabed disturbance. This will include fabricating and installing new flowline sections and pipe supports, modifying existing process pipework and instrumentation, and reusing and modifying as much of the existing piping, supports, instrumentation and instrument control as possible
- if the well is commercially unviable due to limited gas, multiple cement plugs will be installed within the well to permanently seal the well and isolate it from other geological formations. A cement plug will be installed at the seabed and all casings will be cut at least two metres below the mudline to ensure that the seabed is returned to the same condition prior to drilling.



Location

The activities would take place on and alongside the Yolla platform in Bass Strait, approximately 100 km from Stanley on the Tasmanian coast and 139 km from Wonthaggi in Victoria. The coordinates below and map on the following page provide further details.

	Longitude	Latitude
Yolla Platform	145° 49.083'E	39° 50.633'S

Timing

Preliminary plans are for drilling to commence approximately late 2022 or early 2023. Activities will take approximately 130 days to complete.

Project plans will be finalised after Beach has received all regulatory and internal approvals, and exact timings will be subject to vessel and contractor availability and weather conditions. Stakeholders will be notified at least four weeks before drilling activities commence.

Yolla Infield project area map

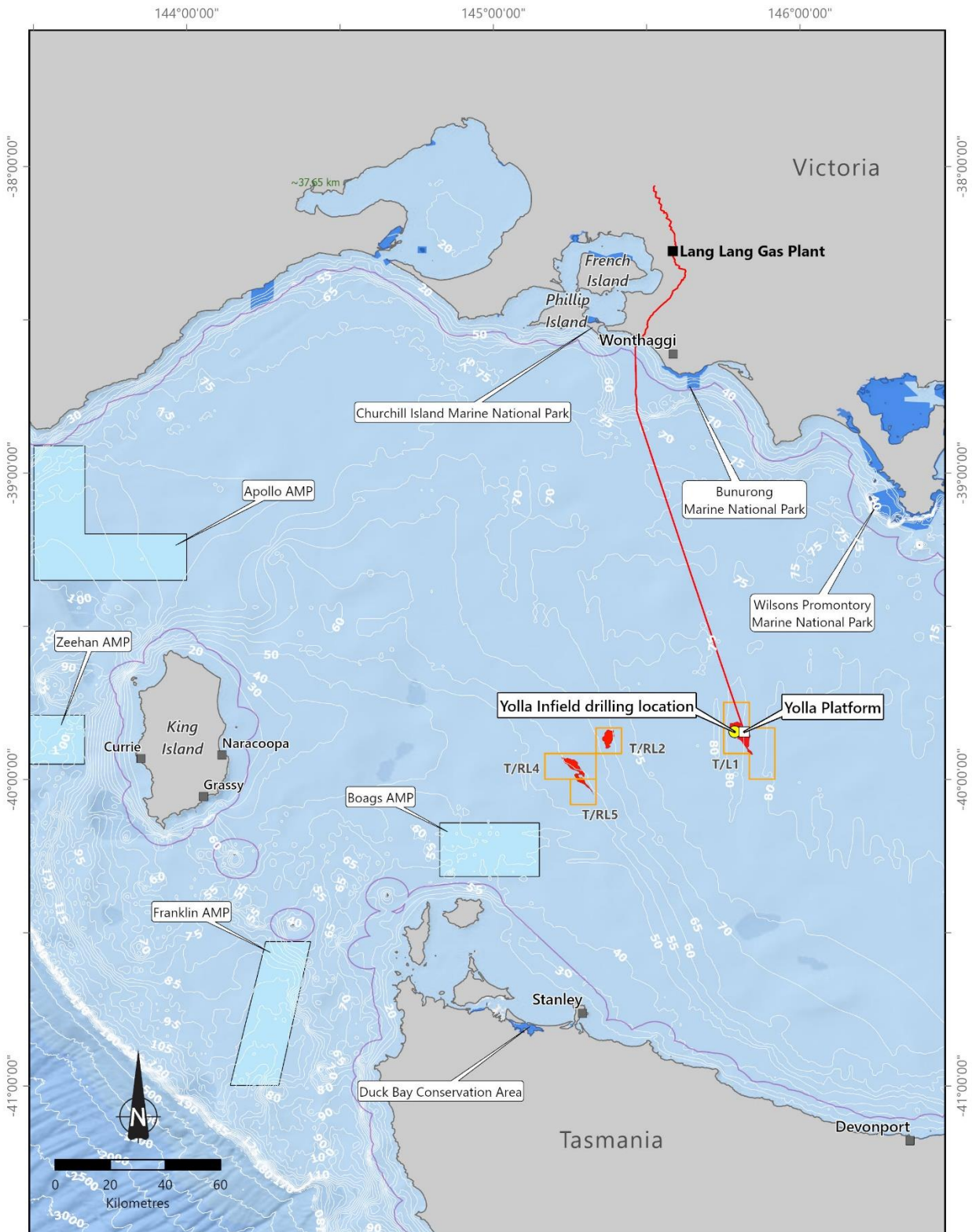


Image source: ESRI. Data sources: Beach operational data, DAWE, GP Info ('Gas field' and 'Prospect').

Coordinates: GDA 2020

- Facility (existing)
- Yolla platform (existing)
- Yolla Infield drilling location (approx.)
- BassGas pipeline (existing)
- ▭ Beach operated permit
- Gas field
- Coastal waters (3 nm limit)
- Australian Marine Parks (AMP)
- State Marine Parks



The locations shown on this map are correct at time of publication and are subject to change.

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Marine Environment

Beach has a proud track record for safety and environmental performance, adhering to performance measures set out in Environment Plans and Safety Cases accepted by regulators. We recognise the environmental, heritage, social and economic value in our operating areas.

The activities will be carried out in a water depth of approximately 80 metres where the seabed is primarily made up of muddy silts and sparsely scattered clumps of solitary sponges, sea cucumbers, sea squirts and snails.

A variety of marine fauna occurs in the project area, including the potential presence of:

- blue, humpback and fin whales, particularly during the summer months
- southern right and minke whales, particularly during the winter months
- common dolphin and shark species throughout the year
- New Zealand and Australian fur seals throughout the year
- loggerhead, green and leatherback turtles throughout the year.

Economic values within the project area include commercial fishing and shipping activity.

The EP will address potential impacts to the marine environment, commercial fishing and shipping activity, and how they will be managed to acceptable levels.

Maritime safety protocols

At Beach, safety takes precedence in everything we do. The marine vessels and MODU contracted by Beach will have their specific Safety Cases reviewed and accepted by NOPSEMA, and will operate in accordance with Australian Maritime Standards, regulated by the Australian Maritime Safety Authority (AMSA) including:

- vessel masters issuing Notifications to the Australian Maritime Safety Authority before

mobilising to the operational area and when demobilising

- providing advanced notice of activities and vessel contact details to stakeholders
- communicating with other vessels using standard maritime protocols
- maintaining safe operating distances around vessels and the MODU.

Safety exclusion and cautionary zones

Vessels in the area will be required to observe the existing Petroleum Safety Zone (PSZ) of 500m radius around the Yolla platform.

The Australia Hydrographic Office will issue a Notice to Mariners for safety exclusion and cautionary zones before activities commence and when complete.

Project emissions

As an oil and natural gas explorer and producer across Australia and New Zealand, Beach is committed to sustainably delivering energy for communities. Beach recognises that climate change is one of the global challenges of this century and understands the role we must play in managing our carbon emissions.

Should the Yolla Infield well prove viable, the BassGas Operations EP will be reviewed to assess whether additional standards and measures for greenhouse gas emissions mitigation are required. This review will be in accordance with the commitments set out in the [Beach Environment Policy](#) and the [Beach Climate Change Policy](#), as well as NOPSEMA's requirement to demonstrate that any impacts will be made acceptable and reduced to ALARP. Beach has an aspiration to reach net zero Scope 1 and 2 emissions by 2050 and a target to reduce operational emissions by 25% by 2025. See further information in Beach's [Sustainability Report](#).

Questions and Answers

Why is Beach drilling the Yolla Infield well?

Natural gas from the Bass Basin has been supplying Australia's east coast gas market for many years. Beach holds several permits in the area near its existing Yolla platform, which directs raw gas to the Lang Lang Gas Plant for processing and supply to Victorian homes and businesses. Beach is required to continue to search for recoverable hydrocarbons in the production license that contains Yolla platform in accordance with requirements set out by the National Offshore Petroleum Titles Administrator (NOPTA). Industry and regulators continue to see tight gas supply for south-east Australia. To positively impact declining production from existing fields as reservoirs deplete, new gas projects need to be undertaken.

Why do we still need natural gas?

Natural gas has a wide variety of uses in our daily lives. This includes generating electricity, residential heating, hot water and cooking. In the industrial sector, gas is a primary heat source for manufacturing glass, steel, cement, bricks, wood, ceramics, tiles, paper and in producing food. Gas is a common ingredient in the manufacturing of fertilisers, plastics, pharmaceuticals and fabrics. The Australian Competition and Consumer Commission's (ACCC) latest [Gas Inquiry](#) in July 2021 forecasts a potential shortfall across the east coast gas market from 2022 onwards, driven by a shortfall in the southern states (Victoria).

What role is natural gas playing as Australia transitions to renewable energy?

Carbon emissions of natural gas are 50% to 70% lower than coal. As old coal fired power stations are removed from Australia's energy mix, electricity powered from natural gas ensures a stable energy supply as our economy transitions to renewable energies. The The Australian Energy Market Operator's ([AEMO](#)) [2020 Integrated System Plan \(ISP\)](#) has forecast more gas is required in all modelled scenarios. In the most ambitious "Step Change" scenario where a 90% reduction in carbon emissions from power generation is achieved by 2041-42, 33% more gas fired electricity generation is required, enabling generation from renewables

to increase by 285%.

Is Beach exporting gas from Bass Strait?

No. The gas Beach produces from Bass Strait is processed at the Lang Lang Gas Plant in Victoria and directly supplied via an existing pipeline into the Australian east coast gas market to meet existing residential and commercial demands.

What about impacts to whales?

Based on the low intensity sound generated from the activities, any impacts to whales will be minor and temporary. Avoidance and disturbance of whales will be managed in accordance with the Environment Protection and Biodiversity Conservation (EPBC) Regulations (2000). This includes adhering to required speeds and distances from whales, and in accordance with mitigation measures set out in the EP.

What about impacts on commercial fishing?

As the Yolla Infield development project area is very small compared to the vast commercial fisheries areas, it is not expected to impact commercial fishing. Beach will consult commercial fishers to ensure each other's activities are understood, and develop mitigation plans if required.

What is an OPEP?

When conducting offshore activities, there is a highly unlikely risk of a release of hydrocarbons (which is primarily natural gas) or a spill from vessels in the event of an accident. Therefore, each EP must include an Oil Pollution Emergency Plan (OPEP) for managing any unlikely hydrocarbon release. Preparation of an OPEP includes modelling a release of hydrocarbons; calculating the spreading, entrainment and evaporation of hydrocarbons over time; assessing the likelihood and consequences of any hydrocarbon release; and detailing a range of control measures and response plans that reduce risks to ALARP.

We welcome your questions and feedback.

Please contact us:

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Please note that all records of stakeholder engagement will be provided to NOPSEMA in accordance with regulations.

