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Energy for a gas-supported transition

Energy for a gas-supported transition

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Beach acknowledges the First Nations peoples of the lands on which we operate, live and gather and acknowledge their continuing connection to land, waters and community in Australia. We acknowledge the elders past and present for they hold the memories, traditions, culture and hopes of all First Nations peoples.

We acknowledge iwi and hapū as tangata whenua of the land on which we operate in New Zealand and, in particular, acknowledge the relationship with Ngāti Manuhiakai hapū as kaitiaki who exercise mana whenua and mana moana within their takiwā.

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About this Report

This 2024 Annual Report is a summary of Beach's operations, activities, sustainability performance and financial position for the 12-month period ended 30 June 2024. In this report, unless otherwise stated, references to 'Beach' and the 'Group', the 'company', 'we', 'us' and 'our' refer to Beach Energy Limited and its subsidiaries. The Glossary defines terms used in this report. This report contains forward-looking statements. Please refer to page 63, which contains a notice in respect of these statements. All references to dollars, cents or \$ in this document are to Australian currency, unless otherwise stated. Due to rounding, figures and ratios in tables and charts throughout this report may not reconcile to totals. An electronic version of this report is available on Beach's website, www.beachenergy.com.au

The 2024 Corporate Governance Statement can be viewed on our website on the Corporate Governance page.

Annual General Meeting

Venue: Adelaide Convention Centre

Address: North Terrace, Adelaide, South Australia 5000

Date: 13 November 2024

For more information, visit: www.beachenergy.com.au/agm



Cover image
Cooper Basin

Inside Front Cover image
Bass Basin

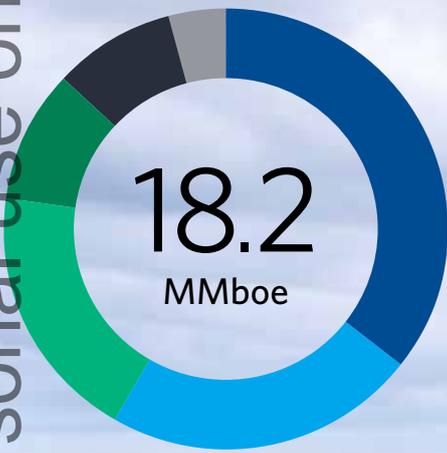
About

Beach Energy

A proud Australian pioneer, Beach is an ASX-listed oil and gas exploration and production company headquartered in Adelaide, South Australia. Founded in 1961, Beach produces gas, oil and natural gas liquids from five basins across Australia and New Zealand, with a strategic focus on the core hubs of East Coast Australia and West Coast Australia.

Beach's vision is to become Australia's leading domestic energy company by delivering leading shareholder returns through the sustainable supply of energy.

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FY24 Production

- Cooper Basin JV 36%
- Otway Basin 22%
- Western Flank 19%
- Taranaki Basin 10%
- Perth Basin 9%
- Bass Basin 4%

FY24

Highlights



Headline Results

Sales Revenue

FY24 \$1,766m
FY23 \$1,617m

Underlying EBITDA

FY24 \$950m
FY23 \$982m

Underlying NPAT

FY24 \$341m
FY23 \$385m

Operating Cash Flow

FY24 \$774m
FY23 \$929m

Dividends Declared

FY24 4.0cps
FY23 4.0cps

Available Liquidity

FY24 \$437m
at year-end



Commercial

Two Waitsia LNG cargoes and one Waitsia condensate cargo lifted

>50% increase in Otway Basin take-or-pay volumes for CY2024

New Enterprise GSA signed

Three-yearly Otway Basin price review process settled

Realised gas price up 8% to \$9.5/GJ



Operational

18.2MMboe
production

Waitsia Stage 2 progressed

Perth Basin gas discoveries and development wells drilled

Enterprise development completed

-99% reliability at the Otway Gas Plant



Sustainability

Moomba CCS progressed; 92% complete at year-end

Inaugural Climate Transition Action Plan released

Decarbonisation goals aligned with the intent of the Paris Agreement

Methane emissions target of <0.2% achieved

Australian Sustainability Reporting Standards gap analysis completed and action plan developed



Safety

>6 months
recordable injury free

Over 1.1 million work hours without a recordable injury

Six years recordable injury free at Beharra Springs, three years at Kupe

No Tier 1 or Tier 2 process safety events

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Strategic Review

Beach undertook a detailed strategic review of its organisational model, asset portfolio, operating and capital cost structures and growth opportunities. The review sought to establish the pathway for returning Beach to being a low-cost operator while earning the right to grow.

Beach's vision is to become Australia's leading domestic energy company by delivering leading shareholder returns through the sustainable supply of energy. A refreshed three-pillar strategy will underpin these endeavours:

- Core Hubs:** Focusing on growing gas market shares in Eastern and Western Australia
- High Margins:** Adopting an owner's mindset to drive low-cost operations and enhanced margins
- Sustainable Growth:** Pivoting to longer-life assets, guided by a disciplined investment framework and Climate Transition Action Plan

Integral to Beach's objectives are the refreshed Operating Principles and the Capital Management Framework. The Operating Principles seek to maximise free cash flow and incorporate ambitious financial targets, including a free cash flow breakeven oil price below US\$30/bbl, field operating costs below \$11/boe and annual sustaining capital expenditure below \$450 million. Gas contracting will focus on enhancing margins through cost-base protection and increased exposure to market pricing upside.

The Capital Management Framework sets the foundation for increasing returns to shareholders. Beach will target a fully franked dividend payout ratio of 40-50% of pre-growth free cash flow while maintaining financial strength with gearing of less than 15%. After payment of dividends, retained cash flow will be available to invest in appropriate growth opportunities in line with Beach's disciplined investment framework.

As Beach earns the right to grow, there will be increasing focus on both organic and inorganic opportunities. A disciplined approach to growth will be critical. Beach will focus on opportunities within its core hubs that provide longer-dated, resilient cash flows to enhance the current portfolio. Producing or development assets must comply with Beach's strict Operating Principles and meet disciplined investment hurdles.

Gas is critical for a sustainable future. It will support energy security as variable renewable energy increases. Beach's vision is aligned with this outlook. The company is uniquely positioned to deliver its refreshed strategy through its existing infrastructure and acreage positions and established presence in the East and West Coast gas markets.

Three pillars to drive shareholder returns



Core Hubs

- Eastern Australia and Western Australia
- Grow share of East and West Coast gas markets
- Maximise value from strategic infrastructure



High Margins

- Owner's mindset
- Low-cost operations
- Structural cost reduction targets
- Optimise commercial outcomes
- Gas storage and peaking adjacencies



Sustainable Growth

- Pivot to long-life, resilient assets
- Climate Transition Action Plan
- Emissions intensity reduction targets
- Disciplined capital allocation

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Our Markets

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Long-term structural deficits highlight the need for more supply

East Coast gas



- ⚡ Reducing coal-fired power, intermittent renewable supply and grid network instability underpin gas demand outlook
- ⬇️ Supply decline of ~30% expected by the early 2030s⁽¹⁾
- 📄 Regulatory support urgently required to encourage investment in new gas supply
- ✅ Beach to play an increasingly important role in East Coast gas supply

West Coast gas



- ✅ New industries and demand opportunities emerging
- ↗️ Accelerated coal retirement aspiration
- ⚡ Demand to grow by ~15% by the early 2030s⁽²⁾
- ⬇️ Supply deficits of ~300 TJ/day expected after coal retirement⁽²⁾

Global LNG + Global oil and liquids



- ⊖ LNG demand growth of ~40% expected by early 2030s as coal-to-gas switch accelerates⁽³⁾
- ↗️ Liquids supply gap increasing, placing upward pressure on prices
- 💰 Beach a new entrant in the global LNG market through Waitisia Stage 2

New Zealand gas



- ⚡ Gas accounts for ~18% of the energy mix and is expected to remain a critical source⁽⁴⁾
- ⚠️ Supply constraints emerging with no new gas developments
- ⬇️ Existing major New Zealand gas fields in decline

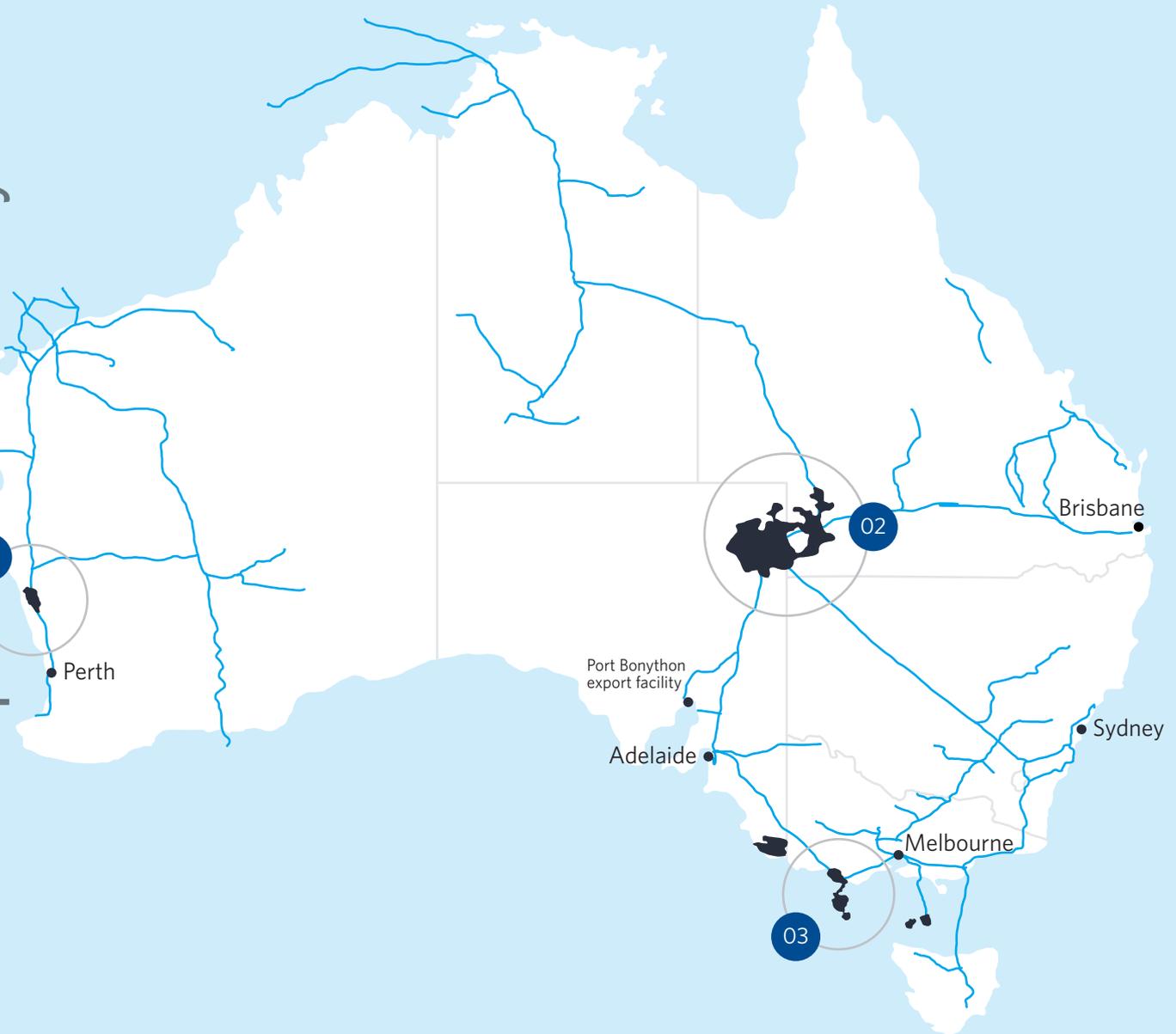
(1) AEMO 2024 Gas Statement of Opportunities (March 2024): Projected annual supply and demand in southern regions, Step Change scenario, supply includes LNG flow from northern regions.
 (2) AEMO 2023 WA Gas Statement of Opportunities (December 2023).
 (3) Woodmac (October 2023).
 (4) New Zealand Ministry of Business, Innovation & Employment (2023).

Our

Core Hubs

Growing East and West Coast gas market shares through advantaged infrastructure and acreage

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Beach has a diverse portfolio of assets spanning onshore and offshore operations

Core Hubs

West Coast Australia

01 Perth Basin

Waitsia

Beach 50% (non-operated)
250 TJ/day Waitsia Gas Plant⁽¹⁾
30 TJ/day Xyris Gas Plant

Beharra Springs

Beach 50% (operated)
25 TJ/day Beharra Springs Gas Plant

East Coast Australia

02 Cooper Basin

Cooper Basin JV

Beach various interests (non-operated)
310 TJ/day Moomba Gas Plant
1.7 Mtpa CO₂ injection capacity⁽¹⁾

Western Flank

Beach 75-100% (operated)
Oil infrastructure
22 TJ/day Middleton Gas Plant

03 Otway Basin (Victoria)

Beach 60% (operated)
205 TJ/day Otway Gas Plant
Gas storage and gas peaking power potential

Non-Core

Otway Basin (South Australia)

Beach 100% (operated)
Katnook Gas Plant

Bass Basin

Beach 100% (operated)
Lang Lang Gas Plant

Taranaki Basin

Beach 50% (operated)
Kupe Gas Plant

(1) Under construction.

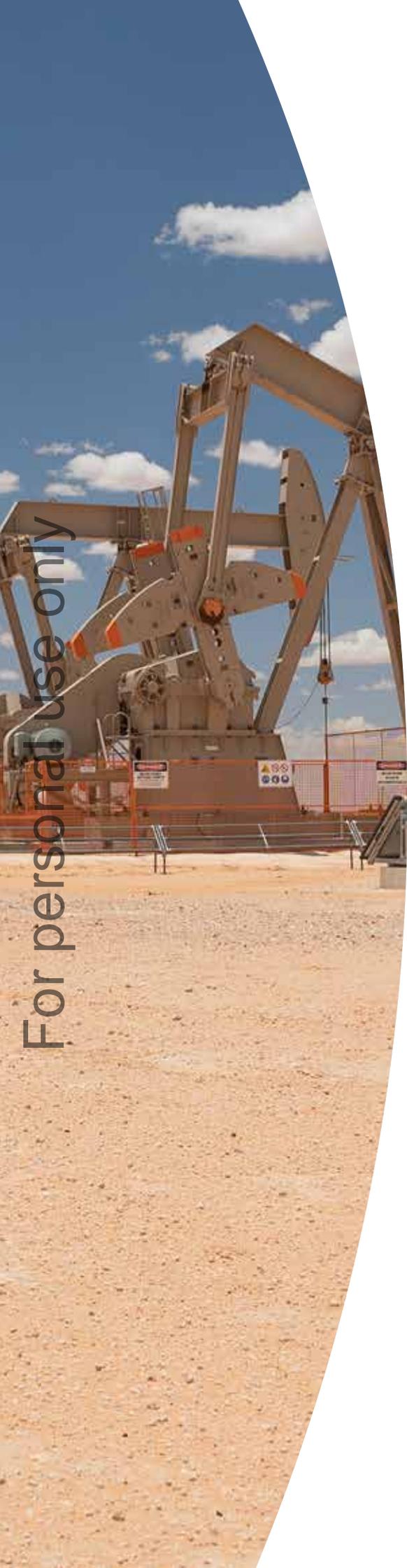
Letter from the Interim Chair



Natural gas is the logical safety net for the foreseeable future to ensure Australians have access to reliable and affordable energy

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Dear Shareholder,

I am pleased to present the 2024 Annual Report for Beach Energy. The past year has been one of transition for the company, with the appointment of a new Managing Director, and an ongoing executive team refresh. We have also restructured the organisation following a detailed strategic review, which has strengthened the business and positions it for future growth.

Over the past year, there has been a significant shift in the understanding of the importance of natural gas to the energy transition throughout the political spectrum and the broader community. The Federal Government's Future Gas Strategy released earlier this year recognises the critical role of natural gas in Australia's energy security in a net zero economy to 2050 and beyond. The policy also highlights the necessity of continued investment in new gas supply, and underscores the gas industry's central role in the energy transition. In simple terms, the greater the reliance on variable renewable energy, the greater the requirement for firming power. Today the best source of dispatchable firming power is supplied by gas.

Given the forecasts of gas shortages, particularly during periods of peak demand along the East and West coasts, the gas sector needs more political support and alignment to ensure an adequate supply of natural gas reaches the market. The current regulatory complexities hinder the industry's ability to discover and develop gas resources, ultimately increasing the costs of delivering this crucial supply to the market.

As Australia embraces the challenge of achieving net zero, it is becoming increasingly clear that current technologies are not yet capable of replacing traditional energy sources either at-scale or economically.

Natural gas is the logical safety net for the foreseeable future to ensure Australians have access to reliable and affordable energy. It is the perfect partner to support the proposed growth in renewable deployment by keeping the lights on when the sun is not shining and the wind is not blowing.

Moreover, gas is critical for supporting Australia's manufacturing sector and keeping our economy advancing, particularly with aspirations such as building one million new homes in five years. These thematic represent a strong opportunity for Beach over the short, medium and long-term horizons, giving us confidence in the outlook for the business. We are excited about the opportunity to be part of this solution.

In addition to supporting Australia's energy transition through the supply of gas, Beach is also actively decarbonising its operations with industry leading projects such as the Moomba Carbon Capture and Storage project with Santos. We are nearing first injection of CO₂ at the project, back into the reservoirs in the Cooper Basin which have safely and securely held gas for millennia.

Moomba CCS plays an important role in our Climate Transition Action Plan which we released in April. The CTAP outlines our target of reducing Scope 1 and 2 equity emissions intensity by 35% by 2030 and our ambition to achieve net zero emissions by 2050.

Beach gained operational momentum towards the end of the year, announcing first gas from the Enterprise field in June, which supported a 31% increase in Otway Basin production in the fourth quarter. We are also on track to connect the Thylacine West field in the first half of FY25, which will provide more well deliverability for the Otway Gas Plant and another new gas supply source for the East Coast.

In the West, construction and pre-commissioning activities for the Waitsia Gas Plant progressed and we are targeting first gas in early-CY2025.

Combined, these projects are expected to deliver higher free cash flow for Beach, which will support our objectives of increasing returns to shareholders while continuing to invest in growth.

It has been a year of substantial change for Beach and one that has set the company up for success in the future. The change in leadership, organisational restructure, cost focus, and project execution in the Otway and Perth Basin assets, have all been key steps to strengthen Beach's core operations and position the business for success in the short to medium term.

I extend my gratitude to the passionate team at Beach for their commitment throughout the year, and I thank them for their dedication to rolling out our new strategy as we strive to become Australia's leading domestic energy provider.

On behalf of the Board, I thank you for your continued support.

Ryan Stokes AO
Interim Chair
12 August 2024

Letter from the Managing Director and Chief Executive Officer



Dear Shareholder,

I am honoured to be writing to you as Beach's Managing Director and Chief Executive Officer.

The first six months in the role have confirmed my original perceptions of Beach and reinforced my decision to join the company. Beach has a proud pioneering history of more than 60 years and a strong culture with talented employees. The company has built a diverse portfolio of oil and gas assets servicing East Coast, West Coast and global markets. The intrinsic value of the portfolio has become more evident with acceleration of the energy transition and the increasing recognition of the critical role that gas will play.

Despite Beach's strengths, it was also clear to me that recent challenges necessitated change within the organisation. To that end, a detailed strategic review was undertaken which I summarise in this letter.

Financial review

Beach reported solid financial results for FY24 and maintained a strong financial position while delivery of major projects continued.

Production of 18.2 MMboe was 7% below the prior year due to lower customer nominations in the Otway Basin, delays in project delivery, weather events in the Cooper Basin and natural field decline. Despite lower production, sales volumes were up 3% to 21.3 MMboe and revenue up 9% to \$1.8 billion driven in part by Waitsia cargo liftings and higher realised oil and gas prices.

The Waitsia cargoes were a great outcome for Beach. Utilising production and stored volumes from the Xyris Gas Plant, together with third-party surplus gas sourced via swap arrangements, two Waitsia LNG cargoes and one condensate cargo were processed and lifted at the North West Shelf. The cargoes contributed sales volumes of 2.1 MMboe and revenue of \$221 million in FY24.

Underlying EBITDA of \$950 million was broadly in line with the prior year and underlying NPAT of \$341 million was 11% below the prior year. Pre-growth free cash flow was \$163 million and the Board declared a final dividend of 2.0 cents per share, resulting in full year dividends of 4.0 cents per share.

Beach ended the financial year in a strong financial position, with \$437 million of available liquidity and net gearing of 15%. This year we refinanced a maturing \$250 million debt facility with a new three-year, \$350 million tranche. It was pleasing to see strong lender support across domestic and international banks and competitive market terms secured.

Operations review

Safety takes precedence at Beach and it was good to see much-improved outcomes in the second half of the year. In the first half, safety performance was not where it needed to be, so we promptly initiated the Stand Together For Safety campaign. Pleasingly, we did not experience a single recordable injury in the second half of the year. This was an important turnaround and we are determined to continue this momentum throughout FY25.

This past year we achieved several operational and project delivery milestones, albeit with some challenges along the way.

In the Otway Basin, the Enterprise development was completed with the nearshore gas field successfully connected to the Otway Gas Plant. With Enterprise online, the East Coast market received an injection of new gas supply at a time when it was desperately needed. The Enterprise development required more than 500,000 work hours to deliver and was completed without a lost-time injury – an outstanding result.

We also progressed the connection of Thylacine West 1 and 2, the final two wells of the offshore Otway Basin campaign. The flowline has been manufactured and transported to Australia. We are targeting first gas from these wells in the first half of FY25 which will provide further well deliverability for the Otway Gas Plant and another new gas source for the East Coast market.

In the Perth Basin, Beach has recently been able to support joint venture operator Mitsui via secondees to help drive the Waitsia Stage 2 contractor, Clough, to address the range of quality issues identified during pre-commissioning of the Waitsia Gas Plant. During the year, a detailed review of schedule and cost was undertaken by the joint venture which resulted in a guidance update to the market. This was obviously disappointing to me, as well as shareholders. Beach's guidance is based on the Operator's assessment and we are targeting first gas from the Waitsia Gas Plant in early-CY2025, followed by a three to four-month production ramp-up period.

A Beach-operated Perth Basin drilling campaign was undertaken during the year and yielded two commercial gas discoveries at Redback Deep and Tarantula Deep and a successful development well at Beharra Spring Deep. The results are encouraging for potential future drilling in the central fairway.

In the Western Flank, we completed a 16 well oil and gas exploration and appraisal campaign, with mixed results. Oil discoveries were made at Bangalee South and Callawonga North and successful appraisal drilling was undertaken in the Martlet field. Several wells were plugged and abandoned and we consequently put on hold further exploration and appraisal drilling. Results from the campaign are being analysed and exploration inventory is being refreshed as we plan for a potential drilling campaign in FY26.

Beach participated in 91 wells in the Cooper Basin JV at an overall success rate of 92%. Several new gas discoveries were made and there was successful appraisal drilling in the Granite Wash reservoir. This new play could provide exciting development opportunities over the coming years. The Moomba CCS project reached mechanical completion shortly after year-end and first CO₂ injection in the first half of FY25 is targeted.

In New Zealand, the Kupe South 9 gas development well was drilled on time and on budget. Unfortunately, the well delivered at low flow rates after connection to the Kupe Gas Plant and well intervention activities to date have not been successful.

Through our diverse asset portfolio and established positions in East and West Coast markets, Beach is well placed to play an increasingly important role in the gas-supported energy transition

Strategic review

During the second half of FY24, Beach undertook a detailed review of its organisational model, asset portfolio, operating and capital cost structures and growth opportunities. The strategic review sought to establish the pathway for returning Beach to being a low-cost operator while earning the right to grow.

Beach's vision is to become Australia's leading domestic energy company. To achieve this, we are guided by a refreshed three-pillar strategy:

- **Core Hubs:** Focusing on growing gas market shares in Eastern and Western Australia
- **High Margins:** Adopting an owner's mindset to drive low-cost operations and enhanced margins
- **Sustainable Growth:** Pivoting to longer-life assets, guided by a disciplined investment framework and Climate Transition Action Plan

Beach will first focus on delivering a profitable and resilient **Base** business. This will earn the right to **Grow** through organic and inorganic opportunities, including potential gas storage at existing sites. In the longer-term, Beach will seek to **Extend** across the value chain by pursuing adjacent opportunities such as gas peaking power.

With the strategic review complete and outcomes being implemented, Beach is well positioned to play an important role in Australia's gas-supported energy transition through our existing infrastructure and acreage positions and established presence in East and West Coast gas markets.

FY25 outlook

FY25 will be another important year for Beach, with the initial focus clearly being on our base business and operational efficiencies and ensuring major projects are delivered in the Perth and Otway basins. Planned activities and focus areas this year include:

- A clear focus on getting our operations and execution right;
- Continuing the strong momentum from FY24 in relation to health, safety and environment performance;

- Working with joint venture partner and operator Mitsui to commission the Waitsia Gas Plant;
- Installing the Thylacine West flowline and bringing these final two development wells from the offshore Otway Basin campaign online;
- Refreshing the inventory of gas exploration prospects in the Perth Basin for a potential FY26 campaign and progressing development plans for the existing discoveries;
- Refreshing the inventory of oil exploration prospects in the Western Flank for a potential FY26 campaign;
- Ongoing oil and gas exploration, appraisal and development drilling in the Cooper Basin JV, including further assessment of the Granite Wash play;
- Working with joint venture partner and operator Santos to commission Moomba CCS;
- Planning for the next phase of offshore Victoria drilling; and
- Commencing initial assessment of the potential for gas storage and gas peaking power utilising existing assets.

Conclusion

As we embark on the new financial year, we do so against the backdrop of ongoing volatility and uncertainty in energy markets. We have again witnessed the fragile state of the East Coast energy market, with a recent spell of cold weather and some production outages resulting in higher winter gas demand and price spikes. It was yet another reminder of the important role gas plays and the critical need for investment in new supply.

To that end, it is an exciting time for Beach. We have a diverse portfolio of oil and gas assets and acreage ideally positioned to service East and West Coast markets, meaning we are uniquely positioned to play an increasingly important role in the gas-supported energy transition.

Furthermore, we do so with a much-strengthened foundation to deliver our near-term priorities and position ourselves for sustainable growth. The strategic review allowed us to establish the pathway for returning Beach to being a low-cost operator while we earn the right to grow.

Our refreshed executive leadership team is passionate, energetic and ready for the journey ahead as Beach returns to its pioneering roots. During the year we welcomed Bill Ovenden as EVP Exploration & Subsurface and promoted David Ross to EVP Technical. We will also soon welcome Fiona Hall as EVP Strategy & Commercial and Glenn Watt as EVP Onshore Assets.

In closing, our new team looks forward to focussing on disciplined delivery of our base business and completing major projects in FY25 which have been several years in the making. In doing so, we aim to earn the right to grow. The expected higher production and cash flow to come from our major projects will support Beach's objectives to deliver increasing returns to shareholders while continuing to invest in sustainable growth.

On behalf of Beach, thank you for your continued support.



Brett Woods
Managing Director and
Chief Executive Officer
12 August 2024

Board of Directors



Ryan Kerry Stokes AO

Non-Executive Director
and Interim Chair
BComm, FAIM

Mr Stokes is the Managing Director and Chief Executive Officer of SGH. SGH is a leading Australian diversified operating and investment group with market leading businesses and investments in industrial services, media and energy. This includes WesTrac, Coates, Boral, Seven West Media (40%), and Beach (30%) He has extensive experience leading large private and public organisations, including experience with corporate transactions, operational discipline, and performance.

Mr Stokes is Chair of WesTrac, Chair of Coates, Chair of Boral, and a non-executive director of Seven West Media. Mr Stokes is Chief Executive Officer of Australian Capital Equity (ACE). ACE is a private company holding a major interest in SGH.

Mr Stokes is Chairman of the National Gallery of Australia and is an Officer of the Order of Australia.

Mr Stokes is an executive director of SGH (since 2010) and a non-executive director of Seven West Media (since 2012) and Boral Limited (since September 2020).

Mr Stokes' special responsibilities include membership of the Remuneration and Nomination Committee. Mr Stokes was appointed to the Board on 20 July 2016 and ceased to be a director in November 2021. He was then appointed an alternate director for Margaret Hall on 1 December 2021 and ceased to be an alternate director on 23 July 2023.

Mr Stokes was re-appointed a non-executive director on 23 July 2023 and elected to the Board on 14 November 2023. Mr Stokes was also appointed Interim Chair effective 14 November 2023.



Brett Woods

Managing Director and
Chief Executive Officer
BSc (Hons) Geology
and Geophysics, AMP Harvard

Mr Woods is a leading senior executive in the energy sector with over 25 years of professional experience. He has an outstanding record of delivering major energy projects, cost and operational discipline and growing businesses in the UK, Africa, Australasia and North America.

Mr Woods began his career with Woodside Energy in the graduate program and held senior technical roles in Australia and Africa. In 2007, Mr Woods became Managing Director and CEO of African start-up Rialto Energy. He was responsible for growing Rialto's business through acquiring new exploration licences in Ghana and Cote d'Ivoire, raising capital and commencing two large drilling campaigns in the highly prospective Transform Margin.

In 2013, Mr Woods joined Santos and quickly moved into the executive leadership team assuming leadership of the Western Australia and Northern Territory Operating Division. Mr Woods led the successful transformation of the Cooper Basin and Gladstone LNG assets and played key roles in the successful acquisitions by Santos of Quadrant Energy, ConocoPhillips' Northern Australian business and Oil Search.

More recently Mr Woods assumed control of the Santos operated infrastructure (LNG, domestic gas, oil fractionation facilities and pipelines) and developed decarbonisation, clean fuels and CCS opportunities through leading the Santos Energy Solutions business.

He was appointed Managing Director and Chief Executive Officer in January 2024.



Bruce Clement

Independent
Non-Executive Director
BEng (Civil) Hons, BSc, MBA

Mr Clement has over 40 years of domestic and international energy industry experience. He has managed oil and gas exploration, development and production operations in Australia and Asia and has delivered key projects across these regions and in the UK and US. He also has extensive experience and knowledge of the Perth Basin, including overseeing the discovery of the Waitsia gas field as Managing Director of AWE.

Mr Clement previously held engineering, senior management, and board positions with several companies including Santos, Norwest Energy, AWE, ExxonMobil and Roc Oil. He is currently a non-executive director of Horizon Oil.

Mr Clement holds a Bachelor of Engineering (Civil) Hons and a Bachelor of Science (Maths & Computer Science) from Sydney University and a Masters of Business Administration from Macquarie University.

He was appointed a non-executive director of Beach Energy Limited on 8 May 2023 and elected to the board on 14 November 2023. Mr Clement was appointed Interim Chief Executive Officer from 9 August 2023 to 28 January 2024. He is Chair of the Risk, Corporate Governance and Sustainability Committee.



Sally-Anne Layman

Independent
Non-Executive Director
BEng (Mining) Hon,
BCom, CPA, MAICD

Sally-Anne Layman is a company director with diverse international experience in the resources sector and financial markets.

Previously, Ms Layman held a range of senior positions with Macquarie Group Limited, including as Division Director and Joint Head of the Perth office of the Metals, Mining & Agriculture Division.

Prior to moving into finance, Ms Layman undertook various roles with resource companies including Mount Isa Mines, Great Central Mines and Normandy Yandal. Ms Layman holds a WA First Class Mine Manager's Certificate of Competency.

Ms Layman is also a non-executive director of Imdex Ltd, Pilbara Minerals Ltd and Newmont Corporation.

Ms Layman holds a Bachelor of Engineering (Mining) Hon from Curtin University and a Bachelor of Commerce from the University of Southern Queensland. Ms Layman is a Certified Practising Accountant and is a member of CPA Australia Ltd, the Australian Institute of Company Directors and Chief Executive Women.

Ms Layman is Chair of the Audit Committee and a member of the Remuneration and Nomination Committee and the Risk, Corporate Governance and Sustainability Committee. She was appointed to the Board in February 2019 and re-elected to the Board on 16 November 2022.

Margaret Hall

Alternative Director for
Mr Ryan Stokes
B Eng (Met) (Hons), GAICD,
MIEAust, SPE

Ms Hall was appointed Alternate Director for Mr Stokes on 23 July 2023. Biographical details regarding Ms Hall are set out within the Director's Report on page 67.



Sally Martin

Independent
Non-Executive Director
BE (Elec), GAICD

Ms Martin is a former senior executive who held various roles at Shell over a 34-year career. She has extensive operational and business team leadership experience in complex industrial environments including refining and trading. Ms Martin has strong ESG credentials, including in energy transition strategy development as Vice President Health, Safety, Security, Environment & Social Performance at Shell.

Ms Martin is an independent non-executive director of copper mining company Sandfire Resources and is the senior independent non-executive director of Porvair Plc, a specialist filtration and environmental technology company.

She holds a Bachelor of Engineering degree from University College Cork, Ireland and is a member of the Australian Institute of Company Directors.

Ms Martin was appointed to the Board on 11 March 2024 and is a member of the Risk, Corporate Governance and Sustainability Committee.



Dr Peter Moore

Lead Independent
Non-Executive Director
PhD, BSc (Hons), MBA, GAICD

Dr Moore has over 40 years of oil and gas industry experience. His career commenced at the Geological Survey of Western Australia, with subsequent appointments at Delhi Petroleum Pty Ltd, Esso Australia, ExxonMobil and Woodside. Dr Moore joined Woodside as Geological Manager in 1998 and progressed through the roles of Head of Evaluation, Exploration Manager Gulf of Mexico, Manager Geoscience Technology Organisation and Vice President Exploration Australia. From 2009 to 2013, Dr Moore led Woodside's global exploration efforts as Executive Vice President Exploration. In this capacity, he was a member of Woodside's Executive Committee and Opportunities Management Committee, a leader of its Crisis Management Team, Head of the Geoscience function and a director of ten subsidiary companies. From 2014 to 2018, Dr Moore was a Professor and Executive Director of Strategic Engagement at Curtin University's Business School. He has his own consulting company, Norris Strategic Investments Pty Ltd.

Dr Moore is recognised by the Australian Geoscience Council as a National Geoscience Champion.

Dr Moore is Chair of the Remuneration and Nomination Committee and a member of the Audit Committee and the Risk, Corporate Governance and Sustainability Committee. He is also Lead Independent Non-Executive Director. Dr Moore was appointed by the Board on 1 July 2017 and last re-elected to the Board on 16 November 2022.



Richard Richards

Non-Executive Director
BComs/Law (Hons),
LLM, MAppFin, CA,
Admitted Solicitor

Mr Richards has been Chief Financial Officer of SGH since October 2013. He is a director of SGH Energy and is a director and Chair of the Audit and Risk Committee of WesTrac and Coates.

He is a director of Boral Limited and is a member of its Audit and Risk Committee and its Safety Committee. He is a director of Flagship Property Holdings and is also a director of Chris O'Brien Lifehouse and Chair of its Audit and Risk Committee.

Mr Richards joined SGH from the diverse industrial group, Downer EDI, where he was Deputy Chief Financial Officer responsible for group finance across the company for three years. Prior to joining Downer EDI, Mr Richards was Chief Financial Officer for the Family Operations of LFG, the private investment and philanthropic vehicle of the Lowy Family for two years. Prior to that, Richard held senior finance roles at Qantas for over 10 years.

Mr Richards is a former director and the Chair of Audit and Risk Management Committee of KU - established in 1895 as the Kindergarten Union of New South Wales, KU is one of the most respected childcare providers in Australia. He was also a member of the Marcia Burgess Foundation Committee.

Mr Richards is both a Chartered Accountant and admitted solicitor with over 30 years of experience in business and complex financial structures, corporate governance, risk management and audit.

Mr Richards is a member of the Audit Committee and the Risk, Corporate Governance and Sustainability Committee. He was appointed to the Board on 4 February 2017 and was last re-elected to the Board on 14 November 2023.

Executive Team



Brett Woods

Managing Director and Chief Executive Officer
BSc (Hons) Geology and Geophysics, AMP Harvard

Mr Woods' biographical details can be read on page 12.



Anne-Marie Barbaro

Chief Financial Officer
B Com, CA (ANZ)

Ms Barbaro is a Chartered Accountant with over 25 years' of professional experience, including 15 years in the energy sector.

Ms Barbaro has held various finance leadership roles since joining Beach in 2018 and was appointed Chief Financial Officer in July 2022. Ms Barbaro is responsible for the finance, corporate planning, tax, treasury, IT, contracts and procurement, insurance and investor relations functions.

Prior to her commencement at Beach, Ms Barbaro has held roles at Santos across finance, marketing and trading, as well as finance roles at Australian Naval Infrastructure and PwC.



Brett Doherty

Interim Executive Vice President Onshore Assets⁽¹⁾
BEng (Electrical), LLB (Hons)

Mr Doherty joined Beach in February 2018 as Group Executive Health, Safety, Environment and Risk, bringing over 30 years of upstream oil and gas experience to Beach. His career includes extensive exposure to both offshore and onshore development and operations.

Prior to Beach, Mr Doherty was General Manager of Health, Safety and Environment at INPEX Australia. He has held several senior international positions during his career, including ten years as the Chief HSEQ Officer at RasGas Company Limited, in the State of Qatar.

Mr Doherty was appointed to the role of Interim Executive Vice President Onshore Assets in April 2024.



Ian Grant

Executive Vice President Offshore Assets
MSc, CMgr FCMI, GAICD

Mr Grant has over 25 years' experience in the energy industry, having held senior leadership and executive roles in operations, projects, drilling and supply chain functions.

Born in Scotland, Mr Grant has extensive North Sea experience and has worked in Europe and Australia with companies such as BP, Apache, Quadrant Energy and Santos.

Most recently Mr Grant was Chief Operating Officer for Quadrant Energy and Vice President of Production Operations for Santos based in Perth.

He is passionate about delivering operations excellence and commercial performance in both onshore and offshore environments.

Mr Grant joined Beach in July 2020 as Chief Operating Officer and was appointed EVP Offshore Assets in April 2024.



Paul Hogarth

Interim Executive Vice President Strategy and Commercial⁽²⁾
BCom

Mr Hogarth has over 25 years of international energy industry experience working in senior commercial, marketing, business development, mergers, acquisitions, divestments and strategy roles in Australia, Europe, Asia, Africa and the USA.

Mr Hogarth joined Beach in October 2018 as General Manager Commercial & Marketing and previously worked for Shell, BG Group and Woodside.

He has deep experience in global energy markets across the energy value chain (upstream, midstream and downstream) and core expertise in energy market entry and commercialisation of energy products, including LNG, pipeline gas, oil, condensate, LPG and electricity.

Mr Hogarth holds a Bachelor of Commerce from Curtin University.

(1) Glenn Watt appointed to the role of Executive Vice President Onshore Assets and will commence in September 2024.

(2) Fiona Hall appointed to the role of Executive Vice President Strategy and Commercial and will commence in November 2024.



Susan Jones

Executive Vice President Environment, Social, Governance and Legal LLB (Hons), GAICD

Ms Jones has over 25 years' experience in legal and non-legal roles in Australia, the US, the UK and northern Africa. Her legal experience covers all aspects of legal operations, mergers, acquisitions, project finance, commodity sales and compliance. She has also held senior commercial and asset management roles.

Previous employers include Total, Woodside, BHP and Ophir. In addition to her in-house experience, Ms Jones has worked at Sidleys (New York) and King Wood Mallesons (Australia).

Ms Jones holds a first class honours LLB and is admitted to practice law in Australia and New York. She is also a Graduate of the Australian Institute of Company Directors.

Ms Jones joined Beach in February 2021, was appointed General Counsel in August 2021 and Executive Vice President Environment, Social, Governance and Legal in April 2024.



Bill Ovenden

Executive Vice President Exploration and Subsurface BSc (Hons) Geology and Geophysics

Mr Ovenden has nearly 40 years' experience in the oil and gas industry, including eight years of exploration and subsurface executive accountability at Santos.

Mr Ovenden has been instrumental in the delivery of successful exploration and development projects in Australia, Papua New Guinea, Asia, North Africa, the Middle East and South America, with companies including Santos, ExxonMobil, Sun Oil, Ampoex and Kufpec. He was closely associated with Santos' acquisitions of Quadrant Energy, ConocoPhillips' northern Australia oil and gas assets and Oil Search.

Mr Ovenden holds a Bachelor of Science (Hons), majoring in Geology and Geophysics, from the University of Queensland.

Mr Ovenden joined Beach in April 2024 in the role of Executive Vice President Exploration and Subsurface. In the role, Mr Ovenden is responsible for group exploration, subsurface assurance and the vitality of the subsurface community.



David Ross

Executive Vice President Safety and Technical BEng (Mech) (Hons), GradDipMgmt

Mr Ross has over 30 years' experience in the oil and gas sector, covering all aspects of the oil and gas supply chain, both upstream and midstream.

Prior to joining Beach, Mr Ross held various leadership, safety, project, technical, maintenance and operational roles in Australia, Canada, South-East Asia, Europe, America and Japan. He is a driven leader renowned for his delivery-focused approach and ability to drive positive change in business outcomes.

Mr Ross holds a Bachelor Engineering Mechanical (Hons), and Graduate Diploma Management. He is a Registered Engineer (QLD and VIC) and Fellow Engineers Australia, Engineering Executive.

Mr Ross joined Beach in 2021 in the role of General Manager Victoria and was subsequently appointed to the role of Executive Vice President Safety and Technical in April 2024. Mr Ross is responsible for technical safety, efficiency and governance.



Thom Rudkin

Acting Executive Vice President People and Culture BCom, MBA

Mr Rudkin has over 16 years' experience in human resources, including five in the oil and gas sector.

Prior to joining Beach, Mr Rudkin held various human resources roles at Santos and has worked with Ventia and Hills Holdings in a number of national human resources and performance improvements positions.

Mr Rudkin joined Beach in 2022 in the role of Head of Human Resources and was subsequently appointed to Acting Executive Vice President People and Culture in March 2024. In the role, Mr Rudkin is responsible for the human resources, organisational development and payroll functions of the company.

Operations Review

Performance overview

Name		FY20	FY21	FY22	FY23	FY24
Production	MMboe	26.7	25.6	21.8	19.5	18.2
2P Reserves	MMboe	352	339	283	255	205
2C Contingent Resources	MMboe	180	191	221	195	181
Sales revenue	\$ million	1,650	1,519	1,749	1,617	1,766
Statutory net profit/(loss) after tax	\$ million	499	317	501	401	(475)
Underlying net profit after tax	\$ million	459	363	504	385	341
Statutory earnings/(loss) per share	cps	21.9	13.9	22.0	17.6	(20.9)
Underlying earnings per share	cps	20.2	15.9	22.1	16.9	15.0
Cash flow from operating activities	\$ million	874	760	1,223	929	774
Net assets	\$ million	2,818	3,088	3,540	3,878	3,313
Net debt/(cash)	\$ million	(50)	48	(165)	166	583
Net gearing ratio	%	n/a	1.5	n/a	4.1	15.0
Fully franked dividends declared per share	cents	2.0	2.0	2.0	4.0	4.0
Shares on issue	million	2,281	2,281	2,281	2,281	2,281
Share price at year end	\$	1.520	1.240	1.725	1.350	1.490
Market capitalisation at year end	\$ million	3,467	2,829	3,935	3,080	3,399

Production

Name	FY23		FY24			Oil Equivalent (MMboe)	Year-on-year change
	Oil Equivalent (MMboe)	Oil (MMbbl)	Sales Gas (PJ)	LPG (kt)	Condensate (kbbbl)		
Perth Basin	1.6	-	9.4	-	-	1.6	4%
Otway Basin (Victoria)	4.5	-	20.3	39	317	4.1	(9%)
Cooper Basin Western Flank	3.9	2.5	3.9	19	136	3.4	(12%)
Cooper Basin JV	6.6	0.8	28.3	55	382	6.5	(1%)
Bass Basin ⁽¹⁾	0.9	-	3.4	7	116	0.8	(13%)
Taranaki Basin	2.1	-	7.6	33	171	1.7	(17%)
Total	19.5	3.3	72.9	153	1,122	18.2	(7%)

(1) Pro-forma production post-acquisition of Prize interest in the Bass Basin assets.

Strict operating principles and a disciplined investment framework

Revenue

\$1.8 billion

Underlying EBITDA

\$950 million

Dividends declared

4.0 cps

Beach reported solid financial results for FY24 and maintained a strong financial position while delivery of major projects continued.

Sales revenue of \$1.8 billion was 9% above the prior year, supported by Waitsia LNG and condensate cargoes and higher realised oil and gas prices. Underlying EBITDA of \$950 million was 3% below the prior year and Underlying NPAT of \$341 million was 11% below the prior year.

Operating cash flow of \$774 million was 17% below the prior year, with impacts from lower production and unavoidable Waitsia LNG processing costs partly offset by cash receipts from Waitsia LNG and condensate cargoes.

Capital expenditure cash flow of \$1,093 million included growth capital expenditure of \$499 million for major projects and sustaining capital expenditure of \$594 million. Pre-growth free cash flow was \$163 million and the Board declared a final dividend of 2.0 cents per share, resulting in full year dividends of 4.0 cents per share.

Beach ended the year with net debt of \$583 million, net gearing of 15% and \$437 million of available liquidity. A maturing \$250 million debt facility was refinanced during the year via a new three-year, \$350 million tranche. There was strong lender support across domestic and international banks and competitive market terms were secured.

Net assets reduced by \$565 million to \$3,313 million. Non-cash impairment charges to the carrying values of certain producing and exploration assets were a material contributor to this reduction.

The strategic review undertaken in the second half of FY24 articulated Beach's Operating Principles, Capital Management Framework and disciplined investment framework. These support the company's objective to increase returns to shareholders while continuing to invest in sustainable growth.

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Perth Basin

Advantaged infrastructure to service West Coast domestic gas and global LNG markets

Production

Total production of 1.6 MMboe was 4% higher than the prior year (FY23: 1.6 MMboe) and comprised 9.4 PJ of sales gas (+4%). Higher production was mainly due to strong customer demand and high plant uptime. The Beach-operated Beharra Springs and the Mitsui-operated Xyris gas plants operated steadily at average rates of 23 TJ/day (gross) and 29 TJ/day (gross), respectively.

Waitsia Stage 2

The Waitsia Stage 2 project is a key element of Beach's growth strategy which aims to develop gas for both the global LNG market and the domestic Western Australia market.

Construction and pre-commissioning activities for the 250 TJ/day Waitsia Gas Plant continued throughout the year. A number of quality issues were identified by the Waitsia Joint Venture as pre-commissioning activities progressed.

A schedule and cost review was conducted and the Joint Venture worked closely with the contractor to advance the project. Beach is targeting first gas from the Waitsia Gas Plant in early-CY2025 and total capital expenditure of \$600–650 million (net to Beach).

Production and stored volumes from the Xyris Gas Plant, together with third-party surplus gas sourced via swap arrangements, enabled processing and lifting of two Waitsia LNG cargoes at the North West Shelf in December 2023 (Beach 50%) and June 2024 (Beach 100%). Beach sold both cargoes to bp under the terms of the previously announced LNG SPA.

Beach was entitled to sell one condensate cargo during the North West Shelf gas processing term due to the liquids content of the gas to be processed. Sale of the cargo occurred in December 2023.

FY24 Highlights

- Production of 1.6 MMboe
- Waitsia Stage 2 progressed
- Two Waitsia LNG cargoes and one Waitsia condensate cargo lifted
- Gas discoveries at Redback Deep and Tarantula Deep
- Beharra Springs Deep and Waitsia development wells drilled

FY25 Focus

- Commissioning and start-up of the Waitsia Gas Plant
- Waitsia Stage 2 development drilling (4–5 wells)
- Development studies for future connection of gas discoveries
- Refresh of gas exploration and appraisal prospects





Contribution

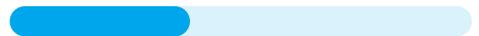
9%

FY24 Production



39%

2P reserves



Exploration and appraisal

Beach concluded its operated gas exploration and appraisal campaign during the year with gas discoveries at Trigg Northwest, Tarantula Deep and Redback Deep.

Tarantula Deep 1 reached total depth of 4,121 metres and intersected a 63-metre gross section of high quality Kingia Sandstone reservoir. The well intersected a gas water contact within the Kingia reservoir with 10 metres of net gas pay. The well was suspended to allow for future development of the discovery.

The Redback Deep 1 well reached total depth of 4,605 metres and intersected 28 metres of net gas pay in high quality Kingia Sandstone reservoir across a 64-metre gross section. The well was completed as a producer and achieved a maximum rate on test of 53 MMscfd on a 84/64" choke with an average rate of 40 MMscfd over a 228-hour test period.

Trigg Northwest 1 was drilled to a total depth of 5,000 metres and intersected gas in the target Kingia Sandstone reservoir. A flow test resulted in a stabilised rate of 0.7 MMscfd on a 32/64" choke which implies low reservoir quality.

Results from the FY24 exploration and appraisal drilling campaign are encouraging for potential future drilling in the central fairway. Analysis of drilling results and refresh of Perth Basin exploration and appraisal inventory are underway which may support a potential drilling campaign in FY26.

Development

The Waitsia 11 development well was drilled to provide additional well deliverability as the Waitsia Gas Plant ramps up to plateau production rates after commissioning and start-up. The well intersected high-quality Kingia reservoir with 24 metres of net gas pay. Waitsia 11 flowed on test at a constrained rate of 68 MMscfd on a 76/64" choke.

The Beharra Springs Deep 2 development well was drilled to develop existing Beharra Springs Deep reserves and to extend the production plateau at the Beharra Springs Gas Plant. The well reached total depth of 4,105 metres and intersected 18 metres of net gas pay across a 54-metre gross section in the Kingia reservoir. A flow test achieved a maximum rate of 26 MMscfd on a 72/64" choke and an average rate of 24 MMscfd over a 72-hour test period.

Acreeage description

Perth Basin producing licence areas include Waitsia (Beach 50%, MEPAU 50% and operator) in licences L 1 and L 2, and Beharra Springs (Beach 50% and operator, MEPAU 50%) in licences L 11 and L 22. The exploration permit is EP 320 (Beach 50% and operator, MEPAU 50%).

Otway Basin

Delivering new gas supply for the East Coast market

Production

Total production of 4.1 MMboe was 9% below the prior year (FY23: 4.5 MMboe) and comprised 20.3 PJ of sales gas (-9%), 39 kt of LPG (-8%) and 317 kbbl of condensate (-2%). The decrease in production was mostly due to lower customer nominations in H1 FY24, partially offset by increased customer nominations in H2 FY24 and connection of Enterprise in June 2024.

The Otway Gas Plant reached nameplate capacity of 205 TJ/day (intraday) during performance testing of the Enterprise field. Enterprise produced ~2 PJ (gross) of sales gas during the first month after connection with rates of up to 68 TJ/day (intraday).

Offshore exploration and development

Beach progressed activities for connection of the Thylacine West 1 and 2 development wells to the Otway Gas Plant. Manufacture and pressure testing of the replacement flowline is complete and the flowline was being transported to site at year-end. Beach is targeting pipeline installation, connection and first gas in H1 FY25.

Planning and community consultation for the next phase of offshore Victoria activity progressed.

Beach is participating in a consortium which secured the Transocean Equinox drill rig, with the rig expected to commence activity in CY2026.

Nearshore Enterprise development

Beach received native title agreement, obtained all regulatory approvals and completed tie-in and construction activities for Enterprise. The project involved one of the longest extended reach wells in the southern hemisphere (five-kilometre lateral section) and was completed without a lost-time injury. The field was successfully connected to the Otway Gas Plant and delivered first sales gas on 12 June 2024.

FY24 Highlights

- Production of 4.1 MMboe
- Three-yearly price review process settled
- >50% increase in take-or-pay volumes for CY2024
- Enterprise online and new GSA signed
- Otway Gas Plant operating reliably at higher rates
- Thylacine West 1 and 2 connection activities progressed
- 99% reliability at the Otway Gas Plant

FY25 Focus

- Safe connection of Thylacine West 1 and 2 to the Otway Gas Plant
- Gas exploration planning focused on prospects of material scale
- Reliable delivery of higher volumes from the Otway Gas Plant





Contribution

22%

FY24 Production



21%

2P reserves



Commercial

Beach settled the three-yearly price review process for Otway Basin gas volumes sold to Origin under the existing GSA. While pricing details remain confidential, the agreed outcome will deliver Beach moderate price increases from CY2024 until the next review on 1 July 2026.

Beach also signed a GSA to supply Origin with gas from the Enterprise field until the end of CY2026. The Enterprise GSA was contracted at competitive market pricing across the period and provides improved Otway Basin gas offtake certainty.

Acreege description

Otway Basin (Victoria) (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%) includes producing nearshore licence VIC/L1(V) which contains the Halladale, Black Watch and Speculant gas fields, nearshore production licence VIC/LO07745(V), containing the Enterprise gas field, and offshore licences VIC/L23, T/L2, T/L3 and T/L4 which contain the Geographe and Thylacine gas fields. Gas from all producing fields is processed at the Otway Gas Plant.

Otway Basin (Victoria) also comprises non-producing nearshore VIC/P42(V) (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), and offshore licences VIC/P43 (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), containing the Artisan gas discovery, VIC/P73 (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), containing the La Bella gas field and T/30P (Beach 100%). It also comprises the nearshore exploration permit VIC/P007192(V) (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), onshore exploration permit PEP 168 (Beach 50% and operator, Essential Petroleum Exploration 50%), and onshore production licences PPLs 6 and 9 (Lochard Energy 90% and operator, Beach 10%).

Otway Basin (South Australia) comprises producing licences PPLs 62, 168 and 202 (Beach 100%), retention licences PRL 32 (Beach 70% and Cooper Energy 30%) and PRLs 1 and 2 (Beach 100%), exploration licences PEL 494, which contains the Dombey gas field, and PEL 680 (Beach 70% and Cooper Energy 30%). Otway Basin (South Australia) also comprises gas storage licences GSEL 654 (Beach 70% and Cooper Energy 30%) and GSRL 27 (Beach 100%), as well as a geothermal licence GEL 780 (Beach 100%).

Western Flank

Refreshing exploration inventory for potential future drilling campaigns

Production

Total production of 3.4 MMboe was 12% below the prior year (FY23: 3.9 MMboe) and comprised 2.4 MMbbl of oil (-11%), 3.9 PJ of sales gas (-15%), 19 kt of LPG (-14%) and 136 kbbl of condensate (-16%). The decrease in production was mainly due to natural field decline and production interruptions from heavy rain in the Western Flank, partially offset by new oil well connections early in the year.

Exploration and appraisal

Beach completed a 16-well oil exploration and appraisal drilling campaign with two discoveries made. Bangalee South 1 and Callawonga North 1 targeted the Namur reservoir and were brought online during the year. Exploration wells in the Chadinga, Green Bay, Marion, Saro, Skyrocket, Tractor, Windmill West and Wooley Rock fields were plugged and abandoned.

Three appraisal wells (Growler 22, Kangaroo 4 and Mustang 4) targeted the Birkhead reservoir in the outer flank of each field. All three wells had oil shows, however, were plugged and abandoned due to a lack of reservoir development and net pay. The Coorong 2 and Magic Beach 2 appraisal wells targeted the Namur reservoir and were also plugged and abandoned. The final well of the campaign, Martlet 10, intersected 3.6 metres of net oil pay in the Namur reservoir and was cased and suspended. The well was brought online in late FY24.

Beach is analysing campaign results and reworking existing data sets to refresh exploration inventory for a potential campaign in FY26.

Development

Two horizontal oil development wells were drilled in the Growler and Spitfire fields as follow-up to the FY23 drilling campaign. Growler 21 and Spitfire 10 targeted the Birkhead reservoir and intersected 251 metres and 314 metres of net pay, respectively. The wells were brought online during the period.

FY24 Highlights

- Production of 3.4 MMboe
- Oil discoveries at Bangalee South and Callawonga North
- Two horizontal oil development wells drilled and connected

FY25 Focus

- Refresh exploration inventory for potential FY26 drilling
- Oil development drilling from Q4 FY25
- Optimisation initiatives for sustainable cost savings





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Contribution

19%

FY24 Production



8%

2P reserves



Acreege description

Western Flank oil producing assets include ex PEL 91 (Beach 100%), ex PEL 104/111 (Beach 100%) and ex PEL 92 (Beach 75% and operator, Cooper Energy 25%). Western Flank gas producing assets include ex PEL 106 (Beach 100%) and the Udacha Block - PRL 26 (Beach 100%). Non-producing assets include ex PEL 101 (Beach 100%), ex PEL 182 (Beach 100%), ex PEL 107 (Beach 100%), and ex PEL 218 (Beach 100%). Beach also owns gas storage assets including GSEL 634 (Beach 75% and operator, Cooper Energy 25%), and GSELS 645, 646, 648 and 653 (all Beach 100%).

Cooper Basin JV

Focusing on structural cost and capital expenditure reductions with the operator

Production

Total production of 6.5 MMboe was 1% below the prior year (FY23: 6.6 MMboe) and comprised 0.8 MMbbl of oil (-15%), 28.3 PJ of sales gas (+3%), 55 kt of LPG (-4%) and 382 kbbl of condensate (-12%). The decrease in production was mainly due to natural field decline, planned and unplanned downtime and interruptions from weather events, partially offset by new well connections and performance improvement activities.

Exploration, appraisal and development

Beach participated in 91 wells, including four wells drilling ahead at year-end. An overall success rate of 92% was achieved from two oil exploration wells, 10 oil development wells, five gas exploration wells, 42 gas appraisal wells and 28 gas development wells.

An oil discovery was made in the Watkins North field and gas discoveries were made in the Beereenlah, Frizzle, Nhuganha Ngakalanga and Serpentine fields. The wells were cased and suspended as future producers and analysis of results is underway to determine the potential for follow-up activity.

Gas appraisal drilling included continuation of the 22-well campaigns targeting expansion of the Moomba South and Moomba North Patchawarra development areas. Other appraisal drilling was conducted in the Beeree, Coloy, Gidgealpa, Kappa, Moomba, Napowie, Psyche and Tindilpie fields.

Two horizontal gas appraisal wells were drilled targeting the Granite Wash reservoir. Moomba 304 was brought online in November 2023 and flowed at a peak daily rate of 9.1 MMscfd (gross). Moomba 389 was drilled, cased and suspended in May 2024. The wells will provide valuable data toward defining a development strategy for the Granite Wash reservoir.

Oil development drilling was undertaken in the Bugito, Charo, Cocinero, Granchio and Hobbes fields with 10 wells cased and suspended. Gas development drilling activity included multi-well campaigns in the Barrolka, Fly Lake, Gooranie, Meranji, Nephrite South and Toolachee fields. Other development drilling was conducted in the Gidgealpa, Kappa, Moomba, Psyche, Tarwonga, Tindilpie, Tirrawarra and Winninnia North fields.

FY24 Highlights

- Production of 6.5 MMboe
- 87 wells drilled with an overall success rate of 92%
- Oil discovery at Watkins North
- Gas discoveries at Beereenlah, Frizzle, Serpentine and Nhuganha Ngakalanga
- Successful appraisal drilling targeting the Granite Wash reservoir
- Moomba CCS progressed, 92% complete at year-end

FY25 Focus

- First CO₂ injection at Moomba CCS
- Assess potential of the Granite Wash reservoir
- Optimisation initiatives for sustainable cost reduction





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Contribution

36%

FY24 Production



26%

2P reserves



Moomba CCS

Moomba CCS will deliver a material reduction in Beach’s CO₂ emissions through use of depleted reservoirs to sequester up to 1.7 million tonnes of CO₂ per annum (gross), representing more than 0.5 million tonnes of CO₂ per annum net to Beach.

The Moomba CCS project progressed and was 92% complete at year-end (as reported by operator, Santos). Key activities included continued site construction, installation of downhole equipment, flow testing for all four injector wells and commencement of commissioning activities. The project achieved mechanical completion on 6 July 2024.

Acreege description

Beach owns non-operated interests in the South Australian Cooper Basin joint ventures (33.40% in SA Unit ,27.68% in Patchawarra East, 40% in SWCB, and 33.4% in TAP), the South West Queensland joint ventures (various interests of 30% to 52.5%) and ATP 299 (Tintaburra; Beach 40%), which are collectively referred to as the Cooper Basin JV. Santos is the operator.

Bass Basin

Assessing potential for gas storage and gas peaking power

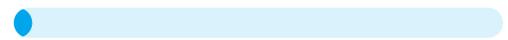


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Contribution

4%

FY24 Production



1%

2P reserves



Production

Total production of 0.8 MMboe was 13% lower than the prior year (FY23: 0.9 MMboe) and comprised 3.4 PJ of sales gas (-12%), 7 kt of LPG (-11%) and 116 kbbl of condensate (-14%). The decline in production was mainly due to natural field decline and planned and unplanned downtime at the Lang Lang Gas Plant for maintenance and well intervention activities.

Development

As part of the strategic review, Beach finalised its assessment of White Ibis, Bass, Trefoil and Yolla West and concluded that development does not meet minimum investment requirements. Consequently, development planning activities have ceased.

Beach will focus on extracting value through operational efficiencies and potential alternative uses for the Bass Basin infrastructure. Gas storage and gas peaking power opportunities will be assessed.

Beach continues to undertake various performance improvement and development initiatives to maximise throughput and production from the Lang Lang Gas Plant.

Commercial

Beach and Prize signed a Sale and Purchase Agreement with an effective date of 1 July 2023 under which Prize's Bass Basin interests transferred to Beach. No purchase consideration was paid by Beach. A payment from Prize to Beach was made to partially cover Prize's share of future rehabilitation liabilities. Beach now owns 100% of the Bass Basin assets.

Acreeage description

Bass Basin operations include production from the Yolla field, situated approximately 140 km off the Gippsland coast in licence T/L1 (Beach 100%, pending Government approvals). Gas from the Yolla field is piped to the Lang Lang Gas Plant located near the township of Lang Lang, approximately 70 km southeast of Melbourne. Beach also holds a 100% interest (pending Government approvals) in licences T/L5, T/RL4 and T/RL5, which capture the Trefoil, White Ibis and Bass discoveries.

FY24 Highlights

- Production of 0.8 MMboe
- Increased Bass interest to 100%
- Finalised assessment of White Ibis, Bass, Trefoil and Yolla West discoveries

Non-core operating philosophy

- Safety takes precedence
- Small, focused operational teams
- Target self-sustaining/self-funding operations
- Compliant with strict operating principles
- Selective capital investment only

Taranaki Basin

Supporting New Zealand's energy security



Contribution

10%

FY24 Production



5%

2P reserves



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Production

Total production of 1.7 MMboe was 17% below the prior year (FY23: 2.1 MMboe) and comprised 7.6 PJ of sales gas (-17%), 33 kt of LPG (-17%) and 171 kbbl of condensate (-23%). The decrease in production was mainly due to natural field decline and planned downtime at the Kupe Gas Plant for integrity inspections, maintenance activities and drilling of the Kupe South 9 development well.

The four-yearly integrity shutdown of the Kupe Gas Plant involved statutory plant inspections and various maintenance activities. The shutdown required approximately 54,000 workhours with all health, safety and environment targets achieved.

Development

The Kupe South 9 development well was drilled and completed during the period. Kupe South 9 was drilled to a total depth of 3,630 metres and intersected 26 metres of net gas pay across two separate flow units within the eastern fault block of the field. Kupe South 9 intersected the reservoir deeper than expected and the well delivered at reduced productivity following connection to the Kupe Gas Plant. Pressure data from the well confirmed depletion from the existing wells. Well intervention activities were completed in Q4 FY24 and did not improve rates.

Acreeage description

New Zealand operations comprise the offshore Kupe field (Beach 50% and operator, Genesis 46%, NZOG 4%) in the Taranaki Basin. Beach produces gas from Kupe, situated approximately 30 km off the New Zealand north island coast in licence PML 38146. Gas from the Kupe field is piped to the onshore Kupe Gas Plant.

FY24 Highlights

- Production of 1.7 MMboe
- Four-yearly integrity shutdown complete
- Achieved three years recordable injury free
- >98% reliability at the Kupe Gas Plant

Non-core operating philosophy

- Safety takes precedence
- Small, focused operational teams
- Target self-sustaining/self-funding operations
- Compliant with strict operating principles
- Selective capital investment only

Reserves Statement

Net to Beach at 30 June 2024

Beach ended the financial year with 205 MMboe of 2P oil and gas reserves (30 June 2023: 254.7 MMboe). The decrease was attributable to production (18.2 MMboe) and revisions across some assets. Key elements include:

- Otway Basin: Evaluation of Enterprise and Thylacine North reservoir performance. Wells are producing at rates consistent with expectations, but pressures are declining faster than anticipated.
- Perth Basin: Exploration success at Redback Deep and Tarantula Deep has been offset by evaluation of re-processed seismic over the Beharra Springs Deep field and Beharra Springs Deep 2 drilling results.
- Taranaki Basin: Kupe South 9 drilling results.
- Cooper Basin JV: Re-classification of contingent resources to reserves, dominated by Moomba Patchawarra, and adjustments to developed reserves following evaluation of well performance during the year.

The proportion of 2P developed reserves has increased to 70% (30 June 2023: 55%) reflecting progress on the Waitsia Gas Plant in preparation for further LNG sales, and completing connection of Enterprise to the Otway Gas Plant.

Beach ended the financial year with 181.4 MMboe of 2C contingent resources (30 June 2023: 195.3 MMboe). The decrease was mainly attributable to divestment of the Petrel field in the Bonaparte Basin.

2P storage capacity of 4.4 Mt remains unchanged. 2C storage contingent resources of 65.8 Mt have increased following assessment of additional storage reservoirs for the Moomba carbon capture and storage project.

Key Metrics	Note	YEJ22	YEJ23	YEJ24
1P reserves (MMboe)		146	118	109
2P reserves (MMboe)		283	255	205
3P reserves (MMboe)		466	405	320
2C contingent resources (MMboe)		221	195	181
2P reserves life (Years)	1	12.9	13.1	11.3

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All Products (MMboe)

1P Reserves	Note	YEJ23	Production	Acquisition/ Divestment	Exploration	From Contingent Resources	Other	YEJ24
Western Flank Oil	2, 3	6.2	2.5	0.0	0.1	0.0	2.1	5.9
Western Flank Gas	4	1.7	1.0	0.0	0.0	0.0	1.2	1.9
Cooper Basin JV	5	28.3	6.5	0.0	0.0	1.7	-1.8	21.7
Perth Basin	6	37.5	1.6	0.0	2.3	0.0	3.5	41.7
Otway Basin	7, 8	27.5	4.1	0.0	0.0	0.0	4.5	27.9
Bass Basin	9	0.6	0.8	0.1	0.0	0.0	0.5	0.4
Taranaki Basin	10	15.8	1.7	0.0	0.0	0.0	-4.3	9.8
Total		117.6	18.2	0.1	2.4	1.7	5.7	109.3

All Products (MMboe)

1P Reserves	Note	Gas (PJ)	LPG (kt)	Condensate (MMbbl)	Oil (MMbbl)	Total	Developed	Undeveloped
Western Flank Oil	2, 3	0	0	0.0	5.9	5.9	5.6	0.3
Western Flank Gas	4	8	35	0.3	0.0	1.9	0.9	1.0
Cooper Basin JV	5	105	156	1.3	1.1	21.7	15.2	6.5
Perth Basin	6	243	0	0.0	0.0	41.7	31.6	10.1
Otway Basin	7, 8	139	247	2.0	0.0	27.9	27.9	0.0
Bass Basin	9	2	8	0.1	0.0	0.4	0.4	0.0
Taranaki Basin	10	43	188	0.9	0.0	9.8	9.8	0.0
Total		540	634	4.6	7.0	109.3	91.4	17.9

All Products (MMboe)

2P Reserves	Note	YEJ23	Production	Acquisition/ Divestment	Exploration	From Contingent Resources	Other	YEJ24
Western Flank Oil	2, 3	16.1	2.5	0.0	0.3	-0.2	-0.7	13.0
Western Flank Gas	4	2.4	1.0	0.0	0.0	0.0	1.1	2.5
Cooper Basin JV	5	63.2	6.5	0.0	0.1	3.9	-7.6	53.1
Perth Basin	6	86.5	1.6	0.0	4.8	0.0	-9.8	79.9
Otway Basin	7, 8	62.9	4.1	0.0	0.0	0.0	-16.0	42.8
Bass Basin	9	4.2	0.8	0.5	0.0	0.0	-0.9	3.0
Taranaki Basin	10	19.4	1.7	0.0	0.0	0.0	-7.0	10.7
Total		254.7	18.2	0.5	5.2	3.7	-40.9	205.0

Reserves Statement

2P Reserves	Note	All Products (MMboe)						
		Gas (PJ)	LPG (kt)	Condensate (MMbbl)	Oil (MMbbl)	Total	Developed	Undeveloped
Western Flank Oil	2, 3	0	0	0.0	13.0	13.0	11.4	1.6
Western Flank Gas	4	11	46	0.4	0.0	2.5	1.3	1.2
Cooper Basin JV	5	245	349	2.8	5.4	53.1	34.6	18.5
Perth Basin	6	465	0	0.0	0.0	79.9	38.9	41.0
Otway Basin	7, 8	214	365	3.0	0.0	42.8	42.8	0.0
Bass Basin	9	12	46	0.5	0.0	3.0	3.0	0.0
Taranaki Basin	10	47	206	0.9	0.0	10.7	10.7	0.0
Total		994	1,012	7.6	18.4	205.0	142.7	62.3

2C Contingent Resources	Note	All Products (MMboe)									
		YEJ23	Additions	to Reserves	Other	YEJ24	Gas (PJ)	LPG (kt)	Condensate (MMbbl)	Oil (MMbbl)	Total (MMbbl)
Western Flank Oil	2, 3	12.9	0.0	0.2	-1.0	12.1	0	0	0.0	12.1	12.1
Western Flank Gas	4	1.2	0.0	0.0	0.1	1.3	4	21	0.3	0.0	1.3
Cooper Basin JV	5	73.6	0.0	-2.2	5.5	76.9	356	323	2.8	10.2	76.9
Perth Basin	6	5.4	6.4	0.0	0.1	11.9	69	0	0.0	0.0	11.9
Otway Basin	7, 8	30.4	0.0	0.0	-0.5	29.9	169	59	0.5	0.0	29.9
Bass Basin	9	33.7	3.6	0.0	-9.1	28.2	124	409	3.8	0.0	28.2
Taranaki Basin	10	4.5	0.0	0.0	0.0	4.5	18	78	0.8	0.0	4.5
Bonaparte Basin		22.6	-22.6	0.0	0.0	0.0	0	0	0.0	0.0	0.0
Total Conventional		184.3	-12.6	-2.0	-4.9	164.8	740	890	8.2	22.3	164.8
Unconventional	11	11.0	0.0	0.0	5.6	16.6	61	297	3.8	0.0	16.6
Total		195.3	-12.6	-2.0	0.7	181.4	801	1,187	12.0	22.3	181.4

Carbon Dioxide (Mt)							
1P Storage Capacity	Note	YEJ23	Injection	Acquisition/ Divestment	From Contingent Resources	Other	YEJ24
Cooper Basin	12	3.1	0.0	0.0	0.0	0.0	3.1
Total		3.1	0.0	0.0	0.0	0.0	3.1

Carbon Dioxide (Mt)							
2P Storage Capacity	Note	YEJ23	Injection	Acquisition/ Divestment	From Contingent Resources	Other	YEJ24
Cooper Basin	12	4.4	0.0	0.0	0.0	0.0	4.4
Total		4.4	0.0	0.0	0.0	0.0	4.4

Carbon Dioxide (Mt)						
2C Storage Contingent Resources	Note	YEJ23	Additions	To Storage Capacity	Other	YEJ24
Cooper Basin	12	11.6	54.2	0.0	0.0	65.8
Total		11.6	54.2	0.0	0.0	65.8

Notes to the Reserves Statement

Reserves and resources estimates are prepared in accordance with the 2018 update to the Petroleum Resources Management System (SPE-PRMS). Storage resources are prepared in accordance with the 2017 CO₂ Storage Resources Management System (SPE-SRMS). Both systems are sponsored by the Society of Petroleum Engineers (SPE), World Petroleum Council, American Association of Petroleum Geologists, Society of Petroleum Evaluation Engineers, Society of Exploration Geophysicists, Society of Petrophysicists and Well Log Analysts and the European Association of Geoscientists & Engineers.

The statement presents Beach's net economic interest estimated at 30 June 2024 using a combination of probabilistic and deterministic methods. Each category is aggregated by arithmetic summation. Note that the aggregated 1P category may be a very conservative estimate due to the portfolio effects of arithmetic summation.

Reserves are stated net of fuel, flare and vent at reference points generally defined by the custody transfer point of each product. Waitisia reserves include 30 PJ of fuel used for LNG processing through the NWS facilities in Karratha.

Conversion factors used to evaluate oil equivalent quantities are sales gas and ethane: 171,940 boe per PJ, LPG: 8.458 boe per tonne, condensate: 0.935 boe per bbl and oil: 1 boe per bbl.

The estimates are based on, and fairly represent, information and supporting documentation prepared by, or under the supervision of, Qualified Petroleum Reserves and Resources Evaluators (QPRRE) employed by Beach. The QPRRE are Scott Delaney, Paula Pedler and Mark Sales, who are all members of SPE.

The reserves statement, as a whole, is approved by Ms Paula Pedler (Head of Reservoir Engineering). Ms Pedler is employed by Beach and has a Bachelor of Engineering (Honours) degree from the University of Adelaide. She has more than 30 years of relevant experience. The reserves statement has been issued with the prior written consent of Ms Pedler as to the form and context in which the estimates and information are presented.

Beach prepares its reserves and resources estimates annually as specified in the Beach reserves and resources policy. This policy also details the internal governance and external audit requirements of the reserves and resources estimation process.

An independent audit of Beach's reserves at 30 June 2024 was conducted by Netherland, Sewell & Associates Inc. (NSAI). In NSAI's opinion the reserves estimates are reasonable when aggregated at the 1P, 2P and 3P levels and have been prepared in accordance with generally accepted petroleum engineering and evaluation principles set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the SPE. The audit encompassed 95% of 2P reserves, including 94% of developed reserves and 98% of undeveloped reserves. Contingent resources have not been audited.

Notes

- (1) 2P reserves life is calculated as 2P reserves divided by annual production.
 (2) Western Flank Oil reserves and resources are contained within the tenements listed in the table below.

	ex PEL 91	ex PEL 92	ex PEL 104/111	Other
1P (%)	31	25	44	0
2P (%)	38	24	38	0

- (3) Other includes PPL203/209/213/214/241/251.
 (4) Western Flank gas reserves and resources are contained within the tenements listed in the table below.

	ex PEL 91/106, PRL 26	PPL270
1P (%)	63	37
2P (%)	64	36

- (5) Cooper Basin JV comprises the Fixed Factor Agreement, Patchawarra East, SWQ Gas Unit, Naccowlah, Aquitaine B, Total 66, Tintaburra and ex PEL513/632.
 (6) Perth Basin reserves and resources are contained within L1/2, L11/22 and EP320.
 (7) Otway Basin reserves and resources are contained within the tenements listed in the table below.

	T/L2/3, VIC/L23	VIC/L1(V)/L007745(V)	Other
1P (%)	77	23	0
2P (%)	76	24	0

- (8) Other includes VIC/P43/73 and PPL62/168/202, PRL32, PEL494.
 (9) Bass Basin reserves and resources are contained within the tenements listed in the table below.

	T/L1	T/RL2/4
1P (%)	100	0
2P (%)	100	0

- (10) Taranaki Basin reserves and resources are contained within PML38146.
 (11) Unconventional resources are contained within the Cooper Basin JV (Fixed Factor Agreement).
 (12) Storage capacity and resources are contained within GSL1/2/3/4.

Sustainability Report

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Beach is proud of its role in supplying reliable, affordable energy to households and industry

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Energy for a sustainable transition

As a member of the energy industry, Beach is committed to playing its part in supporting a transition in how energy is produced and used to address the challenges of climate change. Affordability, accessibility and security of energy for all sectors of society is key to a just transition, and Beach is an important contributor to this transition.

Gas is recognised by the Australian Energy Market Operator (AEMO) as continuing to play a key role in the energy transition, especially as coal-fired generation is retired. This transition is well underway with renewables currently accounting for almost 40% of electricity.⁽¹⁾ AEMO states that gas is a source of energy which continues to be essential to society.⁽²⁾

Beyond household uses such as cooking and heating, Beach's gas is used in industry where energy needs cannot be met by the current generation of renewables. Mining, mineral production, steel production, aluminium, cement, bricks and glass all need a reliable energy source. Gas is an essential feedstock in other industrial processes including the making of plastics, chemicals, pharmaceuticals and fertilisers.⁽³⁾

The Future Gas Strategy published by the Australian Government Department of Industry, Science and Resources in May 2024 affirmed the role of gas in Australia and provided six guiding principles:

- Australia is committed to supporting global emissions reductions to reduce the impacts of climate change and will reach net zero emissions by 2050.
- Gas must remain affordable for Australian users throughout the transition to 2050.
- New sources of gas supply are needed to meet demand during the economy-wide transition.
- Reliable gas supply will gradually and inevitably support a shift towards higher-value and non-substitutable gas uses. Households will continue to have a choice over how their energy needs are met.
- Gas and electricity markets must adapt to remain fit for purpose throughout the energy transformation.
- Australia is, and will remain, a reliable trading partner for energy, including LNG and low emission gases.

The Australian domestic demand for gas is forecast to be consistent through to 2035, with likely increases in demand in the west coast gas market. Significant supply gaps are forecast to emerge by 2028 in the east coast gas market, and by 2030 in the west coast gas market.⁽⁴⁾

Beach is aligned with the Future Gas Strategy, striving to deliver new gas into the market while maintaining its commitment to support emissions reductions. This supports the security and availability of affordable energy for Australia.

Beach's Cooper Basin crude oil contributes to national fuel security. It is highly sought after by the market as it is low in sulphur, allowing it to be simply processed at a modern refinery into high quality transportation fuels which meet regulated specifications.

To support the energy transition, Beach is committed to decarbonisation and has set a 2030 target consistent with the intent of the Paris Agreement to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.⁽⁵⁾

Beach has a target to reduce Scope 1 and 2 equity emissions intensity by 35% by 2030, measured against Beach's 2018 baseline.

This target is aligned with the Australian Government's Nationally Determined Contribution of a 43% reduction by 2030 against a 2005 baseline. It falls within the envelope of pathways to limit global warming to below 2°C.

Beach released its inaugural Climate Transition Action Plan (CTAP) in April 2024. There has been significant investment in decarbonising operations through the Moomba CCS project, which is expected to be operational in FY25. Moomba CCS will make a significant contribution towards achieving the emissions reduction target. Beach will continue to assess other opportunities to further decarbonise, guided by its strict operating principles and disciplined investment framework.

(1) 2024 Integrated System Plan (ISP) published by AEMO.

(2) 2024 Gas Statement of Opportunities (GSOO) published by AEMO.

(3) 2024 Budget Submission, Australian Energy Producers.

(4) Future Gas Strategy, published by the Australian Government Department of Industry, Science and Resources, 2024.

(5) Paris Agreement to the United Nations Framework Convention on Climate Change, 2015.

How Beach approaches reporting and materiality

In determining its material topics and reporting, Beach takes account of reporting guidelines, stakeholder feedback and its internal experts. The setting of material topics focuses Beach's efforts on its progress towards a sustainable future.

Reporting guidelines

This Sustainability Report has been prepared in alignment with the Global Reporting Initiative Standards. It focuses on the topics which have a material impact on stakeholders and sustainability performance. Throughout the report connections to the relevant United Nations Sustainable Development Goals have been highlighted.

In FY24 Beach completed a readiness assessment for the *Australian Sustainability Reporting Standards* (ASRS), which are expected to come into force from 1 January 2025. ASRS requires a Sustainability Report be published as a separate chapter of the Annual Report. This year Beach has integrated its Sustainability Report with the Annual Report. It is anticipated that an ASRS compliant Sustainability Report will be first published in 2026.

External assurance

FY has provided limited assurance in respect to some of the key metrics in this report. A copy of the assurance report detailing these metrics is available on page 54.

Materiality

Consistent with the Sustainability Policy, Beach assesses and addresses material sustainability risks. This requires consideration of the aspects of sustainability to determine those that are most significant to Beach and its stakeholders, such as climate change and community impact.

Once identified, material topics become the primary focus areas where efforts are prioritised to make a step change in sustainability performance.

In FY23 a detailed review of material topics was conducted based on known sustainability frameworks.⁽¹⁾ This approach incorporated feedback from subject matter experts within Beach and external stakeholders such as investors, regulators and community members.

Engagement with stakeholders⁽²⁾ to obtain this feedback includes regular meetings and presentations, surveys, open forums, event participation and company reporting.

In FY24 a test and validate methodology was employed to review the material topics. The process identified forces of change in Beach's operating context and considered the likely impact on the detailed materiality assessment. It was determined that the existing material topics remain relevant to Beach and they were retained.

This Sustainability Report is structured around the material topics, which inform the disclosures that are made and the performance targets that are set for FY25. The report also includes important topics which, while not classified as material, still have significance to Beach.

Material topics

Climate change

-  Climate adaptation, resilience and transition
-  Greenhouse gas emissions

Employees

-  Diversity, equity and inclusion
-  Health and safety

Community

-  Indigenous participation
-  Community engagement and investment

Important topics

-  Economic prosperity
-  Environment
-  Governance

(1) GRI Standards 2021 (particularly Standard 101, Section 1.3, "Materiality"), GRI 11: Oil and Gas Sector 2021 and Ipieca Sustainability Guide 2020.

(2) Beach engages with groups including employees, local communities, First Nations peoples in Australia, iwi and hapū in New Zealand, customers, investors, financial institutions, joint venture participants, industry peers, regulators, contractors and suppliers, media, government (local, state and federal) and non-government organisations (NGOs).



Beach's commitment to sustainability reporting supports progress towards SDG 12.6 Encourage companies to adopt sustainable practices and sustainability reporting.

Climate adaptation, resilience and transition

Beach recognises the need to take action to reduce climate change and its impacts

Management approach

Australia's energy transition is well underway and gas is expected to play a critical role in supporting that transition. The least cost path to meet Australia's energy policies on emissions reductions, identified in the Integrated System Plan, consists of renewable energy connected by transmission and distribution, firmed with gas storage and backed up by gas-fired generation.⁽¹⁾

The management approach for this material topic is described in depth in the CTAP.

Climate Transition Action Plan

In FY24, Beach published its inaugural CTAP. It outlines the important role that Beach expects to play as a provider of critical energy products, as the world addresses the significant challenge of climate change.

The CTAP has informed the refreshed corporate strategy outlined on page 4.

The forthcoming ASRS requires certain climate-related financial disclosures, and the CTAP provides some aligned disclosures.

The next update of the CTAP will be published in an integrated format with the FY25 Sustainability Report, in keeping with the expectations of ASRS.

CTAP targets achieved in FY24

Within the CTAP, there are three targets related to "Our products and services". These targets have been achieved as described below.

- ✓ >\$2 million invested exploring new energy opportunities
- ✓ Partnerships established while exploring new energy opportunities
- ✓ Active participation in industry co-operative research centres

The FY25 targets in this Sustainability Report, shown at right, will inform the next revision of the CTAP, scheduled for publication in August 2025 as part of the Sustainability Report. They are consistent with the refreshed corporate strategy.

New energy opportunities

As announced in October 2022, Beach undertook assessment of several opportunities to participate in renewable and emerging energy markets near existing operations where Beach could create value for shareholders.

Beach is assessing project feasibility for onshore wind in the Kupe Basin and is currently evaluating a range of experienced developers. A data room has been opened and the review process, including securing a development partner, is underway.

Beach, in partnership with Parkwind, was successful in securing an Offshore Electricity Infrastructure Feasibility Licence in April 2024 which could provide access to potential offshore wind projects in the Gippsland Basin. Beach no longer considers this opportunity to be aligned with its disciplined approach to capital management and is now seeking to exit from its share in the feasibility licence.

Investigations into Kupe offshore wind, hydrogen production at the Otway Gas Plant and hydrogen storage in the Otway Basin (South Australia) yielded useful data but were not ultimately commercially viable. Assessment of these opportunities has now ceased.

Participation in opportunities across the energy value chain will be guided by the operating principles and disciplined investment framework outlined in the strategic review outcomes, announced in June 2024. Focus areas for FY25 will include exploring underground gas storage in the Otway Basin (South Australia), as well as gas peaking power generation in the Otway Basin (Victoria), Bass Basin and Perth Basin.

Storage and peaking opportunities could support energy security and address grid firming. This would support the least-cost path for Australia to meet its emission reduction commitments, as identified by AEMO in the 2024 Integrated System Plan.

FY24 Performance

- Work in progress to secure development partner for Kupe onshore wind farm project. Read more in New energy opportunities
- Continued development of an emissions data management system to enable Scope 3 measurement and forecasting across Beach's value chain. Read more on page 38

FY25 Targets

- ➔ Assess gas storage opportunities in Victoria and SA
- ➔ Assess gas fired electricity generation opportunities in the Australian electricity markets
- ➔ Integrate consideration of climate scenarios into Beach's strategic and operational planning processes

(1) 2024 Integrated System Plan (ISP) published by AEMO.



As a member of the energy industry, Beach can contribute to progress towards SDG 7 Affordable and clean energy and SDG 13 Climate action.

Greenhouse gas emissions

Beach is acting today to reduce carbon emissions

Management approach

Beach is committed to being a part of the transition to a sustainable energy future. This will be achieved by providing safe, reliable, and affordable energy whilst mitigating greenhouse gas emissions.

The Climate Change Policy and Sustainability Policy set the framework for this approach. Operational guidance is provided via the Greenhouse Gas Management Plan.

Beach is continuing to deliver emissions reductions as it moves towards its net zero Scope 1 and 2 emissions ambition by 2050.

Emissions reporting approach

Australian Scope 1 and Scope 2 emissions are reported under the *National Greenhouse and Energy Reporting Act 2007* (NGER).

Beach's FY23 NGER submission, completed and submitted in October 2023, was independently assured by EY, a qualified third party, at a reasonable assurance level prior to submission to the Clean Energy Regulator.

The Safeguard Mechanism is the federal government's policy for reducing emissions at Australia's largest industrial facilities. Operators are responsible for reducing emissions to below the baseline or surrendering ACCUs to offset excess emissions.

New Zealand Scope 1 emissions are reported under the Emission Trading Scheme (*Climate Change Response Act 2002*)⁽¹⁾ (ETS), and Scope 2 emissions for New Zealand are voluntarily disclosed. ETS data is reported on a calendar year basis.

Beach's 2023 calendar year data for NZ was independently assured by Deloitte, a qualified third party, at a reasonable assurance level prior to submission.

Scope 3 emissions are calculated based on the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard⁽²⁾ and Scope 3 guidance documents.⁽³⁾

Note that where emissions targets are described, the stated figures are net, that is, inclusive of offsets.

FY24 emissions reduction program

Beach has undertaken several initiatives which reduce its annualised reportable emissions by 18,000 tCO₂e, satisfying the FY24 target.⁽⁴⁾ These initiatives include flare reduction, process efficiencies and establishing a more granular basis for determining fugitive emissions in produced water.

As announced in the FY24 half year results, Beach completed a feasibility study of CCS at the Otway Gas Plant. This project is now on hold following completion of the commercial assessment.

Electrification feasibility studies for the Otway Gas Plant and Lang Lang Gas Plant were completed in FY24. It has been decided that electrification at the Lang Lang Gas Plant will not proceed as it is not commercially viable. Electrification at the Otway Gas Plant may be considered further.

Significant progress was made on the Beharra Springs gas plant permeate recovery project, which was described in the FY23 Sustainability Report. Beach decided not to take the project to a final investment decision in FY24.

Beach's reportable FY24 emissions for the Australian operations will be confirmed later this year when the NGER submission is made to the Clean Energy Regulator. Estimated reportable emissions for FY24 are shown in the performance data tables on page 51. Beach's New Zealand reportable emissions for 2023, which must be submitted on a calendar year basis, are also shown in the performance data tables on page 51.

FY24 Performance

- ✓ Implemented emissions reduction initiatives that will reduce annualised reportable emissions by >18,000 tCO₂e
- ✓ Completed CCS feasibility study at the Otway Gas Plant, deciding not to proceed at this time
- ✓ Completed Otway Gas Plant and Lang Lang Gas Plant electrification feasibility studies
- Decided not to take Beharra Springs gas plant permeate recovery project to Final Investment Decision. Read more in FY24 emissions reduction program

FY25 Targets

- Moomba CCS first injection*
- Maintain <0.2% methane emissions intensity*

*Target published in the CTAP

(1) Climate Change Response Act 2002 No 40 (as at 01 January 2024), Public Act Part 4 New Zealand greenhouse gas emissions trading scheme - New Zealand Legislation.

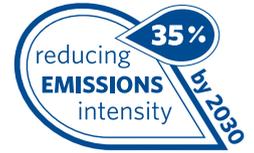
(2) Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Greenhouse Gas Protocol, 2011.

(3) Technical Guidance for Calculating Scope 3 Emissions, Greenhouse Gas Protocol, 2013.

(4) The target relates to new projects and initiatives that reduce the emissions intensity at Beach's facilities. It is not a target to reduce actual annual emissions. Beach's annual emissions are estimated to be higher in FY24 due to changes in the production mix.



This work supports progress towards SDG 13.4 *Implement the UN Framework Convention on Climate Change*. The continuing work on improving abatement for gas production, recognised as essential for an affordable and reliable increase in renewable energy, contributes to SDG 7.2 *Increase global percentage of renewable energy*.



Emissions reduction trajectory to 2030

Beach is on track to reduce its net Scope 1 and 2 emissions intensity by 35% by 2030 (from a 2018 baseline).

Beach's equity emissions intensity forecast to 2030 is shown in chart 1, overlaid on the IPCC global warming pathway envelopes scaled to Beach's emissions. The IPCC 1.5°C and 2°C pathway envelopes delineate the percentage reductions required in net global greenhouse gas emissions to limit warming to 1.5°C and 2°C.⁽¹⁾ The pathway envelopes in chart 1 are scaled to Beach's emissions baseline using the forecast reduction periods as defined by the IPCC, out to 2030.

Beach expects that Moomba CCS project will commence large scale carbon abatement in the Cooper Basin in FY25. When Moomba CCS is running at full capacity Beach's abated emissions intensity will decrease by approximately 40%.

This forecast is based on Beach's current business and production forecasts. As indicated in the strategic review, Beach is earning the right to grow through organic and inorganic growth, which may affect these forecasts. They will be updated in due course.

Moomba CCS

Beach considers carbon capture and storage to be a fundamental enabler of a low emissions energy supply system. Beach has a 33% ownership interest in the Moomba CCS Project, operated by joint venture partner Santos. Constructed adjacent to the Moomba Gas Plant in the Cooper Basin, the project is one of the world's largest CCS projects and will deliver a material greenhouse gas reduction for Beach's portfolio.

Upon its completion, Moomba CCS will safely store up to 1.7 million tonnes per annum of carbon emissions in the depleted reservoirs near the Moomba Gas Plant.

Moomba CCS is nearing completion, with the project achieving mechanical completion July 2024. First CO₂ injection is expected in the first half of FY25.

Moomba electrification

Beach is contributing to the Moomba electrification project, which is being delivered by the operator, Santos. This project will enable future reductions in operational emissions as lower emission intensity power generation is installed.

Reducing methane emissions

Methane is reported as having a global warming potential 28 times that of carbon dioxide.⁽²⁾ Methane emissions occur from key sources including venting, flaring, process leaks and fuel use.

Beach recognises the importance of reducing methane emissions and is taking steps to reduce its operated methane emissions intensity, which is the ratio of reported methane to natural gas throughput for operated facilities. It is expressed as the cubic metres of methane emitted per cubic metre of production.

The CTAP includes a target of less than 0.2% for methane intensity by 2025. In FY24 Beach's methane intensity was 0.08%, which is lower (better) than the target set in the CTAP.

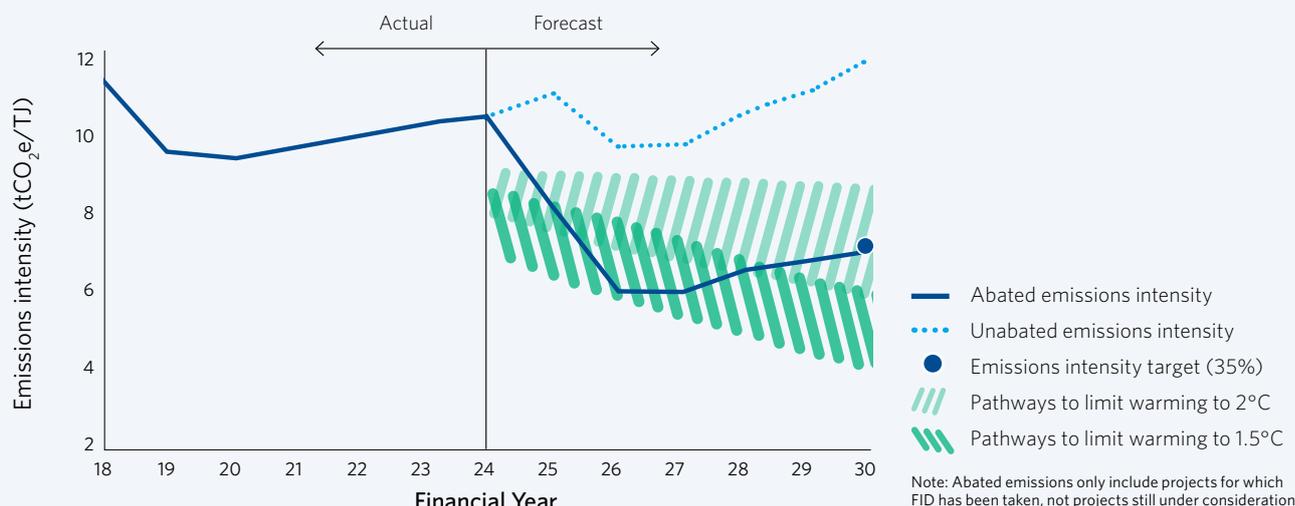
In FY25, Beach will maintain a methane emissions intensity of <0.2%.

Methane monitoring and repair

Methane management is an important part of Beach's Greenhouse Gas Management plan. Since FY22, Beach has engaged in Leak Detection and Repair programs across its assets both onshore and offshore to better manage and reduce methane emissions. These programs allow for ongoing, proactive identification and repair of leak sources.

(1) IPCC, 2018: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty.
 (2) Global warming potential over 100 years, as defined in the *National Greenhouse and Energy Reporting (Measurement) Amendment (2020 Update) Determination, 2020*.

Chart 1 - Equity emissions intensity



Greenhouse gas emissions

Scope 3 emissions

Scope 3 emissions are greenhouse gas emissions that occur in a company's value chain, from sources not owned or controlled by that company. Upstream Scope 3 emissions (Categories 1 to 8) are considered by Beach to be controllable or can be influenced by actions taken by the company.

Downstream Scope 3 emissions (Categories 9 to 15) are outside Beach's control. The largest source of non-controllable emissions arises from the end use of products sold, such as electricity generation or gas use for heating homes.

In FY24, Beach continued to mature the measurement and estimation of Scope 3 emissions by focusing on improving the quality of supplier data from controllable Scope 3 emissions sources. Beach has continued to embed minimum standards for emissions reporting into supplier contracts, which has enabled actual emissions data to be integrated with spend-based estimates in FY24.

Through the development of the CTAP, Beach has expanded on the objective to implement an emissions data management system for Scope 3 measurement and reporting. Work toward this objective is progressing, with a focus in FY24 on improving internal database management to support estimation and forecasting of Scope 3 emissions.

Supplier partner day

Beach's suppliers play an integral role in supporting Beach's commitments to sustainable procurement.

Beach held four supplier partner days in Adelaide, Melbourne, Perth and Taranaki. The purpose was to engage key suppliers on sustainable procurement with the aim to enhance supplier performance and prepare for emerging company goals and requirements.

Scope 3 emissions were of particular focus as suppliers contribute a significant proportion of upstream (Category 1 to 8) emissions. This work satisfied the CTAP target below through knowledge-sharing about emissions and their consideration throughout the value chain.

- ✓ Provide emissions education opportunities to suppliers by 2024

The sessions were attended by 63 key suppliers, representing over 15 market sectors ranging from professional services to logistics. Collaboration has continued beyond these sessions, highlighting the shared aspiration for more sustainable procurement.

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Upstream Scope 3 emissions

Emissions created when suppliers provide Beach with goods and services

 **518**ktCO₂e
Purchased goods and services

 **1**ktCO₂e
Waste generated from operations

 **1**ktCO₂e
Capital goods

 **1**ktCO₂e
Business travel

 **9**ktCO₂e
Fuel and energy related activities

 **1**ktCO₂e
Employee commuting

 **39**ktCO₂e
Upstream transportation and distribution

 **2**ktCO₂e
Upstream leased assets

Downstream Scope 3 emissions

Emissions created from processing of sold products and when customers use them

 **49**ktCO₂e
Processing of sold products

 **5,668**ktCO₂e
Use of sold products

Diversity, equity and inclusion

Everyone should be able to be their authentic selves at work

Management approach

Beach's employees are crucial to its success. Diversity, Equity and Inclusion (DEI) underpin the culture and enable a high-performing organisation. This is reflected in Beach's values and the Diversity, Equity and Inclusion Policy. Beach's values emphasise the importance of having an open, respectful, and collaborative work environment.

Diversity, Equity and Inclusion Strategy and Policy

In FY24 the Diversity, Equity and Inclusion Strategy was launched, supported by a refreshed Diversity, Equity and Inclusion Policy. The strategy is focused on accelerating progress in supporting a more diverse and inclusive workplace through commitments to:

- improve gender equality
- build DEI foundational knowledge across the workforce
- strengthen DEI practices and awareness, including establishing a better understanding of the employee experience in relation to DEI
- grow cultural competence.

The DEI program of work has made progress towards addressing the requirements of the *Workplace Gender Equality (Gender Equality Standards) Instrument 2023*. This will be completed in FY25, in keeping with the schedule required by the Workplace Gender Equity Agency.

Beach continues to focus efforts on improving diversity throughout the organisation including in leadership positions. As described in the FY24 Corporate Governance Statement, Beach has several objectives to increase the proportion of women in the workforce by FY26.

Gender pay equity is an important aspect of improving gender equality. In FY24 Beach ensured that people in equivalent roles were paid the same, regardless of gender. This is a requirement of Beach's remuneration review process.

Culture at Beach

The "In our Element" culture transformation program was delivered in FY24, through which a refreshed set of company values and behaviours were launched.

The refreshed values seek to define Beach's identity and guide the behaviour of the company and individuals. The values represent the four elements:



Down to Earth
We care



Aim Sky High
We have freedom to be creative



Feed the Fire
We are stronger together



Create the Wave
We generate momentum for a sustainable future

FY24 Performance

- ✓ Beach's FY24-FY27 Diversity, Equity and Inclusion Strategy developed
- ✓ Inclusive Leadership education (part 1 of a 3-part series) delivered to 80% of people leaders
- ✓ "In our Element" culture transformation program delivered

FY25 Targets

- Conduct a DEI diagnostic survey with employees
- Increase the proportion of women in Senior Roles⁽¹⁾
- Establish a DEI Committee to support initiatives and activities

(1) Senior Roles are defined as job grades 20 or higher within Beach's framework.



Beach's focus on DEI supports progress towards SDG 5.1 End discrimination against women and girls and SDG 10.3 Ensure equal opportunities and end discrimination.

Health and safety

The health, safety and wellbeing of the workforce remains a priority for the business

Management approach

Beach's first priority is the health and safety of the workforce. Failure to operate safely may cause injuries, fatalities, environmental damage or reputational harm. Beach is a member of Safer Together, a not-for-profit, member-led organisation of oil and gas exploration and production industry operating companies and contract partner companies committed to creating a consistent safety culture in the industry. Beach is also a member of AEP and IOGP and actively participates in industry knowledge-sharing.

Beach's Health and Safety Policy outlines the approach to health and safety management. It is supported by the core principle, "safety takes precedence in everything we do". The Managing Director and Chief Executive Officer is responsible for this policy's implementation and periodic review.

Safety procedures and training

Beach regularly conducts workplace risk assessments and audits to identify hazards and controls and maintains onsite emergency response capability. It is active in sharing knowledge across the industry and promotes learning from the experience of others. Beach has an enterprise-wide hazard reporting process, which is included in workplace inductions.

The Operations Excellence Management System includes a training, learning and competence standard to ensure a structured system and consistent methodology is in place for identifying and verifying training and competency requirements within Beach. Processes are in place to confirm that workers are competent to perform their assigned tasks and work scopes. This commences on entry to the organisation and through periodic competency assessments. Additional training is provided for those working at hydrocarbon facilities, with a competency matrix in place for each role.

Regular Health, Safety and Environment meetings are facilitated, which are attended by members of the workforce, health and safety representatives, senior managers and executives. Beach consults with workforce members when developing and reviewing health and safety procedures.

Performance and reporting

All health and safety related incidents are recorded in Beach's incident reporting system, and appropriately investigated to determine root causes, with associated remedial actions addressed to prevent recurrence.

A range of industry specific leading and lagging indicators such as Total Recordable Injury Frequency Rate (TRIFR) are used to measure the effectiveness of the health and safety management system. Executive performance, which includes targets regarding health, safety and environmental performance, forms part of the Short Term Incentive performance conditions on an annual basis.

Resilience and wellbeing

Beach provides an Employee Assistance Program with free and confidential coaching and counselling services offered to all employees and their immediate family members, to support their wellbeing in the workplace and at home. This program covers topics such as coping with change, nutrition, finances, parenting, sleep, and resilience.

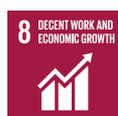
FY24 Performance

- FY24 TRIFR of 3.4. Read more on page 41
- ✓ Reviewed and updated the Health and Safety Standards in the Operations Excellence Management System
- ✓ No Tier 1 and 2 process safety events

FY25 Targets

- Target TRIFR of less than 2.8
- Review causation of FY24 contractor health safety and environment performance
- Less than 2 process safety tier 1 and 2 loss of containment events⁽¹⁾

(1) Total number of events, as defined by the International Association of Oil and Gas Producers (IOGP).



Improving safety across operations contributes to SDG 8.8 Protect labour rights and promote safe working environments.

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Safety performance in FY24

Beach's safety performance did not meet target with a TRIFR of 3.4. For TRIFR, a lower rate represents better safety performance; the target of 2.8 was exceeded. There were no Tier 1 or Tier 2 process safety events.

During this period there were over 2.3 million hours worked across the organisation. Two out of five operational facilities completed the year recordable injury-free; Beharra Springs achieved a milestone of six years recordable injury-free and Kupe achieved three years.

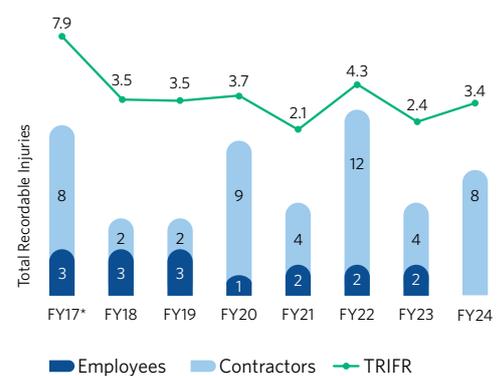
There were eight recordable injuries throughout FY24 which were associated with contractor operations. Contractors perform a significant proportion of Beach's onshore and offshore field activities.

In response to the recordable injuries in FY24, Beach deployed a *Stand Together for Safety Campaign* comprising of a company-wide safety standdown, toolbox talks, additional executive leadership site inspections, a special-purpose contractor forum and a structured field audit plan targeting the causes of the injuries.

These initiatives were designed to share lessons learned, reinforce procedural requirements, and underscore the significance of the stop-work authority process. With strong support from site leadership, Beach deployed new life-saving rules checklists designed to verify effective field establishment of critical controls.

It is recognised that to maintain robust operational and financial performance, Beach needs to operate safely. Improving safety performance will continue to remain a key priority in FY25 with a focus on improving contractor safety performance.

Chart 2 - Safety performance



*FY17 data is a calculated equivalent; prior to Beach acquisition of Lattice.

Indigenous participation

Beach strives to build positive, long term, trusting relationships with Indigenous communities in Australia and New Zealand

Management approach

Beach strives to build and maintain positive and respectful relationships with First Nations peoples in Australia and tangata whenua in New Zealand in its areas of operation.

Beach's Indigenous Participation Policy, supported by the Cultural Heritage Management System, requires engagements that are open, honest and collaborative. It sets standards around the promotion of diversity, equity and inclusion through training for employees. The policy acknowledges that cultural diversity means engagement plans will be unique to each culture.

Cultural heritage surveys

Beach recognises and respects traditional customs and the enduring cultural and spiritual connection that Indigenous communities have with land and waters, and is committed to protecting cultural heritage at work sites. Beach, alongside Native Title representatives, undertakes heritage surveys and clearances on all operational areas. This work is enabled by the dedicated Cultural Heritage Management System and relevant health, safety and environment procedures.

There was one cultural heritage incident in FY24. In August 2023, at an airstrip in the Cooper Basin on Dieri Country, earthworks were undertaken outside the existing Work Area Clearance boundary. A detailed investigation, documented in Beach's incident and hazard reporting system, identified opportunities to improve systems for sharing information about Cultural Heritage Exclusion Zones both in-field and via Beach's Geographic Information System (GIS).

During FY24, a local First Nations elder was employed as a cultural field advisor in the Cooper Basin, to ensure compliance in the field through regular audits and inspections. Beach also employed a field co-ordinator/GIS specialist into a newly created role to support the data management of cultural heritage data in the field.

Beach has been trialling a geofencing application in the Cooper Basin which uses Beach GIS data to alert field crews when they are leaving an area covered by Work Area Clearance or entering a Cultural Heritage Exclusion Zone. This is being trialled with eight users and it is intended to be deployed to all personnel in the field, including contractors.

Indigenous procurement

Beach supports increasing economic participation through procurement of goods and services from within the Indigenous communities where it operates.

The approach seeks to grow momentum and create pathways for this uplift through three aspects:

- Increase opportunities - seeking and creating new opportunities to engage Indigenous suppliers
- Increase engagement - strategic procurement and commitment to realise increased actual spend and engagements with Indigenous suppliers
- Increase awareness - grow awareness of Beach's Indigenous procurement objectives through training and awareness campaigns to key stakeholders, including non-Indigenous suppliers who can support this work.

Beach is a member of Supply Nation, a non-profit organisation that helps Australian First Nations-owned businesses to grow. Supply Nation connects members to Australia's largest national database of more than 4,500 First Nations businesses and provides Beach with the support to access Aboriginal and Torres Strait Islander owned supply chain opportunities.

Spend with Indigenous suppliers

In FY24, Beach improved the transparency of Indigenous spend data by distinguishing between mandatory expenditure as required by regulations and spend where there was discretion to engage an Indigenous supplier.

Through strategic procurements and in partnership with local community groups, Indigenous participation in Beach's supply chain (excluding mandatory spend) increased by more than 180% on the total FY23 spend, meeting the FY24 target.

Support for Indigenous projects

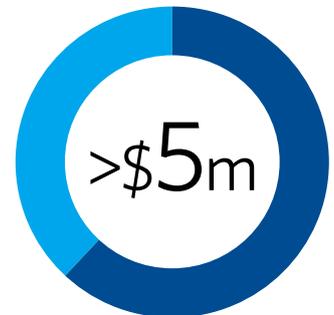
In FY24, Beach invested \$397,000 in supporting projects and programs within Indigenous communities. This includes the Living Languages program, which seeks to preserve the Dieri language through a partnership with South Australian Museum and University of Adelaide, and a project undertaken by Ngāti Manuhiakai hapū to record stories from Elders.

FY24 Performance

- ✓ Indigenous supply chain spend of \$1.9 million (excluding mandatory spend), exceeding target
- ✓ Invited six key Indigenous groups to apply for community investment funding, resulting in the implementation of four initiatives

FY25 Targets

- Increase Indigenous participation in Beach's supply chain by 10% on FY24 target
- Released first Reconciliation Action Plan



FY24 Indigenous supplier spend

●	Mandatory	62%
●	Discretionary	38%



This work supports progress toward SDG 11.4
Protect the world's cultural and natural heritage.

Cultural awareness

Beach encourages its employees to continuously learn. Cultural awareness training is available to all employees covering both Māori and First Nations cultures.

Māori cultural awareness

Beach engaged cultural advisors from Tainuku Limited to participate in the “In our Element” values transformation program in NZ. Workshops were held to increase cultural understanding and establish connections between Māori culture and Beach’s refreshed values. The perspective shared by the cultural advisors provided Beach employees with a deeper connection to the local area and a broader understanding of the values.

The cultural session at the Beach Kupe Phase 2 development drilling workshop was highly regarded by Beach employees and contractors alike. It provided participants with a clear understanding of the importance of kaitiakitanga – guardianship, care, and environmental management. Similarly, the cultural values were reinforced with Beach employees and contractors through visits by cultural advisors to the Kupe Wellhead platform and Valaris 107.

First Nations Australia cultural awareness

The Tjindu Foundation presented Aboriginal cultural awareness training to 41 employees in FY24, building on a strong uptake of the program in the previous year. The sessions shared information on First Nations peoples’ history, traditions, language, family rituals and the importance of culturally appropriate and respectful engagement. These sessions provide opportunity for Beach staff to learn about the rich, diverse culture and history of First Nations peoples.

In addition, 63 Beach employees completed the online Cooper Basin cultural heritage induction module which is required before working in the area. Beach’s cultural field advisor also delivered on-country awareness training for employees and contractors in the Cooper Basin.

Reconciliation Action Plan

Beach is well progressed in developing its inaugural Reconciliation Action Plan, due to be released in FY25.

Developing a Reconciliation Action Plan allows Beach to reflect on the past and find new ways to build on existing relationships. It helps to collaboratively identify opportunities for economic participation and shared benefits with First Nations groups. Beach is committed to advancing reconciliation by creating meaningful opportunities for First Nations peoples to participate in, and benefit from, economic development.

Inclusive and respectful language

Beach recognises that cultural diversity means that there is no one size fits all. The Indigenous Participation Policy guides and supports relationships with Indigenous groups, but recognises that engagement will be unique to each culture.

In Australia, using ‘Aboriginal and Torres Strait Islander peoples’ is considered best practice and other terms such as ‘First Nations’ or ‘First Peoples’ are also acceptable language. The term Indigenous is sometimes used for formal programs, job titles or policies.

In New Zealand, Māori people refer to themselves as tangata whenua (which means the Indigenous people of Aotearoa). Tribal names are also used with wider societal groups, known as iwi, the sub-tribe known as hapū and an extended family group known as whanau.



Community engagement and investment

Beach seeks to be an active member of the communities where it operates, contributing to the local economy

Management approach

Beach works to build acceptance, trust and respect in communities through genuine engagement and social performance. It is governed by the Community and Stakeholder Engagement Policy. Beach's approach to engagement is aligned to the International Association of Public Participation best practice standards.

In addition to delivering an economic benefit to local communities through its activities, Beach seeks to play a constructive role as a long term community member by aligning social performance activities to community objectives. Beach strives through its operational and social performance to be seen as the operator of choice by its stakeholders.

Beach's Community Strategy Framework has six pillars of community engagement and social performance management activities that collectively support business outcomes, whilst delivering community objectives. The framework has a continuum of community activity from land access and consultation to social performance.

Community and Social Performance Strategy

In FY24, Beach developed a Community and Social Performance Strategy focussed on core objectives that support Beach's assets and projects. This will be refined in FY25 to align with the refreshed corporate strategy.

Community engagement

Beach employs a small but dedicated team of community and First Nations engagement professionals, who work closely with asset, operational and corporate leadership, to ensure effective consultation and engagement with communities supporting land access, regulatory approvals and social performance objectives.

In FY24 Beach undertook a record number of engagements to deliver progress on major projects across its portfolio.

Across all assets and projects, Beach engaged 993 community organisations and 1,582 individuals with a total of 13,026 engagements.⁽¹⁾

Local suppliers

Beach affords competitive opportunity to local businesses to participate in its supply chain and prioritises local employment at its worksites and offices. The total supplier spend for Australia and New Zealand based businesses⁽²⁾ was \$528 million.

As a major project developer, Beach typically develops Industry Participation Plans for large capital developments where spend is expected to be in excess of \$500 million, such as the recent Otway Basin projects which drilled, completed and connected additional offshore wells to the Otway Gas Plant. Industry Participation Plans have been developed for the Offshore Gas Victoria project.

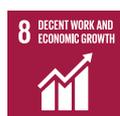
FY24 Performance

- ✓ Information provided for all new major projects on the Beach website
- ✓ Community investment contributions increased by 43%, exceeding the target of 10% increase on FY23 levels
- ✓ First phase of the social performance strategy developed, to be tailored for the reset corporate strategy
- ✓ 35% of employees participated in volunteering, exceeding the target of 30%
- ✓ Matched-giving participation rate increased by 10% on FY23 levels, meeting target

FY25 Targets

- Update Community and Social Performance Strategy
- Employee volunteering rate 10% above FY24 target
- Matched giving participation rate 10% above FY24 target

(1) An individual may have multiple engagements with Beach. Engagements are defined as including any correspondence with stakeholders, such as emails, meetings online, texts and phone calls regarding material issues relating to projects or assets.
(2) Businesses with a physical presence in Australia and New Zealand.



Beach's procurement decisions can influence progress towards SDG 8.1 Sustainable economic growth and SDG 8.3 Promote policies to support job creation and growing enterprises.



Royal Flying Doctor Service

Beach is proud of its enduring partnership with the iconic Royal Flying Doctor Service (RFDS). As the organisation's first oil and gas industry partner, Beach has partnered with the RFDS South Australia and Northern Territory over the past 22 years.

Beach's support at a corporate level and the generosity of its employees in raising further funds for the organisations contribute to its success in meeting a workload that sees it assist one patient every 10 minutes across South Australia and the Northern Territory.

In 2019, Beach adopted VH-JDN, a single engine turbo-prop Pilatus PC-12, which has since flown more than 1.8 million kilometres and airlifted more than 2,500 patients.

Community investment

Beach's community investment program identifies local community-led initiatives that are aligned with its focus on helping to build sustainable and resilient communities. Target areas for community investment are education, environment and health, safety and wellbeing.

In FY24 Beach directly contributed \$2.36 million in the form of cash, in-kind, time and management costs and leveraged a further \$683,000 in community investments by its joint venture partners. This investment directly supported 64 partner organisations in achieving social objectives.

Corporate volunteering

Beach employees are provided up to two days paid volunteering leave each year to use their time and skills to make a positive impact in the community. In FY24, 35% of Beach employees participated in 26 volunteering events at 14 different community organisations, donating a total of 1,350 volunteering hours. A range of organisations and initiatives were supported including RSPCA, The Village Co, Foodbank, Treasure Boxes and Roderique Hope Trust in New Zealand.

Giving and donations

In FY24, the Beach field team in the Cooper Basin continued their scrap metal initiative, making donations to Beyond Blue, Cancer Council and The Variety Children's Charity.

Beach was proud to make a donation to support the Vinnies CEO Sleepout that raises funds to help break the cycle of homelessness.

Beach also encourages its employees to donate to charities from their pre-tax salary. This is matched by Beach up to \$1,000 per person per annum. In FY24 the participation of Beach employees grew to 15%.

Overall, these programs resulted in donations in excess of \$145,000.

Economic prosperity

Through striving to deliver leading shareholder returns, Beach also delivers positive economic impacts for the wider community



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Tax transparency

Beach's Taxation Policy strengthens Beach's approach to taxation and its commitment to maintaining regulatory compliance and transparency.

Beach publishes an independent Tax Contribution Report which follows the recommendations outlined in the Board of Taxation's Tax Transparency Code and demonstrates Beach's support of the public interest in the integrity of tax systems, and enhanced disclosure of taxes paid. The most recent Tax Contribution Report can be found on the company website.

The FY24 Tax Contribution Report will be released in FY25, per standard practice.

Tax contributions and royalties

The most recent Tax Contribution Report shows that Beach reported tax, royalties and other payments to governments of \$480 million and an effective income tax rate of 28.9%.

The following is a summary of Beach's tax contributions paid to tax authorities for FY23. The amounts include payments made to the Australian Taxation Office, New Zealand Inland Revenue and other tax and revenue authorities for taxes due on its own behalf and in respect of tax withheld on behalf of others.

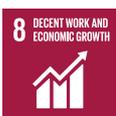


Tax Contribution

Gross GST*	36%
Government Royalties and excise	27%
Corporate income tax	26%
Employee payroll taxes withheld	9%
Other taxes - FBT, stamp duty, payroll tax	2%

*Gross GST represents the GST collected on sales. Input tax credit refunded for GST paid on supplies were \$112.2 million.

The data presented above is taken from Beach's FY23 Tax Contribution Report, published on the company website on 30 June 2024. This tax data relates to the FY23 reporting year, and is the latest available data. The tax data relating to FY24 will be published in FY25 per standard practice.



This supports progress towards SDG 8.1 Sustainable economic growth.

Environment

Beach recognises its responsibility to respect the environment, to minimise its impact, and remediate areas affected by its activities

Management approach

The Environment Policy outlines Beach's approach to operating in an environmentally responsible manner.

Beach operates in a highly regulated industry across Australia and New Zealand, and carefully considers and assesses how its projects interact with the environment. Once a project is approved by the government, Beach develops an assurance plan to verify ongoing compliance with regulations and the conditions in the relevant approval.

The environmental aspects of operations are governed by strict regulations which are integrated into operational procedures and managed within the Operations Excellence Management System.

Beach seeks to operate in a transparent manner by providing ongoing engagement with the community, regulators and other stakeholders. All environmental incidents and near misses are recorded in the Beach incident reporting system. A range of key performance indicators such as number, type and volume of spills, are used to measure the effectiveness of environmental management systems.

Environmental approvals

In FY24 Beach finalised all remaining environmental approvals to support the Perth Basin Drilling campaign without delaying any wells.

Approvals to construct and operate the Otway nearshore project known as Enterprise were secured in FY24 following the successful completion of the land access and approvals process with the Eastern Maar Aboriginal Corporation and the subsequent grant of the relevant petroleum tenure.

Produced water

Water that is trapped in underground formations and is brought to the surface along with oil and gas during production activities is known as produced water.

Produced water must be maintained below local licence limits to ensure there is no long-term impact on the groundwater source. Beach's Environmental Plans ensure operation within legislative requirements.

At Beach's onshore fields, produced water is separated from hydrocarbons and transferred to evaporation ponds. These ponds are an important source of water for livestock in the Cooper Basin, which has limited water availability.

Water quality in the evaporation ponds is monitored to ensure it meets regulatory standards within the state Water Allocation Plan and is suitable for livestock and wildlife. Where possible, produced water is reused for facility construction, road maintenance and drilling activities.

All produced water is sourced from below surface recharging aquifers as part of hydrocarbon extraction processes and is not from any areas of water stress. The total volume of produced water in FY24 was 18.5 GL.

Spill management

Beach works to minimise the risk of accidental release of hydrocarbons, chemicals or produced water and has procedures in place to reduce the impact of any incident. Operational processes reduce the likelihood and impact of contamination via a spill.

In the event of a spill, Beach ensures it is contained, reported, cleaned up and any contaminated soil is remediated. Corrective actions required to prevent a recurrence are identified and implemented.

Groundwater monitoring bores are installed across Beach's facilities and are monitored on an annual basis for materials such as hydrocarbons. Further spills data is available on page 51.

Waste management

Beach continues to focus on reducing waste, working to improve our understanding and management of waste across all operating assets. This includes maturing sourcing strategies and improving the waste management model with the aim to improve waste management and oversight.

This work will be reflected in the sustainable waste reduction strategy which is being developed; a target outlined in the CTAP.

Waste information can be found on page 52. For the first time, waste data from New Zealand is included in the figures.

Biodiversity

Beach has strict environmental controls and conducts responsible exploration and development activities in ways that mitigate biodiversity risks throughout a project's lifespan, during planning, construction, operations, decommissioning and rehabilitation.

Rehabilitation requirements are assessed prior to the commencement of each project. Performance is monitored by field supervisors to ensure any work being undertaken is compliant with rehabilitation requirements.

Beach undertakes both internal and external independent audits to measure compliance including with the Statement of Environmental Objectives.⁽¹⁾

Beach does not operate in any of the World Heritage sites. Beach owns acreage within certain areas in the Cooper Basin that are of ecological importance, and actions are taken to avoid or minimise clearing in riparian habitat or wetlands. Environmental assessments are undertaken for all exploration and production projects to identify, manage and minimise potential environmental impacts.

(1) Statement of Environmental Objectives for a regulated activity states the environmental objectives to be achieved in carrying out the specified activities, as well as the assessment criteria used to assess whether the objectives have been achieved by the licensee.



Appropriate environmental management supports SDG 12.4 Responsible management of chemicals and waste, SDG 14.2 Protect and restore ecosystems and SDG 15.5 Protect biodiversity and natural habitats.

Sustainability governance and risk

Effective governance structures and clear lines of accountability enable Beach to pursue its purpose and vision

Sustainability governance

The Risk, Corporate Governance and Sustainability Committee of the Board provides oversight of sustainability at Beach. The Executive Committee, comprising all company executives and the Managing Director and Chief Executive Officer, oversees the management of sustainability performance and risks in the business. Both the management level Executive Committee and the Risk, Corporate Governance and Sustainability Committee meet at least quarterly to review Beach's sustainability performance and to discuss sustainability risks, opportunities, projects and performance against targets.

Policies and standards help in the integration of sustainability across the business. These include the Sustainability Policy and the Sustainability Standard which is part of Beach's Operations Excellence Management System.

Where these documents are publicly available, they are highlighted in the relevant sections of this report.

Risk oversight

The Board and its Risk, Corporate Governance and Sustainability Committee proactively considers and reviews risks relating to social, governance, economic and environmental issues. This committee is provided with updates on affairs such as health and safety, policy and regulation, tracking against emissions targets, decarbonisation opportunities, community and environmental performance and public disclosures. Significant risks are included in the corporate risk register.

Risk management

Beach has a risk framework that considers corporate risks inclusive of climate change, underpinned by the International Standard of Risk Management (ISO 31000). The Board has responsibility for the risk framework and monitoring of material risks. Each executive is responsible for identifying, quantifying and managing the risks that relate to their division. Further information is provided in Beach's Corporate Governance Statement.

Risk reports are provided to the Risk, Corporate Governance and Sustainability Committee on a quarterly basis. This report covers the corporate risk register and movements in material risks. Each material risk is assigned to a single accountable executive to consider and to monitor the risk control effectiveness.

Risk factors relating to climate change are identified by considering the main sources of change - market, regulation, technology, physical or reputational. The precautionary principle, where a conservative approach is taken to guard against potential environmental damage in the face of uncertainty, is applied through the application of the risk framework. An approved internal carbon price and carbon price sensitivities are used to evaluate project economics and investments where direct financial implications arise from carbon emissions.

Sustainability governance framework



Ethical conduct and transparency

Beach is committed to an ethical and transparent approach to business

Management approach

Beach's Code of Conduct defines the standards of behaviour that are expected of employees and contractors. This ensures that Beach conducts its activities in an ethical manner and in compliance with the laws and regulations of each jurisdiction in which it operates. Beach's Business Practices and Anti-Bribery and Anti-Corruption Policy is supported by standards that cover the requirements of the law and procedural matters. Political donations are only allowed in very limited circumstances in Australia and where permitted by law, as described in the Political Donations Policy.

Training

All Beach employees are required to attend policy awareness sessions to ensure that Beach's ethical values and anti-bribery and anti-corruption policies are understood and implemented at all levels. Advanced training is provided to employees in positions with higher potential exposure to these risks.

Reporting misconduct

A suspected breach of policy is reportable under the Whistleblower Policy and should be reported to the Company Secretary, the Managing Director and Chief Executive Officer or the Chair. Alleged breaches of the Code of Conduct will be investigated, subject to disciplinary action and where appropriate, result in termination of employment. Employees reporting misconduct are protected by the complaints resolution process and the Whistleblower Policy which ensures confidentiality for the reporting person.

There is provision to make an anonymous report by a variety of means including online via a third-party disclosure service which offers disclosure through a smart phone app. In FY24 no reports were received under the whistleblowing program. There were no incidents of policy violations relating to bribery or corruption during the financial year.

Gifts and entertainment

Gifts or entertainment must never influence business decisions. The Gifts and Entertainment Policy was updated in FY24.

Beach has a gift and entertainment register to ensure transparency, and employees must declare gifts and entertainment received or provided above an actual or estimated value of \$100 within seven days of the transaction occurring. Prior approval is required before accepting or giving gifts, entertainment or benefits over \$200.

Human rights and modern slavery

As a responsible corporate citizen, Beach is committed to respecting human rights and addressing modern slavery

Taking a stance against modern slavery

Beach issues an annual Modern Slavery Statement as required by the *Modern Slavery Act 2018 (Cth)*.

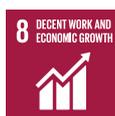
The statement describes the activities undertaken to strengthen Beach's approach to monitoring and managing modern slavery risk in supply chains. It also includes performance against key performance indicators and the FY23-FY25 roadmap.

Beach's FY24 Modern Slavery Statement will be published later this year, in keeping with requirements.

FY23 achievements

- ✓ Continued to engage and assess Beach's suppliers for potential modern slavery exposure, covering suppliers representing 94% of FY23 spend
- ✓ Commenced detailed review of the modern slavery training program (established in 2020) to ensure material remains up to date
- ✓ Expanded the internal working group with a wide-ranging contribution from subsidiaries and departments
- ✓ Commenced efforts to mature the modern slavery risk framework, including:
 - Updating index references (e.g. Global Slavery Index),
 - Developing a modern slavery procurement procedure, and
 - Enhancing supporting systems for risk assessments
- ✓ Reviewed the future road map and key performance indicators to drive deep-dive risk identification and support supply chain in modern slavery risk management for 2nd tier suppliers⁽¹⁾

(1) Supplier tiers are explained in the FY23 Modern Slavery Statement, available on the company website.



Reporting on modern slavery supports progress toward SDG 8.7 End modern slavery, trafficking and child labour.

Performance data

	FY24	FY23	FY22	FY21
Diversity, equity and inclusion⁽¹⁾				
Total number of employees ⁽²⁾	493	568	537	548
% Gender split (M:F)	75:25	76:24	78:22	76:24
% Board (M:F)	71:29	67:33	75:25	78:22
% CEO (M:F)	100:0	100:0	100:0	100:0
% KMP ⁽³⁾ (M:F)	75:25	57:43	75:25	100:0
% Other executive and general managers (M:F)	84:16	86:14	74:26	70:30
% Senior managers (M:F)	73:27	75:26	89:11	86:14
% Other managers (M:F)	85:15	76:24	79:21	82:18
% Professionals (M:F)	66:34	69:31	71:29	67:33
% Technicians and trade (M:F)	97:3	96:4	96:5	97:3
% Total employee turnover	24.3	15.5	16.5	11.8
% Employee turnover (M:F)	73:28	82:18	60:40	75:25
% Employee hire (M:F)	60:40	66:33	69:31	82:18
% Female candidates shortlisted during recruitment	29	35	N/R	N/R
% Female promotions	20.3	27.6	N/R	N/R
Total number of employees that took parental leave, by gender (M:F)	14:12	15:11	N/R	N/R
Total number of employees that returned to work after parental leave ended, by gender (M:F)	14:6	15:10	N/R	N/R
Return to work and retention rates of employees that took parental leave, percentage by gender (M:F)	67:63	93:91	N/R	N/R
Health and safety				
Lost time injury - employees	0	1	0	0
Lost time injury - contractors	3	0	2	0
LTIFR - employees	0	1.1	0	0
LTIFR - contractors	2.2	0	0.9	0
LTIFR - total	1.3	0.4	0.6	0
Work hours - employees	981,285	928,967	935,057	954,408
Work hours - contractors	1,350,415	1,616,475	2,338,694	1,854,297
Fatalities	0	0	0	0
Total recordable injuries - employees	0	2	2	2
Total recordable injuries - contractors	8	4	12	4
TRIFR - employees	0	2.2	2.1	2.16
TRIFR - contractors	5.9	2.5	5.1	2.1
TRIFR - total	3.4	2.4	4.3	2.14
Tier 1 process safety events	0	0	0	0
Tier 2 process safety events	0	1	2	1
Near misses	91	93	125	106
Occupational illness frequency rate	0.4	0	0	0

	FY24	FY23	FY22	FY21
Community engagement and investment⁽⁴⁾				
Community investment by Beach - Australia (\$m)	2.06	1.511	3.93	0.93
Community investment by Beach - New Zealand (\$m)	0.30	0.146	0.2	0.29
Total community investment by Beach (\$m)	2.36	1.656	4.12	1.22
Joint venture partner community investment (\$m)	0.68	0.331	N/R	N/R
Indigenous participation				
Indigenous cultural awareness training attendances (Australia and New Zealand) ⁽⁵⁾	104	321	N/R	N/R
Indigenous procurement spend (\$m) ⁽⁶⁾	1.9	0.97	N/R	N/R
Greenhouse gas emissions				
Equity Scope 1 & 2 emissions intensity (tCO ₂ e /TJ production)	10.5	10.5	10.3	9.8
% Methane intensity - operated facilities (m ³ CH ₄ /m ³ production)	0.08	N/R	N/R	N/R
Estimated Scope 3 emissions (MtCO ₂ e) ⁽⁷⁾	6.29	6.22	7.15	N/R
Australia⁽⁸⁾				
Scope 1 emissions (tCO ₂ e)	437,409	436,110	435,738	405,005
Scope 2 emissions (tCO ₂ e)	18,648	18,199	19,471	19,274
Net energy consumption (GJ)	5,429,739	6,699,043	4,555,104	5,300,508
Gross energy consumption (GJ)	66,426,493	62,904,324	56,642,528	45,739,454
New Zealand (reported on calendar year)⁽⁹⁾				
Scope 1 emissions (tCO ₂ e)	86,749	102,867	133,771	154,452
Scope 2 emissions (tCO ₂ e)	5,332	9,901	12,734	8,487
Environment				
Spills				
Number of uncontained spills ⁽¹⁰⁾	36	38	39	41
Volume of hydrocarbon spills (bbl)	103.9	54.6	6.4	117.1
Volume of non-hydrocarbon spills (bbl)	57.6	21.7	1.5	3.7
Total volume of spills (bbl)	161.5	76.3	7.9	128.4
Number of significant spills ⁽¹¹⁾	0	0	0	0
Fines				
Number of fines for non-compliance with environmental regulations	0	0	0	0
Value of fines (\$)	0	0	0	0

Performance data

	FY24	FY23	FY22	FY21
National Pollutant Inventory reported data⁽¹²⁾				
Carbon monoxide (kg)	N/R	710,000	910,000	1,000,000
Hexane (kg)	N/R	14,150	160,000	40,000
Oxides of nitrogen (NOx) (kg)	N/R	1,000,000	2,200,00	2,500,000
Particulate matter <2.5µm (kg)	N/R	53,000	110,000	130,000
Particulate matter <10.0µm (kg)	N/R	56,000	110,000	140,000
Polycyclic aromatic hydrocarbons (kg)	N/R	1.3	0.40	0.38
Sulphur dioxide (SOx) (kg)	N/R	1,300	26,000	26,000
Total volatile organic compounds (kg)	N/R	9,900,000	3,300,000	2,700,000
Air emissions (kg)	N/R	11,828,992	6,930,029	6,623,145
Land emissions (kg)	N/R	91,837	151,180	144,208
Water emissions (kg)	N/R	2,734	0	1,793
Waste⁽¹³⁾				
Hazardous (t) ⁽¹⁴⁾	499	924	1,743	3,276
Non-hazardous (t)	974	567	678	507
Total (t)	1,473	1,491	2,421	3,783
Produced water				
Total (GL)	18.5	25.2	18.8	19.11

(1) Where percentages are provided, totals may not sum to 100% due to rounding.

(2) Headcount as at 30 June 2024 includes International employees and excludes directors and contractors.

(3) KMP: Key Management Personnel, as defined in the Australian Accounting Standards Board's Accounting Standard AASB124 Related Party Disclosures.

(4) Community investment value includes cash, in-kind, time and management costs. Figures subject to rounding.

(5) Include in-person sessions and online modules.

(6) Excludes mandatory payments made, such as those to meet regulatory requirements.

(7) Estimate based on category 11 (Use of sold product) of the Greenhouse Gas Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standards.

(8) These numbers are preliminary estimates only and subject to confirmation as Beach compiles its emissions data for submission to the Clean Energy Regulator in October.

(9) Reported on a calendar year basis per New Zealand's Emissions Trading Scheme; figures are for calendar year 2023.

(10) Occurred outside the bundled or contaminated area.

(11) Significant spills are defined as spills that are included in the organisation's financial statements, for example, due to resulting liabilities.

(12) NPI submissions are due on 30 September each year. Data for FY24 will be reported in the FY25 Sustainability Report.

(13) Waste data for FY21-FY23 is for Australia only, FY24 includes New Zealand. Waste is measured by waste collection contractors at the point of collection and represents tonnes collected.

(14) Hazardous waste is waste that, by its characteristics, poses a threat or risk to public health, safety or to the environment. This is informed by jurisdiction-specific regulations.

B4SI verification statement

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Verification Statement from Business for Societal Impact (B4SI) – 2024

Business for Societal Impact (B4SI) helps businesses improve the measurement, management and reporting of their corporate community investment programs. It covers the full range of contributions (cash, time and in-kind contributions) made to community causes.

As managers of B4SI, we can confirm that we have worked with Beach Energy to verify its understanding and application of the model with regards to the wide range of community investment programs supported.

Our aim has been to ensure that the evaluation principles have been correctly and consistently applied and we are satisfied that this has been achieved. It is important to note that our work has not extended to an independent audit of the data.

We can confirm that Beach Energy has invested the following amounts in AUD to the community in this 2024 B4SI reporting year as defined by the methodology.

Cash	\$ 1,929,227
Time	\$ 152,023
In-kind	\$ 119,925
Management costs	\$ 155,130
TOTAL	<u>\$ 2,356,305</u>

In addition to verified figures, Beach Energy also reported the following outputs in their submission:

Leverage**	\$ 829,720
Revenue foregone^	\$ 0

***leverage refers to additional third-party contributions facilitated by the company
^the revenue foregone for community benefit on fees, products and services provided free or discounted
Please refer to Business for Societal Impact for detailed definitions as required.*



**Verified by Simon J. Robinson
On behalf of Business for Societal Impact
AUG 2024**



Independent Limited Assurance Report to the Management and Directors of Beach Energy Limited

Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Beach Energy Limited to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over the Subject Matter defined below for the year ended 30 June 2024. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed the following Subject Matter:

Beach Energy Limited's reported performance of its selected sustainability performance data as included in Beach Energy Limited's Annual Report, as shown in the table below:

Performance data and disclosures	Unit	Report page
Diversity		
Ratio of males to females at the 'Board' level	% (M:F)	50
Ratio of males to females at the 'Chief Executive Officer (CEO)' level		
Ratio of males to females at the 'Key Management Personnel (KMP)' level		
Ratio of males to females at the 'other executive and general manager' level		
Ratio of males to females at the 'senior manager' level		
Ratio of males to females at the 'other manager' level		
Safety		
Tier 1 process safety events	#	50
Tier 2 process safety events		
Community Investment		
Community investment by Beach – Australia	\$m	51
Community investment by Beach – New Zealand		
Total community investment by Beach		
Joint venture partner community investment		
Greenhouse Gas Emissions		
FY23 Australian total scope 1 and 2 greenhouse gas (GHG) emissions	tCO ₂ e	51
Cultural Heritage		
Beach Energy Limited's qualitative disclosures pertaining to cultural heritage in the Indigenous Participation section of the Annual Report	Qualitative	42-43
Waste		
Hazardous waste	t	52
Non-hazardous waste		
Water		
Total produced water production	GL	52

Criteria applied by Beach Energy Limited:

In preparing the selected disclosures, Beach Energy Limited applied the following Criteria:

In preparing disclosures in relation to **Diversity**:

- ▶ Workplace Gender Equality Act 2012
- ▶ AASB124: Related party disclosures 2023
- ▶ Informed by GRI 405: Diversity and Equal Opportunity 2016

In preparing disclosures in relation to **Safety**:

- ▶ American Petroleum Institute (API) Recommended Practice (RP), Process Safety Performance Indicators for the Refining and Petrochemical Industries, Third Edition 2021
- ▶ Informed by GRI 403: Occupational Health and Safety 2018

In preparing disclosures related to **Community Investment**:

- ▶ Business for Societal Impact (B4SI) Framework Community Investment Guidance Manual 2020

In preparing disclosures in relation to **Greenhouse Gas Emissions**:

- ▶ National Greenhouse and Energy Reporting Act 2007
- ▶ National Greenhouse and Energy Reporting Regulations 2008 (the "NGER Regulations")
- ▶ National Greenhouse and Energy Reporting (Measurement) Determination, as compiled 1 July 2022 (the "NGER (Measurement) Determination")
- ▶ Informed by GRI 305: Emissions 2016

In preparing disclosures in relation to **Cultural Heritage**:

- ▶ The GRI Reporting Principles 2016, being Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, Verifiability
- ▶ Informed by GRI 411: Rights of Indigenous Peoples 2016

In preparing disclosures in relation to **Waste**:

- ▶ Informed by GRI 306: Waste 2020
- ▶ Beach's publicly disclosed methodology

In preparing disclosures in relation to **Water**:

- ▶ Informed by GRI 303: Water and Effluents 2018
- ▶ Beach's publicly disclosed methodology

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Beach Energy Limited's responsibility

Beach Energy Limited's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Our approach to conducting the review

We conducted this review in accordance with the Australian Standard for Assurance Engagements (ASAE 3410): Assurance Engagements on Greenhouse Gas Statements and (ASAE 3000): Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and the terms of reference for this engagement as agreed with Beach Entity Limited on 1st July 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other review procedures. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- ▶ Conducted interviews with personnel to understand the business and reporting process
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and tested assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to check the accuracy of the data
- ▶ Reviewing the presentation of Subject Matter information in the Report

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

Inherent limitations

Procedures performed in a review engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Other matters

Our report does not extend to any disclosures or assertions made by Beach Energy Limited relating to future performance plans and/or strategies disclosed in Beach Energy Limited's Sustainability Report.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Beach Energy Limited, or for any purpose other than that for which it was prepared.

Ernst & Young

Ernst & Young
Adelaide, Australia
12 August 2024

Directors' Report

Your directors present their report for Beach Energy Limited (Beach or Company) on the consolidated accounts for the financial year ended 30 June 2024. Beach is a company limited by shares that is incorporated and domiciled in Australia.

The directors of the Company during the year ended 30 June 2024 and up to the date of this report are:

Surname	Other Names	Position
Stokes ⁽¹⁾	Ryan Kerry	Non-executive Interim Chair
Clement ⁽²⁾	Bruce Frederick William	Independent non-executive director
Layman	Sally-Anne Georgina	Independent non-executive director
Martin ⁽³⁾	Sarah (Sally) Jean	Independent non-executive director
Moore	Peter Stanley	Lead Independent non-executive director
Richards	Richard Joseph	Non-executive director
Woods ⁽⁴⁾	Brett Kenneth	Managing Director and Chief Executive Officer
Hall ⁽⁵⁾	Margaret Helen	Non-executive director/Alternate
Davis ⁽⁶⁾	Glenn Stuart	Retired, Independent non-executive Chairman

(1) Appointed a non-executive director on 23 July 2023. Prior to that date Mr Stokes was Ms Hall's alternate. Appointed Interim Chair effective 14 November 2023.

(2) Appointed Interim Chief Executive Officer on 9 August 2023 to 28 January 2024.

(3) Appointed 11 March 2024.

(4) Appointed 29 January 2024.

(5) Retired on 23 July 2023 and appointed Mr Stokes' alternate on that date.

(6) Retired on 14 November 2023.

Directors' interests in shares, options and rights

The relevant interest of each director in the ordinary share capital of Beach at the date of this report is:

Shares held in Beach Energy Limited

Name	Shares	Rights
R K Stokes ⁽³⁾	150,000 ⁽¹⁾	-
B F W Clement	60,000 ⁽¹⁾	-
S G Layman	45,000 ⁽²⁾	-
S J Martin	-	-
P S Moore	44,200 ⁽²⁾	-
R J Richards ⁽⁴⁾	488,053 ⁽²⁾	-
B K Woods	-	-
M H Hall ⁽⁵⁾	17,068 ⁽²⁾	-

(1) Held directly.

(2) Held by entities in which a relevant interest is held.

(3) Mr Stokes was an alternate director for Ms Hall until 23 July 2023 when he was appointed a director on that date. Mr Stokes was nominated by Beach's largest shareholder Seven Group Holdings Limited (SGH) and related corporations who collectively have a relevant interest in 30.02% of Beach shares. He is Managing Director and Chief Executive Officer of SGH.

(4) Mr Richards was nominated as a director by SGH. He is the Chief Financial Officer of SGH.

(5) Ms Hall was nominated as a director by SGH. Ms Hall retired from the Board on 23 July 2023 and was appointed Mr Stokes' alternate on that date. Ms Hall is the Chief Executive Officer of SGH Energy.

Details of the qualifications, experience, special responsibilities and meeting attendance of each of the directors are set out later in the Directors' Report.

Director appointments and retirements

During the financial year, the following changes to Board composition occurred:

- R K Stokes was appointed a non-executive director on 23 July 2023. Prior to that date Mr Stokes was Ms Hall's alternate.
- M H Hall retired as a non-executive director on 23 July 2023 and was appointed as an alternate director for Mr Stokes.
- B F W Clement was appointed temporarily as Interim Chief Executive Officer from 9 August 2023 to 28 January 2024 while continuing to perform his duties as a director.
- G S Davis retired on 14 November 2023.
- B K Woods was appointed on 29 January 2024.
- S J Martin was appointed on 11 March 2024.

As at 30 June 2024, the board comprises seven directors (including the Managing Director). The approved maximum number of directors is nine.

Principal activities

Beach Energy is an ASX listed, oil and gas, exploration and production company headquartered in Adelaide, South Australia. It has operated and non-operated, onshore and offshore, oil and gas production from five producing basins across Australia and New Zealand and is a key supplier to the Australian east coast gas market. Beach's asset portfolio includes ownership interests in strategic oil and gas infrastructure and assets across Australia and New Zealand and continues to pursue growth opportunities which align with its strategy, satisfy strict capital allocation criteria, and demonstrate clear potential for shareholder value creation. Beach is focused on maintaining high health, safety and environmental standards.

Operating and Financial Review

A review of operations of Beach Energy during the financial year are set out on pages 16-27.

Financial results from FY24 are summarised below:

- Group loss attributable to equity holders of Beach was \$475.3 million (FY23 \$400.8 million profit).
- Sales revenue was up 9% from FY23 to \$1,765.6 million through the introduction of two Waitsia LNG cargoes and one condensate cargo during the financial year, strong realised gas and ethane prices and favourable A\$/US\$ exchange rates.
- Cost of sales were up 23% from FY23 to \$1,294.3 million, mainly driven by higher third party purchases largely related to Waitsia LNG and condensate cargoes, higher tariffs and tolls associated with the new Waitsia tolling arrangements, including unavoidable costs of \$50.9 million associated with LNG processing arrangements which commenced in Q2 FY24, and higher non-operated field operating costs and depreciation.
- Other expenses of \$1,160.8 million primarily related to the impairment charges recognised for the Cooper Basin, SA Otway, BassGas, New Zealand and Bonaparte assets of \$1,098.6 million.

Key Results		FY24	FY23	Change
Operations				
Production	MMboe	18.2	19.5	(7%)
Sales	MMboe	21.3	20.7	3%
Capital expenditure	\$m	(962.7)	(1,100.3)	13%
Income				
Sales revenue	\$m	1,765.6	1,616.9	9%
Total revenue	\$m	1,797.6	1,646.4	9%
Cost of sales	\$m	(1,294.3)	(1,055.6)	(23%)
Gross profit	\$m	503.3	590.8	(15%)
Other income	\$m	36.4	10.3	253%
Other expenses	\$m	(1,160.8)	(14.8)	n/m
Net profit/(loss) after tax (NPAT)	\$m	(475.3)	400.8	(219%)
Underlying NPAT ⁽¹⁾	\$m	341.3	384.8	(11%)
Dividends paid	cps	4.00	3.00	33%
Dividends announced	cps	2.00	2.00	0%
Basic EPS	cps	(20.85)	17.58	(219%)
Underlying EPS ⁽¹⁾	cps	14.97	16.88	(11%)
Cash flows				
Operating cash flow	\$m	774.1	928.6	(17%)
Investing cash flow	\$m	(1,082.2)	(1,169.7)	7%

		As at 30 June 2024	As at 30 June 2023	Change
Financial position				
Net assets	\$m	3,312.5	3,877.9	(15%)
Cash balance	\$m	172.0	218.9	(21%)

(1) Underlying results in the table above are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by Beach's external auditors. Please refer to the table on page 59 for a reconciliation of this information to the financial report.

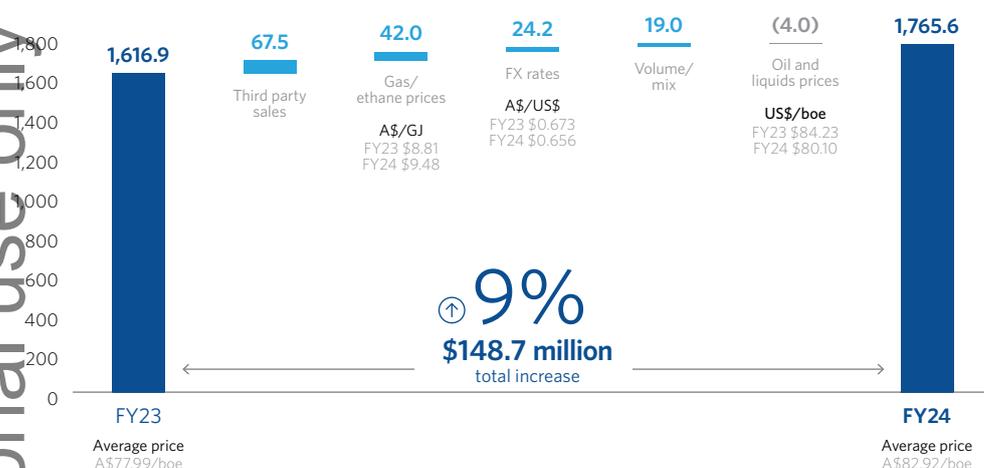
Directors' Report

Revenue

Sales revenue of \$1,765.6 million in FY24 was \$148.7 million or 9% higher than FY23, driven by higher third party sales with a portion of the volumes associated with the Waitsia LNG and condensate cargoes during the financial year from third party product, stronger gas and ethane prices and favourable FX rates.

Higher sales from third party product increased revenue by \$67.5 million, primarily attributed to a portion of LNG and condensate sales volumes from Waitsia, strong gas and ethane prices contributed \$42.0 million with realised prices of \$9.48/GJ and favourable A\$/US\$ exchange rates in FY24 resulting in an increase of \$24.2 million to sales revenue. Favourable volumes (\$19.0 million) are driven by a portion of the Waitsia LNG and condensate sales, sourced from Beach production, partly offset by lower customer nominations in Victoria Otway and field decline in Kupe and lower US dollar oil and liquids prices decreasing sales revenues by \$4.0 million. The average realised liquids price decreased to US\$80.10/boe, down from US\$84.23/boe in FY23.

Sales Revenue Comparison (\$m)

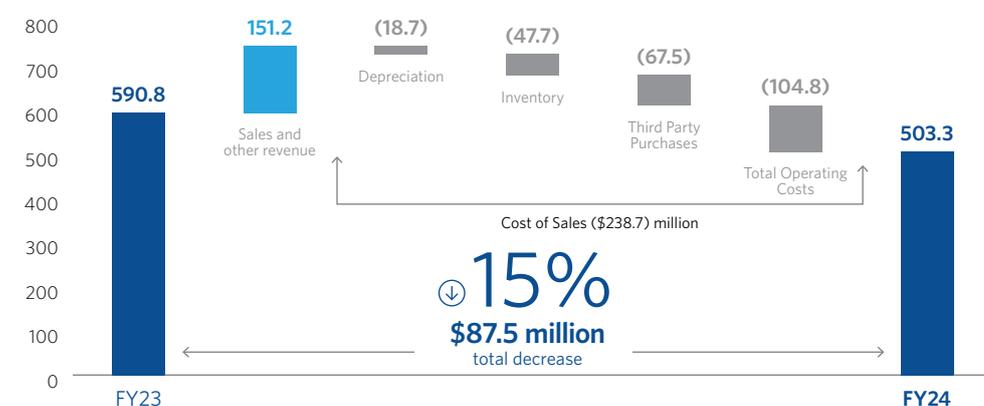


Gross Profit

Gross profit for FY24 of \$503.3 million (FY23 \$590.8 million) was down 15%, largely driven by higher non-operated operating costs, an increase in third party purchases, unfavourable inventory movements and higher depreciation, partly offset by higher sales and other revenues.

The increase to cost of sales, up 23% from FY23 to \$1,294.3 million, was driven by a \$84.1 million increase to tariffs and tolls as a result of the commencement of LNG processing arrangements for Waitsia in Q2 FY24, as well as higher third party purchases of \$67.5 million and unfavourable inventory movement of \$47.7 million both to support the Waitsia LNG and condensate cargoes delivered in FY24. Higher field operating costs of \$25.4 million were primarily attributed to non-operated Cooper Basin JV. Depreciation increased \$18.7 million due to the impacts of FY23 year-end reserves and future development costs and a change in depreciation calculation for Cooper Basin assets in H2 FY24, partly offset by lower production and the impairment writedowns recognised in H1 FY24. This was partly offset by higher sales and other revenue of \$151.2 million.

Gross Profit Comparison (\$m)



Net Profit Result

Other expenses of \$1,160.8 million were \$1,146.0 million higher than FY23 due to impairment charges recognised in the Cooper Basin, SA Otway, BassGas, New Zealand and Bonaparte assets of \$1,098.6 million, write-off of the damaged Victoria Otway Phase 5 flexible flowline of \$12.4 million, FX losses of \$6.8 million and the reversal of accrued acquisition costs of \$16.8 million in FY23. This is partly offset by other income of \$36.4 million mainly relating to insurance recoveries from the Victoria Otway flowline.

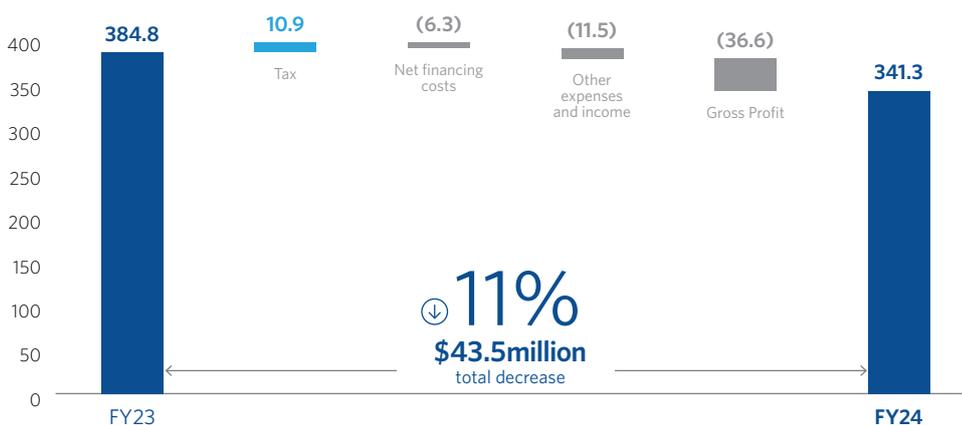
The reported net loss after income tax of \$475.3 million is \$876.1 million lower than the net profit after tax recognised in FY23, primarily due to the impairment charges recognised in FY24 net of the associated income tax benefit.

By adjusting the reported net loss after income tax for the one-off items below, Beach's underlying net profit after tax is \$341.3 million. Impairment expense of \$1,098.6 million and tariffs incurred for unutilised capacity in relation to the NWS processing of \$50.9 million in the reported result have been excluded from the calculation of underlying profit after tax. In addition, insurance recoveries of \$30.8 million related to the failure of the Victoria Otway flowline and class action defence costs along with the related loss on the disposal of the flowline and class action defence costs incurred as well as restructuring costs of \$7.3 million incurred following the strategic review in the reported result have also been excluded from the calculation of underlying net profit after tax.

Comparison of underlying profit	FY24 \$ million	FY23 \$ million	Movement from PCP \$ million	
Net profit/(loss) after tax	(475.3)	400.8	(876.1)	(219%)
Adjusted for:				
Tariff and Tolls related to unutilised NWS capacity	50.9	-	50.9	
Insurance recoveries	(30.8)	-	(30.8)	
Loss on disposal of non-current assets	12.4	-	12.4	
Legal costs related to shareholder class action	4.1	-	4.1	
Impairment of non-current assets	1,098.6	-	1,098.6	
Restructuring costs	7.3	-	7.3	
Reversal of accrued acquisition costs	-	(16.8)	16.8	
Tax impact of above changes	(325.9)	0.8	(326.7)	
Underlying net profit/(loss) after tax⁽¹⁾	341.3	384.8	(43.5)	(11%)

(1) Underlying results in this report are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by Beach's external auditors. All of the items being adjusted pre-tax are separately identified within Notes 2(b), 3(a) and 3(b) to the financial statements.

Underlying Net Profit After Tax Comparison (\$m)



Directors' Report

Financial Position

Assets

Total assets decreased by \$395.7 million to \$5,499.2 million during the period, mainly due to impairment of non-current assets partly offset by capital additions, net of depreciation and amortisation.

Cash balances decreased by \$46.9 million to \$172.0 million, primarily due to:

- Cash outflow from investing activities of \$1,082.2 million supporting major capital investment in Perth Basin, Cooper Basin, Otway and Kupe partly offset by,
 - Cash inflow from operations of \$774.1 million including \$1,982.3 million in receipts from customers and total operating payments of \$1,208.2 million including cash cost of sales, tax payments and restoration activity.
- Cash inflow from financing activities of \$260.6 million, comprising net drawdowns of \$370.0 million from debt facilities partially offset by dividend payments of \$91.2 million.
- Favourable foreign exchange impact of \$0.6 million.

Total current assets increased \$15.5 million with inventory on hand at 30 June 2024, increasing \$33.0 million reflecting higher drilling and maintenance stocks in the Cooper Basin. Receivables increased by \$27.6 million primarily driven by the insurance proceeds receivable relating to the Victoria Otway Phase 5 flowline rupture and amounts owing by the Joint Venture parties. This is partly offset by the \$46.9 million decrease in cash on hand at 30 June 2024.

Total non-current assets decreased by \$411.2 million due to the impairment of petroleum, exploration and intangible asset carrying values of \$1,098.6 million, depreciation and amortisation of \$428.7 million, partly offset by capital and lease additions of \$964.4 million and \$33.8 million respectively as well as the recognition of a deferred tax asset of \$91.2 million.

Liabilities

Total liabilities increased by \$169.7 million to \$2,186.7 million primarily due to an increase in debt drawn of \$368.8 million, partly offset by deferred tax liability decrease of \$201.0 million.

Equity

Total equity decreased by \$565.4 million, primarily due to a net loss after tax of \$475.3 million and dividends paid during the period of \$91.0 million.

Dividends

During the financial year, the Company paid a FY23 fully franked final dividend of 2.0 cents per share as well as an interim FY24 fully franked dividend of 2.0 cents per share. The Company will also pay a FY24 fully franked final dividend of 2.0 cents per share from the profit distribution reserve.

State of affairs

A review of operations of Beach Energy during the financial year on pages 16–27 sets out a number of matters that have had a significant effect on the state of affairs of the group. Other than those matters, there were no significant changes in the state of affairs of the group during the financial year.

Funding and Capital Management

As at 30 June 2024, Beach held cash and cash equivalents of \$172.0 million.

Beach currently has senior secured facilities in place for \$1,095 million, comprised of a three year \$320 million revolving syndicated loan facility maturing September 2025 (Facility D and E), a five year \$350 million revolving syndicated loan facility maturing September 2026 (Facility B), a three year \$350 million revolving syndicated loan facility maturing June 2027 (Facility F) and a three year \$75 million bilateral Contingent Instrument facility (CI Facility) with a maturity date of September 2024.

As at 30 June 2024, \$755 million of loan facilities were drawn and \$52.5 million of instruments issued under the CI Facility.

Material Business Risks

Beach recognises that the management of risk is a critical component in Beach achieving its purpose of delivering leading shareholder returns through the sustainable supply of energy.

The Company has a framework to identify, understand, manage and report risks. As specified in its Board Charter, the Board has responsibility for overseeing Beach's risk management framework and monitoring its material business risks with a separate Risk, Corporate Governance and Sustainability Committee also established to assist the Board in ensuring there is an appropriate corporate entity risk management framework and that the process identifies business, operational, financial and regulatory risks and mitigation measures.

Given the nature of Beach's operations, there are many factors that could impact Beach's operations and results. The material business risks that could have an adverse impact on Beach's financial prospects or performance include economic risks, operational risks, social licence-to-operate and health, safety and environmental risks. A description of the nature of the risks and how such risks are managed is set out below.

This list is neither exhaustive nor in order of importance. There may be additional risks not described below, not presently known to us, or that we currently consider to be immaterial that could turn out to be material in the future.

Economic Risks

Exposure to oil and gas prices

The domestic gas market and the global oil and LNG markets experience fluctuations in supply and demand, resulting in corresponding price variations.

Fluctuations in the global oil, LNG and domestic gas markets and any extended or substantial decline in demand or prices for oil and gas, could adversely affect Beach's operations, financial position and ability to finance developments. Beach uses a structured framework for capital allocation decisions. The process provides rigorous value and risk assessment against a broad range of business metrics and stringent hurdles to maximise return on capital.

Declines in the price of oil and gas and continuing price volatility may also lead to revisions of the medium and longer term price assumptions for future production, which, in turn, may lead to a revision of the carrying value of some of Beach's assets.

The valuation of oil and gas assets is affected by a number of assumptions, including the quantity of reserves and resources booked in relation to these oil and gas assets and their expected cash flows. An extended or substantial decline in oil and/or gas prices or demand, or an expectation of such a decline, may reduce the expected cash flows and/or quantity of reserves and resources booked in relation to the associated oil and gas assets, which may lead to a reduction in the valuation of these assets. If the valuation of an oil and gas asset is below its carrying value, a non-cash impairment adjustment to reduce the historical book value of these assets will be made with a subsequent reduction in the reported net profit in the same reporting period.

Foreign exchange and commodity price risk

The Group's functional currency is Australian dollars. Beach's exposure to foreign currency risk arises from commercial transactions, expenditure and valuation of asset and liabilities that are not denominated in the entity's functional currency, principally US dollars and New Zealand dollars.

To satisfy payment obligations in jurisdictions where the Australian dollar is not accepted, Beach converts funds as payments become due. Funds received in foreign currencies that are surplus to forecast needs are required to be converted to Australian dollars at the prevailing exchange rate.

Beach is exposed to commodity price fluctuations through the sale of petroleum productions and other oil-linked contracts.

The Company may use derivative financial instruments to economically hedge risk exposures, such as foreign exchange forward, foreign currency swap, foreign currency option contracts and commodity price swap and option contracts.

Ability to access funding

Beach operates in the oil and gas industry, undertaking significant exploration, development, production, processing and transportation activities. To fund this activity, the Group relies on cash flows from operating activities and access to debt and equity markets.

The ability to access funding may be negatively impacted by factors such as the Group's capital structure, financial markets volatility and the ESG concerns of lenders and investors. This may result in postponement of or reduction in planned capital expenditure, relinquishment of rights in relation to assets, an inability to take advantage of opportunities or otherwise respond to market conditions. Any of these outcomes could have a material adverse effect on the Group's financial position, its ability to expand its business and/or maintain its operations at current levels.

Beach manages financial risks through a central treasury function, which operates under a Board approved financial risk management policy covering areas such as liquidity, debt management, interest rate risk, foreign exchange risk, commodity risk and counterparty credit risk. The policy sets out the organisational structure, clear delegations and reporting obligations required for the prudent management of risk. The annual capital and operating budgeting processes approved by the Board ensure appropriate allocation of resources.

Contract and Counterparty Risk

A dispute, or a breakdown in the relationship, between Beach and its JVPs, suppliers or customers, a failure to reach a suitable arrangement with a particular JVP, supplier or customer, the failure of a JVP, supplier or customer to pay or otherwise satisfy its contractual obligations (including as a result of insolvency or financial stress), lower than expected customer lifting on existing gas sales agreements that are subject to high degrees of customer flexibility and customer exclusivity could have an adverse effect on the reputation and/or the financial performance of Beach.

Operational Risks

Joint Venture Operations

Beach participates in a number of joint ventures for its business activities. This is a common form of business arrangement designed to share risk and the cost of exploration, development and production. Under certain joint venture operating agreements, Beach may not fully control the approval of work programs and budgets and a JVP may vote to participate in certain activities without the approval of Beach. Beach may also not have full control of the quality or timeliness of delivery of agreed works. As a result, Beach may experience a dilution of its interest or may not gain the benefit of the activity, except at a significant cost penalty later in time.

Failure to reach agreement on exploration, development and production activities may have a material impact on Beach's business. Failure of Beach's JVPs to meet financial and other obligations may have an adverse impact on Beach's business.

Beach works closely with its JVPs to minimise the risk of joint venture misalignment and any unnecessary costs.

Material change to reserves and resources

The estimated quantities of reserves and resources are based upon interpretations of geological, geophysical and engineering models and assessment of the technical feasibility and commercial viability of production. Estimates that are valid at a certain point in time may alter significantly or become uncertain when new reservoir information becomes available through field production, additional drilling or technical analysis. As reserves and resources estimates change, development and production plans may be altered in a way that may adversely affect Beach's operations and financial results.

Beach prepares its reserves and resources estimates in accordance with the 2018 update to the Petroleum Resources Management System sponsored by the Society of Petroleum Engineers, World Petroleum Council, American Association of Petroleum Geologists, Society of Petroleum Evaluation Engineers, Society of Exploration Geoscientists, Society of Petrophysicists and Well Log Analysts and the European Association of Geoscientists & Engineers (SPE-PRMS). The estimates are subject to periodic independent review or audit.

Abandonment and restoration liabilities

Beach holds long term operating assets which require decommissioning at the end of their operational life. This provision is material in value, based on modelling assumptions (which may turn out to be incorrect) and subject to changes in legislative requirements. Failure to adequately estimate or provide for these deferred expenses, or if a restoration liability arises earlier than expected may impact Beach's business.

Exploration and development

Success in oil and gas production is key and in the normal course of business Beach depends on the following factors: successful exploration, establishment of commercial oil and gas reserves, finding commercial solutions for exploitation of reserves, ability to design and construct efficient production, gathering and processing facilities, efficient transportation and marketing of hydrocarbons and sound management of operations. Oil and gas exploration is a speculative endeavour and the nature of the business carries a degree of risk associated with failure to find hydrocarbons in commercial quantities or at all.

Beach utilises well-established prospect evaluation and ranking methodology to manage exploration risks.

Directors' Report

Major Project Delivery

Beach is focused on creating shareholder value through investments in various oil and gas projects, as well as investments in decarbonisation initiatives. However, with any significant capital project, there is a risk of failure or incomplete achievement of project objectives, which could result in lower investment returns than initially anticipated.

These risks could emerge from various factors, including challenges in obtaining necessary regulatory approvals within expected timelines, obstacles in securing land access (including navigating native title agreements), community, First Nations and other stakeholder engagement requirements, procurement issues resulting from delays in equipment fabrication or constraints in global supply chains, labour shortages, inflationary pressures, failure to effectively define or meet project scope, budget, and definition, deficiencies in project design and quality, concerns regarding process safety, failures in cost control and delivery schedule management, limitations in available resources and suboptimal decision-making.

Beach has implemented a comprehensive project development process supported by governance, risk management and reporting. Senior management and the Board actively review the progress and performance of significant projects to ensure proper oversight and decision making.

Production risks

Any oil or gas project, covering onshore and/or offshore activity, may be exposed to production decrease or stoppage, which may be the result of facility shut-downs, mechanical or technical failure, project delays, climatic events and other unforeseeable events. A significant failure to maintain production could result in Beach lowering production forecasts, loss of revenue and additional operational costs to bring production back online.

There may be occasions where loss of production may incur significant capital expenditure, resulting in the requirement for Beach to seek additional funding, through equity or debt. Beach's approach to facility design, process safety and integrity management is critical to mitigating production risks.

Beach and its JVPs may face disruptions as a result of the restrictions on the movement and supply of personnel and products due to external influences such as geopolitical unrest or conflict. A significant failure to meet production and/or project targets could compromise Beach's production and sales deliverability obligations, impact operating cash flows through loss of revenue and/or from incurring additional costs needed to reinstate production to required levels.

Cyber risk

The integrity, availability and confidentiality of data within Beach's information and operational technology systems may be subject to intentional or unintentional disruption (for example, from a cyber security attack). Beach continues to invest in robust processes and technology, supported by specialist cyber security skills to prevent, detect, respond and recover from such attacks should one occur.

This risk has escalated as a result of the increased global cyber threat across the economy, particularly with regard to ransomware. Beach has invested in further measures that align with the Australian Energy Sector Cyber Security Framework. In addition, we test existing controls through regular penetration testing, phishing simulations and cyber exercises. The Board and its committee's consider cyber risks regularly, commensurate with the evolving nature of this risk and the level of internal activity.

People and Capability

The industry we operate in faces challenges in attracting and retaining personnel with specialised skills and expertise. The inability to attract and retain such individuals could potentially disrupt business continuity through the loss of critical capability. To address this risk, we have implemented employment arrangements that are specifically designed to secure and retain key personnel.

Social Licence to Operate Risks

Regulatory risk

Changes in government policy (such as in relation to taxation, environmental protection, competition and pricing regulation and the methodologies permitted to be used in oil and gas exploration and production activity such as produced water disposal) or statutory changes may affect Beach's business operations and its financial position.

A change in government regime may significantly result in changes to fiscal, monetary, property rights and other issues which may result in a material adverse impact on Beach's business and its operations. Companies in the oil and gas industry may also be required to pay direct and indirect taxes, royalties and other imposts in addition to normal company taxes. Beach currently has operations or interests in Australia and New Zealand. Accordingly, its profitability may be affected by changes in government taxation and royalty policies or in the interpretation or application of such policies in each of these jurisdictions.

Beach monitors changes in relevant regulations and engages with regulators and governments to ensure policy and law changes are appropriately influenced and understood.

Disputes and litigation

The nature of the operations of Beach means we may be involved in litigation or disputes from a range of sources, including contractual disputes, breach of laws, lawsuits or personal claims. Beach maintains an experienced in-house legal team and keeps abreast of claims, changes to legislation and regulatory requirements.

Permitting risk

All petroleum licences held by Beach are subject to the granting and approval of relevant government bodies and ongoing compliance with licence terms and conditions.

Tenure management processes and standard operating procedures are utilised to minimise the risk of losing tenure.

Land access, cultural heritage Native Title and community stakeholders

Beach is required to obtain the consent of owners and occupiers of land within its licence areas. Compensation may be required to be paid to the owners and occupiers of land in order to carry out exploration and development activities.

Beach operates in a number of areas within Australia that are or may become subject to claims or applications for native title determinations or other third party access. Native or indigenous title and land rights may also apply or be implemented in other jurisdictions in which Beach operates outside of Australia, including New Zealand.

The oil and gas industry is also subject to interest from a wide range of stakeholders from the broader community which may be opposed to activities being undertaken.

Native title claims, community and stakeholder consultation requirements and other stakeholder engagement issues have the potential to introduce delays in the granting of petroleum and other licences and, consequently, may have an effect on the timing and cost of exploration, development and production.

Beach's standard operating procedures and stakeholder engagement processes are used to manage land access, cultural heritage, native title and community stakeholder risks.

Health, safety and environmental risks

The business of exploration, development, production and transportation of hydrocarbons involves a variety of risks which may impact the health and safety of personnel, the community and the environment.

Oil and gas production and transportation can be impacted by natural disasters, operational error or other occurrences which can result in hydrocarbon leaks or spills, equipment failure and loss of well control. Potential failure to manage these risks could result in injury or loss of life, damage or destruction of wells, production facilities, pipelines and other property, damage to the environment, legal liability and damage to Beach's reputation.

Losses and liabilities arising from such events could significantly reduce revenues or increase costs and have a material adverse effect on the operations and/or financial conditions of Beach.

Beach employs an Operations Excellence Management System to identify and manage risks in this area. Insurance policies, standard operating procedures, contractor management processes and facility design and integrity management systems, amongst other things, are important elements of the system that supports mitigation of these risks.

Beach seeks to maintain appropriate policies of insurance consistent with those customarily carried by organisations in the energy sector. Any future increase in the cost of such insurance policies, or an inability to fully renew or claim against insurance policies as a result of the current economic environment (for example, due to a deterioration in an insurers ability to honour claims), could adversely affect Beach's business, financial position and operational results.

Pandemic risk

Large scale pandemic outbreak of a communicable disease such as COVID-19 has the potential to affect personnel, production and delivery of projects. The Company employs its crisis and emergency management plans, health emergency plans and business continuity plans to manage this risk including ongoing monitoring and response to government directions and advice. This enables the Company to take active steps to manage risks to the Company's staff and stakeholders and to mitigate risks to production and progress of growth projects.

Climate change

Beach is likely to be subject to increasing regulations and costs associated with climate change and management of carbon emissions. Strategic, regulatory and operational risks and opportunities associated with climate change and the energy transition are incorporated into Company policy, strategy and risk management processes and practices. The Company actively monitors current and potential areas of climate change and energy transition risk and takes actions to prevent and/or mitigate impacts on its objectives and activities including setting of targets to reduce carbon emissions. The impact of climate related physical and financial risk on enterprise value is modelled against multiple climate scenarios and has recently been updated and published in Beach's Climate Transition Action Plan (CTAP). This showed resilience under 2 of the 3 modelled scenarios. Reduction of waste and emissions is an integral part of delivery of cost efficiencies and forms part of the Company's routine operations. Beach's 35% equity emissions intensity reduction target is aligned with Australia's 43% emissions reduction by 2030 target with current committed projects sufficient to reach Beach's target.

Forward Looking Statements

This report contains forward-looking statements, including statements of current intention, opinion and predictions regarding the Company's present and future operations, possible future events and future financial prospects. While these statements reflect expectations at the date of this report, they are, by their nature, not certain and are susceptible to change. Beach makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilling of such forward looking statements (whether expressed or implied), and except as required by applicable law or the ASX Listing Rules, disclaims any obligation or undertaking to publicly update such forward-looking statements.

Material Prejudice

As permitted by sections 299(3) and 299A(3) of the *Corporations Act 2001*, Beach has omitted some information from the above Operating and Financial Review in relation to the Company's business strategy, future prospects and likely developments in operations and the expected results of those operations in future financial years on the basis that such information, if disclosed, would be likely to result in unreasonable prejudice (for example, because the information is premature, commercially sensitive, confidential or could give a third party a commercial advantage). The omitted information typically relates to internal budgets, forecasts and estimates, details of the business strategy, and contractual pricing.

Environmental regulations and performance statement

Beach participates in projects and production activities that are subject to the relevant exploration and development licences prescribed by government. These licences specify the environmental regulations applicable to the exploration, construction and operation of petroleum activities as appropriate. For licences operated by other companies, Beach monitors the performance of these companies against these regulations.

There have been no known significant breaches of the environmental obligations of Beach's operated contracts or licences during the financial year.

Beach reports under the National Greenhouse and Energy Reporting Act for its Australian operations and the *Climate Change Response Act 2002* for its New Zealand operations.

Directors' Report

Dividends paid or recommended

Since the end of the financial year the directors have resolved to pay a fully franked dividend of 2.0 cents per share on 30 September 2024. The record date for entitlement to this dividend is 30 August 2024. The financial impact of this dividend, amounting to \$45.6 million has not been recognised in the Financial Statements for the year ended 30 June 2024 and will be recognised in subsequent Financial Statements.

The details in relation to dividends paid during the reporting period are set out below:

Dividend	Record Date	Date of payment	Cents per share	Total Dividends
FY23 final	5 September 2023	3 October 2023	2.0	\$45.6 million
FY24 Interim	29 February 2024	28 March 2024	2.0	\$45.6 million

For Australian income tax purposes, all dividends were fully franked and were not sourced from foreign income.

Share options and rights

Beach does not have any options on issue at the end of financial year and has not issued any during FY24.

Share rights holders do not have any right to participate in any issue of shares or other interests in the Company or any other entity. There have been no unissued shares or interests under option of any controlled entity within the Group during or since the reporting date. For details of performance rights issued to executives as remuneration, refer to the Remuneration Report. During the financial year, the following movement in share rights to acquire fully paid shares occurred:

Executive Performance Rights

Throughout FY24, Beach issued the following Short Term Incentive (STI) and Long Term Incentive (LTI) unlisted performance rights under the Executive Incentive Plan (EIP): 193,504 STI on 4 September 2023; 3,445,090 LTI on 10 January 2024; 858,512 LTI on 6 February 2024; and 1,061,426 Retention Rights on 6 February 2024.

LTI unlisted performance rights issued during FY24 expire on 30 November 2028, are exercisable for nil consideration and are not exercisable before 1 December 2026.

Further details can be found in the Remuneration report.

Rights	Balance at beginning of financial year	Issued during the financial year	Vested/ exercised during the financial year	Expired/ lapsed during the financial year	Balance at end of financial year
2020 LTI unlisted rights					
Issued 14 December 2020, 31 May 2021 and 30 September 2021	1,022,458	-	-	(1,022,458)	-
2021 LTI unlisted rights					
Issued 31 December 2021, 31 March 2022, 30 June 2022 and 12 October 2022	2,628,955	-	-	(284,744)	2,344,211
2021 STI unlisted rights					
Issued 21 November 2022	356,293	-	(178,149)	-	178,144
2022 Retention unlisted rights					
Issued 2 February 2023	2,155,425	-	-	(196,703)	1,958,722
2022 LTI unlisted rights					
Issued 1 December 2022	2,180,640	-	-	(533,683)	1,646,957
2022 STI unlisted rights					
Issued 4 September 2023	-	193,504	-	(4,311)	189,193
2023 LTI unlisted rights					
Issued 10 January 2024 and 6 February 2024	-	4,303,602	-	(213,333)	4,090,269
2023 Retention unlisted rights					
Issued 6 February 2024	-	1,061,426	-	-	1,061,426
Total	8,343,771	5,558,532	(178,149)	(2,255,232)	11,468,922

Employee share plan

An employee share plan (Plan) was approved by shareholders in November 2019. Under the terms of the Plan, employees who buy shares under the Plan will have those shares matched by Beach, provided any relevant conditions determined by the Board are satisfied. Eligible Employees are employees of the Group, other than a non-executive director and any other person determined by the Board as ineligible to participate in the Plan.

The Board has the discretion to set an annual limit on the value of shares that participants may purchase under the Plan, not exceeding \$5,000. Purchased Shares have been acquired periodically at the prevailing market price. Participants pay for their Purchased Shares using their own funds which may include salary sacrifice. To receive Matched Shares, a participant must satisfy the conditions determined by the Board at the time of the invitation, including remaining an employee throughout the three year vesting period. Full terms can be found in the *Notice of 2018 Annual General Meeting* released on 19 October 2018.

Rights	Balance at beginning of financial year	Issued during the financial year	Vested during the financial year	Expired/lapsed during the financial year	Balance at end of financial year
FY21 employee share plan ⁽¹⁾					
Issued up to 30 June 2021	633,228	-	(623,079)	(10,149)	-
FY22 employee share plan ⁽²⁾					
Issued up to 30 June 2022	618,400	-	-	(104,083)	514,317
FY23 employee share plan ⁽³⁾					
Issued up to 30 June 2023	554,115	-	-	(99,216)	454,899
FY24 employee share plan ⁽⁴⁾					
Issued up to 30 June 2024	-	574,261	-	(69,266)	504,995
Total	1,805,743	574,261	(623,079)	(282,714)	1,474,211

(1) 3-year restriction period end on the first practicable date after 30 June 2023.

(2) 3-year restriction period end on the first practicable date after 30 June 2024.

(3) 3-year restriction period end on the first practicable date after 30 June 2025.

(4) 3-year restriction period end on the first practicable date after 30 June 2026.

Information on Directors

The names of the directors of Beach who held office during the financial year and at the date of this report are:

Ryan Kerry Stokes, AO

Non-Executive Director and Interim Chair - BComm, FAIM

Experience and expertise

Mr Stokes is the Managing Director and Chief Executive Officer of SGH. SGH is a leading Australian diversified operating and investment group with market leading businesses and investments in industrial services, media and energy. This includes WesTrac, Coates, Boral, Seven West Media Limited (40%), and Beach (30%). He has extensive experience leading large private and public organisations, including experience with corporate transactions, operational discipline, and performance.

Mr Stokes is Chair of WesTrac, Chair of Coates, Chair of Boral and a non-executive director of Seven West Media. Mr Stokes is Chief Executive Officer of Australian Capital Equity (ACE). ACE is a private company holding a major interest in SGH.

Mr Stokes is Chairman of the National Gallery of Australia and is an Officer of the Order of Australia.

Current and former listed company directorships in the last 3 years

Mr Stokes is an executive director of SGH (since 2010) and a non-executive director of Seven West Media (since 2012) and Boral (since September 2020).

Responsibilities

Mr Stokes' special responsibilities include membership of the Remuneration and Nomination Committee. Mr Stokes was appointed to the Board on 20 July 2016 and ceased to be a director in November 2021. He was then appointed an alternate director for Margaret Hall on 1 December 2021 and ceased to be an alternate director on 23 July 2023.

Date of appointment

Mr Stokes was re-appointed a non-executive director on 23 July 2023 and elected to the Board on 14 November 2023. Mr Stokes was also appointed Interim Chair effective 14 November 2023.

Directors' Report

Brett Kenneth Woods

Managing Director & Chief Executive Officer – BSc (Hons) Geology and Geophysics, AMP Harvard

Experience and expertise

Mr Woods is a leading senior executive in the energy sector with over 25 years of professional experience. He has an outstanding record of delivering major energy projects, cost and operational discipline and growing businesses in the UK, Africa, Australasia and North America. Mr Woods began his career with Woodside Energy in the graduate program and held senior technical roles in Australia and Africa. In 2007, he became Managing Director and CEO of African start-up Rialto Energy. He was responsible for growing Rialto's business through acquiring new exploration licences in Ghana and Cote d'Ivoire, raising capital and commencing two large drilling campaigns in the highly prospective Transform Margin.

In 2013 Mr Woods joined Santos and held roles including Vice President Western Australia and Northern Territory Operating Division, VP of the Eastern Australian Business Unit, EVP of the Onshore Division, Chief Operating officer for Midstream Operations and Energy Solutions. Mr Woods led the successful transformation of the Cooper Basin and Gladstone LNG assets and played key roles in the successful acquisitions by Santos of Quadrant Energy, ConocoPhillips' Northern Australian business and Oil Search.

Current and former listed company directorships in the last 3 years

Nil.

Responsibilities

Managing Director and Chief Executive Officer.

Date of appointment

Mr Woods was appointed Managing Director and Chief Executive Officer effective 29 January 2024.

Bruce Frederick William Clement

Independent non-executive director – BEng (Civil) Hons, BSc, MBA

Experience and expertise

Mr Clement has over 40 years of domestic and international energy industry experience. He has managed oil and gas exploration, development and production operations in Australia and Asia and has delivered key projects across these regions and in the UK and US. He also has extensive experience and knowledge of the Perth Basin, including overseeing the discovery of the Waitsia gas field as Managing Director of AWE.

Mr Clement previously held engineering, senior management, and board positions with several companies including Santos, Norwest Energy, AWE, ExxonMobil and Roc Oil.

Current and former listed company directorships in the last 3 years

Mr Clement is currently a non-executive director of Horizon Oil (since 2020) and was a non-executive director of Norwest Energy NL (until February 2023).

Responsibilities

His special responsibilities include Chair of the Risk, Corporate Governance and Sustainability Committee. He served as Interim CEO from 9 August 2023 to 28 January 2024.

Date of appointment

Mr Clement was appointed to the Board on 8 May 2023 and elected to the Board on 14 November 2023.

Sally-Anne Layman

Independent non-executive director – B Eng (Mining) Hon, B Com, CPA, MAICD

Experience and expertise

Ms Layman is a company director with diverse international experience in the resources sector and financial markets. Previously, Ms Layman held a range of senior positions with Macquarie Group Limited, including as Division Director and Joint Head of the Perth office of the Metals, Mining & Agriculture Division. Prior to moving into finance, Ms Layman undertook various roles with resource companies including Mount Isa Mines, Great Central Mines and Normandy Yandal. Ms Layman holds a WA First Class Mine Manager's Certificate of Competency, a Bachelor of Engineering (Mining) Hon from Curtin University and a Bachelor of Commerce from the University of Southern Queensland. Ms Layman is a Certified Practising Accountant and is a member of CPA Australia Ltd, the Australian Institute of Company Directors and Chief Executive Women.

Current and former listed company directorships in the last 3 years

Ms Layman is on the board of Newmont Corporation (since 2023), Imdex Ltd (since 2017) and Pilbara Minerals Ltd (since 2018). She was previously on the Board of Newcrest (2020–2023).

Responsibilities

Her special responsibilities include Chair of the Audit Committee and membership of the Remuneration and Nomination Committee and Risk, Corporate Governance and Sustainability Committee.

Date of appointment

Ms Layman was appointed to the Board on 25 February 2019 and last re-elected to the Board on 16 November 2022.

Sally Martin

Independent Non-Executive Director – BE (Elec), GAICD

Experience and expertise

Ms Martin is a former senior executive who held various roles at Shell over a 34-year career. She has extensive operational and business team leadership experience in complex industrial environments including refining and trading. Ms Martin has strong ESG credentials, including in energy transition strategy development as Vice President Health, Safety, Security, Environment & Social Performance at Shell. She holds a Bachelor of Engineering degree from University College Cork, Ireland and is a member of the Australian Institute of Company Directors.

Current and former listed company directorships in the last 3 years

Ms Martin is an independent non-executive director of copper mining company Sandfire Resources Limited and is the senior independent non-executive director of Porvair Plc, a specialist filtration and environmental technology company in the UK.

Responsibilities

Her special responsibilities include being a member of the Risk, Corporate Governance and Sustainability Committee.

Date of appointment

Ms Martin was appointed to the Board on 11 March 2024 and pursuant to the constitution will retire at the 2024 Annual General Meeting being eligible to seek election.

Peter Stanley Moore

Lead Independent non-executive director – PhD, BSc (Hons), MBA, GAICD

Experience and expertise

Dr Moore has over forty years of oil and gas industry experience. His career commenced at the Geological Survey of Western Australia, with subsequent appointments at Delhi Petroleum Pty Ltd, Esso Australia, ExxonMobil and Woodside. Dr Moore joined Woodside as Geological Manager in 1998 and progressed through the roles of Head of Evaluation, Exploration Manager Gulf of Mexico, Manager Geoscience Technology Organisation and Vice President Exploration Australia. From 2009 to 2013, Dr Moore led Woodside's global exploration efforts as Executive Vice President Exploration. In this capacity, he was a member of Woodside's Executive Committee and Opportunities Management Committee, a leader of its Crisis Management Team, Head of the Geoscience function and a director of ten subsidiary companies. From 2014 to 2018, Dr Moore was a Professor and Executive Director of Strategic Engagement at Curtin University's Business School. He has his own consulting company, Norris Strategic Investments Pty Ltd.

Dr Moore is recognised by the Australian Geoscience Council as a National Geoscience Champion.

Current and former listed company directorships in the last 3 years

Dr Moore was a non-executive director of Carnarvon Petroleum Ltd (until 2023).

Responsibilities

His special responsibilities include Chairmanship of the Remuneration and Nomination Committee and membership of the Risk, Corporate Governance and Sustainability Committee and of the Audit Committee. He is also Lead Independent Non-Executive Director.

Date of appointment

Dr Moore was appointed by the Board on 1 July 2017 and last re-elected to the Board on 16 November 2022.

Richard Joseph Richards

Non-executive director – BComs/Law (Hons), LL.M., MAppFin, CA, Admitted Solicitor

Experience and expertise

Mr Richard Richards has been Chief Financial Officer of Seven Group Holdings Limited (SGH) since October 2013. He is a director of SGH Energy and is a director and Chair of the Audit and Risk Committee of WesTrac and Coates. He is a director of Boral and is a member of its Audit and Risk and Safety Committees. Mr Richards is also a director of Flagship Property Holdings and a director of Chris O'Brien Lifehouse and Chair of its Audit and Risk Committee.

Mr Richards joined SGH from the diverse industrial group, Downer EDI, where he was Deputy Chief Financial Officer responsible for group finance across the company for three years. Prior to joining Downer EDI, Mr Richards was CFO for the Family Operations of LFG, the private investment and philanthropic vehicle of the Lowy Family for two years. Prior to that, Richard held senior finance roles at Qantas for over 10 years.

Mr Richards is a former Director and the Chair of Audit and Risk Management Committee of KU – established in 1895 as the Kindergarten Union of New South Wales, KU is one of the most respected childcare providers in Australia. He was also a member of the Marcia Burgess Foundation Committee.

Current and former listed company directorships in the last 3 years

Boral Limited during October 2021 and was reappointed during August 2022.

Responsibilities

His special responsibilities include membership of the Audit Committee and Risk, Corporate Governance and Sustainability Committee.

Date of appointment

Mr Richards was appointed to the Board on 4 February 2017 and was last re-elected to the board on 14 November 2023.

The details of the directors of Beach who held office during the financial year and are no longer on the Board are:

Glenn Stuart Davis

Independent non-executive Chairman – LLB, BEc, FAICD

Experience and expertise

Mr Davis has practiced as a solicitor in corporate and risk throughout Australia for over 35 years initially in a national firm and then a firm he founded. He has expertise and experience in the execution of large transactions, risk management and in corporate activity regulated by the Corporations Act and ASX Limited. Mr Davis has worked in the oil and gas industry as an advisor and director for over 25 years.

Current and former listed company directorships in the last 3 years

Mr Davis is currently a director of ASX listed company iTech Minerals Ltd (ITM) (since 2021), Adrad Holdings Pty Ltd (since January 2022) and SkyCity Entertainment Group Limited (since September 2022).

Responsibilities

His special responsibilities included Chairmanship of the Board and membership of the Remuneration and Nomination Committee.

Date of appointment

Mr Davis joined Beach on 6 July 2007 as a non-executive director. He was appointed non-executive Deputy Chairman in June 2009 and Chairman in November 2012. He was last re-elected to the Board on 25 November 2020. Mr Davis retired from the Board on 14 November 2023.

Margaret Helen Hall

Non-executive director – B.Eng (Met) Hons, MIEAust, GAICD, SPE

Experience and expertise

Ms Hall is the chief executive officer of Seven Group Holdings Energy, a subsidiary of Seven Group Holdings Limited. Ms Hall has over 31 years of experience in the oil and gas industry having worked at both super-major and independent companies. From 2011 to 2014 Ms Hall held senior management roles in Nexus Energy with responsibilities covering Development, Production Operations, Engineering, Exploration, Health, Safety and Environment. This was preceded by 19 years with ExxonMobil in Australia, across production and development in the Victorian Gippsland Basin and joint ventures across Australia.

Current and former listed company directorships in the last 3 years

Nil.

Responsibilities

Her special responsibilities included membership of the Risk, Corporate Governance and Sustainability Committee.

Date of appointment

Ms Hall was appointed to the Board on 10 November 2021. She retired from the Board on 23 July 2023 and was appointed an alternate to Mr Ryan Stokes on that date.

Directors' Report

Directors' meetings

The number of Directors' meetings and meetings of Committees of Directors held during the financial year and the number of meetings attended by each of the directors is set out below⁽¹⁾:

Name	Directors' Meetings		Audit Committee Meetings		Remuneration and Nomination Committee Meetings		Risk, Corporate Governance and Sustainability Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
R K Stokes	12	12	-	-	3	3	-	-
B F W Clement	12	12	-	-	-	-	3	3
S G Layman	12	12	8	8	5	5	7	7
S J Martin	5	5	-	-	-	-	1	1
P S Moore	12	12	8	8	5	5	7	7
R J Richards	12	12	8	8	2	2	5	5
B K Woods	6	6	-	-	-	-	-	-
G S Davis	5	5	-	-	3	3	-	-
M H Hall ⁽²⁾	-	-	-	-	-	-	-	-

⁽¹⁾ This table records the number of meetings held and attended by directors while appointed to the Board or relevant committee. Directors, including the Chair and Managing Director, attend most, if not all, committee meetings even if they were not appointed to the committee. This table does not record such attendances.

⁽²⁾ Ms Hall was not required to attend any meetings during FY24 as Mr Stokes' alternate director.

Board Committees

The Chairmanship and current membership of each of the board committees at the date of this report are as follows:

Committee	Chairman	Members
Audit	S G Layman	P Moore, R J Richards
Remuneration and Nomination	P S Moore	R K Stokes ⁽¹⁾ , S G Layman
Risk, Corporate Governance & Sustainability	B F W Clement ⁽²⁾	S G Layman, S J Martin ⁽³⁾ , P S Moore, R Richards ⁽⁴⁾

⁽¹⁾ Mr Stokes was appointed a committee member on 11 August 2023.

⁽²⁾ Mr Clement was appointed Chair of the committee on 21 March 2024 in place of Dr Moore who continued as a member.

⁽³⁾ Ms Martin was appointed a committee member on 21 March 2024.

⁽⁴⁾ Mr Richards was appointed a committee member on 11 August 2023.

Indemnity of Directors and Officers

Beach has arranged directors' and officers' liability insurance policies that cover all the directors and officers of Beach and its controlled entities. The terms of the policies prohibit disclosure of details of the amount of the insurance cover, the nature thereof and the premium paid.

Indemnification of auditor

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during the financial year and up to the date of this report.

Joint Company Secretary

Susan Jones

General Counsel/Joint Company Secretary – LLB (Hons)

Ms Jones joined Beach in February 2021 and was appointed General Counsel in August 2021 and Company Secretary on 23 September 2022. She has over 25 years experience having worked in Australia, USA, UK and northern Africa in legal and non-legal roles. Her legal experience covers all aspects of legal operations, M&A, project finance, PSC negotiations, commodity sales and compliance. She has also held senior commercial and asset management roles.

Previous employers include Total, Woodside, BHP and Ophir. In addition to her in-house experience, she has worked at King Wood Mallesons (Australia) and Sidleys (New York).

Ms Jones is originally from South Australia and holds a first class honours LLB. In addition to being admitted to practice law in Australia she is admitted to practice in New York.

David Lim

Joint Company Secretary – LLB, B.Ec

Mr Lim was appointed Company Secretary of Beach Energy on 10 February 2023.

Mr Lim is a highly experienced lawyer and company secretary with previous ASX listed and public sector appointments. He is experienced in acquisitions and divestments, infrastructure projects, capital markets and funding transactions, commercial property, corporate governance, ASX requirements, executive contracts and remuneration, safety and risk management.

Non-audit services

Beach may decide to employ the external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with Beach are important.

The Board has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor as set out below, did not compromise the audit independence requirement of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principle relating to auditor independence as set out in APES 110 Code – Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for Beach, acting as advocate for Beach or jointly sharing economic risk and reward.

Details of the amounts paid or payable to the external auditors, Ernst & Young, for audit and non-audit services provided during the year are set out at Note 28 to the financial statements.

Rounding off of amounts

Beach is an entity to which ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission applies relating to the rounding off of amounts. Accordingly, amounts in the directors' report and the financial statements have been rounded to the nearest hundred thousand dollars, unless shown otherwise.

Proceedings on behalf of Beach

No person has applied to the Court under Section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of Beach, or to intervene in any proceedings to which Beach is a party, for the purpose of taking responsibility on behalf of Beach for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of Beach with leave of the Court under Section 237 of the *Corporations Act 2001*.

Matters arising subsequent to the end of the financial year

On 12 August 2024, Beach announced a 2P reserves revision of 11.5 MMboe for Enterprise which is included in the FY24 annual reserves statement. Following the Enterprise field coming online on 12 June, which has flowed at peak rates of up to 68 TJ/day, early pressure data indicates a smaller resource pool than originally estimated. This reserves revision has no impact to FY25 production guidance or asset carrying values.

Other than the matter described above, there has not arisen in the interval between 30 June 2024 and up to the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years, unless otherwise noted in the financial report.

Audit independence declaration

Section 307C of the *Corporations Act 2001* requires our auditors, Ernst & Young, to provide the directors of Beach with an Independence Declaration in relation to the audit of the full year financial statements. This Independence Declaration is made on the following page and forms part of this Directors' Report.

This Directors' Report is signed in accordance with a resolution of directors made pursuant to section 298 (2) of the *Corporations Act 2001*.

On behalf of the directors



R K Stokes AO

Interim Chair

Adelaide, 12 August 2024

Auditors' Independence Declaration



Ernst & Young
121 King William Street
Adelaide SA 5000 Australia
GPO Box 1271 Adelaide SA 5001

Tel: +61 8 8417 1600
Fax: +61 8 8417 1775
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Auditor's independence declaration to the directors of Beach Energy Limited

As lead auditor for the audit of the financial report of Beach Energy Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Beach Energy Limited and the entities it controlled during the financial year.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'L A Carr'.

L A Carr
Partner
12 August 2024

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2024 Remuneration Report

MESSAGE FROM PETER MOORE, CHAIR OF THE REMUNERATION AND NOMINATION COMMITTEE

Dear Fellow Shareholders

On behalf of the Board, I am pleased to introduce Beach's Remuneration Report for FY24.

The FY24 Remuneration Report contains what the Board believes will better support shareholder understanding of the link between Beach's performance and executive reward outcomes.

Changes to this year's report include:

- This introductory message, which summarises key performance outcomes for FY24 and how they have impacted remuneration outcomes, as well as describing other key changes to remuneration structures during the year. This replaces and builds on the previous "Remuneration Outcomes at a Glance" section included in previous reports.
- The Realised Remuneration table has been expanded to include prior-year comparators to show how realised remuneration outcomes have changed year on year. The realised remuneration table also includes the value of any long-term incentive awards and the value of previous deferred short-term incentive awards that have vested in the relevant year, valued at the vesting date. This means the Realised Remuneration Table now reflects movements in the share price between grant and vest, to provide a full picture of realised remuneration.
- More detailed disclosure of performance outcomes on the Long-Term Incentive plan awards tested during the year and the relevant benchmark comparators used to determine the vesting outcome.

FY24 Company Performance and the link to Remuneration Outcomes

FY24 has been defined by challenging internal and external headwinds.

We faced a number of project delays as well as mixed performance in bringing wells online such as Kupe South 9. Importantly though both personal and process safety has been strong, with no injuries occurring in the second half of the year. This is testament to the focus of the workforce despite the headwinds we faced.

The remuneration outcomes for FY24 reflect below target production, delayed major project delivery and unfavourable cost outcomes on our non-operated asset major projects and field operating costs, partly offset by strong cost performance on the operated asset front both on major projects and field operating costs.

Short-Term Incentive outcome

The FY24 Company Scorecard outcome was 11.6%. Performance against the metrics on the FY24 Company Scorecard are described in detail in Table 7 of the report.

Long Term Incentive outcome

The 2020 Performance Rights were tested in December 2023 following the conclusion of the three-year performance period. Beach's TSR over the performance period was (9.39%) which was below the 26.24% return of the ASX200 Energy Index over the same period. As a result, none of the 2020 Performance Rights vested.

Senior Executive Fixed Remuneration

Following a review of market competitiveness of individual executive salaries, senior executives received an average increase of 1% for FY24. These increases consider benchmarking against a defined peer group with consideration to organisation size and complexity, and the Executives role and responsibilities.

Other changes during FY24

The Total Shareholder Return comparator group for the Long Term Incentive grant was changed from the ASX200 Energy Index, to a comparator group comprised of industry peers (Industry Comparator Group). The constituents of this peer group are listed in the report. This change means that Beach's TSR is measured against a broader comparator group rather than only 11 other companies in the ASX200 Energy Index.

The change to the TSR comparator group will also apply to the STI plan hurdle measure/gate-opener as described in Table 4.

The LTI opportunity for Executives was increased from 50% of TFR to 80% of TFR to increase the level of remuneration linked to longer term performance and to better align total compensation with external benchmarks.

Non-executive directors' fees

Directors' fees were not increased during FY24. The last increase was on 1 July 2022.

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2024 Remuneration Report

Minimum shareholding policy

Beach implemented a minimum shareholding policy during FY24 to strengthen the alignment between the interests of Beach's directors and executives and the interests of Beach's shareholders and to encourage an owner's mindset and perspective. The policy requires that non-executive directors, the CEO and senior executives reporting to the CEO each acquire within a 5-year period and then maintain a minimum shareholding in Beach as set out in the below table.

Relevant individual	Minimum shareholding requirement
NED	100% of annual base fees (excl. committee fees and superannuation)
CEO	150% of total fixed remuneration (TFR)
Executives	75% of TFR

Superannuation Guarantee

Effective from 1 July 2023, the Superannuation Guarantee (SG) minimum compulsory rate for all Australian employees increased to 11%. Beach increased total fixed remuneration so that no employee suffered any cash remuneration decrease as a consequence of the legislative change.

Prospective changes for FY25

The Board is currently reviewing the hurdles which will underpin executive long-term incentive awards to be issued in FY25. This will potentially involve adding additional financial hurdles within the award to better incentivise and recognise long-term performance aligned with the delivery of Beach's long-term strategy. Further information will be provided in the 2024 Notice of Meeting. Thank you for taking the time to review our Remuneration Report.



Dr Peter Moore

Chair, Remuneration and Nomination Committee

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This report has been prepared in accordance with section 300A of the *Corporations Act 2001* (Cth) (Corporations Act) for the consolidated entity for the financial year ended 30 June 2024. It has been audited as required by section 308(3C) of the Corporations Act and forms part of the Directors' Report.

Key management personnel

The Company's KMP are listed in Table 1. They are the Company's non-executive directors (NED) and executive KMP who have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

Table 1: Key management personnel during FY24

Name	Position	Period as KMP during the year
Executive KMP		
B Woods	Managing Director and Chief Executive Officer (MD & CEO)	29 January 2024 – 30 June 2024.
I Grant	Chief Operating Officer/Executive Vice President Offshore assets	All of FY24.
AM Barbaro	Chief Financial Officer	All of FY24.
B Doherty	Executive Vice President Onshore assets	8 April 2024 – 30 June 2024.
Non-executive Directors		
R K Stokes	Interim Chairman	All of FY24. Mr Stokes was an Alternate Director prior to being reappointed to the Board on 23 July 2023. Mr Stokes was appointed Interim Chairman effective 14 November 2023.
B F W Clement	Non-executive Director	All of FY24. Mr Clement was Interim CEO for the period 9 August 2023 – 28 January 2024.
S G Layman	Non-executive Director	All of FY24.
S Martin	Non-executive Director	11 March 2024 – 30 June 2024.
P S Moore	Non-executive director	All of FY24.
R J Richards	Non-executive Director	All of FY24.
M H Hall	Alternate Director/Non-executive Director	All of FY24. Ms Hall retired as a non-executive Director and was appointed as an Alternate Director on 23 July 2023.
Former Executive KMP and Non-Executive Directors		
G Davis	Non-executive Chairman	1 July 2023 – 14 November 2023. Mr Davis retired as Chair and non-executive Director from commencement of the 2023 Annual General Meeting on 14 November 2023.
M Engelbrecht	Chief Executive Officer (CEO)	1 July 2023 – 8 August 2023.
P Hogarth	Acting Executive Vice President Strategy and Commercial	1 July 2023 – 7 April 2024.
S Algar	Group Executive Exploration and Subsurface	1 July 2023 – 1 April 2024.

Beach's remuneration policy framework

Beach's remuneration framework seeks to focus executives on delivering against the key strategic priorities:

- Fixed remuneration aligns to market practice and prevailing economic conditions. It seeks to attract, motivate, and retain executives focused on delivering Beach's purpose.
- 'At risk' performance-based incentives link to shorter- and longer-term Company goals. The goals contribute to the achievement of Beach's purpose.
- Longer term 'at risk' incentives align with shareholder objectives and interests. Beach benchmarks shareholder returns against peers considered to be alternative investments to Beach. Beach offers share based rather than all cash rewards to executives.
- Beach may recover remuneration benefits paid if there has been fraud or dishonesty.
- The Corporations Act and Beach's Share Trading Policy prohibit hedging. Hedging is where a person enters a transaction to reduce the risk of an 'at risk' incentive. Beach's Share Trading Policy is available at Beach's website: www.beachenergy.com.au.

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2024 Remuneration Report

How Beach makes decisions about remuneration

The Board decides Beach's KMP remuneration. It decides that remuneration based on recommendations by its Remuneration and Nomination Committee. The Committee's members are all non-executive directors. Its charter is available at Beach's website: www.beachenergy.com.au. Beach's MD & CEO may attend Committee meetings by invitation in an advisory capacity. Other executives may also attend by invitation. The Committee excludes executives from any discussion about their own remuneration.

External advisers and remuneration advice

Beach follows a protocol to engage an adviser to make a remuneration recommendation. The protocol ensures the recommendation is free from undue influence by management. The Board or Committee chair engages the adviser. The Board or Committee chair deals with the adviser on all material matters. Management involvement is only to the extent necessary to coordinate the work.

The Board and Committee seek recommendations from the MD & CEO about executive remuneration. The CEO does not make any recommendation about his own remuneration.

The Board and Committee have regard to industry benchmarking information.

How Beach links performance to incentives

Beach's remuneration policy includes short term and long-term incentive plans. The plans seek to align management performance with shareholder interests.

The LTI links to an increase in total shareholder return over an extended period.

The STI has equal proportions of cash and performance rights. Performance rights will convert to Beach shares following a service period.

The following table shows some key shareholder wealth indicators over the last five financial years. A detailed description of performance against the measures on the Company's Short Term Incentive Scorecard for FY24 is set out in Table 7.

Table 2: Shareholder wealth indicators FY20-24

	FY20	FY21	FY22	FY23	FY24
Total revenue	\$1,728.2m	\$1,562.0m	\$1,771.4m	\$1,646.4m	\$1,797.6m
Net profit/(loss) after tax	\$499.1m	\$316.5m	\$500.8m	\$400.8m	(\$475.3m)
Underlying net profit after tax	\$459.3m	\$363.0m	\$504.3m	\$384.8m	\$341.3m
Share price at year-end	152.0 cents	124.0 cents	172.5 cents	135.0 cents	149.0 cents
Dividends declared	2.00 cents	2.00 cents	2.00 cents	3.00 cents	4.0 cents
Reserves	352 MMboe	339 MMboe	283 MMboe	255 MMboe	205 MMboe
Production	26.7 MMboe	24.8 MMboe	21.8 MMboe	19.5 MMboe	18.2 MMboe
STI Scorecard outcome					
Total Shareholder Return	(22.4%)	(16.9%)	42.3%	(19.4%)	13.1%
Return on capital	19.2%	10.7%	15.1%	11%	14.5%

Senior executive remuneration structure

This section details the remuneration structure for senior executives.

Remuneration mix

Remuneration for senior executives is a mix of a fixed cash salary component and an 'at risk' component. The 'at risk' component means that specific targets or conditions must be met before a senior executive becomes entitled to it.

What is the balance between fixed and 'at risk' remuneration?

The remuneration structure and packages offered to senior executives for the period were:

- Fixed remuneration.
- 'At risk' remuneration comprising:
 - i. Short term incentive (STI) - an annual cash and equity-based incentive, which may be offered at the discretion of the Board, linked to Company and individual performance over a year.
 - ii. Long term incentive (LTI) - equity grants, which may be granted annually at the discretion of the Board, linked to performance conditions measured over three years.

The balance between fixed and 'at risk' remuneration depends on the senior executive's role. The CEO has the highest level of 'at risk' remuneration reflecting the greater level of responsibility of this role.

Table 3 sets out the relative proportions of the three elements of the executives KMP's total remuneration packages for FY23 and FY24.

Table 3: Remuneration mix⁽¹⁾

Position	Fixed Remuneration %	Performance based remuneration			Total 'at risk' %
		STI %	LTI %		
CEO⁽²⁾					
2024	30	40	30		70
2023	34	33	33		66
Other Executive KMP					
2024	41	27	33		59
2023	47	30	23		53

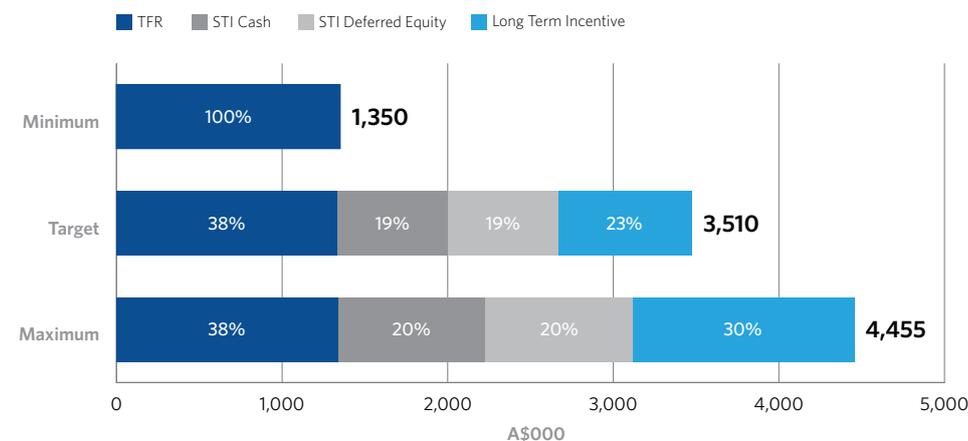
(1) The remuneration mix assumes maximum 'at risk' awards. Percentages shown later in this report reflect the actual incentives paid as a percentage of total fixed remuneration, movements in leave balances and other benefits and share based payments calculated using the relevant accounting standards.

(2) 2024 data reflects remuneration mix for current MD & CEO, Mr Woods.

CEO remuneration quantum and mix

The remuneration quantum and mix for the CEO for minimum, target and maximum performance is shown in Chart 1.

Chart 1: CEO remuneration quantum and mix



- Minimum remuneration reflects the CEO's TFR only.
- Target remuneration reflects the CEO's TFR, the target STI outcome of 100% of TFR assuming on-target Beach performance (provided 50% in cash and 50% in deferred equity) and the 'fair value' of the LTI award.
- Maximum remuneration reflects the CEO's TFR, the maximum STI outcome available of 130% of TFR (provided 50% in cash and 50% in deferred equity) and the maximum 'fair value' of the LTI award of 100% of TFR.

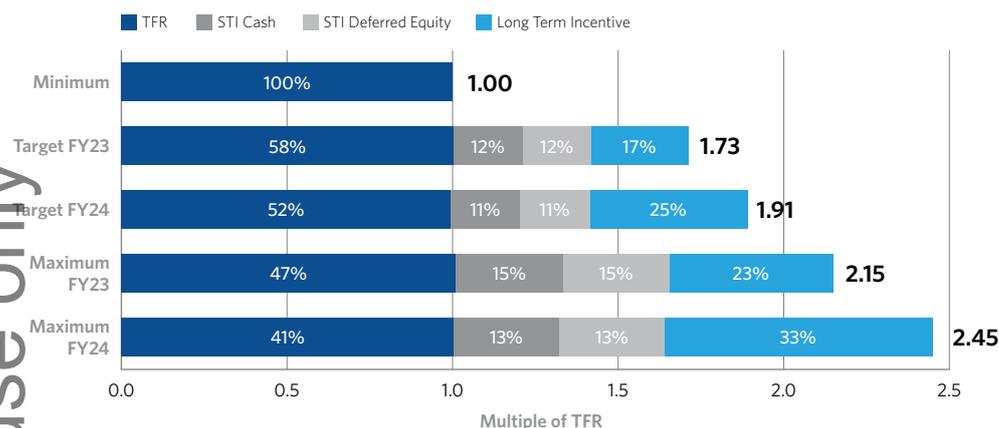
In addition, the MD & CEO received equity compensation for incentives forgone from his former employer when joining Beach. These were provided as a once-off, are not part of ongoing remuneration arrangements and are therefore not reflected in Chart 1.

2024 Remuneration Report

Remuneration quantum and mix for other Executive KMP

The remuneration quantum (shown as a multiple of TFR) and mix for other Executive KMP is shown in Chart 2. As noted in the introduction to the Remuneration Report, the LTI opportunity for Executives was increased from 50% of TFR to 80% of TFR for FY24 onwards. This increases the proportion of remuneration linked to longer-term performance (as shown in Table 3) and to better align total compensation with external benchmarks.

Chart 2: Remuneration quantum and mix for other Executive KMP



Minimum remuneration reflects the Executive KMP's TFR only.

Target remuneration reflects TFR, the target STI outcome of 43% of TFR assuming on-target Beach and individual performance (provided 50% in cash and 50% in deferred equity) and the 'fair value' of the LTI.

Maximum remuneration reflects TFR, the maximum STI outcome available of 65% of TFR (provided 50% in cash and 50% in deferred equity) and the maximum 'fair value' of the LTI award (50% of TFR for FY23 and 80% of TFR for FY24).

Fixed remuneration

What is fixed remuneration? Senior executives are entitled to a fixed cash remuneration amount inclusive of the guaranteed superannuation contribution. The amount is not based upon performance. Senior executives may decide to salary sacrifice part of their fixed remuneration for additional superannuation contributions and other benefits.

How is fixed remuneration reviewed? Fixed remuneration is determined by the Board based on independent external review or advice that takes account of the role and responsibility of each senior executive. It is reviewed annually against industry benchmarking information including the National Rewards Group Incorporated remuneration survey.

Fixed remuneration for the year Table 10 shows the actual realised cash remuneration that KMP received. Table 11 reports on the remuneration for KMP as required under the Corporations Act.

Short Term Incentive (STI)

What is the STI? The STI is part of 'at risk' remuneration offered to senior executives. It measures individual and Company performance over a 12-month period. The period coincides with Beach's financial year. It provides equal parts of cash and equity that may vest subject to extra retention conditions. It is offered to senior executives at the discretion of the Board.

How does the STI link to Beach's objectives? The STI is an at-risk opportunity for senior executives. It rewards senior executives for meeting or exceeding key performance indicators. The key performance indicators link to Beach's key purpose. The STI aims to motivate senior executives to meet Company expectations for success. Beach can only achieve its purpose if it attracts and retains high performing senior executives. An award made under the STI has a retention component. Half is paid in cash and half is issued as performance rights with service conditions attached.

What are the performance conditions or KPIs?

Beach's key performance indicators (KPIs) are set by the Board for each 12-month period beginning at the start of a financial year. They reflect Beach's financial and operational goals that are essential to it achieving its purpose. Senior executives (excluding the CEO whose STI is based solely on Company KPIs) also have individual KPIs to reflect their particular responsibilities.

For the reporting period, the performance measures comprised:

STI Measures	Weighting
Company KPIs	75.0%
Production	15.0%
Operating Expenditure (Opex)	15.0%
Underlying NPAT	15.0%
Project Delivery	
Waitsia	12.5%
Enterprise	7.5%
Personal safety	5.0%
Process safety	2.5%
Environment	2.5%
Individual KPIs	25.0%

Refer to Table 7 for more information.

Individual KPIs link to Beach's strategy and strategic plan. Individual KPIs relate to areas where senior executives are able to influence or control outcomes. KPIs may include delivery of cost savings; development of project specific plans to align with Beach's strategic pillars; specific initiatives for developing employee capability; funding capacity; improvements in systems to achieve efficiencies; specific commercial or corporate milestones; or specific safety and environmental and sustainability outcomes.

Are there different performance levels?

The Board sets KPI measures at threshold, target and stretch levels. A participant must achieve the threshold level to entitle them to any payment for an individual KPI. The stretch level is the greatest performance outcome for an individual KPI.

What is the value of the STI award that can be earned?

Incentive payments are based on a percentage of a senior executive's fixed remuneration. The CEO can earn up to a maximum of 130% of his fixed remuneration, note this was increased from 100% at the commencement of B Woods.

The value of the award that can be earned by other senior executives is up to a maximum of 65% of their fixed remuneration.

How are the performance conditions assessed?

The KPIs are reviewed against agreed targets. The Board assesses the extent to which KPIs were met for the period after the close of the relevant financial year and once results are finalised. The Board assesses senior executive performance on the CEO's recommendation. The Board assesses the achievement of the KPIs for the CEO.

Is there a threshold level of performance or hurdle before an STI is paid?

Yes. At the end of Beach's financial year there is a calculation of return on capital. There is also a calculation of a one year relative total shareholder return against the Industry Comparator Group. Refer to Table 4 below.

Table 4: Two-tiered test

Measures	Green	Red
One year Relative Total Shareholder Return against the industry comparator group for the Performance Period	> = 50th percentile	< 50th percentile
Return on capital Employed ⁽¹⁾	> = 10%	< 10%

(1) Return on capital Employed (ROCE) is defined as Underlying earnings before interest and tax (Underlying EBIT) divided by average equity (defined as the average of equity at the beginning and end of the financial year).

The following determines the impact of the hurdle measures on the STI calculation:

- If both hurdle measures are met, then up to 100% of the STI award calculation is available;
- If one hurdle measure is met, then up to 50% of the STI award calculation is available;
- If both hurdle measures are not met, then no STI award will be calculated.

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What happens if an STI is awarded?

On achievement of the relevant KPIs, Beach pays half of the STI award in cash. Beach includes cash awards in its financial statements for the relevant financial year. Beach pays cash awards after the end of its financial year, usually in September.

Beach issues the remaining half of the STI award value in performance rights. Performance rights vest over one and two years if the senior executive remains employed by Beach at each vesting date. If a senior executive leaves Beach before the vesting date the performance rights lapse. The Board may exercise its discretion for early vesting if the senior executive leaves Beach due to death or disability. The Board may exercise its discretion for early vesting in the event of a change of control of Beach. The Board also has a general discretion to allow early vesting of performance rights. The Board needs exceptional circumstances to consider exercising that general discretion.

STI Performance for FY24

The results of the two hurdle measures for FY24 is shown in Table 5.

Table 5: Performance against the FY24 hurdle measures

FY24 Hurdle measures	Outcome	Hurdle	Achieved/Not Achieved
One-year Relative Total Shareholder Return against the Industry Comparator Group ⁽¹⁾ at the end of the Performance Period	13.1%	> or = 50th percentile	Achieved
Return on capital ⁽²⁾ at the end of the Performance Period	14.5%	> or = 10%	Achieved

⁽¹⁾ The constituents of the Resource Sector Peer Group are:

AGL Energy Limited	Comet Ridge Limited	Lynas Rare Earth Limited	South32 Limited
Allkem Limited	Core Lithium Limited	Mineral Resources Limited	Sandfire Resources Limited
Ampol Limited	De Grey Mining Limited	Newcrest Mining Limited	Silver Lake Resources Limited
APA Group	Deterra Royalties Limited	New Hope Corp Limited	Santos Limited
Alumina Limited	Evolution Mining Limited	Northern Star Resources Limited	Sayona Mining Limited
Beach Energy Limited	Gold Road Resources Limited	Origin Energy	Viva Energy Group Limited
Bluescope Steel Limited	Horizon Oil Limited	Paladin Energy Limited	West African Resources Limited
Chalice Mining Limited	IGO Limited	Pilbara Minerals Limited	Woodside Energy Group Limited
Champion Iron Limited	Iluka Resources Limited	Perseus Mining Limited	Whitehaven Coal Limited
Capricorn Metals Limited	Karoon Energy Limited	Ramelius Resources Limited	
Cooper Energy Limited	Liontown Resources Limited	Regis Resources Limited	

⁽²⁾ Return on capital employed (ROCE) will be calculated as Underlying earnings before interest and tax (Underlying EBIT) divided by average equity (defined as the average of equity at the beginning and end of the financial year).

The percentage of the maximum STI that will be paid or forfeited for the period for each executive KMP is shown in Table 6.

Table 6: STI paid and forfeited in respect of FY24 performance

Executive	Paid	Forfeited
B Woods ⁽¹⁾	12%	88%
B Clement ⁽²⁾	10%	90%
A M Barbaro	30%	70%
B Doherty ⁽³⁾	27%	73%
I Grant ⁽⁴⁾	0%	100%

⁽¹⁾ Mr Woods' STI award for FY24 was pro-rated for his tenure as CEO (29 January to 30 June 2024) relative to the performance period.

⁽²⁾ Mr Clement's STI award for FY24 was pro-rated for his tenure as Interim CEO (9 August 2023 to 28 January 2024) relative to the performance period.

⁽³⁾ Mr Doherty's STI award for FY24 was pro-rated for the period he was KMP (8 April 2024 to 30 June 2024) relative to the performance period.

⁽⁴⁾ Mr Grant's STI award for FY24 is forfeited as he tendered his resignation during FY24 and will not be an employee at time of payment.

The STI awards made reflect Beach's performance for FY24, with outcomes of the Company related performance conditions that make up a fixed percentage of the STI KPIs provided in Table 7.

The Company KPIs outlined in Table 7 are aligned to Beach strategic priorities. To deliver against the Beach strategy and annual business plan, Beach cascades performance goals from the CEO through to the Executive and management down to every employee in the organisation. It is intended that all employees can demonstrate a link between their individual goals, Divisional goals and Beach strategy.

While most KPIs focus on financial outcomes and growth, at Beach, nothing is more crucial than the safety of our people and the preservation of the environment in which we operate.

At Beach, safety takes precedence, and it starts with our leadership. Our CEO empowers every staff member with the authority to halt any job immediately if they perceive that it's being conducted unsafely.

By fostering a culture that values safety above all else, we strive to create a workplace where everyone can thrive without compromising their welfare or that of the environment. Safety is at the heart of everything we do at Beach. It is not merely a box to check off; it is a fundamental value that guides all of our actions and decisions.

Table 7: Outcome of FY24 STI Company KPIs

Measure and link to strategy	Weight	Targets & FY24 Outcome	Contribution to Scorecard Outcome
Production (MMboe) This production KPI is an all-inclusive operated and non-operated basis.	20%		0%
Operating Expenditure (\$m) Operating costs includes both operated and non-operated operating costs. It is included to ensure the business is run in a focused and cost-effective way.	20%		0%
Underlying NPAT (\$m) Underlying NPAT is a financial measure which reflects on the underlying operational business performance.	20%		0%
Project Delivery - Waitsia (milestones achieved and CAPEX) This is a non-operated metric which supports timely and cost effective delivery of projects.	16.7% (8.7% Ready for Start Up "RFSU", 8% CAPEX)		0%
Project Delivery - Enterprise (milestones achieved and CAPEX) This is an operated metric, where beach can control the outcome. Specifically related to cost and schedule.	10% (6% Ready for Start Up "RFSU", 4% CAPEX)	<p>Enterprise was brought online before the end of FY24 and within project budget however behind threshold for schedule. This resulted in 2.7% company scorecard outcome.</p>	2.7%
Personal safety - Other	3.3%	<p>Beach recorded no Fatal or Permanent Injuries in FY24, however 3 lost time injuries were recorded. This resulted in a Threshold outcome for FY24.</p>	1.1%
Personal safety (TRIFR) TRIFR is an industry standard safety metric which measures Beach's Injury Frequency Rate. Beach has included other safety and reliability measures in the annual Sustainability Report available on Beach's website.	3.3%	<p>Beach recorded zero recordable injuries for the 6 months to 30 June 2024. Unfortunately, Beach recorded 8 recordable injuries in the first 6 months, which delivered a threshold Injury Frequency Rate.</p>	1.1%
Process safety Process Safety is about ensuring our products remain safely entrained in their processing systems. This enables Beach to prevent and control hazardous events.	3.3%	<p>Zero Tier 1 and 2 events during FY24.</p>	3.3%
Environment (events) Beach strives to reduce the environmental impact of its activities.	3.3%	<p>Zero spills >1bbl.</p>	3.3%
Total Company KPI	100%		11.6%

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FY24 Role Specific individual STI Outcomes

For the MD & CEO 100% of payable STI is based on company scorecard, whereas for other Executive, 25% of the total STI payable is based on individual performance, with 75% payable from Company performance against KPIs. Table 8 below outlines role specific KPI's for CEO and other KMP and key achievements against each of these. Note, some KPI's contain commercially sensitive information that cannot be detailed here.

Table 8: KMP Role specific Key Performance Indicators

KMP	Role Specific KPI's	Role Specific KPI Outcome
B Woods⁽¹⁾	- As per company scorecard	-
B Clement⁽²⁾	- As per company scorecard	-
AM Barbaro	- Corporate and operational cost management - Balance sheet improvement and cost out initiatives - Investor relations outcomes - Information technology transformation	85%
B Doherty	- Optimise core producing Onshore assets through efficient operation and maintenance delivery - Deliver onshore organisational restructure - Divisional cost restructure - Project delivery on time and within budget - Alignment of growth opportunities for shareholder return	75%
T Grant	- Optimise core producing Offshore assets through efficient operation and maintenance delivery - Deliver offshore organisational restructure - Divisional cost restructure - Project delivery on time and within budget - Alignment of growth opportunities for shareholder return	50%

⁽¹⁾ Mr Wood's tenure as CEO and a KMP commenced on 29 January 2024 and his award has been pro-rated in accordance with his tenure relative to the performance period.

⁽²⁾ Mr Clement's tenure as Interim CEO was from 9 August 2023 to 28 January 2024 and his award has been pro-rated in accordance with his tenure relative to the performance period.

KPIs for all Executives include measures related to improving employee engagement, development of employees, sustainability activities toward achieving net equity emissions intensity reduction by 2030 and assessing future energy opportunities against overarching strategic objectives.

Table 10 provides a summary of total STI paid to each Executive for FY24 giving consideration to Company and Individual performance as outlined (except in the case of the CEO and Interim CEO whose STI is 100% aligned to Company performance).

STI performance rights relating to the FY22 performance period converted automatically to shares because the relevant senior executives remained employed by the Company on 1 July 2023. A total of 178,149 shares were transferred. STI performance rights relating to the FY23 performance period were issued.

STI performance rights issued or in operation in FY24

The fair value of services received in return for STI rights (see Table 16) granted is measured by reference to the fair value of STI rights granted calculated using the Black-Scholes Option Pricing Models. The contractual life of the STI rights is used as an input into the valuation model along with the share price at grant date and the current dividend yield.

Long Term Incentive (LTI)

What is the LTI?	The LTI is an equity based 'at risk' incentive plan. The LTI aims to reward results that promote long term growth in shareholder value or total shareholder return (TSR). Beach offers LTIs to senior executives at the discretion of the Board.
How does the LTI link to Beach's key purpose?	The LTI links to Beach's key purpose by aligning the longer term 'at risk' incentive rewards with outcomes that match shareholder objectives and interests by: <ul style="list-style-type: none"> - benchmarking shareholder returns against a group of companies considered alternative investments to Beach; - giving share based rather than cash-based rewards to executives. This links their own rewards to shareholder expectations of dividends and share price growth.
How are the number of rights issued to senior executives calculated?	The number of performance rights granted to the executives under the LTI is calculated as fixed remuneration at 1 November of the financial year times the relevant percentage divided by the market value. The Market Value is the market value of a fully paid ordinary share in the Company, calculated using a five day volume weighted average price, up to and including the date the performance rights are granted. This method of calculating the number of performance rights does not discount for the value of anticipated dividends during the performance period.
What equity based grants are given and are there plan limits?	Beach grants performance rights using the formula set out above. If the performance conditions are met, senior executives have the opportunity to acquire one Beach share for every vested performance right. There are no plan limits as a whole for the LTI. This is due to the style of the plan and advice by external remuneration consultants about individual plan limits. The LTI opportunity is currently 80% of TFR for Executives and 100% of TFR for CEO.
What is the performance condition?	The performance condition is based on Beach's Total Shareholder Return (TSR) relative to the Industry Comparator Group. <ul style="list-style-type: none"> - < 51st percentile - 0% vesting; - = 51st percentile - 50% vesting; - between 51st and 76th percentile - a straight line prorated number will vest; - = or > 76th percentile - 100% vesting.
Why choose this performance condition?	TSR is a measure of the return to shareholders over a period of time through the change in share price and any dividends paid over that time. The dividends are notionally reinvested to perform the calculation. Beach chose this performance condition to align senior executive remuneration with increased shareholder value. The Board has reinforced that alignment by imposing two conditions. First, the Board sets a threshold level for the executive to meet before making an award. Secondly, the Board will not make an award if Beach's TSR is negative.
Is shareholders equity diluted when shares are issued on vesting of performance rights or exercise of options?	All entitlements to shares on the vesting of LTI performance rights are currently satisfied by the purchasing of shares on market which does not result in any dilution to shareholders equity.
What happens to LTI performance rights on a change of control?	The Board reserves the discretion for early vesting in the event of a change of control of the Company. Adjustments to a participant's entitlements may also occur in the event of a company reconstruction and certain share issues.

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Table 9: Details of outstanding LTI equity awards

Award	Grant Date(s)	Performance Period	Expiry	Status
Performance Rights				
2023 Performance Rights	20 December 2023 29 January 2024	1 December 2023 – 30 November 2026	30 November 2028	In progress
2022 Performance Rights	1 December 2022	1 December 2022 – 30 November 2025	30 November 2027	In progress
2021 Performance Rights	31 December 2021 31 March 2022 30 June 2022	1 December 2021 – 30 November 2024	30 November 2026	In progress
2020 Performance Rights	14 December 2020 31 May 2021 30 September 2021	1 December 2020 – 30 November 2023	30 November 2025	Lapsed
Retention Rights				
2022 Retention Rights	1 July 2022	1 July 2022 – 30 June 2025	30 June 2027	In progress
Managing Director and CEO sign on award¹				
One-off Retention Incentive Grant	29 January 2024	29 January 2024 – 29 January 2026	29 January 2028	In progress

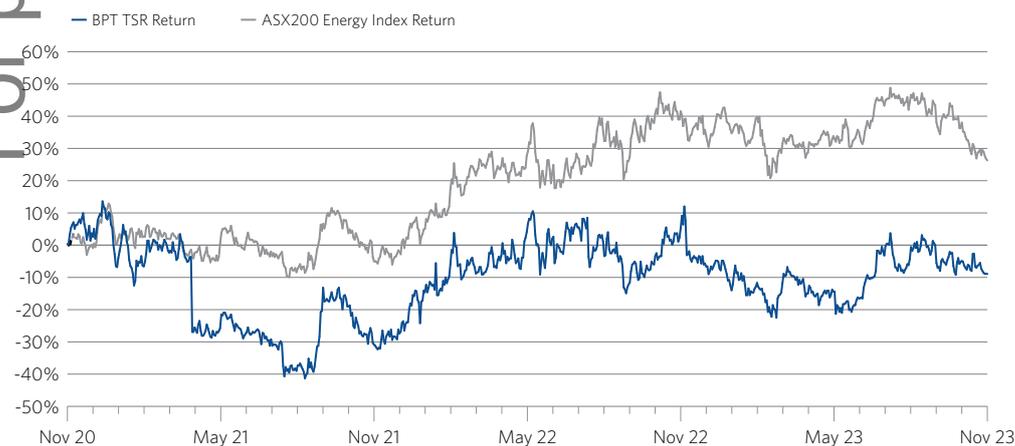
¹ The Managing Director and CEO received a sign on award as compensation for equity forgone with his former employer. The award will vest on 29 January 2026, two years after his commencement as CEO. The award was approved by shareholders at the 2023 Annual General Meeting.

Performance Rights are granted at no cost to the participants. Upon exercise, each right converts to one ordinary share in Beach. Performance Rights lapse if the relevant performance conditions are not met.

Vesting outcome of 2020 Performance Rights

The 2020 Performance Rights were tested in December 2023 following the conclusion of the three-year performance period. Beach's TSR over the performance period was (9.39%) which was below the 26.24% return of the ASX200 Energy Index over the same period. As a result, none of the 2020 Performance Rights vested. Chart 3 below shows TSR performance over the performance period against the ASX200 Energy Index.

Chart 3: Beach Energy TSR performance compared to ASX200 Energy Index over Performance Period



Details of LTI performance rights issued or in operation in FY24

The fair value of services received in return for LTI performance rights (see Table 16) granted is measured by reference to the fair value of LTI performance rights granted calculated using the Binomial or Black-Scholes Option Pricing Models. The estimate of the fair value of the services received for the LTI performance rights and options issued are measured with reference to the expected outcome, which may include the use of a Monte Carlo simulation. The contractual life of the LTI performance rights is used as an input into this model. Expectations of early exercise are incorporated into a Monte Carlo simulation method where applicable. The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the rights or options), adjusted for any expected changes to future volatility due to publicly available information. The risk free rate is based on Commonwealth Government bond yields relevant to the term of the performance rights.

Realised Remuneration outcomes

Disclosures required in the remuneration report by the Corporations Act, particularly the inclusion of accounting values for LTI performance rights awarded but not vested, can vary significantly from the remuneration actually paid to Key Management Personnel. This is because the Accounting Standards require a value to be placed on a right at the time it is granted to a senior executive and then reported as remuneration even if ultimately the senior executive does not receive any actual value, for example because performance conditions are not met and the rights do not vest.

The following table 10 is a summary of remuneration actually paid or payable to executive KMP for FY23 and FY24 which is not audited.

Table 10: Realised Remuneration to executive key management personnel (non-IFRS) for FY23 and FY24

Name	Year	TFR ⁽¹⁾ \$	Cash STI ⁽²⁾ \$	Deferred STI that vested during the year ⁽³⁾ \$	LTI ⁽⁴⁾ \$	Other Vested Awards ⁽⁵⁾ \$	Other ⁽⁶⁾ \$	Total \$
B Woods ⁽⁷⁾	2024	592,917	45,427	-	-	-	-	638,344
	2023	-	-	-	-	-	-	-
B Clement ⁽⁸⁾	2024	644,482	65,973	-	-	-	39,512	749,967
	2023	-	-	-	-	-	-	-
I Grant	2024	676,710	-	41,564	-	127,271	-	845,545
	2023	676,710	26,778	-	-	-	-	703,488
A Barbaro	2024	512,500	49,764	14,107	-	-	-	576,371
	2023	500,000	25,879	-	-	-	-	525,879
B Doherty ⁽⁹⁾	2024	112,642	10,517	-	-	-	-	123,159
	2023	-	-	-	-	-	-	-
P Hogarth ⁽¹⁰⁾	2024	363,260	26,880	6,123	-	-	-	396,263
	2023	464,154	24,024	-	-	-	-	488,178
Former Senior Executives								
M Engelbrecht ⁽¹¹⁾	2024	784,362	-	130,681	-	-	556,114	1,471,157
	2023	1,266,000	67,821	24,161	-	-	-	1,357,982
S Algar ⁽¹²⁾	2024	676,710	-	42,823	-	148,103	-	867,636
	2023	676,710	37,775	-	-	-	-	714,485
T Nador	2024	-	-	-	-	-	-	-
	2023	84,767	-	-	-	-	10,390	95,157
TOTAL	2024	4,363,583	198,561	235,298	-	275,374	595,626	5,668,442
	2023	3,668,341	182,277	24,161	-	-	10,390	3,885,169

(1) Total Fixed Remuneration (TFR) comprises base salary and superannuation.

(2) Cash STI represents the 50 per cent portion of the STI for the relevant Financial Year that is paid in cash.

(3) Deferred STI reflects the value of restricted equity from prior year STI deferrals which vested in the year, valued at the vesting date.

(4) The value shown reflects the proportion of LTI awards from prior years that vested during the Financial Year, valued using the closing share price on the vesting date.

(5) The value shown here reflects any other awards the KMP had that vested during the period, for example retention awards, valued using the closing share price on the vesting date.

(6) Other remuneration includes the payment of accrued employee entitlements.

(7) Mr Woods commenced as MD & CEO from 29 January 2024.

(8) Mr Clement was interim CEO from 9 August 2023 to 28 January 2024, and continued providing handover and initial support until 11 February 2024. The fees shown in the table above related to the period when he was Interim CEO. His salary and other benefits attributable to his tenure as a non-executive director are shown in table 13.

(9) Mr Doherty became KMP on 8 April 2024 when he was appointed Interim Executive Vice-President, Onshore.

(10) Position of Executive Strategy & Commercial ceased to be a KMP from 7 April 2024.

(11) Mr Engelbrecht's tenure as CEO and a KMP ceased on 8 August 2023 although he continued to be employed with no decision making rights during his 6 month notice period until 9 February 2024. He continued to receive his normal salary during this notice period amounting to \$603,234 which is included in the TFR column.

(12) Mr Algar ceased to be KMP on 2 April 2024 although continued to be employed with no decision making rights during the remainder of his notice period until 2 July 2024. He continued to receive his normal salary during this notice period amounting to \$154,679 which is included in the TFR column.

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Employment agreements - senior executives

The senior executives have employment agreements with Beach. The provisions relating to duration of employment, notice periods and termination entitlements of the senior executives are as follows:

Chief Executive Officer

The CEO's employment agreement commenced on 29 January 2024 and is ongoing until terminated by either Beach or Mr Woods on six months' notice. Beach may discharge such notice obligation by payment in lieu. Beach must pay any amount owing but unpaid to the employee whose services have been terminated at the date of termination. Beach may terminate the CEO's employment at any time for serious misconduct or breach without notice. In certain circumstances Beach may terminate the employment on notice of not less than three months for issues concerning the CEO's performance that have not been satisfactorily addressed.

As reported in last year's Remuneration Report, Mr Engelbrecht's tenure as CEO ended on 8 August 2023. He remained an employee and continued to receive his salary entitlements for the duration of his 6 month notice period until 9 February 2024. Mr Engelbrecht's rights under the executive incentive plans will either lapse or stay on foot and vest in accordance with the board's discretion and the relevant performance conditions.

Other senior executives

Other senior executives have employment agreements that are ongoing until terminated by either Beach upon six months' notice or the senior executive upon giving six-months' notice. Beach may terminate a senior executive's appointment for cause (for example, for serious breach) without notice. Beach must pay any amount owing but unpaid to the employee whose services have been terminated at the date of termination.

Details of total FY23 and FY24 remuneration for KMP calculated as required under the Corporations Act and Australian Accounting Standards.

Details of the remuneration package by value and by component for senior executives in the reporting period and the previous period are set out in Table 11. These details differ from the actual payments made to senior executives for the reporting period that are set out in Table 10.

Table 11: Senior executives' remuneration for FY23 and FY24 required under the Corporations Act

Name	Year	Short Term Employee Benefits		Share based payments ⁽¹⁾		Other long term benefits	Other	Total	Total at risk %	Total issued in equity %	
		Fixed Remuneration ⁽²⁾	Annual Leave ⁽³⁾	LTI/Retention STI ⁽⁴⁾	STI Rights	Long Service Leave ⁽³⁾	Termination Payments				
		\$	\$	\$	\$	\$	\$	\$			
B Woods ⁽⁵⁾	2024	592,917	47,514	45,427	437,796	18,929	-	-	1,142,583	44	39
	2023	-	-	-	-	-	-	-	-	-	-
B Clement ⁽⁶⁾	2024	644,482	52,173	65,973	-	-	-	-	762,628	9	-
	2023	-	-	-	-	-	-	-	-	-	-
I Grant	2024	676,710	51,863	-	394,265	(13,495)	7,247	-	1,116,590	35	34
	2023	676,710	48,818	26,778	347,040	116,094	-	-	1,215,440	40	38
A Barbaro	2024	512,500	40,068	49,764	131,224	39,078	19,992	-	792,626	30	21
	2023	500,000	85,059	25,879	55,034	35,085	11,320	-	712,377	18	13
B Doherty ⁽⁷⁾	2024	112,642	9,553	10,517	52,459	10,119	2,309	-	197,599	38	31
	2023	-	-	-	-	-	-	-	-	-	-
P Hogarth ⁽⁸⁾	2024	363,260	23,512	26,880	60,881	22,128	16,104	-	512,765	25	16
	2023	464,154	69,437	24,024	36,748	20,557	9,094	-	624,014	14	9
Former Senior Executives											
M Engelbrecht ⁽⁹⁾	2024	181,128	10,784	-	428,992	94,518	2,187	603,234	1,320,843	40	40
	2023	1,266,000	99,258	67,821	479,037	253,386	90,134	-	2,255,636	39	32
S Algar ⁽¹⁰⁾	2024	522,031	39,713	-	(310,117)	44,630	-	154,679	450,936	-	-
	2023	676,710	47,333	37,775	312,237	131,178	-	-	1,205,233	40	37
T Nador	2024	-	-	-	-	-	-	-	-	-	-
	2023	84,767	(44)	-	(64,815)	-	-	-	19,908	-	-
TOTAL	2024	3,605,670	275,180	198,561	1,195,500	215,907	47,839	757,913	6,296,570	26	22
	2023	3,668,341	349,861	182,277	1,165,281	556,300	110,548	-	6,032,608	33	28

- (1) In accordance with the requirements of the Australian Accounting Standards, remuneration includes a proportion of the notional value of equity compensation granted or outstanding during the year. The fair value of equity instruments are determined as at the grant date and then progressively expensed over the vesting period. The amount included as remuneration is not related to or indicative of the benefit (if any) that individuals may ultimately realise should the rights vest. The fair value of the rights at the date of their grant has been determined in accordance with principles set out in Note 4 to the Financial Statements.
- (2) Fixed remuneration comprises base salary and superannuation and other contractual payments treated as remuneration including retention and relocation payments where applicable.
- (3) This amount represents the movement in the relevant leave entitlement provision during the year.
- (4) In FY23 only up to 50% of the STI award calculation was available with only one of the two hurdle measures being met during the year. In FY24 100% was available as both hurdle measure were met. STI awards are then calculated based on a weighting of 75% on Company KPIs and 25% on Individual KPIs (except for the CEO and the Interim CEO who STI award was based 100% on Company KPIs). STI awards are paid 50% in cash which is expected to be paid in September 2024 and 50% in performance rights which vest equally over a further service period of one and two years respectively, the valuations of which are expensed over the relevant performance and vesting period.
- (5) Mr Woods commenced as MD & CEO from 29 January 2024.
- (6) Mr Clement was interim CEO from 9 August 2023 to 28 January 2024, and continued providing handover and initial support until 11 February 2024. The fees shown in the table above related to the period when he was Interim CEO. His salary and other benefits attributable to his tenure as a non-executive director are shown in table 13.
- (7) Mr Doherty became KMP on 8 April 2024 when he was appointed Interim Executive Vice-President, Onshore.
- (8) Position of Executive Strategy & Commercial ceased to be a KMP from 7 April 2024.
- (9) Mr Engelbrecht's tenure as CEO and a KMP ceased on 8 August 2023 although he continued to be employed with no decision making rights during his 6 month notice period until 9 February 2024. He continued to receive his normal salary during this notice period amounting to \$603,234.
- (10) Mr Algar ceased to be KMP on 2 April 2024 although continued to be employed with no decision making rights during the remainder of his notice period until 2 July 2024. He continued to receive his normal salary during this notice period amounting to \$154,679.

Remuneration policy for non-executive directors

The fees paid to non-executive directors are determined using the following guidelines. Fees are:

- not incentive or performance based but are fixed amounts;
- determined by reference to the nature of the role, responsibility and time commitment required for the performance of the role including membership of board committees;
- based on independent advice and industry benchmarking data; and
- driven by a need to attract a diverse and well-balanced group of individuals with relevant experience and knowledge.

The remuneration for non-executive directors comprises directors' fees, board committee fees and superannuation contributions to meet Beach's statutory superannuation obligations.

Directors' fees were unchanged during FY24 and the remuneration of Beach non-executive directors remains within the aggregate annual limit of \$1,500,000 approved by shareholders at the 2016 annual general meeting.

Directors who perform extra services for Beach or make any special exertions on behalf of Beach may be remunerated for those services in addition to the usual directors' fees. Non-executive directors are also entitled to be reimbursed for their reasonable expenses incurred in the performance of their directors' duties. Alternate directors do not receive any remuneration for those services. However, Beach will reimburse any reasonable expense incurred in attending board meetings as an alternate.

Details of the fees payable to non-executive directors for Board and committee membership for FY24 are set out in Table 12.

The fees shown in Table 12 are inclusive of the statutory superannuation contribution.

Table 12: FY24 non-executive directors' fees and board committee fees per annum

	Chair A\$	Member A\$
Board	305,000 ⁽¹⁾	126,175
Audit Committee	25,750	15,450
Remuneration & Nominations Committee	25,570	15,450
Risk, Corporate Governance & Sustainability	25,750	15,450

(1) The Board Chair does not receive additional fees for committee work.

Remuneration policy for executive directors

Executive directors are remunerated on the basis of their executive role in accordance with the terms of their employment agreement. They do not receive any additional director fees.

Consultancy arrangement with Seven Group Holdings Limited (SGH)

Under a consultancy agreement between SGH and Beach, SGH will nominate a company representative to act as a non-executive director. The SGH representative is currently Mr Stokes. Fees in respect of services provided by Mr Stokes in FY24 of \$132,635 (FY23 nil) are payable directly to SGH pursuant to this consultancy agreement. Mr Stokes does not receive any director fees or superannuation for his services as a director to Beach.

2024 Remuneration Report

Table 13: Non-executive directors' remuneration for FY23 and FY24

Name	Year	Directors Fees	Super-	Total
		(including committee fees) \$	annuation \$	
R Stokes ⁽¹⁾	2024	-	-	-
	2023	-	-	-
B F W Clement ⁽²⁾	2024	65,648	1,650	67,298
	2023	16,962	1,781	18,743
S G Layman ⁽³⁾	2024	182,825	-	182,825
	2023	159,535	-	159,535
S Martin ⁽⁴⁾	2024	39,050	4,296	43,346
	2023	-	-	-
R S Moore ⁽⁵⁾	2024	170,119	18,713	188,832
	2023	161,096	16,915	178,011
R J Richards ⁽⁶⁾	2024	141,509	15,566	157,075
	2023	142,149	14,926	157,075
M H Hall ⁽⁷⁾	2024	10,633	1,170	11,803
	2023	128,167	13,458	141,625
Former Directors				
G S Davis ⁽⁸⁾	2024	113,220	-	113,220
	2023	305,000	-	305,000
P J Bainbridge	2024	-	-	-
	2023	110,343	7,463	117,806
O D Beckett	2024	-	-	-
	2023	52,079	5,468	57,547
R J Jager	2024	-	-	-
	2023	48,548	5,098	53,646
TOTAL	2024	723,004	41,395	764,399
	2023	1,123,879	65,109	1,188,988

(1) Mr Stokes was appointed to the Board on 23 July 2023 and as a member of the Remuneration & Nomination Committee on 11 August 2023 and as Interim Chairman effective 14 November 2023. Fees payable to SGH by Beach pursuant to a consultancy agreement in respect of services provided by Mr Stokes during the year were \$132,635 (FY23 nil) which was equivalent to the base director's fee (not the Chair's fee). Mr Stokes did not receive any director fees or superannuation for his services as a director to Beach.

(2) Mr Clement, a non-executive director, was appointed interim CEO on 9 August 2023 until 28 January 2024. He was appointed Chair of the Risk, Corporate Governance & Sustainability Committee on 21 March 2024. The fees shown in the table above related to the period other than when he was Interim CEO. His salary and other benefits attributable to his tenure as Interim CEO are shown in table 10.

(3) Ms Layman is chair of the Audit Committee and a member of the Risk, Corporate Governance and Sustainability Committee and the Remuneration and Nomination Committee.

(4) Ms Martin was appointed to the Board on 11 March 2024 and a member of the Risk, Corporate Governance & Sustainability Committee on 21 March 2024.

(5) Dr Moore is the Chair of the Remuneration and Nomination Committee and was Chair of the Risk, Corporate Governance and Sustainability Committee until 20 March 2024. He remains a member of that committee as well as the Audit Committee.

(6) Mr Richards is a member of both the Audit Committee and the Risk, Corporate Governance & Sustainability Committee (the latter from 11 August 2023).

(7) Ms Hall retired as a non-executive Director and was appointed as an alternative director to Mr Stokes on 23 July 2023.

(8) Mr Davis retired as Chair and non-executive Director from the commencement of the 2023 Annual General Meeting on 14 November 2023. No superannuation contributions were made on behalf of Mr Davis. Director's fees for Mr Davis were paid to a related entity. Mr Davis did not receive additional fees for committee work.

Other KMP disclosures

The following three tables show the movements during the reporting period in shares and performance rights over ordinary shares in the Company held directly, indirectly or beneficially by each KMP and their related entities.

Performance rights held by KMP

The following table details the movements during the reporting period in performance rights over ordinary shares in the Company held directly, indirectly or beneficially by each KMP and their related entities.

Table 14: Summary of Performance Rights held by KMP

Rights	Opening balance	Granted	Vested/ exercised	Lapsed	Other ⁽¹⁾	Closing balance
MD & CEO						
B Woods ⁽²⁾	-	1,919,938	-	-	-	1,919,938
Interim CEO						
B Clement	-	-	-	-	-	-
Senior executives						
I Grant	1,118,781	380,672	(25,695)	(181,492)	-	1,292,266
A Barbaro	327,602	292,430	(8,721)	-	-	611,311
B Doherty ⁽³⁾	-	-	-	-	840,648	840,648
P Hogarth ⁽⁴⁾	171,585	265,277	(3,785)	(43,956)	(389,121)	-
Former senior executives						
M Engelbrecht ⁽⁵⁾	2,528,174	50,048	(80,787)	(1,079,118)	(1,418,317)	-
S Algar ⁽⁶⁾	1,106,582	388,788	(26,473)	(167,736)	(1,301,161)	-
Total	5,252,724	3,297,153	(145,461)	(1,472,302)	(2,267,951)	4,664,163

(1) Relates to changes resulting from individuals becoming and ceasing to be KMP during the period.

(2) Mr Woods commenced as MD & CEO from 29 January 2024.

(3) Mr Doherty became KMP on 8 April 2024 when he was appointed Interim Executive Vice-President, Onshore.

(4) Position of Executive Strategy & Commercial ceased to be a KMP from 7 April 2024. As at 30 June 2024, Mr Hogarth retained a total of 389,121 performance rights which are subject to performance testing on 1 July 2024, 1 December 2024, 1 December 2025, 1 July 2025 and 1 December 2026.

(5) Mr Engelbrecht's tenure as CEO and a KMP ceased on 8 August 2023. As at 30 June 2024, Mr Engelbrecht retained a total of 1,418,317 performance rights which are subject to performance testing, and the board's discretion to vest, on 1 July 2024, 1 December 2024, 30 June 2025, 1 December 2025 and 1 July 2025.

(6) Mr Algar ceased to be KMP on 2 April 2024 although continued to be employed with no decision making rights during the remainder of his notice period until 2 July 2024. As at 30 June 2024, Mr Algar had a total of 1,301,161 performance rights which were cancelled shortly after his termination date.

Table 15 details the movements during the reporting period in ordinary shares in the Company held directly, indirectly or beneficially by each KMP and their related entities.

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2024 Remuneration Report

Table 15: Shareholdings of key management personnel

Ordinary Shares	Opening balance	Purchased	Issued on exercise of performance rights	Sold	Other ⁽¹⁾	Closing balance
Directors						
R K Stokes	150,000	-	-	-	-	150,000
B Clement	-	60,000	-	-	-	60,000
S G Layman	45,000	-	-	-	-	45,000
S Martin	-	-	-	-	-	-
P S Moore	44,200	-	-	-	-	44,200
R J Richards	488,053	-	-	-	-	488,053
G S Davis ⁽²⁾	320,101	-	-	-	(320,101)	-
M H Hall	17,068	-	-	-	-	17,068
MD & CEO						
B Woods	-	-	-	-	-	-
Senior executives						
I Grant	78,679	-	104,374	-	-	183,053
A Barbaro	-	-	8,721	-	-	8,721
B Doherty ⁽³⁾	-	-	-	-	186	186
P Hogarth ⁽⁴⁾	-	-	3,785	-	(3,785)	-
Former senior executives						
M Engelbrecht ⁽⁵⁾	594,544	-	80,787	-	(675,331)	-
S Algar ⁽⁶⁾	160,775	-	110,422	(76,826)	(194,371)	-
Total	1,898,420	60,000	308,089	(76,826)	(1,193,402)	996,281

(1) Relates to changes resulting from individuals becoming or ceasing to be KMPs during the period.

(2) The movements in this table relate to the period up to the dates of retirement of Mr Davis (14 November 2023).

(3) The movements in this table relate to the period from when Mr Doherty became KMP on 8 April 2024.

(4) The movements in this table relate to the period when Mr Hogarth was KMP, from 1 July 2023 to 8 April 2024.

(5) The movements in this table relate to the period when Mr Engelbrecht was KMP, from 1 July 2023 to 8 August 2023.

(6) The movements in this table relate to the period when Mr Algar was KMP, from 1 July 2023 to 2 April 2024.

Specific details of the number of LTI and STI performance rights granted, vested/exercised and lapsed in FY24 for KMP are set out in Table 16.

Table 16: Details of LTI and STI Performance Rights

Name	Date of grant	Performance rights on issue at 30 June 2023	Fair Value \$	Granted	Vested/ Exercised	Lapsed	Other ⁽¹⁾	Performance rights on issue at 30 June 2024	Date performance rights vest and become exercisable
B Woods⁽²⁾	29 Jan 2024	-	0.9800	858,512	-	-	-	858,512	1 Dec 2026
	29 Jan 2024	-	1.5500	1,061,426	-	-	-	1,061,426	30 Jan 2026
Total		-	-	1,919,938	-	-	-	1,919,938	
Total (\$)				2,486,552					
I Grant	14 Dec 2020	181,492	1.0300	-	-	(181,492)	-	-	1 Dec 2023
	31 Dec 2021	274,666	0.6900	-	-	-	-	274,666	1 Dec 2024
	21 Nov 2022	25,695	1.6800	-	(25,695)	-	-	-	1 Jul 2023
	21 Nov 2022	25,694	1.6600	-	-	-	-	25,694	1 Jul 2024
	1 Jul 2022	425,220	1.4100	-	-	-	-	425,220	30 Jun 2025
	1 Dec 2022	186,014	0.6000	-	-	-	-	186,014	1 Dec 2025
	6 Sep 2023	-	1.5800	9,880	-	-	-	9,880	1 Jul 2024
	6 Sep 2023	-	1.5400	9,880	-	-	-	9,880	1 Jul 2025
	20 Dec 2023	-	0.9700	360,912	-	-	-	360,912	1 Dec 2026
Total		1,118,781	-	380,672	(25,695)	(181,492)	-	1,292,266	
Total (\$)				380,910	43,168				
A Barbaro	13 Oct 2021	168,598	0.6600	-	-	-	-	168,598	1 Dec 2024
	21 Nov 2022	8,721	1.6800	-	(8,721)	-	-	-	1 Jul 2023
	21 Nov 2022	8,720	1.6600	-	-	-	-	8,720	1 Jul 2024
	1 Dec 2022	141,563	0.6000	-	-	-	-	141,563	1 Dec 2025
	6 Sep 2023	-	1.5800	9,548	-	-	-	9,548	1 Jul 2024
	6 Sep 2023	-	1.5400	9,549	-	-	-	9,549	1 Jul 2025
	20 Dec 2023	-	0.9700	273,333	-	-	-	273,333	1 Dec 2026
Total		327,602	-	292,430	(8,721)	-	-	611,311	
Total (\$)				294,924	14,651				
B Doherty⁽³⁾	31 Dec 2021	-	0.6900	-	-	-	209,031	209,031	1 Dec 2024
	21 Nov 2022	-	1.6600	-	-	-	18,961	18,961	1 Jul 2024
	1 Dec 2022	-	0.6000	-	-	-	141,563	141,563	1 Dec 2025
	1 Jul 2022	-	1.4100	-	-	-	175,953	175,953	30 Jun 2025
	6 Sep 2023	-	1.5800	10,236	-	-	-	10,236	1 Jul 2024
	6 Sep 2023	-	1.5400	10,237	-	-	-	10,237	1 Jul 2025
	20 Dec 2023	-	0.9700	274,667	-	-	-	274,667	1 Dec 2026
	Total		-	-	295,140	-	-	545,508	840,648
Total (\$)				298,365	-				
P Hogarth⁽⁴⁾	14 Dec 2020	43,956	1.0300	-	-	(43,956)	-	-	1 Dec 2023
	31 Dec 2021	67,494	0.6900	-	-	-	(67,494)	-	1 Dec 2024
	21 Nov 2022	3,785	1.6800	-	(3,785)	-	-	-	1 Jul 2023
	21 Nov 2022	3,784	1.6600	-	-	-	(3,784)	-	1 Jul 2024
	1 Dec 2022	52,566	0.6000	-	-	-	(52,566)	-	1 Dec 2025
	6 Sep 2023	-	1.5800	8,864	-	-	(8,864)	-	1 Jul 2024
	6 Sep 2023	-	1.5400	8,864	-	-	(8,864)	-	1 Jul 2025
	20 Dec 2023	-	0.9700	247,549	-	-	(247,549)	-	1 Dec 2026
Total		171,585	-	265,277	(3,785)	(43,956)	(389,121)	-	
Total (\$)				267,778	6,359				

2024 Remuneration Report

Name	Date of grant	Performance rights on issue at 30 June 2023	Fair Value \$	Granted	Vested/ Exercised	Lapsed	Other ⁽¹⁾	Performance rights on issue at 30 June 2024	Date performance rights vest and become exercisable
M									
Engelbrecht⁽⁵⁾	14 Dec 2020	165,976	1.0300	-	-	(165,976)	-	-	1 Dec 2023
	31 Mar 2022	788,678	0.8600	-	-	(212,154)	(576,524)	-	1 Dec 2024
	30 Jun 2022	269,851	1.0500	-	-	(72,590)	(197,261)	-	1 Dec 2024
	21 Nov 2022	80,787	1.6800	-	(80,787)	-	-	-	1 Jul 2023
	21 Nov 2022	80,787	1.6600	-	-	-	(80,787)	-	1 Jul 2024
	1 Jul 2022	425,220	1.4100	-	-	(196,703)	(228,517)	-	30 Jun 2025
	1 Dec 2022	716,875	0.6000	-	-	(431,695)	(285,180)	-	1 Dec 2025
	6 Sep 2023	-	1.5800	25,024	-	-	(25,024)	-	1 Jul 2024
	6 Sep 2023	-	1.5400	25,024	-	-	(25,024)	-	1 Jul 2025
Total		2,528,174	-	50,048	(80,787)	(1,079,118)	(1,418,317)	-	
Total (\$)				78,075	135,722				
S Algar⁽⁶⁾									
	31 May 2021	167,736	0.4100	-	-	(167,736)	-	-	1 Dec 2023
	31 Dec 2021	274,666	0.6900	-	-	-	(274,666)	-	1 Dec 2024
	21 Nov 2022	26,473	1.6800	-	(26,473)	-	-	-	1 Jul 2023
	21 Nov 2022	26,473	1.6600	-	-	-	(26,473)	-	1 Jul 2024
	1 Jul 2022	425,220	1.4100	-	-	-	(425,220)	-	30 Jun 2025
	1 Dec 2022	186,014	0.6000	-	-	-	(186,014)	-	1 Dec 2025
	6 Sep 2023	-	1.5800	13,938	-	-	(13,938)	-	1 Jul 2024
	6 Sep 2023	-	1.5400	13,938	-	-	(13,938)	-	1 Jul 2025
	20 Dec 2023	-	0.9700	360,912	-	-	(360,912)	-	1 Dec 2026
Total		1,106,582	-	388,788	(26,473)	(167,736)	(1,301,161)	-	
Total (\$)				393,571	44,475				

(1) Relates to changes resulting from individuals becoming and ceasing to be KMP during the period.

(2) Mr Woods commenced as MD & CEO from 29 January 2024.

(3) Mr Doherty became KMP on 8 April 2024 when he was appointed Interim Executive Vice-President, Onshore.

(4) Position of Executive Strategy & Commercial ceased to be a KMP from 7 April 2024. As at 30 June 2024, Mr Hogarth retained a total of 389,121 performance rights which are subject to performance testing on 1 July 2024, 1 December 2024, 1 December 2025, 1 July 2025 and 1 December 2026.

(5) Mr Engelbrecht's tenure as CEO and a KMP ceased on 8 August 2023. As at 30 June 2024, Mr Engelbrecht retained a total of 1,418,317 performance rights which are subject to performance testing on 1 July 2024, 1 December 2024, 30 June 2025, 1 December 2025 and 1 July 2025.

(6) Mr Algar ceased to be KMP on 2 April 2024 although continued to be employed with no decision making rights during the remainder of his notice period until 2 July 2024. As at 30 June 2024, Mr Algar had a total of 1,301,161 performance rights which were cancelled shortly after his termination date.

Remuneration and related issues for FY25

Senior Executive Remuneration

Senior executives will receive an average increase of 3% for FY25. These increases give consideration to benchmarking against a defined peer group with consideration to organisation size and complexity, and the executive's role and responsibilities.

Superannuation Guarantee

Effective from 1 July 2024, the Superannuation Guarantee (SG) minimum compulsory rate for all Australian employees is legislated to increase from 11% to 11.5%. In respect of all Australian employees, Beach has increased total fixed remuneration so that no employee suffers any real remuneration decrease as a consequence of the legislative change. The total fixed remuneration of non-executive directors is set out above.

Long Term Incentive hurdles

As noted in the introductory letter, the Board is currently reviewing the hurdles which will underpin executive long-term incentive awards to be issued in FY25. This will potentially involve adding additional financial hurdles within the award to better incentivise and recognise long-term performance aligned with the delivery of Beach's long-term strategy.

Directors' Declaration

1. In the directors' opinion:
 - (a) the financial statements and notes set out on pages 93 to 136 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with accounting standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
 - (b) there are reasonable grounds to believe that Beach will be able to pay its debts as and when they become due and payable.
2. The attached financial statements are in compliance with International Financial Reporting Standards, as noted in the Basis of Preparation which forms part of the financial statements.
3. The consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.
4. At the time of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 23 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 23.
5. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

Signed in accordance with a resolution of the directors made pursuant to section 295(5) of the *Corporations Act 2001* on behalf of the directors.



R K Stokes AO

Interim Chair

Adelaide

12 August 2024

Financial Report

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 30 June 2024

	Note	Consolidated	
		2024 \$million	2023 \$million
Revenue	2(a)	1,797.6	1,646.4
Cost of sales	3(a)	(1,294.3)	(1,055.6)
Gross profit		503.3	590.8
Other income	2(b)	36.4	10.3
Other expenses	3(b)	(1,160.8)	(14.8)
Operating profit/(loss) before financing costs		(621.1)	586.3
Interest income	16	8.7	4.4
Finance expenses	16	(42.0)	(31.4)
Profit/(loss) before income tax expense		(654.4)	559.3
Income tax benefit/(expense)	5	179.1	(158.5)
Net profit/(loss) after tax		(475.3)	400.8
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Net gain/(loss) on translation of foreign operations		(1.0)	3.0
Other comprehensive income/(loss), net of tax		(1.0)	3.0
Total comprehensive income/(loss) after tax		(476.3)	403.8
Basic earnings/(loss) per share (cents per share)	6	(20.85¢)	17.58¢
Diluted earnings/(loss) per share (cents per share)	6	(20.85¢)	17.57¢

The accompanying notes form part of these financial statements.

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Consolidated Statement of Financial Position

As at 30 June 2024

	Note	Consolidated	
		2024 \$million	2023 \$million
Current assets			
Cash and cash equivalents	17	172.0	218.9
Receivables	18	265.7	238.1
Inventories	7	194.2	161.2
Current tax asset		17.8	24.2
Contract assets		14.1	14.2
Other		21.8	13.5
Total current assets		685.6	670.1
Non-current assets			
Property, plant and equipment	8	1.4	4.0
Petroleum assets	9	4,223.3	4,482.1
Exploration and evaluation assets	10	373.1	562.2
Intangible assets	11	26.6	77.6
Lease assets	14	41.4	23.6
Contract assets		5.2	16.8
Deferred tax asset	5	91.2	-
Other		51.4	58.5
Total non-current assets		4,813.6	5,224.8
Total assets		5,499.2	5,894.9
Current liabilities			
Payables	18	282.2	329.9
Provisions	13	87.2	91.2
Current tax liabilities		-	12.1
Lease liabilities	14	12.4	11.0
Total current liabilities		381.8	444.2
Non-current liabilities			
Payables	18	38.9	2.7
Provisions	13	983.7	971.6
Interest bearing liabilities	16	752.1	383.3
Deferred tax liabilities	5	-	201.0
Lease liabilities	14	30.2	14.2
Total non-current liabilities		1,804.9	1,572.8
Total liabilities		2,186.7	2,017.0
Net assets		3,312.5	3,877.9
Equity			
Contributed equity	19	1,864.2	1,863.3
Reserves	20	660.8	751.8
Retained earnings		787.5	1,262.8
Total equity		3,312.5	3,877.9

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 30 June 2024

	Note	Contributed equity \$million	Retained earnings \$million	Share based payment reserve \$million	Foreign currency translation reserve \$million	Profit distribution reserve \$million	Total \$million
Balance as at 30 June 2022		1,862.3	862.0	36.1	(10.5)	790.0	3,539.9
Profit for the year		-	400.8	-	-	-	400.8
Other comprehensive income/(loss)		-	-	-	3.0	-	3.0
Total comprehensive income/(loss) for the year		-	400.8	-	3.0	-	403.8
Transactions with owners in their capacity as owners:							
Shares issued during the year	19	0.8	-	-	-	-	0.8
Shares purchased on market, net of tax (Treasury shares)	19	(0.6)	-	-	-	-	(0.6)
Utilisation of Treasury shares on vesting of shares and rights under employee and executive incentive plans	19	0.8	-	(0.8)	-	-	-
Final dividend paid	21	-	-	-	-	(22.8)	(22.8)
Interim dividend paid	21	-	-	-	-	(45.6)	(45.6)
Increase in share based payments reserve		-	-	2.4	-	-	2.4
Transactions with owners		1.0	-	1.6	-	(68.4)	(65.8)
Balance as at 30 June 2023		1,863.3	1,262.8	37.7	(7.5)	721.6	3,877.9
Profit/(loss) for the year		-	(475.3)	-	-	-	(475.3)
Other comprehensive income/(loss)		-	-	-	(1.0)	-	(1.0)
Total comprehensive income/(loss) for the year		-	(475.3)	-	(1.0)	-	(476.3)
Transactions with owners in their capacity as owners:							
Shares issued during the year	19	-	-	-	-	-	-
Shares purchased on market, net of tax (Treasury shares)	19	(0.6)	-	-	-	-	(0.6)
Utilisation of Treasury shares on vesting of shares and rights under employee and executive incentive plans	19	1.5	-	(1.5)	-	-	-
Final dividend paid	21	-	-	-	-	(45.6)	(45.6)
Interim dividend paid	21	-	-	-	-	(45.6)	(45.6)
Increase in share based payments reserve		-	-	2.7	-	-	2.7
Transactions with owners		0.9	-	1.2	-	(91.2)	(89.1)
Balance as at 30 June 2024		1,864.2	787.5	38.9	(8.5)	630.4	3,312.5

The accompanying notes form part of these financial statements.

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Consolidated Statement of Cash Flows

For the financial year ended 30 June 2024

	Note	Consolidated	
		2024 \$million	2023 \$million
Cash flows from operating activities			
Receipts from customers and other		1,982.3	1,802.2
Payments to suppliers and employees		(990.2)	(700.7)
Payments for restoration		(68.4)	(40.0)
Interest received		8.4	4.2
Financing costs		(38.4)	(13.4)
Income tax paid		(119.6)	(123.7)
Net cash provided by operating activities	17	774.1	928.6
Cash flows from investing activities			
Payments for property, plant and equipment		(0.8)	(0.2)
Payments for petroleum assets		(928.2)	(1,025.8)
Payments for exploration and evaluation assets		(160.3)	(138.2)
Payments for intangible assets		(3.7)	(6.4)
Proceeds on sale of joint operations interests		0.8	0.7
Proceeds from sale of non-current assets		-	0.2
Proceeds received on acquisition of joint interest	27	10.0	-
Net cash used in investing activities		(1,082.2)	(1,169.7)
Cash flows from financing activities			
Proceeds from borrowings	17	440.0	370.0
Repayment of borrowings	17	(70.0)	(75.0)
Payment of the principal portion of lease liabilities	17	(17.6)	(21.3)
Proceeds from employee incentive loans		-	0.8
Payment for shares purchased on market (Treasury shares)		(0.6)	(0.6)
Dividends paid	21	(91.2)	(68.4)
Net cash provided by/(used in) financing activities		260.6	205.5
Net increase/(decrease) in cash held		(47.5)	(35.6)
Cash at beginning of financial year		218.9	254.5
Effects of exchange rate changes on the balances of cash held in foreign currencies		0.6	0.0
Cash at end of financial year		172.0	218.9

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

Basis of preparation

This section sets out the basis upon which the Group's (comprising Beach Energy Limited and its subsidiaries) financial statements are prepared as a whole. Material accounting policy information and key judgements and estimates of the Group that summarise the measurement basis used and assist in understanding the financial statements are described in the relevant note to the financial statements or are otherwise provided in this section.

Beach Energy Limited (Beach) is a for profit company limited by shares, incorporated in Australia and whose shares are publicly listed on the Australian Securities Exchange (ASX). The nature of the Group's operations are described in the segment note. The consolidated general purpose financial report of the Group for the financial year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 12 August 2024.

This general purpose financial report:

- Has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.
- Has been prepared on a going concern and accruals basis and is based on the historical cost convention, except for derivative financial instruments, contingent consideration and other financial instruments that have been measured at fair value.
- Is presented in Australian dollars with all amounts rounded to the nearest hundred thousand dollars unless otherwise stated, in accordance with ASIC (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investment Commission.
- Has been prepared by consistently applying all accounting policies to all the financial years presented, unless otherwise stated.
- The consolidated financial statements provide comparative information in respect of the previous period. Where there has been a change in the classification of items in the financial statements for the current period, the comparative for the previous period has been reclassified to be consistent with the classification of that item in the current period.

Notes to the financial statements

The notes include information which is required to understand the financial statements that is material and relevant to the operations, financial position or performance of the Group. Information is considered material and relevant where the amount is significant in size or nature, it is important in understanding changes to the operations or results of the Group or it may significantly impact on future performance.

Key judgements and estimates

In the process of applying the Group's accounting policies, management has had to make judgements, estimates and assumptions about future events that affect the reported amounts of assets and liabilities, revenue and expenses. These estimates and judgements incorporate the impact of the ongoing uncertainties associated with material business risks. The reasonableness of these estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements are found in the following notes:

Note 2 - Revenue from contracts with customers

Note 3 - Expenses

Note 5 - Taxation

Note 9 - Petroleum assets

Note 10 - Exploration and evaluation assets

Note 11 - Intangible assets

Note 13 - Provisions

Note 14 - Leases

Climate change

In preparing the Financial Report, management has considered the impact of climate change and current climate-related legislation. Beach is committed to managing climate risk and delivering a sustainable business model in a low-carbon world. Beach reports on its climate strategy, annual emissions and emissions targets in the Beach sustainability report which Beach has published annually since 2017. The Annual Sustainability Report is informed by key elements of the Financial Stability Board's Task Force on Climate-Related Disclosures (TCFD) recommendations on climate related financial disclosures.

Beach's Climate Transition Action Plan (CTAP) and Sustainability Report included in this Annual Report outlines the progress made to date and the decarbonisation goals which have been set to align with the intent of the Paris Agreement, including a target of <0.2% methane emissions intensity by 2025; 35% equity emissions intensity reduction by 2030 (2018 base); and a net zero scope 1&2 emissions ambition by 2050.

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Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

The Safeguard Mechanism (SM) applies to all facilities with Scope 1 (direct) emissions of at least 100,000 tonnes of CO₂e per annum and requires them to keep their emissions at or below a 'baseline threshold'. Under legislated changes to the SM which took effect on 1 July 2023, there will be a reduction in annual baseline for SM facilities of 4.9% through to FY30 which has impacted Beach's operated and non-operated facilities at Moomba, Ballera, Otway and Beharra as well as Waitsia once in operation. Beach has assumed for the purposes of these calculations that from FY30 a new decline rate will be imposed at 3.25% to end-of-asset life post FY30. A new tradable credit, called a 'Safeguard Mechanism Credit' (SMC), has been introduced, which arises when a facility reports scope 1 emissions below its baseline. These can be sold to other facilities subject to the SM to allow them to meet their baseline targets. In addition to SMCs, entities will be able to purchase Australian Carbon Credit Units (ACCUs), with Government-held ACCUs being available for purchase at a capped price of \$75 per tonne CO₂e (increasing at CPI plus 2% per year).

The Safeguard Mechanism obligations have been recognised using a net liability approach in current payables after taking into account estimates of any carbon credits earned during the period.

The estimated impacts of climate change may be assessed through a range of economic and climate-related policies and scenarios, as reported in the Beach sustainability report. This includes market supply and demand profiles, carbon emissions reduction profiles, legislative impacts and technological impacts, all of which are affected by the global demand profile of the economy as a whole. The financial impact of the SM to either create an asset, where a facility is below its emissions baseline, or a liability, where the facility operates above its baseline, is included in Beach's economic modelling of projects and valuation of the portfolio as a whole. The energy transition is expected to bring volatility in commodity prices. This may result in scenarios of lower prices through demand destruction and conversely structurally higher commodity prices through demand and supply dynamics. The current estimates and forecasts used by the Group are in accordance with current enacted climate-related legislation and policy. In accordance with Australian Accounting Standards, Beach's financial statements are based on reasonable and supportable assumptions that represents the Group's current best estimate of the range of economic conditions that may exist in the foreseeable future.

The impacts of climate change and sustainability-related matters have been considered in the significant judgements and key estimates in a number of areas in the Financial Report, including:

- asset carrying values for petroleum assets and exploration and evaluation assets through determination of valuations considered for impairment - refer notes 9 and 10;
- restoration obligations, including the timing of such activities - refer note 13; and
- deferred taxes, primarily related to asset carrying values and restoration obligations - refer note 5;

Beach continues to monitor climate-related policy and its impact on the Financial Report.

Going concern

The Group ended FY24 with \$172 million in cash, drawn debt of \$755 million and net working capital of \$304 million (current assets less current liabilities). Available liquidity was \$437 million, comprising \$172 million in cash and \$265 million in undrawn debt facilities. Management has prepared cash flow forecast scenarios that represent reasonably possible downside risks relating to the business that could arise over the next 12 months, which have been reviewed by the directors. These forecasts demonstrate that the Group has sufficient cash, other liquid resources and undrawn credit facilities which along with the flexibility to remove or defer certain discretionary operating and capital expenditures will enable the Group to meet its obligations as they fall due. As such the directors considered it appropriate to adopt the going concern basis of accounting in preparing the full year financial statements.

Basis of consolidation

The consolidated financial statements are those of Beach and its subsidiaries (detailed in Note 22). Subsidiaries are those entities that Beach controls as it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. In preparing the consolidated financial statements, all transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the date Beach obtains control for acquisitions and the date Beach loses control for disposals, as applicable. The acquisition of businesses is accounted for using the acquisition method of accounting.

Foreign currency

Both the functional and presentation currency of Beach is Australian dollars. Some subsidiaries have different functional currencies which are translated to the presentation currency. Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the foreign exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognised in the profit or loss. Non monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences that arise on the translation of monetary items that form part of the net investment in a foreign operation are recognised in equity in the consolidated financial statements. Revenues, expenses and equity items of foreign operations are translated to Australian dollars using the exchange rate at the date of transaction while assets and liabilities are translated using the rate at balance date with differences recognised directly in the Foreign Currency Translation Reserve.

Adoption of new and revised accounting standards and interpretations

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. Information on relevant new standards is provided below, with no immediate material impact on the Group's consolidated financial statements.

i) Amendments to AASB 112 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the initial recognition exception under AASB 112, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

ii) Pillar Two reforms

In December 2021, the Organisation for Economic Co-operation and Development (OECD) published its Pillar Two model rules to address the tax challenges arising from the digitalisation of the global economy.

The Pillar Two model rules are designed to:

- ensure large multinational enterprises pay a minimum level of tax on the income arising in each of the jurisdictions in which they operate; and
- achieve a minimum effective tax rate of 15% in each jurisdiction.

The Group expects to be subject to the Pillar Two rules in Australia, which are likely to apply to Beach from 1 July 2024. The Australian Government has introduced draft legislation, but it is not yet substantively enacted.

Based on current information available and work done to date, the Group expects to be able to rely on the Transitional CbCR Safe Harbours, such that no material current tax is expected in the initial years of operation of the rules. The Group is continuing to assess the on-going impact of the application of the rules.

The Group has applied the temporary mandatory relief under AASB 2023-2 from deferred tax accounting for the impacts of the additional tax at 30 June 2024.

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group in preparing these consolidated financial statements. Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. The Group's assessment of the impact of these new standards, amendments to standards and interpretations is set out below.

i) Amendments to AASB 101 – Classification of Liabilities as Current or Non-current

The amendments clarify that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what it means when it refers to the 'settlement' of a liability. These amendments apply from 1 July 2024 and are not expected to materially impact the Group's annual consolidated financial statements.

ii) Australian sustainability reporting standards

In October 2023, the Australian Accounting Standards Board (AASB) released the exposure draft (ED), ED SR1 Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information, for disclosure of climate-related information. ED SR1 includes three proposed Australian Sustainability Reporting Standards (ASRS) that are aligned internationally to the IFRS Sustainability Disclosure Standards:

- ASRS 1 General Requirements for Disclosure of Climate-related Financial Information
- ASRS 2 Climate-related Financial Disclosures
- ASRS 101 References in Australian Sustainability Reporting Standards

In January 2024, the Australian Treasury released its Final Policy position for climate-related disclosures, including Exposure Draft legislation and accompanying explanatory materials. This confirms the pathway to mandatory reporting of climate-related financial disclosures subject to the passage of legislation through Parliament.

In June 2024, the AASB decided not to proceed with proposals to deviate significantly from the requirements of IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. The Board instead decided to prepare ASRS 1 as a non-mandatory (voluntary) standard to cover all sustainability-related financial disclosures as well as deciding to incorporate all necessary disclosures within the body of ASRS 2. The Board also decided to backtrack on various proposals in ED SR1 which would have resulted in Australian entities applying different rules for measuring greenhouse gas (GHG) emissions to their international counterparts. The Standards once issued are expected to be effective for annual reporting periods beginning or after 1 January 2025.

While these standards are still draft and are not mandatory for compliance with Australian Accounting Standards, the Group is monitoring their development and working through the expected requirements and the impacts on the Group's annual consolidated financial statements.

iii) AASB 18 Presentation and Disclosure in Financial Statements

This new standard aims to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss including the presentation of newly defined subtotals in the statement of profit or loss; the disclosure of management-defined performance measures; and enhanced requirements for grouping information (i.e. aggregation and disaggregation). These new requirements will enable investors and other financial statement users to make more informed decisions, including better allocations of capital, that will contribute to long-term financial stability. AASB 18 will replace AASB 101 Presentation of Financial Statements. This new standard applies to annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. It is yet to be determined what the impact on the Group would be as a result of this new standard.

Several other amendments to standards and interpretations will apply on or after 1 July 2024, and have not yet been applied, however they are not expected to impact the Group's annual consolidated financial statements.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

RESULTS FOR THE YEAR

This section explains the results and performance of the Group including additional information about those individual line items in the financial statements most relevant in the context of the operations of the Group, including accounting policies that are relevant for understanding the items recognised in the financial statements and an analysis of the Group's result for the year by reference to key areas, including operating segments, revenue, expenses, employee costs, taxation and earnings per share.

1. Operating segments

The Group has identified its operating segments to be its South Australian, Western Australian, Victorian and New Zealand interests based on the different geographical regions and the similarity of assets within those regions. This is the basis on which internal reports are provided to the Chief Executive Officer for assessing performance and determining the allocation of resources within the Group.

The Group operates primarily in one business, namely the exploration, development and production of hydrocarbons. Revenue is derived from the sale of gas and liquid hydrocarbons. Gas sales contracts are spread across major Australian and New Zealand energy retailers and industrial users with liquid hydrocarbon product sales being made to major multi-national energy companies based on international market pricing.

Details of the performance of each of these operating segments for the financial years ended 30 June 2024 and 30 June 2023 are as follows:

	SA		WA		Victoria		New Zealand		Total	
	2024 \$million	2023 \$million								
Segment revenue										
Sales revenue ⁽¹⁾	1,070.9	1,093.2	264.1	41.7	325.0	338.5	105.6	143.5	1,765.6	1,616.9
Other revenue	23.3	20.0	1.3	-	7.3	9.3	0.1	0.2	32.0	29.5
Total revenue	1,094.2	1,113.2	265.4	41.7	332.3	347.8	105.7	143.7	1,797.6	1,646.4
Segment results										
Gross segment result before depreciation, amortisation	552.8	604.6	59.9	29.5	240.9	259.6	68.5	97.3	922.1	991.0
Depreciation and amortisation	(262.8)	(249.5)	(13.0)	(12.1)	(124.4)	(119.4)	(18.6)	(19.2)	(418.8)	(400.2)
Impairment	(714.2)	-	-	-	(260.5)	-	(116.9)	-	(1,091.6)	-
	(424.2)	355.1	46.9	17.4	(144.0)	140.2	(67.0)	78.1	(588.3)	590.8
Other income									36.4	10.3
Net financing costs									(33.3)	(27.0)
Other expenses ⁽²⁾									(69.2)	(14.8)
Profit/(loss) before tax									(654.4)	559.3
Income tax expense									179.1	(158.5)
Net profit/(loss) after tax									(475.3)	400.8
Segment assets	2,431.0	3,046.1	1,168.1	856.2	1,359.7	1,569.7	134.6	220.1	5,093.4	5,692.1
Total corporate and unallocated assets									405.8	202.8
Total consolidated assets									5,499.2	5,894.9
Segment liabilities	614.9	685.6	189.7	75.9	486.1	417.3	124.0	120.4	1,414.7	1,229.2
Total corporate and unallocated liabilities									772.0	717.8
Total consolidated liabilities									2,186.7	2,017.0
Additions and acquisitions of non-current assets										
Exploration and evaluation assets	74.3	64.3	61.2	37.2	8.2	17.2	0.9	0.3	144.6	119.0
Petroleum assets	404.4	491.7	238.9	206.6	103.5	253.3	73.5	15.1	820.3	966.7
	478.7	556.0	300.1	243.8	111.7	270.5	74.4	15.4	964.9	1,085.7
Total corporate and unallocated assets									5.6	3.7
Total additions and acquisitions of non-current assets									970.5	1,089.4

(1) During the year revenue from three customers amounted to \$1,306 million (2023: \$1,046 million from three customers) arising from sales from SA, WA, Victoria and New Zealand segments.

(2) Excludes impairment charges relating to reportable segments which have been shown separately.

	Australia		New Zealand		Total	
	2024 \$million	2023 \$million	2024 \$million	2023 \$million	2024 \$million	2023 \$million
Non-current assets	4,716.3	5,046.7	97.3	178.1	4,813.6	5,224.8

2. Revenue from contracts with customers and other income

Revenue from contracts with customers is recognised in the income statement when the performance obligations are considered met, which is when control of the hydrocarbon products or services provided are transferred to the customer. Revenue is recognised at an amount that reflects the consideration the Group expects to be entitled to, net of goods and services tax or similar taxes.

Product sales

Sales revenue is recognised using the “sales method” of accounting. The sales method results in revenue being recognised based on volumes sold under contracts with customers, at the point in time where performance obligations are considered met. Generally, regarding the sale of hydrocarbon products, the performance obligation will be met when the product is delivered to the specified measurement point (gas) or point of loading/unloading (liquids).

The Group’s sales of crude oil, liquefied natural gas, ethane, condensate, LPG, and in some contractual arrangements, natural gas, are based on market prices. In contractual arrangements with market base pricing, at the time of the delivery, there is only a minimal risk of a change in transaction price to be allocated to the product sold. Accordingly, at the point of sale where there is not a significant risk of revenue reversal relative to the cumulative revenue recognised, there is no constraining of variable consideration.

Where the sales price is not final at the point the performance obligations are met, any subsequent measurement of these provisionally priced sales is not revenue from customers and has been recognised as other sales revenue.

Contract liabilities and contract assets

A contract liability for deferred revenue is recorded for obligations under sales contracts to deliver natural gas in future periods for which payment has already been received. Deferred revenue liabilities unwind as “revenue from contracts with customers”, with reference to the performance obligation.

On acquisition of the Lattice and Toyota Tsusho interests, pre-existing revenue contracts were fair valued, resulting in contract assets and liabilities being recognised. Both the contract assets and liabilities represent the differential in contract pricing and market price, and will be realised as performance obligations are considered met in the underlying revenue contract. To the extent a contract asset or liability represents the fair value differential between contract price and market price, it will be unwound through “other operating revenue or expense”.

Net contract assets have decreased by \$11.7 million to \$19.3 million, with \$14.2 million included in other expense less \$2.5 million unwind of discount included in finance expenses.

(a) Revenue

	Consolidated	
	2024 \$million	2023 \$million
Crude oil	599.4	603.6
Sales gas and ethane	687.8	677.3
Liquefied petroleum gas	123.0	146.8
Condensate	200.5	189.2
Liquefied natural gas	154.9	-
Gas and gas liquids	1,166.2	1,013.3
Revenue from contracts with customers	1,765.6	1,616.9
Other operating revenue	32.0	29.5
Total revenue	1,797.6	1,646.4

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

2. Revenue from contracts with customers and other income continued

(b) Other income

	Consolidated	
	2024 \$million	2023 \$million
Gain on sale of joint operations interests	0.9	1.0
Other income related to joint venture lease recoveries	3.7	3.8
Insurance recoveries	30.8	-
Government grants received	0.7	0.7
Foreign exchange gains	-	2.2
Other	0.3	2.6
Total other income	36.4	10.3

3. Expenses

The Group's significant expenses in operating the business are described below split between cost of sales and other expenses including impairment and corporate and other costs.

(a) Cost of sales

	Consolidated	
	2024 \$million	2023 \$million
Field operating costs	307.3	281.9
Tariffs and tolls ⁽¹⁾	176.1	92.0
Carbon costs	6.9	2.1
Royalties	111.4	120.9
Total operating costs	601.7	496.9
Depreciation and amortisation of petroleum assets (Note 9)	408.7	391.7
Depreciation of leased assets (Note 14)	10.1	8.4
Third party oil and gas purchases	257.9	190.4
Decrease/(increase) in product inventory	15.9	(31.8)
Total cost of sales	1,294.3	1,055.6

(1) Includes \$50.9 million of tariffs incurred for unutilised capacity in relation to the Northwest Shelf (NWS) processing which have been excluded from underlying profit after tax.

(b) Other expenses

	Consolidated	
	2024 \$million	2023 \$million
Impairment		
Impairment of petroleum assets (Note 9)	754.2	-
Impairment of goodwill (Note 11)	51.0	-
Impairment of exploration and evaluation assets ⁽¹⁾ (Note 10)	293.4	-
Total impairment expense	1,098.6	-
Other		
Exploration expense	0.4	0.1
Loss on disposal of non-current assets	12.4	0.5
Depreciation of leased assets (Note 14)	2.9	3.2
Reversal of accrued acquisition costs	-	(16.8)
Unwind of acquired contract assets and liabilities	14.2	11.0
Legal costs related to shareholder class action	4.1	-
Corporate expenses ⁽²⁾	18.2	16.8
Fair value losses on overlift liability	3.2	-
Foreign exchange loss	6.8	-
Other expenses	62.2	14.8
Total other expenses	1,160.8	14.8

(1) Includes exploration and evaluation expenditure of \$35.2 million incurred in the current financial year.

(2) Includes depreciation of property, plant and equipment and amortisation of software costs of \$7.0 million (FY23 \$8.9 million) as shown in Note 8 and 11, share based payments expense of \$2.7 million (FY23 \$2.1 million), and restructuring costs of \$7.3 million (FY23 \$nil).

4. Employee benefits

Provision is made for the Group's employee benefits liability arising from services rendered by employees to the end of the reporting period. These benefits include wages, salaries, annual leave and long service leave.

Termination benefits - Termination benefits may be payable when employment is terminated before the normal retirement date, without cause, or when an employee accepts voluntary redundancy in exchange for these benefits. Beach recognises termination benefits when it is demonstrably committed to making these payments.

Equity settled compensation

Employee Share Plan - The group operates an employee share plan, approved by shareholders. Employees who buy shares under the Plan will have those shares matched by Beach, provided any relevant conditions determined by the Board are satisfied. Eligible Employees are employees of the Group, other than a non-executive director and any other person determined by the Board as ineligible to participate in the Plan. The Board has the discretion to set an annual limit on the value of shares that participants may purchase under the Plan, not exceeding \$5,000. Purchased Shares have been acquired periodically at the prevailing market price. Participants pay for their Purchased Shares using their own funds which may include salary sacrifice. To receive Matched Shares, a participant must satisfy the conditions determined by the Board at the time of the invitation, including remaining an employee throughout the three year vesting period. Details of shares purchased and utilised under this plan are detailed in Note 19.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

4. Employee benefits continued

Incentive Rights – The Group operates an Executive Incentive Plan (EIP) providing both Short Term Incentives (STIs) and Long Term Incentives (LTIs). The STI is part of 'at risk' remuneration offered to senior executives. It measures individual and Company performance over a 12 month period coinciding with Beach's financial year. It is provided in equal parts of cash and equity that may or may not vest subject to additional retention conditions. It is offered annually to senior executives at the discretion of the Board. The LTI is an equity based 'at risk' incentive plan. The LTI is intended to reward efforts and results that promote long term growth in shareholder value or total shareholder return (TSR). LTIs are offered to senior executives at the discretion of the Board. The fair value of performance rights issued are recognised as an employee benefits expense with a corresponding increase in equity. The fair value of the performance rights are measured at grant date and recognised over the vesting period during which the senior executives become entitled to the performance rights. The fair value of the STIs and Retention Rights is measured using the Black-Scholes Option Pricing Model and the fair value of the LTIs is measured using Monte Carlo simulation, taking into account the terms and conditions upon which these rights were issued.

Details of the key assumptions used in determining the valuation of unlisted performance rights issued during FY24 are outlined below.

	2022 STI Rights	2022 STI Rights	2023 LTI Rights	2023 LTI Rights	2024 Retention Rights	FY24 ESP ⁽¹⁾
Grant date	6 Sep 2023	6 Sep 2023	20 Dec 2023	29 Jan 2024	29 Jan 2024	Up to 30 Jun 2024
Vesting date	1 Jul 2024	1 Jul 2025	1 Dec 2026	1 Dec 2026	30 Jan 2026	1 Jul 2026
Expiry date	n/a	n/a	30 Nov 2028	30 Nov 2028	n/a	n/a
Share price at grant date (A\$)	1.62	1.62	1.65	1.63	1.63	1.49 - 1.84
Exercise price (A\$)	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility (average)	n/a	n/a	43.0%	42.6%	n/a	n/a
Vesting Period (years)	0.8	1.8	3.0	2.8	2.0	2.0 - 2.9
Risk free rate	n/a	n/a	3.59%	3.62%	n/a	n/a
Dividend yield	2.48%	2.48%	2.43%	2.46%	2.48%	1.24% - 2.69%
Number of securities issued	96,750	96,754	3,445,090	858,512	1,061,426	574,261
Fair value of security at grant date (A\$)	1.58	1.54	0.97	0.98	1.55	1.39 - 1.75
Total fair value at grant date	152,865	149,001	3,341,737	841,342	1,645,210	870,005

(1) Matched Share Rights under the Employee Share Plan are acquired periodically throughout the year. Details show the range of valuation inputs during the year.

Details of the key assumptions used in determining the valuation of unlisted performance rights issued during FY23 are outlined below.

	2021 LTI Rights	2022 LTI Rights	2021 STI Rights	2021 STI Rights	2022 Retention Rights	FY23 ESP ⁽¹⁾
Grant date	12 Oct 2022	2 Feb 2023	21 Nov 2022	21 Nov 2022	2 Feb 2023	Up to 30 Jun 2023
Vesting date	1 Dec 2024	1 Dec 2025	1 Jul 2023	1 Jul 2024	1 Jul 2025	1 Jul 2025
Expiry date	30 Nov 2026	30 Nov 2027	n/a	n/a	n/a	n/a
Share price at grant date (A\$)	1.51	1.46	1.70	1.70	1.46	1.35 - 1.82
Exercise price (A\$)	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility (average)	50.9%	53.4%	n/a	n/a	n/a	n/a
Vesting Period (years)	2.1	2.8	0.6	1.6	2.4	2.0 - 2.9
Risk free rate	3.32%	3.05%	n/a	n/a	n/a	n/a
Dividend yield	1.32%	1.37%	1.18%	1.18%	1.37%	1.10% - 1.48%
Number of securities issued	168,598	2,265,837	178,149	178,144	2,331,378	575,701
Fair value of security at grant date (A\$)	0.66	0.60	1.68	1.66	1.41	1.31 - 1.76
Total fair value at grant date	111,275	1,359,502	299,290	295,719	3,287,243	855,031

(1) Matched Share Rights under the Employee Share Plan are acquired periodically throughout the year. Details show the range of valuation inputs during the year.

Movements in unlisted performance rights are set out below:

	Consolidated	
	2024 number	2023 number
Balance at beginning of period	10,149,514	7,433,153
Issued during the period	6,132,793	5,697,807
Forfeited during the period	(2,537,946)	(2,474,396)
Vested/Exercised during the period	(801,228)	(507,050)
Balance at end of period	12,943,133	10,149,514

5. Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is determined using the statement of financial position approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences or unused tax losses and tax offsets can be utilised.

Deferred tax is not recognised for temporary differences arising from goodwill or from the initial recognition of assets and liabilities (other than a business combination) in a transaction that affects neither accounting profit nor taxable income.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the tax balances are related to taxes levied by the same tax authority and the entity intends to settle its tax assets and liabilities on a net basis.

Petroleum Resource Rent Tax (PRRT)

PRRT is considered, for accounting purposes, to be a tax based on income. Accordingly, current and deferred PRRT expense is measured and disclosed on the same basis as income tax.

The impact of future augmentation on expenditure is included in the determination of future taxable profits when assessing the extent to which a deferred tax asset for PRRT can be recognised in the statement of financial position.

Australian income tax consolidation

Beach and its wholly owned Australian subsidiaries are consolidated for Australian income tax purposes with Beach responsible for recognising the current and deferred tax assets and liabilities for the income tax consolidated group.

Beach is responsible for recognising the current tax liability, current tax assets and deferred tax assets arising from unused tax losses and credits for the income tax consolidated group. The Group has applied the separate taxpayer approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

Beach has entered into a tax sharing agreement with its wholly owned subsidiaries whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

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Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

5. Taxation continued

(a) Income tax expense

Income tax recognised in the statement of profit or loss of the Group is as follows:

	Consolidated	
	2024 \$million	2023 \$million
Recognised in the statement of profit or loss		
Current tax expense/(benefit)		
Current year	111.4	96.5
Adjustments for prior years	1.7	(32.7)
Total current tax expense/(benefit)	113.1	63.8
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	(290.0)	65.2
Adjustments for prior years	(2.2)	29.5
Total deferred tax expense/(benefit)	(292.2)	94.7
Total income tax expense/(benefit)	(179.1)	158.5

(b) Numerical reconciliation between tax expense and prima facie tax expense

A reconciliation between income tax expense/(benefit) calculated on profit before tax to income tax expense/(benefit) included in the statement of profit or loss:

	Consolidated	
	2024 \$million	2023 \$million
Accounting profit/(loss) before income tax	(654.4)	559.3
Prima facie tax on accounting profit/(loss) before tax at 30%	(196.3)	167.8
Adjustment to income tax expense/(benefit) due to:		
Non-deductible expenditure	1.5	1.3
Non assessable income	-	(4.3)
Impairment of goodwill	15.3	-
Impact of tax rates applicable outside Australia	0.9	(1.6)
Adjustments for prior years	(0.5)	(3.2)
Other	-	(1.5)
Income tax expense/(benefit) reported in the Statement of Profit or Loss	(179.1)	158.5

(c) Income tax related to items charged or credited to equity (\$million)

	Consolidated	
	2024 \$million	2023 \$million
Share based equity	(0.3)	(0.2)
FCTR	(0.2)	(1.0)

(d) Deferred tax assets and liabilities (\$million)

	Assets		Liabilities		Net	
	2024 \$million	2023 \$million	2024 \$million	2023 \$million	2024 \$million	2023 \$million
Current financial year						
Oil & gas assets	-	-	(226.0)	(509.7)	(226.0)	(509.7)
Provisions	312.6	309.6	-	-	312.6	309.6
Employee benefits	7.5	7.3	-	-	7.5	7.3
Tax losses	-	0.4	-	-	-	0.4
Leases	12.8	7.6	(12.4)	(7.1)	0.4	0.5
Other items	10.6	8.5	(13.9)	(17.6)	(3.3)	(9.1)
Tax assets/(liabilities)	343.5	333.4	(252.3)	(534.4)	91.2	(201.0)
Set-off of tax	(343.5)	(333.4)	343.5	333.4	-	-
Net deferred tax assets/(liabilities)	-	-	91.2	(201.0)	91.2	(201.0)

(e) Deferred tax assets have not been recognised in respect of the following items:

	Consolidated	
	2024 \$million	2023 \$million
Revenue losses – non-Australian	2.6	2.6
Capital losses	28.1	28.7
Petroleum rights	43.4	43.4
Petroleum Resource Rent Tax, net of income tax	2,189.9	1,810.7
Total	2,264.0	1,885.4

6. Earnings per share (EPS)

The Group presents basic and diluted EPS for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the statement of profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares for the dilutive effect, if any, of outstanding share rights which have been issued to employees.

Earnings after tax used in the calculation of EPS is as follows:

	2024 \$million	2023 \$million
Basic EPS and Diluted EPS	(475.3)	400.8

Weighted average number of ordinary shares and potential ordinary shares used in the calculation of EPS is as follows:

	2024 Number	2023 Number
Basic EPS	2,279,955,799	2,279,710,830
Share rights	-	1,251,628
Diluted EPS	2,279,955,799	2,280,962,458

Calculation of EPS is as follows:

Basic earnings/(loss) per share (cents per share)	(20.85¢)	17.58¢
Diluted earnings/(loss) per share (cents per share)	(20.85¢)	17.57¢

12,943,133 (FY23 5,832,053) potential ordinary shares relating to performance rights that were not considered dilutive during the period either as vesting would not have occurred based on the status of the required vesting conditions at the end of the relevant reporting period or they would have reduced the loss per share. Accordingly, these have been excluded from the calculation of diluted EPS.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

CAPITAL EMPLOYED

This section details the investments made by the Group in exploring for and developing its petroleum business including inventories, property, plant and equipment, petroleum assets, joint operations, leases and any related restoration provisions as well as an assessment of asset impairment and details of future commitments.

7. Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Cost is determined as follows:

- (i) Drilling and maintenance stocks, which include plant spares, consumables, maintenance and drilling tools used for ongoing operations, are valued at weighted average cost; and
- (ii) Petroleum products, which comprise extracted crude oil, liquefied petroleum gas, condensate and naphtha stored in tanks and pipeline systems and process sales gas and ethane stored in sub-surface reservoirs, are valued using the absorption cost method.

	Consolidated	
	2024 \$million	2023 \$million
Petroleum products	79.0	74.0
Drilling and maintenance stocks	122.8	95.4
Less provision for obsolescence	(7.6)	(8.2)
Total current inventories at lower of cost and net realisable value	194.2	161.2
Petroleum products included above which are stated at net realisable value	-	-

8. Property, plant and equipment (PPE)

	Consolidated	
	2024 \$million	2023 \$million
Property, plant and equipment		
Plant and equipment	16.0	15.5
Plant and equipment under construction	1.2	1.0
Less accumulated depreciation	(15.8)	(12.5)
Total property, plant and equipment	1.4	4.0
Reconciliation of movement in property, plant and equipment:		
Balance at beginning of financial year	4.0	6.2
Additions	0.7	0.2
Depreciation expense	(3.3)	(2.4)
Total property, plant and equipment	1.4	4.0

9. Petroleum assets

Petroleum assets are stated at cost less accumulated depreciation and impairment charges. They include initial cost, with an appropriate proportion of fixed and variable overheads, to acquire, construct, install or complete production and infrastructure facilities such as pipelines and platforms, capitalised borrowing costs, transferred exploration and evaluation assets and development wells. Subsequent capital costs, including major maintenance, are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The depreciable amount of all onshore production facilities, field and other equipment excluding freehold land is depreciated using a straight line basis over the lesser of their useful lives and the life of proved and probable reserves commencing from the time the asset is held ready for use. Offshore production facilities and field equipment are depreciated based on a units of production method using proved and probable reserves. The depreciation rates used in the current and previous period for each class of depreciable asset are 4-25% for onshore production facilities, field and other equipment.

Subsurface assets are amortised using the units of production method over the life of the area according to the rate of depletion of the proved and probable reserves. Retention of petroleum licences is subject to meeting certain work obligations/commitments as detailed in Note 15. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the statement of profit or loss and other comprehensive income.

Change in depreciation methodology and asset useful lives

The Group has undertaken a review of the depreciation methodology and asset useful lives for its Cooper Basin oil and gas properties in accordance with its accounting policies and the accounting standards, considering their late life nature. In assessing useful lives of certain oil and gas assets, these have been determined with reference to proved plus probable (2P) reserves, which is then used in the units of production depreciation calculation. From 1 January 2024, Cooper Basin assets have been depreciated using developed 2P reserves (previously developed and undeveloped 2P reserves). The changes in depreciation methodology and asset useful lives have been applied from 1 January 2024, resulting in an increase in depreciation expense of \$17 million for the year ended 30 June 2024.

Estimates of reserve and resource quantities

The estimated quantities of reserves and resources reported by the Group are integral to the calculation of amortisation (depletion) expense and to assessments of possible impairment or impairment reversal. These estimated quantities are based upon interpretations of geological, geophysical and engineering models and assessment of the technical feasibility and commercial viability of production.

Beach prepares its reserves and resources estimates in accordance with the 2018 update to the Petroleum Resources Management System sponsored by the Society of Petroleum Engineers, World Petroleum Council, American Association of Petroleum Geologists, Society of Petroleum Evaluation Engineers, Society of Exploration Geoscientists, Society of Petrophysicists and Well Log Analysts and the European Association of Geoscientists & Engineers (SPE-PRMS). The estimates are subject to periodic independent review or audit.

All estimates of reserves and resources reported by Beach are prepared by, or under the supervision of, a qualified petroleum reserves and resources evaluator. Over half of Beach's 2P reserves as at 30 June 2024 have been independently audited by Netherland, Sewell & Associates, Inc. in accordance with Beach's reserves policy. Estimates of reserves and resources require assumptions regarding future development and production costs, commodity prices, exchange rates and fiscal regimes. Estimates may change from period to period as the economic assumptions used to prepare the estimates can change from period to period, and as additional geological, geophysical and engineering information becomes available through additional drilling or technical analysis. Estimates are reviewed annually or when there are significant changes in the circumstances impacting specific assets or asset groups. These changes may impact depreciation, asset carrying values, restoration provisions and deferred tax balances. If reserves estimates are revised downwards, earnings could be affected by higher depreciation expense or an immediate write-down of the asset's carrying value.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

9. Petroleum assets continued

	Consolidated	
	2024 \$million	2023 \$million
Field land and buildings		
Land and buildings at cost	81.2	81.2
Less accumulated depreciation	(30.6)	(27.7)
Total field land and buildings	50.6	53.5
Reconciliation of movement in field land and buildings:		
Balance at beginning of financial year	53.5	56.4
Depreciation expense	(2.9)	(3.1)
Foreign exchange movement	-	0.2
Total field land and buildings	50.6	53.5
Production facilities and field equipment		
Production facilities and field equipment at cost	2,684.9	2,288.6
Production facilities and field equipment under construction	528.5	416.3
Less accumulated depreciation and impairment	(1,622.6)	(1,180.5)
Total production facilities and field equipment	1,590.8	1,524.4
Reconciliation of movement in production facilities, field and other equipment:		
Balance at beginning of financial year	1,524.4	1,251.5
Additions	510.5	379.3
Impairment of production facilities, field and other equipment	(339.3)	-
Depreciation expense	(103.6)	(108.2)
Disposals	-	(0.2)
Foreign exchange movement	(1.2)	2.0
Total production facilities and field equipment	1,590.8	1,524.4
Subsurface assets		
Subsurface assets at cost	5,623.1	5,159.1
Subsurface assets under construction	522.0	591.6
Less accumulated depreciation and impairment	(3,563.2)	(2,846.5)
Total subsurface assets	2,581.9	2,904.2
Reconciliation of movement in subsurface assets		
Balance at beginning of financial year	2,904.2	2,451.6
Additions	303.9	590.6
Acquisition of assets and joint operation interests (Note 27)	10.5	-
Impairment of subsurface assets	(414.9)	-
Increase in restoration	14.1	132.2
Exploration transfers to petroleum assets	39.6	-
Borrowing costs capitalised	36.9	13.2
Foreign exchange movement	(1.1)	1.1
Amortisation expense	(302.2)	(280.6)
Disposals	(10.9)	(5.8)
Capitalised depreciation of lease assets	1.8	1.9
Total subsurface assets	2,581.9	2,904.2
Total petroleum assets	4,223.3	4,482.1

Petroleum assets are assessed for impairment indicators on a cash generating unit (CGU) basis half yearly to determine whether there is an indication of impairment or impairment reversal for those assets which have previously been impaired. Following review of interdependencies between the various operations within the Group, it has been determined that the operational CGUs are Cooper Basin, Perth Basin, Victoria Otway, South Australia Otway, Bass Gas and Kupe. Where the carrying value of a CGU includes goodwill, the recoverable amount of the CGU is estimated regardless of whether there is an indicator of impairment or not.

Indicators of impairment and impairment reversals include changes in future selling prices, future costs and reserves and resources. When assessing potential indicators of impairment or reversals the Group models scenarios and a range of possible future commodity prices is considered. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset or CGU is determined as the higher of its value in use and fair value less costs of disposal. Value in use is determined by estimating future cash flows based on reserves and in some cases resources after taking into account the risks specific to the asset and discounting it to its present value using an appropriate discount rate. Fair value less costs of disposal also considers value attributable to additional resource and exploration opportunities beyond reserves based on production plans as well as costs of disposal. If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is written down and an impairment loss is recognised in the statement of profit or loss and other comprehensive income. For assets previously impaired, if the recoverable amount exceeds the carrying amount and the indicators driving the increase in value are sustained for a period of time, the impairment loss is reversed, except in relation to goodwill. The carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Future cash flow information used for the recoverable amount calculations is based on the Group's latest reserves, budget, five-year plan and economic life of field plans which includes information sourced and reviewed from operators of our non-operated interests.

The impact of the Safeguard Mechanism through either a carbon price or earning of SMCs on Beach facilities depending on emissions relative to their baseline and the earning of ACCUs on Beach's interest in the Moomba carbon capture and storage project have been included as part of the recoverable amount calculations for each CGU where applicable. The actual and proposed investments required to deliver the Group's emissions target of a 35% emissions intensity reduction by 2030 (against 2018 levels) for Scope 1 emissions and the target of <0.2% methane emissions intensity by 2025 as well as the ability to pass through any carbon costs incurred to customers are also included as part of the recoverable amount calculations for each applicable CGU. Beach continues to monitor the uncertainty around climate change risks and will reassess its assumptions as the energy transition progresses.

Current climate change legislation is also factored into the calculation and future uncertainty around climate change risks continue to be monitored. These risks may include a proportion of a CGU's reserves becoming incapable of extraction in an economically viable fashion; demand for the Group's products decreasing, due to policy, regulatory (including carbon pricing mechanisms), legal, technological, market or societal responses to climate change and physical impacts related to acute risks resulting from increased severity of extreme weather events, and those related to chronic risks resulting from longer-term changes in climate patterns.

The value in use calculation for the Cooper Basin CGU includes a risked view of contingent resources that is expected to be converted to reserves based on a history of production and resource conversions over a significant period of time with the development cost of these resources included into the NPV calculation and in line with long term asset plans for the ongoing realisation of value from the asset. This is assessed against a carrying value including additional exploration transfers to development aligned to these projected resource conversions.

Impairment and impairment reversal indicator modelling

In determining whether there is an indicator of impairment, in the absence of quoted market prices, estimates are made regarding the present value of future cash flows for each CGU. These estimates require significant management judgement and are subject to risk and uncertainty, and hence changes in economic conditions can also affect the assumptions used and the rates used to discount future cash flow estimates. In most cases, the present value of future cash flows is most sensitive to the assumptions outlined below.

For impairment reversals, the present value of future cash flows are considered using lower oil price scenarios based on a Monte-Carlo simulation of Reuters Mean and a 10% reduction in life of asset production, assuming production loss under a long-term oil-price constrained environment.

Economic assumptions

The present value of future cash flows for each CGU were estimated using the assumptions below with reference to external market forecasts at least bi-annually. The assumptions applied have regard to contracted prices and observable market data including forward values, external market analyst's forecasts, specific target market supply/demand dynamics, substitutable energy/feedstock prices and government intervention policies. For the current financial year, the following assumptions were used in the assessment of the CGU's recoverable amounts:

- Brent oil price (real) of US\$82.75/bbl in FY25, US\$79.25/bbl for FY26, US\$79/bbl for FY27, US\$77/bbl for FY28 and US\$75/bbl for FY29 and beyond.
- JKM price (real) average of US\$12.08/mmbtu in FY25-FY26, and market consensus from FY27+.
- Waitsia LNG prices based on Brent and JKM hybrid formula under the bp LNG SPA.
- Uncontracted East Australian Gas prices based on FY25-FY27 spot price markers for short term spot sales, competitive supply markers from major domestic supply sources in FY25-FY27 and LNG Import netback under oil linked LNG SPAs for FY28 and beyond.
- Uncontracted NZ gas prices for FY25-FY28 informed by ongoing market engagement with Commercial, Industrial and Retail customers and an assessment of the supply environment, which can be characterised as mature fields in decline and low levels of investment. For FY29 and beyond we expect the market to move to primarily a methanol-based netback price derived from Brent.
- Carbon pricing slope of \$48/tCO₂e for FY25 increasing to A\$63/tCO₂e by FY30 then increasing to A\$107/tCO₂e post 2040 (real) for Australia and NZ\$72/tCO₂e from FY24 increasing to NZ\$92/tCO₂e by FY30 and further increasing to NZ\$140/tCO₂e post 2040 for New Zealand.
- A\$/US\$ exchange rate of 0.66 for FY25 & FY26, 0.685 for FY27 and 0.725 for FY28 and beyond.
- A\$/NZ\$ exchange rate of 1.10 for FY25 and beyond.
- Post-tax real discount rate of 7% for Australia and 8% for New Zealand.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

9. Petroleum assets continued

In the event that future circumstances vary from these assumptions, the recoverable amount of the Group's petroleum assets could change materially and result in further impairment losses or the reversal of previous impairment losses. Due to the interrelated nature of the assumptions, movements in any one variable can have an indirect impact on others and individual variables rarely change in isolation. Additionally, management can be expected to respond to some movements, to mitigate downsides and take advantage of upsides, as circumstances allow. Consequently, it is impracticable to estimate the indirect impact that a change in one assumption has on other variables and hence, on the likelihood, or extent, of impairments, or reversals of impairments, under different sets of assumptions in subsequent reporting periods. During the period, there were no changes to asset useful lives nor depletion or depreciation rates as a result of climate-related risks. If changes are required in the future, these changes will be accounted for on a prospective basis in accordance with Australian accounting standards.

Impairment of Petroleum Assets

As at 31 December 2023, the group identified an indicator of impairment on the Cooper Basin CGU where an impairment loss was recognised largely driven by an increase in capital expenditure and operating cost forecasts in relation to the Cooper Basin Joint Venture. An impairment expense of \$458 million was recorded against the carrying value of petroleum assets for the Cooper Basin CGU which is part of the SA operating segment. The recoverable amount of the Cooper Basin CGU calculated using the value in use method based on 2P reserves and a risked outcome on contingent resources as at 31 December 2023 was \$1,888 million.

With the exception of the change in capital and operating expenditure estimates as described above, and updated Brent oil price estimates below, key assumptions and judgements used to assess the recoverable amount of the Cooper Basin CGU's recoverable amount as at 31 December 2023 had not materially changed from those disclosed in Note 9 of the FY23 Financial Statements.

Brent oil price (real) of US\$76.50/bbl for the remainder of FY24 (previously US\$79.50/bbl), US\$75.25/bbl in FY25 (previously US\$79.50/bbl), US\$75.50/bbl in FY26 and FY27 (previously US\$81.50/bbl for FY26 and US\$78.00/bbl for FY27) and US\$75/bbl for FY28 and beyond (previously US\$75/bbl).

There was no further impairment or impairment reversal of Cooper Basin CGU petroleum assets as at 30 June 2024.

In June 2024, the group identified indicators of impairment on the Bass Gas and Kupe CGU's:

- Bass Basin: Following conclusion of Beach's strategic review in June, it was determined that development of the Bass Basin discoveries (Trefoil, Bass, White Ibis and Yolla West) will not utilise any optional slots as part of the upcoming Offshore Gas Victoria drilling program as they do not meet minimum investment requirements.
- Kupe: There was a downward revision in reserves following the drilling of the Kupe South 9 development well.

An impairment expense totalling \$296 million was recorded against the carrying value of petroleum assets for the Bass Gas CGU (\$223 million) and Kupe CGU (\$73 million) which are part of the Victoria and New Zealand operating segments respectively. The Bass Gas impairment of \$223 million comprised a day one impairment expense of \$8.9 million following the acquisition of the remaining interests in the Bass Basin that Beach did not own and a further \$214.1 million following the decision not to proceed with the development of the Bass Basin discoveries including Trefoil. The recoverable amount of the Bass Gas CGU and Kupe CGU calculated using the value in use method based on 2P reserves was \$14 million and \$145 million respectively.

These impairment charges have been recognised within other expenses in the statement of profit or loss and other comprehensive income.

Sensitivity

The Cooper Basin CGU was written down to its recoverable amount as at 31 December 2023, so any adverse change in key assumptions on which the valuation was based would further impact the asset carrying value. When modelled in isolation, it is estimated additional impairment that would have arisen due to reasonably possible changes in the following assumptions as at 31 December 2023; A\$1/-GJ (real) reduction in uncontracted gas prices (\$129 million additional impairment), 0.5% increase in discount rate (\$65 million additional impairment), US\$5/bbl decrease in oil price all years (\$213 million additional impairment).

To the extent the Bass Gas CGU has been written down to its recoverable amount as at 30 June 2024, any adverse change in key assumptions on which the valuation is based would further impact the asset carrying value. When modelled in isolation, it is estimated additional impairment would arise due to the reasonably possible changes in the following assumptions; A\$1/GJ (real) reduction in uncontracted gas prices (\$5 million additional impairment), 0.5% increase in discount rate (\$0.5 million additional impairment), US\$5/bbl decrease in oil price all years (\$7 million additional impairment).

To the extent the Kupe CGU has been written down to its recoverable amount as at 30 June 2024, any adverse change in key assumptions on which the valuation is based would further impact the asset carrying value. When modelled in isolation, it is estimated additional impairment would arise due to the reasonably possible changes in the following assumptions; A\$1/GJ (real) reduction in uncontracted gas prices (\$15 million additional impairment), 0.5% increase in discount rate (\$2.5 million additional impairment), US\$5/bbl decrease in oil price all years (\$10 million additional impairment).

10. Exploration and evaluation assets

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method. Areas of interest are based on a geological area. These costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of proved and probable hydrocarbon reserves and where the rights to tenure of the area of interest are current. The costs of acquiring interests in new exploration and evaluation licences are capitalised. The costs of drilling exploration wells are initially capitalised pending the results of the well. Costs are expensed where the well does not result in the successful discovery of economically recoverable hydrocarbons and the recognition of an area of interest. Subsequent to the recognition of an area of interest, all further evaluation costs relating to that area of interest are capitalised. Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to petroleum assets.

Government grants received in relation to the drilling of exploration wells are recognised as a reduction in the carrying value of the exploration permit as expenditure is incurred.

Area of interest

An area of interest (AOI) is defined by Beach as an area defined by major geological structural elements that has a discrete exploration strategy and has largely independent costs for exploration and evaluation from other geological areas.

Impairment of exploration and evaluation assets

The carrying amounts of the Group's exploration and evaluation assets are reviewed at each reporting date, to determine whether any of the following indicators of impairment exist:

- tenure over the AOI has expired during the period or will expire in the near future, and is not expected to be renewed; or
- substantive expenditure on further exploration for, and evaluation of, mineral resources in the specific AOI is not budgeted or planned; or
- exploration for, and evaluation of, resources in the specific AOI have not led to the discovery of commercially viable quantities of resources, and the Group has decided to discontinue activities in the specific AOI; or
- sufficient data exists to indicate that, although a development is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or from sale.

Where a potential impairment is indicated, assessment is performed using a fair value less costs to dispose method to determine the recoverable amount for each AOI to which the exploration and evaluation expenditure is attributed.

This assessment requires management to make certain estimates and apply judgement in determining assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves or resources have been found. Any such estimates and assumptions may change as new information becomes available.

If, after having capitalised expenditure under the policy, the Group concludes that it is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the statement of profit or loss and other comprehensive income. Retention of exploration assets is subject to meeting certain work obligations/exploration commitments as detailed in Note 15.

During FY24, the group identified an indicator of impairment for the following AOI's which has resulted in an impairment expense:

- Western Flank: Recent drilling results were an indicator of impairment with the current carrying value no longer expected to be recouped through successful development and exploitation. Plans for future exploration and development drilling are being assessed.
- SA Otway: Given Beach's current portfolio of growth opportunities, a final investment decision on further exploration or development is no longer imminent which is an indicator of impairment with the current carrying value no longer expected to be recouped through successful development and exploitation.
- Bonaparte: Proposed relinquishment of permits in the near term were an indicator of impairment with the current carrying value no longer expected to be recouped through successful development and exploitation. An updated assessment of this AOI indicates that the remaining fair value less costs of disposal is nil.
- Bass Basin: Following conclusion of Beach's strategic review in June, it was determined that development of the Bass Basin discoveries (Trefoil, Bass, White Ibis and Yolla West) will not utilise any optional slots as part of the upcoming Offshore Gas Victoria drilling program as they do not meet minimum investment requirements.
- Kupe: Following the downward revision in reserves, there is no significant forward program planned for exploration.

A total impairment expense of \$293.4 million has been recorded against the carrying value of exploration assets for the Western Flank (\$178.0 million) and SA Otway (\$68.2 million) AOI's which are part of the SA operating segment, \$37.5 million for Bass Basin which is part of the Victoria operating segment, \$2.7 million for Kupe which is part of the New Zealand operating segment with a further \$7.0 million impairment expense also recorded against the carrying value of the Bonaparte AOI. These impairment charges have been recognised within other expenses in the statement of profit or loss and other comprehensive income with all five AOI's being impaired to nil.

	Consolidated	
	2024 \$million	2023 \$million
Exploration and evaluation assets at beginning of financial year	562.2	444.7
Additions	145.6	119.5
Increase/(decrease) in restoration	(2.4)	(5.2)
Impairment of exploration and evaluation assets	(293.4)	-
Transfers to petroleum assets	(39.6)	-
Exploration and evaluation expenditure expensed	(0.4)	(0.1)
Disposal of joint operation interests	-	(3.8)
Capitalised depreciation of lease assets	1.1	7.1
Total exploration and evaluation assets	373.1	562.2

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11. Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business combination accounted at the date of acquisition and included in intangible assets.

Beach acquired the Lattice Energy Group, Benaris' interest in the Otway Gas Project and Toyota Tsusho corporations interest in the Otway Gas Project and the BassGas project. Beach acquired these interests for \$1,532 million in consideration with an effective accounting acquisition date of 1 January 2018. Goodwill of \$57.1 million attributable to the deferred tax liability was recognised on the acquisition.

Goodwill is not amortised, but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses are recognised in the statement of profit or loss and other comprehensive income unless the asset has previously been revalued, in which case the impairment is recognised as a reversal to the extent of that previous revaluation with any excess recognised in the statement of profit or loss and other comprehensive income. Refer to Note 9 for further information regarding critical accounting estimates and judgements used for impairment testing.

During FY24, the group identified an indicator of impairment on the Cooper Basin CGU where an impairment loss has been recognised largely driven by an increase in capital expenditure and operating cost forecasts in the Cooper Basin Joint Venture and the Kupe CGU due to a downward revision in reserves following the drilling of the Kupe South 9 development well. An impairment expense of \$51 million has been recorded to fully impair the carrying value of goodwill related to the Cooper Basin (\$10 million recognised in H1 FY24) and Kupe (\$41 Million recognised in H2 FY24) CGU's which are part of the SA and New Zealand operating segments respectively. These impairment charges have been recognised within other expenses in the statement of profit or loss and other comprehensive.

Amortisation methods and useful lives

The group amortises software assets with a limited useful life using the straight-line method over 5 years.

	Consolidated	
	2024 \$million	2023 \$million
Goodwill		
Goodwill at cost	57.1	57.1
Impairment of goodwill	(51.0)	-
Less accumulated amortisation	-	-
Total goodwill	6.1	57.1
Software		
Software at cost	55.7	52.0
Less accumulated amortisation	(35.2)	(31.5)
Total software	20.5	20.5
Reconciliation of movement in software:		
Balance at beginning of financial year	20.5	20.0
Additions	3.7	6.4
Amortisation expense	(3.7)	(5.9)
Total software	20.5	20.5
Total non-current intangibles	26.6	77.6

12. Interests in joint operations

Exploration and production activities are conducted through joint arrangements governed by joint operating agreements, production sharing contracts or similar contractual relationships. A joint operation involves the joint control, and often the joint ownership, of one or more assets contributed to, or acquired for the purpose of the joint operation and dedicated to the purposes of the joint operation. The assets are used to obtain benefits for the parties to the joint operation. Each party may take a share of the output from the assets and each bears an agreed share of expenses incurred. Each party has control over its share of future economic benefits through its share of the joint operation. The interests of the Group in joint operations are brought to account by recognising in the financial statements the Group's share of jointly controlled assets, share of expenses and liabilities incurred, and the income from the sale or use of its share of the production of the joint operation in accordance with the Group's revenue policy.

Accounting for interests in other entities

Judgement is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, Beach may obtain control, joint control or significant influence over the entity or arrangement. Judgement is applied when determining the relevant activities of a project and if joint control is held over them. Relevant activities include, but are not limited to, work program and budget approval, investment decision approval, voting rights in joint operating committees, amendments to permits and changes to joint arrangement participant holdings. Transactions which give Beach control of a business are business combinations.

If Beach obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture. If Beach has neither control nor joint control, it may be positioned to exercise significant influence over the entity, which is then accounted for as an associate.

The Group has a direct interest in a number of unincorporated joint operations with those significant joint operation interests shown below.

Joint Operation	Principal activities	% interest	
		2024	2023
Oil and Gas interests			
Australia			
Cooper Basin (South Australia)			
Ex PEL 92 (PRLs 85–104)	Oil production	75.0	75.0
Ex PEL 513 (PRLs 191–206)	Gas production and exploration	40.0	40.0
Ex PEL 632 (PRLs 131–134)	Gas production and exploration	40.0	40.0
SA Fixed Factor Area	Oil and gas production	33.4	33.4
SA Unit	Oil production	33.4	33.4
Cooper Basin (Queensland)			
Naccowlah Block	Oil production	38.5	38.5
ATP 299 (Tintaburra)	Oil production	40.0	40.0
Total 66 Block	Oil production	30.0	30.0
SWQ Unit	Gas production	39.9	39.9
Otway Basin (Victoria/Tasmania)			
Otway Gas Project	Gas production	60.0	60.0
Bass Basin (Tasmania)			
BassGas Project	Gas production	100.0	88.8
Trefoil	Gas development	100.0	90.3
Perth Basin (Western Australia)			
Beharra Springs	Gas production	50.0	50.0
Waitsia Gas Project	Gas production	50.0	50.0
International			
Taranaki Basin (New Zealand)			
Kupe Gas Project	Gas production	50.0	50.0

Details of commitments for expenditure and contingent liabilities incorporating the Group's interests in joint operations are shown in Notes 15 and 26 respectively.

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Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

13. Provisions

A provision for rehabilitation and restoration is provided by the Group where there is a present obligation as a result of exploration, development, production, transportation or storage activities having been undertaken, and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of removing facilities, abandoning wells and restoring the affected areas once petroleum reserves are exhausted. Restoration liabilities are discounted to present value and capitalised as a component part of petroleum assets and exploration and evaluation assets. The capitalised costs are amortised over the life of the petroleum assets. Any changes in the estimate are reflected in the present value of the restoration provision at the reporting date, with a corresponding change in the cost of the associated asset. In the event the restoration provision is reduced, the cost of the related petroleum or exploration asset is reduced by an amount not exceeding its carrying value. If the decrease in restoration provision exceeds the carrying amount of the asset, the excess is recognised immediately in the statement of profit or loss as other income. The unwinding of discounting on the provision is recognised as a finance cost through the statement of profit or loss and other comprehensive income as the discounting of the liability unwinds at the end of each reporting period.

Estimate of restoration costs

The Group holds provisions for the future removal costs of offshore and onshore oil and gas platforms, production facilities and pipelines at different stages of the development, construction and end of their economic lives. Most of these decommissioning events are many years in the future and the precise requirements that will have to be met when the removal event occurs are uncertain. Decommissioning technologies and costs are constantly changing, as are political, environmental, safety and public expectations. The timing and amounts of future cash flows are subject to significant uncertainty and estimation is required in determining the amounts of provisions to be recognised.

The Group's restoration obligations are based on compliance with the requirements of relevant regulations which vary for different jurisdictions and are often non-prescriptive. Australian legislation requires removal of structures, equipment and property, or alternative arrangements to removal which are satisfactory to the regulator. The Group maintains technical expertise to ensure that industry learnings, scientific research and local and international guidelines are reviewed in assessing its restoration obligations.

The provision for restoration requires judgement regarding removal date, environmental legislation and regulations, the extent of restoration activities required, the engineering methodology for estimating cost, removal technologies in determining the removal cost, and inflation and discount rates to determine the present value of these cash flows. It represents the Group's best estimate based on current industry practice, current legislation and regulations, technology, price levels and expected plans for end of life remediation. Within Beach's provision the following costs have been provided:

- For offshore assets provision has been made for installation of permanent well barriers, sever casings and conductors, recovery of subsea flowlines, umbilicals and manifolds, platform preparation, jacket and topside removal, cutting of piles, removal and disposal of recovered components. It is currently the Group's intention to leave subsea pipelines in-situ.
- For onshore assets provision has been made for demolition and removal of facilities, removal of aboveground pipelines and services, flush and clean and leave in-situ below ground pipelines, removal of contaminated soil, site contouring and revegetation.

- For non-operated joint venture assets, the provision recorded represents the Group's share of the relevant Joint Venture operator estimate as responsibility for the restoration will reside with the operator who has the best knowledge and understanding of the assets. The Group regularly assesses the operator estimates with the assistance of Group appointed experts.

Elements composed of steel, or steel and concrete, with hydrocarbons removed such as sub-sea pipelines and other infrastructure have previously been accepted in other international offshore jurisdictions (i.e. North Sea) to be decommissioned in-situ where it has been demonstrated there is an acceptable impact to the environment and to current and future marine users (i.e. fishing, shipping and other activities).

The basis of the restoration provision for assets with approved decommissioning plans or general directions issued by the regulator can differ from the assumptions disclosed above. Whilst the provisions reflect the Group's best estimate based on current knowledge and information, further studies and detailed analysis of the restoration activities for individual assets will be performed near the end of their operational life and/or when detailed decommissioning plans are required to be submitted to the relevant regulatory authorities. Actual costs and cash outflows can materially differ from the current estimate as a result of changes in laws & regulations and their application, prices, discovery and analysis of site conditions, public expectations, further studies, timing of and time taken to complete restoration and changes in removal technology. These uncertainties may result in actual costs and cash outflows differing from amounts included in the provision recognised as at 30 June 2024. The timing and amount of future costs relating to decommissioning and environmental liabilities are reviewed annually, together with the inflation and discount rates. The discount rates used to determine the Statement of Financial Position obligations at 30 June 2024 were within the range 4.0% to 4.9% (2023 within the range 3.9% to 4.8%), and were based on applicable government bonds with a tenure aligned to the tenure of the liability.

Changes in assumptions in relation to the Group's restoration provision could result in a material change in their carrying amounts within the next financial year. A 0.5% change in the nominal discount rate or inflation rate could have an impact of approximately -\$57/+\$62 million respectively on the value of the Group's restoration provision. If the cost estimates were increased by 10% then the provision would be \$105 million higher.

Estimated costs in the provision currently assume that all sub-sea pipelines will be left in-situ noting that, whilst the removal of offshore pipelines is the default requirement under current legislation, the existing guidelines provide options other than complete removal if the titleholder can demonstrate that the alternative approach delivers equal or better environmental, safety and well integrity outcomes. The Group currently has plans that we believe would deliver these equal or better outcomes and have prepared the provision using our best estimate of these plans. In addition, cost savings have also been embedded in the cost estimates assuming that restoration activities can be undertaken in an efficient manner, such as part of a campaign. Should the future outcome of negotiations with regulators change these plans or impact our ability to realise the campaign cost savings, these decommissioning activities may need to be expanded or brought forward which may result in up to \$294 million to be added to the value of the Group's restoration provision.

For producing assets that have either been impaired or have a recoverable amount close to their carrying value, changes to the decommissioning provision may potentially give rise to further impairment.

Estimate of employee entitlements

Annual and long service leave is measured at the present value of benefits accumulated up to the end of the reporting period. The liability is discounted using an appropriate discount rate. Management requires judgement to determine key assumptions used in the calculation including future increases in salaries and wages, future on-cost rates and future settlement dates of employees' departures.

	Consolidated	
	2024 \$million	2023 \$million
Current		
Employee entitlements	21.6	22.9
Restoration	63.7	66.6
Other provisions	1.9	1.7
Total	87.2	91.2
Non-Current		
Employee entitlements	1.7	1.8
Restoration	982.0	969.8
Total	983.7	971.6
Movement in the Group provisions are set out below		
Reconciliation of movement in employee entitlements:		
Balance at beginning of financial year	24.7	22.1
Provision made or reversed during the year	13.2	13.6
Provision paid/used during the year	(14.6)	(11.0)
Total	23.2	24.7
Reconciliation of movement in restoration:		
Balance at beginning of financial year	1,036.4	918.0
Provision made or reversed during the year	11.5	120.3
Provision paid/used during the year	(64.6)	(33.8)
Unwind of discount	42.7	33.9
Acquisitions/(disposals)	20.1	-
Foreign exchange movement	(0.4)	(2.0)
Total	1,045.7	1,036.4
Reconciliation of movement in other provisions:		
Balance at beginning of financial year	1.7	4.5
Provision made or reversed during the year	1.9	-
Provision paid/used during the year	(1.7)	(2.8)
Total	1.9	1.7

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14. Leases

Recognition and measurement as a lessee

The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. The Group has lease contracts for various items of plant, machinery, vehicles, buildings and other equipment used in its operations. The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Judgement is required to determine the Group's rights and obligations for lease contracts within joint operations, to assess whether lease liabilities are recognised gross (100%) or in proportion to the Group's participating interest in the joint operation. This includes an evaluation of whether the lease arrangement contains a sublease with the joint operation. Instances where the payments regarding a lease contract are part of a joint operations and the Group is the responsible party for payment, the Group recognises the full lease liability, and recognises other income for the portion of payment that is recovered through other parties within the joint venture arrangement. Instances where a sublease is entered into, the Group recognises the full lease liability, and recognises a sublease receivable for the portion of payment that is recovered through other parties within the sublease arrangement.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option;
- Lease payments to be made under reasonably certain extension options; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the lease asset.

Set out below are the carrying amounts of lease assets recognised and the movements during the period:

	Consolidated	
	2024 \$million	2023 \$million
Lease assets at the beginning of the financial year	23.6	31.7
Additions	33.8	9.6
Lease remeasurement	(0.1)	2.8
Depreciation expense ⁽¹⁾	(15.9)	(20.5)
Total Lease Assets	41.4	23.6

(1) Instances where the underlying costs regarding a lease contract can be capitalised, the depreciation on the lease asset is capitalised to exploration and petroleum assets. The Group capitalisation of depreciation is \$2.9 million (FY23: \$8.9 million).

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Consolidated	
	2024 \$million	2023 \$million
Lease liabilities at the beginning of the financial year	25.2	33.0
Additions	33.8	9.6
Repayments ⁽²⁾	(19.1)	(22.4)
Lease remeasurement	(0.1)	2.8
Accretion of interest	1.5	1.2
Foreign exchange movements	1.3	1.0
Total Lease Liabilities	42.6	25.2
Current	12.4	11.0
Non-current	30.2	14.2

(2) Instances where the payments regarding a lease contract are part of a joint arrangement and the Group is the responsible party for payment, the Group recognises the full lease liability, and recognises other income for the portion of payment that is recovered through other parties within the joint venture arrangement. The Group recognised \$3.7 million (FY23: \$3.8 million) of other income relating to joint venture recoveries.

Payments of \$28.6 million (FY23: \$2.4 million) for short-term leases (lease term of 12 months or less) and payments of \$0.1 million (FY23: \$0.1 million) for leases of low value assets were also accounted for in the year ended 30 June 2024.

Other income associated with lease arrangements

Where it has been determined that the Group directs the use of the leased asset, and is the only party with legal obligation to pay the lessor, the Group recognises other income for any amount of the lease payments that are recoverable from other parties, representing "other income related to joint venture lease recoveries" in other income.

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15. Commitments for expenditure

Capital commitments

The Group has contracted the following amounts for capital expenditure at the end of the reporting period for which no amounts have been provided for in the financial statements.

	Consolidated	
	2024 \$million	2023 \$million
Due within 1 year	147.5	169.4
Due within 1-5 years	-	-
Due later than 5 years	-	-
	147.5	169.4

Minimum exploration commitments

The Group is required to meet minimum expenditure requirements of various government regulatory bodies and joint arrangements. These obligations may be subject to renegotiation, may be farmed out or may be relinquished and have not been provided for in the financial statements.

	Consolidated	
	2024 \$million	2023 \$million
Due within 1 year	34.8	5.2
Due within 1-5 years	9.0	40.9
Due later than 5 years	0.6	1.3
	44.4	47.4

The Group's share of the above commitments that relate to its interest in joint arrangements are \$140.8 million (FY23 \$163.2 million) for capital commitments and \$17.3 million (FY23 \$17.9 million) for minimum exploration commitments.

Default on permit commitments by other joint arrangement participants could increase the Group's expenditure commitments over the forthcoming 5 year period and/or result in relinquishment of tenements. Any increase in the Group's commitments that arises from a default by a joint arrangement party may be accompanied by a proportionate increase in the Group's equity in the tenement concerned.

Other commercial arrangements

Commercial arrangements in place in relation to the transportation, processing and sale of LNG from Waitsia have the potential to give rise to unavoidable costs of up to \$59 million for the financial year to 30 June 2025 for unutilised capacity based on the latest forecast of timing of first gas from the Waitsia Gas Plant. Beach is maturing a number of options to partially mitigate the unutilised capacity under these arrangements.

FINANCIAL AND RISK MANAGEMENT

This section provides details on the Group's debt and related financing costs, interest income, cash flows and the fair values of items in the Group's statement of financial position. It also provides details of the Group's market, credit and liquidity risks and how they are managed.

16. Finances and borrowings

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues using the effective interest method and if not received at balance date, is reflected in the statement of financial position as a receivable.

	Consolidated	
	2024 \$million	2023 \$million
Net finance expenses/(income)		
Finance costs	3.1	3.2
Interest expense	34.1	9.8
Discount unwinding on net present value assets and liabilities	40.2	30.4
Finance costs associated with lease liabilities	1.5	1.2
Less borrowing costs capitalised	(36.9)	(13.2)
Total finance expenses	42.0	31.4
Interest income	(8.7)	(4.4)
Net finance expenses	33.3	27.0
Non-current borrowings		
Bank debt	755.0	385.0
Less debt issuance costs	(2.9)	(1.7)
Total non-current borrowings	752.1	383.3

Beach currently has senior secured facilities in place for \$1,095 million, comprised of a three year \$320 million revolving syndicated loan facility maturing September 2025 (Facility D and E), a five year \$350 million revolving syndicated loan facility maturing September 2026 (Facility B), a three year \$350 million revolving syndicated loan facility maturing June 2027 (Facility F) and a three year \$75 million bilateral Contingent Instrument facility (CI Facility) with a maturity date of September 2024. As at 30 June 2024, \$350 million of Facility B, \$320 million of Facility D and E and \$85 million of Facility F were drawn, with \$52.5 million of the CI Facility issued. Bank debt bears interest at the relevant reference rate plus a margin, with the effective interest rate in FY24 of 5.61% (FY23 4.46%).

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17. Cash flow reconciliation

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, cash at bank, term deposits with banks, and highly liquid investments in money market instruments, net of outstanding bank overdrafts subject to them being an insignificant risk of change in value and a short term maturity.

	Consolidated	
	2024 \$million	2023 \$million
(a) Reconciliation of cash and cash equivalents		
Cash at bank	172.0	218.9
Cash and cash equivalents	172.0	218.9
(b) Reconciliation of net profit to net cash provided by operating activities		
Net profit/(loss) after tax	(475.3)	400.8
Less items classified as investing/financing activities:		
Loss/(gain) on disposal of non-current assets	12.4	0.5
Loss/(gain) on sale of joint operation interests	(0.9)	(1.0)
	(463.8)	400.3
Add/(less) non-cash items:		
- Share based payments	2.7	2.3
- Depreciation and amortisation	428.7	412.2
- Exploration expense	0.4	0.1
- Impairment expense	1,098.6	-
- Foreign exchange loss	1.2	1.3
- Discount unwinding on provision for restoration	42.7	33.9
- Discount unwinding on acquired contract assets and liabilities	(2.5)	(3.5)
- Provision for stock obsolescence movement	(0.6)	0.4
- Gain on reversal of acquired liabilities	-	(16.8)
- Capitalised borrowing costs	(36.9)	(13.2)
- Amortisation of borrowing costs	1.0	1.0
Net cash provided by operating activities before changes in assets and liabilities	1,071.5	818.0
Changes in assets and liabilities net of acquisitions/disposal of subsidiaries:		
- Decrease/(increase) in trade and other receivables	(11.4)	(15.6)
- Decrease/(increase) in inventories	(22.2)	(59.8)
- Decrease/(increase) in contract assets	14.2	11.4
- Decrease/(increase) in current tax assets	6.4	(24.2)
- Decrease/(increase) in other current assets	(3.7)	19.8
- Decrease/(increase) in other non-current assets	7.3	1.8
- Decrease/(increase) in deferred tax assets	(91.1)	-
- Increase/(decrease) in provisions	(69.6)	118.4
- Increase/(decrease) in current tax liability	(12.6)	(36.2)
- Increase/(decrease) in deferred tax liability	(201.0)	93.6
- Increase/(decrease) in trade and other payables	88.5	5.7
- Increase/(decrease) in debt establishment fees	(2.2)	-
- Increase/(decrease) in net contract liabilities	-	(4.3)
Net cash provided by operating activities	774.1	928.6
(c) Reconciliation of liabilities arising from financing activities to financing cash flows		
Opening Balance	408.5	120.4
Financing cash flows ⁽¹⁾	352.4	273.7
Non-cash changes	37.5	15.5
Operating cash flows ⁽²⁾	(3.7)	(1.1)
Closing Balance	794.7	408.5

(1) Financing cash flows consist of proceeds from borrowings \$440 million (FY23: \$370 million), repayments of borrowings \$70 million (FY23: \$75 million) and lease principal repayments \$17.6 million (FY23: \$21.3 million) in the statement of cash flows.

(2) Operating cash flows consist of the debt establishment fees \$2.2 (FY23: \$nil) and lease interest repayments \$1.5 million (FY23: \$1.1 million).

18. Financial risk management

The Group is exposed to foreign currency risk, commodity price risk, interest rate risk, credit risk and liquidity risk through the ordinary course of business.

Management identifies and evaluates all financial risks and reports to the Board on a regular basis, along with detailed analysis of any hedging in place and monitoring against financial risk management policy limits.

The Board actively reviews all financial risks and any hedging on a regular basis, and keeps fully informed of the current status of financial markets through updates provided from Management, independent consultants and banking analysts.

Hedging of specific risk exposures in accordance with the Board-approved financial risk management policy, aims to minimise potential adverse effects of these risk exposures. The Group does not trade in derivative financial instruments for speculative purposes.

With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under AASB 15.

(a) Fair values

Certain assets and liabilities of the Group are recognised in the statement of financial position at their fair value in accordance with accounting standard AASB 13 Fair Value Measurement. The methods used in estimating fair value are made according to how the available information to value the asset or liability fits with the following fair value hierarchy:

- Level 1 - the fair value is calculated using quoted prices in active markets for identical assets or liabilities;
- Level 2 - the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for substantially the full term of the asset or liability; and
- Level 3 - the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The Group's financial assets and financial liabilities measured and recognised fair value is set out below:

	Note	Financial assets/financial liabilities at carrying value		Financial assets/financial liabilities at fair value ⁽¹⁾	
		2024 \$million	2023 \$million	2024 \$million	2023 \$million
Financial assets					
Cash and cash equivalents ⁽¹⁾		172.0	218.9	172.0	218.9
Receivables ⁽²⁾		265.7	238.1	265.7	238.1
		437.7	457.0	437.7	457.0
Financial liabilities					
Payables ⁽²⁾		321.1	332.6	321.1	332.6
Lease liabilities ⁽²⁾	14	42.6	25.2	42.6	25.2
Interest bearing liabilities ⁽²⁾	16	755.0	385.0	755.0	385.0
		1,118.7	742.8	1,118.7	742.8

(1) Fair value based on level 1 inputs.

(2) Fair value based on level 2 inputs.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments:

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2024 and there have been no transfers between the levels of the fair value hierarchy during the year ended 30 June 2024.

(b) Market risk

The Group is exposed to commodity price fluctuations through the sale of petroleum products and other oil-linked contracts. Derivatives may be used by the Group to manage its forward commodity price risk exposure. Changes in fair value of these derivatives are initially recognised in the profit or loss, with the effective portion reallocated to other comprehensive income if the transaction is designated as a hedge and qualifies for hedge accounting under AASB 9.

Foreign exchange risk arises from commercial transactions, expenditure and valuation of asset and liabilities that are not denominated in the entities functional currency, principally US dollars and New Zealand dollars.

To satisfy payment obligations in jurisdictions where the Australian dollar is not accepted, Beach converts funds as payments become due. Funds received in foreign currencies that are surplus to forecast needs are required to be converted to Australian dollars at the prevailing exchange rate.

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

18. Financial risk management continued

(b) Market risk continued

There were no commodity hedges outstanding at 30 June 2023 or 30 June 2024.

The Group's interest rate risk arises from interest bearing cash held on deposit and its bank loan facility which are subject to variable interest rates. The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	Consolidated	
	2024 \$million	2023 \$million
Variable rate instruments:		
Cash and cash equivalents	172.0	218.9
Interest bearing liabilities	(755.0)	(385.0)
	(583.0)	(166.1)

Sensitivity analysis for all market risks

The following table demonstrates the estimated sensitivity to changes in the relevant market parameter, with all variables held constant, on post tax profit and equity, which are the same as the profit impact flows through to equity. These sensitivities should not be used to forecast the future effect of a movement in these market parameters on future cash flows which may be different where hedging is in place.

	Consolidated	
	2024 \$million	2023 \$million
Impact on post-tax profit and equity		
US\$ oil price - increase of \$10/bbl	54.7	53.2
US\$ oil price - decrease of \$10/bbl	(54.7)	(53.2)
A\$/US - 10% appreciation of Australian/US dollar exchange rate	(51.9)	(42.8)
A\$/US - 10% depreciation of Australian/US dollar exchange rate	63.4	52.3
Interest rates - increase of 1% p.a.	(2.7)	(0.1)
Interest rates - decrease of 1% p.a.	2.7	0.1

(c) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions, and represents the potential financial loss if counterparties fail to perform as contracted. Management monitors credit risk on an ongoing basis. Gas sales contracts are spread across major Australian and New Zealand energy retailers and industrial users with liquid hydrocarbon products sales being made to major multi-national energy companies based on international market pricing.

The Group applied the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. Under this method, determination of the loss allowance provision and expected loss rate incorporates past experience and forward-looking information, including the outlook for market demand and forward-looking interest rates. As the expected loss rate at 30 June 2024 is 0.1% (FY23 0.1%), a loss allowance has been recorded at 30 June 2024 of \$0.2 million (FY23 \$0.2 million).

	Consolidated	
	2024 \$million	2023 \$million
Ageing of Receivables :		
Receivables not yet due	265.7	238.1
Receivables past due	0.2	0.2
Considered impaired	(0.2)	(0.2)
Total Receivables	265.7	238.1

The Group manages its credit risk on financial assets by predominantly dealing with counterparties with an investment grade credit rating. Customers who wish to trade on unsecured credit terms are subject to credit verification procedures.

Cash is placed on deposit amongst a number of financial institutions to minimise the risk of counterparty default.

(d) Liquidity risk

The Group operates under a prudent liquidity risk management strategy, ensuring sufficient cash, other liquid assets and available committed credit facilities to meet business requirements. Beach maintains flexibility in funding to meet ongoing operational requirements, exploration and development expenditure, and small-to-medium-sized opportunistic projects and investments, by keeping committed credit facilities available. Details of Beach's financing arrangements are outlined in Note 16.

The following table summarises the contractual maturity of the Group's financial liabilities:

	Note	Carrying amount							
		Less than 1 year		1 to 5 years		Greater than 5 years		Total	
		2024 \$million	2023 \$million	2024 \$million	2023 \$million	2024 \$million	2023 \$million	2024 \$million	2023 \$million
Financial liabilities									
Payables		282.2	329.9	38.9	2.7	-	-	321.1	332.6
Lease liabilities	14	12.4	11.0	30.2	14.2	-	-	42.6	25.2
Interest bearing liabilities	16	-	-	752.1	385.0	-	-	752.1	385.0
		294.6	340.9	821.2	401.9	-	-	1,115.8	742.8

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

EQUITY AND GROUP STRUCTURE

This section provides information which will help users understand the equity and group structure as a whole including information on equity, reserves, dividends, subsidiaries, the parent company, related party transactions and other relevant information.

19. Contributed equity

	Number of Shares	\$million
Issued and fully paid ordinary shares at 30 June 2022	2,281,333,656	1,862.3
Issued during the FY23 financial year		
Repayment of employee loans and sale of employee shares	-	0.8
Shares purchased on market (Treasury shares), net of tax	-	(0.6)
Utilisation of Treasury shares on vesting of shares and rights under employee and executive incentive plans	-	0.8
Issued and fully paid ordinary shares at 30 June 2023	2,281,333,656	1,863.3
Issued during the FY24 financial year		
Repayment of employee loans and sale of employee shares	-	0.0
Shares purchased on market (Treasury shares), net of tax	-	(0.6)
Utilisation of Treasury shares on vesting of shares and rights under employee and executive incentive plans	-	1.5
Issued and fully paid ordinary shares at 30 June 2024	2,281,333,656	1,864.2

Treasury shares

Treasury shares are held to satisfy the obligations under the employee and executive incentive plans. Shares are accounted for at the weighted average cost for the period. During the year \$0.9 million (FY23: \$0.8 million) of Treasury shares were purchased on market.

Movement in Treasury shares	Number
Balance at 30 June 2022	1,920,244
Shares purchased on market during FY23	575,701
Utilisation of Treasury shares on vesting of rights under executive incentive plan and employee share plan	(507,050)
Balance at 30 June 2023	1,988,895
Shares purchased on market during FY24	574,261
Utilisation of Treasury shares on vesting of rights under executive incentive plan and employee share plan	(963,856)
Balance at 30 June 2024	1,599,300

In accordance with *Corporations Act 2001*, shares issued do not have a par value as there is no limit on the authorised share capital of the Company. All shares issued under the Company's employee incentive plan are accounted for as a share-based payment (refer Note 4 and 20 for further details). Shares issued under the Company's dividend reinvestment plan and employee incentive plan represent non-cash investing and financing activities. On a show of hands, every person qualified to vote, whether as a member or proxy or attorney or representative, shall have one vote. Upon a poll, every member shall have one vote for each ordinary share held. Pursuant to the employee share plan trust, the trustee shall not vote any shares held in respect of the employee incentive plan or executive incentive plan, except where it is incidental to providing shares to the participants in the plan.

Details of shares and rights issued and outstanding under the Employee Incentive Plan and Executive Incentive Plan are provided in Note 4.

Dividend Reinvestment Plan

The Board suspended the operation of the Dividend Reinvestment Plan on 21 August 2017 on the basis that this form of capital management is not required at this time.

Capital management

Management is responsible for managing the capital of the Group, on behalf of the Board, in order to maintain an appropriate debt to equity ratio, provide shareholders with adequate returns and ensure the Group can fund its operations with secure, cost-effective and flexible sources of funding. The Group debt and capital includes ordinary shares, borrowings and financial liabilities supported by financial assets. Management effectively manages the capital of the Group by assessing the financial risks and adjusting the capital structure in response to changes in these risks and in the market. The responses include the management of debt levels, dividends to shareholders and share issues. The Group net gearing ratio is 15.0% (FY23 4.1%). Net gearing has been calculated as interest bearing liabilities less cash and cash equivalents, as a proportion of these items plus shareholder's equity.

20. Reserves

The share based payments reserve is used to recognise the fair value of shares, options and rights issued to employees of the Company.

The Foreign currency translation reserve is used to record foreign exchange differences arising from the translation of the financial statements of subsidiaries with functional currencies other than Australian dollars.

The Profit distribution reserve represents an amount allocated from retained earnings that is preserved for future dividend payments.

	Consolidated	
	2024 \$million	2023 \$million
Share based payments reserve	38.9	37.7
Foreign currency translation reserve	(8.5)	(7.5)
Profit distribution reserve	630.4	721.6
Total reserves	660.8	751.8

21. Dividends

A provision is recognised for dividends when they have been announced, determined or publicly recommended by the directors on or before the reporting date.

	Consolidated	
	2024 \$million	2023 \$million
Final dividend of 2.0 cents (2023 1.0 cent)	45.6	22.8
Interim dividend of 2.0 cents (2023 2.0 cents)	45.6	45.6
Total dividends paid or payable	91.2	68.4
Franking credits available in subsequent financial years based on a tax rate of 30% (2023: 30%)	642.4	593.8

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

22. Subsidiaries

Name of Company	Place of incorporation	Percentage of shares held	
		2024	2023
Beach Energy Limited ⁽¹⁾	South Australia		
Beach Petroleum (NZ) Pty Ltd	South Australia	100	100
Beach Oil and Gas Pty Ltd	New South Wales	100	100
Beach Production Services Pty Ltd	South Australia	100	100
Beach Petroleum (Cooper Basin) Pty Ltd	Victoria	100	100
Beach (Tanzania) Pty Ltd	Victoria	100	100
Beach Petroleum (Tanzania) Limited	Tanzania	100	100
Beach Energy (Operations) Limited ⁽¹⁾	South Australia	100	100
Beach Energy (Perth Basin) Pty Ltd ⁽¹⁾	Australian Capital Territory	100	100
Beach Energy (Bonaparte) Pty Ltd	South Australia	100	100
Beach Energy (Bass Gas) Limited	UK	100	100
Beach Energy Services Pty Ltd	Victoria	100	100
Beach Energy Finance Pty Ltd	Victoria	100	100
Beach Energy (Offshore) Pty Ltd	South Australia	100	100
Beach Energy (Otway) Limited	UK	100	100
Beach Petroleum (NT) Pty Ltd	Victoria	100	100
Territory Oil & Gas Pty Ltd	Northern Territory	100	100
Adelaide Energy Pty Ltd	South Australia	100	100
Australian Unconventional Gas Pty Ltd	South Australia	100	100
Deka Resources Pty Ltd	South Australia	100	100
Well Traced Pty Ltd	South Australia	100	100
Australian Petroleum Investments Pty Ltd ⁽¹⁾	Victoria	100	100
Delhi Holdings Pty Ltd	Victoria	100	100
Delhi Petroleum Pty Ltd ⁽¹⁾	South Australia	100	100
Impress Energy Pty Ltd ⁽¹⁾	Western Australia	100	100
Impress (Cooper Basin) Pty Ltd ⁽¹⁾	Victoria	100	100
Springfield Oil and Gas Pty Ltd ⁽¹⁾	Western Australia	100	100
Mazeley Ltd	Liberia	100	100
Mawson Petroleum Pty Ltd	Queensland	100	100
Drillsearch Energy Pty Ltd ⁽¹⁾	Victoria	100	100
Circumpacific Energy (Australia) Pty Ltd	New South Wales	100	100
Drillsearch Gas Pty Ltd	Queensland	100	100
Drillsearch (Field Ops) Pty Ltd	New South Wales	100	100
Drillsearch (513) Pty Ltd	New South Wales	100	100
Drillsearch (Central) Pty Ltd	Victoria	100	100
Ambassador Oil & Gas Pty Ltd	Victoria	100	100
Ambassador (US) Oil & Gas LLC	USA	100	100
Ambassador Exploration Pty Ltd	Victoria	100	100
Acer Energy Pty Ltd	Queensland	100	100
Great Artesian Oil & Gas Pty Ltd ⁽¹⁾	New South Wales	100	100
Beach Energy Resources NZ (Holdings) Limited	New Zealand	100	100
Beach Energy Resources NZ (Kupe) Limited	New Zealand	100	100
Beach Energy (Kupe) Limited	New Zealand	100	100
Kupe Mining (No.1) Limited	New Zealand	100	100
Beach Energy Resources NZ (Clipper) Limited	New Zealand	100	100
Beach Energy Resources NZ (Tawhaki) Limited	New Zealand	100	100
Beach Energy Resources NZ (Tawn) Limited	New Zealand	100	100
Beach Energy Resources NZ (Wherry No.1) Limited	New Zealand	100	100
Beach Energy Resources NZ (Wherry No.2) Limited	New Zealand	100	100

All shares held are ordinary shares, other than Mazeley Ltd which is held by a bearer share.

(1) Company in Closed Group in FY23 and FY24 (refer Note 23).

23. Deed of cross guarantee

Pursuant to ASIC (wholly-owned companies) Instrument 2016/785, certain wholly-owned subsidiaries can be relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgement of their financial reports.

As a condition of the Class Order, Beach and each of the subsidiaries that opted for relief during the year (the Closed Group) entered into a Deed of Cross Guarantee (Deed). The effect of the Deed is that Beach has guaranteed to pay any deficiency in the event of winding up of any of the subsidiaries under certain provisions of the *Corporations Act 2001*. The Subsidiaries have also given a similar guarantee in the event that Beach is wound up. Those companies in the Closed Group for each year are referred to in Note 22.

The consolidated statement of profit or loss and other comprehensive income, summary of movements in retained earnings/(accumulated losses) and statement of financial position of the Closed Group are as follows:

	Closed Group	
	2024 \$million	2023 \$million
Consolidated Statement of Profit or Loss and Other Comprehensive Income		
Revenue	1,637.6	1,442.8
Cost of sales	(1,198.9)	(955.4)
Gross profit	438.7	487.4
Other income	33.7	268.6
Other expenses	(974.5)	1.1
Operating profit/(loss) before financing costs	(502.1)	757.1
Interest income	9.1	-
Finance expenses	(38.5)	(34.3)
Profit/(loss) before income tax expense	(531.5)	722.8
Income tax expense	143.7	(212.1)
Profit/(loss) after tax for the year	(387.8)	510.7
Other comprehensive income/(loss) net of tax	-	-
Total comprehensive income/(loss) after tax	(387.8)	510.7
Summary of movements in the Closed Group's retained earnings/(accumulated losses)		
Retained earnings at beginning of the year	976.6	465.9
Net profit/(loss) for the year	(387.8)	510.7
Retained earnings/(accumulated losses) at end of the year	588.8	976.6

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Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

23. Deed of cross guarantee continued

Consolidated Statement of Financial Position	Closed Group	
	2024 \$million	2023 \$million
Current assets		
Cash and cash equivalents	154.6	191.0
Receivables	263.4	234.6
Inventories	180.3	149.2
Current tax asset	10.5	24.2
Other	21.9	13.4
Total current assets	630.7	612.4
Non-current assets		
Property, plant and equipment	1.4	7.1
Petroleum assets	3,980.8	4,192.1
Exploration and evaluation assets	336.0	455.4
Lease assets	38.6	22.2
Intangible assets	26.6	75.7
Deferred tax assets	56.1	-
Other financial assets	335.7	291.7
Other	77.7	60.5
Total non-current assets	4,852.9	5,104.7
Total assets	5,483.6	5,717.1
Current liabilities		
Payables	247.7	297.2
Provisions	80.8	80.3
Current tax liability	-	76.8
Lease liabilities	11.5	10.2
Total current liabilities	340.0	464.5
Non-current liabilities		
Payables	426.9	259.0
Provisions	814.1	803.7
Lease liabilities	28.3	13.5
Deferred tax liability	-	193.5
Interest bearing liabilities	752.1	383.3
Total non-current liabilities	2,021.4	1,653.0
Total liabilities	2,361.4	2,117.5
Net assets	3,122.2	3,599.6
Equity		
Contributed equity	1,864.2	1,863.3
Reserves	669.2	759.7
Retained earnings/(accumulated losses)	588.8	976.6
Total equity	3,122.2	3,599.6

24. Parent entity financial information

Selected financial information of the parent entity, Beach Energy Limited, is set out below:

Financial performance

	Parent	
	2024 \$million	2023 \$million
Net profit/(loss) after tax	(128.6)	274.9
Other comprehensive income/(loss), net of tax	-	-
Total comprehensive income/(loss) after tax	(128.6)	274.9
Total current assets	1,552.0	819.0
Total assets	2,362.4	2,497.8
Total current liabilities	673.2	50.1
Total liabilities	746.6	664.3
Issued capital	1,864.2	1,863.3
Share based payments reserve	38.9	37.7
Profits distribution reserve	630.4	721.6
Other reserve	0.6	0.6
Retained earnings	(918.3)	(789.7)
Total equity	1,615.8	1,833.5

Expenditure Commitments

The Company's contracted expenditure at the end of the reporting period for which no amounts have been provided for in the financial statements.

	Parent	
	2024 \$million	2023 \$million
Capital expenditure commitments	6.7	6.2
Minimum exploration commitments	-	-

Contingent liabilities and guarantees

Details of contingent liabilities for the Company in respect of service agreements, bank guarantees and parent company guarantees are disclosed in Note 26.

Beach Energy Limited and a number of its wholly owned subsidiaries are parties to a Deed of Cross Guarantee as disclosed in Note 23. The effect of the Deed is that Beach Energy Limited has guaranteed to pay any deficiency in the event of winding up of any of the listed subsidiary companies under certain provisions of the *Corporations Act 2001*.

Parent entity financial information has been prepared using the same accounting policies as the consolidated financial statements except for investments in controlled entities which are included in other financial assets and are initially recorded in the financial statements at cost. These investments may have subsequently been written down to their recoverable amount determined by reference to the net recoverable assets of the controlled entities at the end of the reporting period where this is less than cost.

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Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

25. Related party disclosures

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	Consolidated	
	2024	2023
	\$	\$
Remuneration for Key Management Personnel		
Short term benefits	4,843,810	5,389,467
Share based payments	1,411,407	1,721,581
Other long term benefits	47,839	110,548
Termination payments	757,913	-
Total	7,060,969	7,221,596

Subsidiaries

Interests in subsidiaries are set out in Note 22.

Transactions with other related parties

During the financial year ended 30 June 2024, Beach paid \$916,070 (FY23 \$686,936) to Coates Hire Operations Pty Ltd, an entity of which Ryan Stokes and Richard Richards are both directors, for the hire of equipment on arm's length commercial terms.

In the period ending 30 June 2024, Beach received payment of \$448,415 for gas sales to Boral Limited, an entity of which Ryan Stokes and Richard Richards are both directors.

Director's fees payable to Glenn Davis for the year ended 30 June 2024 of \$113,220 (FY23 \$305,000) were paid directly to DMAW Lawyers.

Fees of \$132,635 (FY23 nil) were payable to Seven Group Holdings Limited pursuant to a consultancy agreement with Beach in respect of services provided by Mr Stokes who did not receive any director fees or superannuation for his services as a director to Beach.

OTHER INFORMATION

Additional information required to be disclosed under Australian Accounting Standards.

26. Contingent assets and liabilities

Contingent assets

Following the hydro pressure test failure which occurred during testing of one of the Otway flowlines in April 2023, our insurers agreed to interim payments of \$15 million in December 2023 and \$12 million in June 2024 which have been recognised as other income in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2024. It is expected that the remaining costs to be incurred associated with replacing the flowline will be largely covered by our insurers, however this has not been recognised as a receivable as at 30 June 2024.

The sale and purchase agreement entered into in April 2024 between Beach, Prize Petroleum International Pte Ltd and Hindustan Petroleum Corporation Limited provides that, in the circumstances where Beach surrenders the Trefoil licences to NOPTA before 1 May 2029, an additional payment is to be made to Beach.

Contingent liabilities

The directors are of the opinion that the recognition of a provision is not required in respect of the following matters, as it is not probable that a future sacrifice of economic benefits will be required.

Service agreements

Service agreements exist with executive officers under which termination benefits may, in appropriate circumstances, become payable. The maximum contingent liability at 30 June 2024 under the service agreements for the executive officers is \$1,418,903 (FY23 \$1,791,787).

Bank guarantees

As at 30 June 2024, Beach has a three year \$75 million bilateral Contingent Instrument facility (CI Facility) maturing September 2024, of which \$52.5 million had been utilised by way of bank guarantees or letters of credit as security predominantly for environmental obligations and work programs (refer Note 16 for further details on the corporate debt facility).

Joint Venture Operations

In the ordinary course of business, the Group participates in a number of joint ventures which is a common form of business arrangement designed to share risk and other costs. Failure of the Group's joint venture partners to meet financial and other obligations may have an adverse financial impact on the Group.

Tax obligations

In the ordinary course of business, the Group is subject to audits from government revenue authorities which could result in an amendment to historical tax positions.

Parent Company Guarantees

Beach has provided parent company guarantees in respect of performance obligations for certain exploration interests.

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Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

26. Contingent assets and liabilities continued

Restoration obligations (refer Note 13)

The Group holds provisions for the future removal costs of offshore and onshore oil and gas platforms, production facilities and pipelines at different stages of the development, construction and end of their economic lives. Most of these decommissioning events are many years in the future and the precise requirements that will have to be met when the removal event occurs are uncertain. Decommissioning technologies and costs are constantly changing, as are political, environmental, safety and public expectations. The timing and amounts of future cash flows are subject to significant uncertainty and estimation is required in determining the amounts of provisions to be recognised with the provision representing the Group's best estimate based on current industry practice, regulations, technology, price levels and expected plans for end of life remediation.

Estimated costs in the provision currently assume that all major sub-sea pipelines will be left in-situ noting that, whilst the removal of offshore pipelines is the default requirement under current legislation, the existing guidelines provide options other than complete removal if the titleholder can demonstrate that the alternative approach delivers equal or better environmental, safety and well integrity outcomes. The Group currently has plans that we believe would deliver these equal or better outcomes and have prepared the provision using our best estimate of these plans. In addition, cost savings have also been embedded in the cost estimates assuming that restoration activities can be undertaken in an efficient manner, such as part of a campaign. Should the future outcome of negotiations with regulators change these plans or impact our ability to realise the campaign cost savings, these decommissioning activities may need to be expanded or brought forward which may result in additional cost which are not included in our best estimate and the associated provision recorded at 30 June 2024.

The *Offshore Petroleum and Greenhouse Gas Storage Amendment (Titles Administration and Other Measures) Act 2021* (Titles Administration Act) was legislated to improve Australia's decommissioning framework for offshore oil and gas projects. The bill amendments are as follows:

- oversight of changes in company control (such as through a corporate merger or acquisition);
- an expansion of existing powers to 'call back' previous titleholders to decommission and remediate the environment (also known as trailing liability);
- the inclusion of decision making criteria and expanded information gathering powers to assess suitability of companies operating in the offshore oil and gas regime; and
- minor and technical amendments to improve the operation of the OPGGS Act, including enabling for electronic lodgement of applications.

Under the current framework a titleholder can only be 'called back' when a title has ceased through termination, expiration, revocation, cancellation or has been surrendered. The enhanced framework would empower the regulator and the responsible Commonwealth Minister to 'call back' a previous titleholder to remediate the title area, regardless of how its interest in the title ceased. Requiring a former titleholder to decommission and remediate the environment is intended to be an option of last resort where all other regulatory options have been exhausted.

This legislation has not materially impacted the financial position or performance of the Group as at 30 June 2024.

Shareholder class action

One of two competing shareholder class actions filed against Beach in November 2021 has been dismissed. The remaining claim is proceeding in the Victorian Supreme Court.

At this stage, it is not possible to determine what financial impact, if any, these claims may have on Beach's financial position. In respect of the substance of the claims, Beach considers that it has at all times complied with its disclosure obligations, denies any liability and will vigorously defend the proceedings.

Legal proceedings and claims

The Group may be involved in various other legal proceedings and claims in the ordinary course of business, including contractual, third party, contractor and regulatory claims. While the outcome of these legal proceedings and claims cannot be predicted with certainty, it is the directors' opinion that as of the date of this report, it is unlikely these claims will have a material adverse impact on the Group.

27. Acquisitions and disposals

Beach entered into a sale and purchase agreement in April 2024 with Prize Petroleum International under which Prize's Bass Basin interests will transfer to Beach. No purchase consideration is payable by Beach. A payment from Prize to Beach will be made in relation to Prize's share of future rehabilitation liabilities. The transaction has an effective date of 1 July 2023 and completed in Q4 FY24 with Beach now owning 100% of its Bass Basin assets, pending government approvals and registration.

An impairment expense of \$8.9 million was recognised on petroleum assets following the acquisition of this additional interest which forms part of the total impairment charge recognised on the Bass Basin assets which is detailed in Note 9.

This acquisition has been accounted for as asset acquisitions as it meets the requirements of the optional concentration test under AASB 3 Business Combinations. Details of the purchase consideration and purchase price allocation to net identifiable assets acquired for both acquisitions are as follows:

	\$million
Purchase consideration and net cash (inflow) on acquisition	(10.0)
Value of assets acquired	
Assets and liabilities held at acquisition date:	
- Receivables	0.1
- Inventory	0.1
- Petroleum assets	10.5
- Current payables	(0.7)
- Restoration provision	(20.0)
Net assets/(liabilities) acquired	(10.0)

Notes to the Financial Statements

Notes to and forming part of the Financial Statements for the financial year ended 30 June 2024

28. Remuneration of auditors

	Consolidated	
	2024 \$000	2023 \$000
Fees to Ernst & Young (Australia)		
Auditing or reviewing the financial statements of the Group	827	830
Other assurance services required by legislation	15	40
Other assurance services not required by legislation ⁽¹⁾	402	203
Other services	108	
Total fees to Ernst & Young (Australia)	1,352	1,073
Fees to other overseas member firms of Ernst & Young (Australia)		
Auditing the financial statements of controlled entities	80	80
Other assurance services not required by legislation	36	33
Total fees to other overseas member firms of Ernst & Young (Australia)	116	113
Fees to other audit firms		
Auditing financial statements of controlled entities	18	19
Other assurance services not required by legislation	24	-
Total fees to other firms	42	19
Total auditor's remuneration	1,510	1,205

(1) With earlier completion of certain assurance services in line with the release of the annual report, the FY24 expense relates to services provided in both FY23 and FY24 with the comparative relating to FY22.

29. Subsequent events

On 12 August 2024, Beach announced a 2P reserves revision of 11.5 MMboe for Enterprise which is included in the FY24 annual reserves statement. Following the Enterprise field coming online on 12 June, which has flowed at peak rates of up to 68 TJ/day, early pressure data indicates a smaller resource pool than originally estimated. This reserves revision has no impact to FY25 production guidance or asset carrying values.

Other than the matter described above, there has not arisen in the interval between 30 June 2024 and up to the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years, unless otherwise noted in the financial report.

Consolidated Entity Disclosure Statement

As at 30 June 2024

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Name of entity	Entity type	Place of incorporation	Country of tax residence	Percentage of share capital held (%)
Beach Energy Limited ⁽¹⁾	Body Corporate	South Australia	Australia	
Beach Petroleum (NZ) Pty Ltd	Body Corporate	South Australia	Australia	100
Beach Oil and Gas Pty Ltd ⁽¹⁾	Body Corporate	New South Wales	Australia	100
Beach Production Services Pty Ltd	Body Corporate	South Australia	Australia	100
Beach Petroleum (Cooper Basin) Pty Ltd	Body Corporate	Victoria	Australia	100
Beach (Tanzania) Pty Ltd	Body Corporate	Victoria	Australia	100
Beach Petroleum (Tanzania) Limited	Body Corporate	Tanzania	Australia	100
Beach Energy (Operations) Limited ⁽¹⁾	Body Corporate	South Australia	Australia	100
Beach Energy (Perth Basin) Pty Ltd ⁽¹⁾	Body Corporate	Australian Capital Territory	Australia	100
Beach Energy (Bonaparte) Pty Ltd ⁽¹⁾	Body Corporate	South Australia	Australia	100
Beach Energy (Bass Gas) Limited	Body Corporate	UK	Australia	100
Beach Energy Services Pty Ltd	Body Corporate	Victoria	Australia	100
Beach Energy Finance Pty Ltd	Body Corporate	Victoria	Australia	100
Beach Energy (Offshore) Pty Ltd	Body Corporate	South Australia	Australia	100
Beach Energy (Otway) Limited ⁽¹⁾	Body Corporate	UK	Australia	100
Beach Petroleum (NT) Pty Ltd	Body Corporate	Victoria	Australia	100
Territory Oil & Gas Pty Ltd	Body Corporate	Northern Territory	Australia	100
Adelaide Energy Pty Ltd ⁽¹⁾	Body Corporate	South Australia	Australia	100
Australian Unconventional Gas Pty Ltd	Body Corporate	South Australia	Australia	100
Deka Resources Pty Ltd	Body Corporate	South Australia	Australia	100
Well Traced Pty Ltd	Body Corporate	South Australia	Australia	100
Australian Petroleum Investments Pty Ltd	Body Corporate	Victoria	Australia	100
Delhi Holdings Pty Ltd	Body Corporate	Victoria	Australia	100
Delhi Petroleum Pty Ltd ⁽¹⁾	Body Corporate	South Australia	Australia	100
Impress Energy Pty Ltd ⁽¹⁾	Body Corporate	Western Australia	Australia	100
Impress (Cooper Basin) Pty Ltd	Body Corporate	Victoria	Australia	100
Springfield Oil and Gas Pty Ltd ⁽¹⁾	Body Corporate	Western Australia	Australia	100
Mazeley Ltd	Body Corporate	Liberia	Australia	100
Mawson Petroleum Pty Ltd ⁽¹⁾	Body Corporate	Queensland	Australia	100
Drillsearch Energy Pty Ltd ⁽¹⁾	Body Corporate	Victoria	Australia	100
Circumpacific Energy (Australia) Pty Ltd ⁽¹⁾	Body Corporate	New South Wales	Australia	100
Drillsearch Gas Pty Ltd ⁽¹⁾	Body Corporate	Queensland	Australia	100
Drillsearch (Field Ops) Pty Ltd	Body Corporate	New South Wales	Australia	100
Drillsearch (513) Pty Ltd ⁽¹⁾	Body Corporate	New South Wales	Australia	100
Drillsearch (Central) Pty Ltd	Body Corporate	Victoria	Australia	100
Ambassador Oil & Gas Pty Ltd	Body Corporate	Victoria	Australia	100
Ambassador (US) Oil & Gas LLC	Body Corporate	USA	Australia	100
Ambassador Exploration Pty Ltd ⁽¹⁾	Body Corporate	Victoria	Australia	100
Acer Energy Pty Ltd ⁽¹⁾	Body Corporate	Queensland	Australia	100
Great Artesian Oil & Gas Pty Ltd ⁽¹⁾	Body Corporate	New South Wales	Australia	100
Beach Energy Resources NZ (Holdings) Limited	Body Corporate	New Zealand	New Zealand	100
Beach Energy Resources NZ (Kupe) Limited ⁽¹⁾	Body Corporate	New Zealand	New Zealand	100
Beach Energy (Kupe) Limited	Body Corporate	New Zealand	New Zealand	100
Kupe Mining (No.1) Limited ⁽¹⁾	Body Corporate	New Zealand	New Zealand	100
Beach Energy Resources NZ (Clipper) Limited	Body Corporate	New Zealand	New Zealand	100
Beach Energy Resources NZ (Tawhaki) Limited	Body Corporate	New Zealand	New Zealand	100
Beach Energy Resources NZ (Tawn) Limited	Body Corporate	New Zealand	New Zealand	100
Beach Energy Resources NZ (Wherry No.1) Limited	Body Corporate	New Zealand	New Zealand	100
Beach Energy Resources NZ (Wherry No.2) Limited	Body Corporate	New Zealand	New Zealand	100

(1) Companies which are a participant in a joint operation.

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.



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Independent auditor's report to the members of Beach Energy Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Beach Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Carrying value of petroleum assets

Why significant	How our audit addressed the key audit matter
<p>During the year ended 30 June 2024 the Group recognised a total before-tax impairment charge of \$754.2 million against petroleum assets. A further \$293.4 million of impairment was recorded against exploration and evaluation assets and \$51.0 million against goodwill (total pre-tax impairment charge \$1,098.6 million). At 30 June 2024 the remaining carrying value of the Group's petroleum assets was \$4,223.3 million.</p> <p>Australian Accounting Standards require the Group to assess at the end of each reporting period whether there is any indication that an asset may be impaired, or that reversal of a previously recognised impairment may be required. If any such indication exists an entity shall estimate the recoverable amount of the asset or cash generating unit (CGU). Where a CGU includes goodwill an annual impairment test is required.</p> <p>The Group undertook impairment testing in respect of its petroleum asset CGU's at 31 December 2023 and 30 June 2024, which resulted in an impairment charge of \$468.0 million being recorded against the Cooper Basin CGU at 31 December 2023, with a further \$223.0 million of impairment in respect of the Bass Basin CGU and \$114.2 million against the Kupe CGU being recorded at 30 June 2024.</p> <p>The assessment of indications of impairment and reversal of impairment is judgemental and includes an assessment of a range of external and internal factors which could impact the recoverable amount of the CGUs.</p> <p>Forecasting cashflows for the purpose of determining the recoverable amount of a CGU involves critical accounting estimates and judgements and is affected by expected future performance and market conditions.</p> <p>The key forecast assumptions used in the Group's impairment assessment, including commodity prices, discount rates, foreign exchange rates, and recoverable reserves and resources volumes are set out in the Financial Report in Note 9.</p> <p>We considered the impairment testing of the Group's petroleum asset CGU's and the related disclosures in the financial report to be a key audit matter.</p>	<p>Assessing indicators of impairment:</p> <ul style="list-style-type: none"> ▶ Evaluated the assumptions and methodologies used and conclusions reached by the Group in assessing for indicators of impairment and impairment reversal. ▶ Evaluated whether there had been significant changes to the external or internal factors specific to the Group or individual CGU's, as well as relevant broader industry specific or market-based indicators of impairment or impairment reversal. ▶ Considered the Group's market capitalisation relative to the carrying amount of net assets. <p>Impairment testing of CGUs:</p> <p>We assessed the composition of the forecast cash flows and the reasonableness of key estimates, inputs and assumptions impacting on management's calculated recoverable amount for those CGUs considered to be at higher risk of impairment. These procedures included:</p> <ul style="list-style-type: none"> ▶ Independently developing a reasonable range of forecast oil and gas prices, foreign exchange rates and inflation rates with reference to data points available from market and industry research, market practice, market indices, broker consensus, industry experts, and historical performance, against which we compared the Group's inputs. ▶ Independently developing a range of reasonable discount rates to assess whether the Group's weight average cost of capital (WACC) applied to its CGU's was reasonable (which contemplates cost of capital considerations related to decarbonisation of the global economy). ▶ Analysing forecast operating and capital cost assumptions against historical performance, latest approved budgets and forecasts, long term asset plans and other information obtained throughout the audit. This included consideration of future production profiles, detailed below. ▶ Comparing the carrying value of petroleum assets against recent comparable market transactions and the market value of comparable companies, where available. ▶ Performing sensitivity analysis, to assess changes in recoverable amounts arising due to changes in key inputs, such as alternative gas prices, or foreign exchange rate forecasts. <p>Future production profiles</p> <p>A key input to impairment assessments is the Group's production forecast, which is closely related to the Group's hydrocarbon reserves and resource estimates and development plans. Our audit procedures considered the work of the Group's internal and external experts and included:</p> <ul style="list-style-type: none"> ▶ Assessing the processes and controls associated with estimating reserves and resources.



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Why significant	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> ▶ Examining the information provided by the Group's internal and external experts with respect to the hydrocarbon reserve and resource assumptions used in the cash flow forecasts, including reading their reports. ▶ Assessing the competence, capability and objectivity of the Group's internal and external experts involved in the estimation process and assessing their scope of work and methodology applied. ▶ Considering whether key economic assumptions used in the estimation of reserves and resources volumes were consistent with those used by the Group in the impairment testing of petroleum assets and goodwill, where applicable. ▶ Understanding the reasons for reserve changes or the absence of reserves changes, for consistency with other information that we obtained throughout the audit. ▶ Reconciling future production profiles, including resource conversion, to the latest hydrocarbon reserves and resources estimates, current sanctioned development budgets and historical operations. <p><i>Impact of Sustainability and Climate-Related Risks</i></p> <p>In undertaking our impairment procedures, we considered sustainability and climate change-related risks by:</p> <ul style="list-style-type: none"> ▶ Understanding the impact of the Group's communications and publicly stated climate-related commitments on its impairment indicator and impairment testing processes. ▶ Identifying CGUs most impacted by legislated carbon reduction targets and evaluating whether modelled carbon reduction volumes are in accordance with the legislated carbon reduction targets and publicly stated climate related commitments. ▶ Evaluating the Group's carbon pricing assumptions and sensitivity analysis performed to assess the impact on the recoverable amount of the Group's CGU required to comply with legislated carbon reduction targets. <p><i>Disclosures in the financial report</i></p> <p>Assessed the adequacy of the disclosures in Note 9 and the basis of preparation set out in the financial report.</p>

Accounting for restoration provisions

Why significant	How our audit addressed the key audit matter
<p>At 30 June 2024 the Group has recognised provisions for restoration obligations relating to onshore and offshore assets of \$1,045.7 million.</p> <p>The calculation of restoration provisions requires significant judgement and estimation, including:</p> <ul style="list-style-type: none"> ▶ Timing and extent of restoration obligations and activities to comply with applicable environmental legislation and regulation. ▶ Cost estimates and restoration methods, informed by the work of specialist engineers and technical advisors. ▶ Liability specific discount rates used to determine the present value of the future obligations. <p>The judgements and estimates in respect of restoration provisions are based upon conditions existing at 30 June 2024.</p> <p>This includes key assumptions related to certain items remaining in-situ, where certainty of the outcome will only be known some years in the future towards the end of the respective asset's field life, and accordingly, at 30 June 2024 there is uncertainty regarding whether the Australian regulator will approve plans for these items to be decommissioned in-situ.</p> <p>The significant assumptions and estimates outlined above are inherently subjective. Changes to these assumptions can lead to changes in the restoration provisions. In this context, the disclosures set out in Notes 13 and 26 of the financial report provide important information about the assumptions made in the calculation of the restoration provision and uncertainties at 30 June 2024, in arriving at the Groups best estimate of the present value of future obligations.</p> <p>We consider the restoration provision calculation and the related disclosures in the financial report to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▶ Evaluating management's process for identifying legal and regulatory obligations for restoration and decommissioning and ensuring completeness of locations, infrastructure and facilities. ▶ Testing controls over the Group's internal methodology for determining and approving gross cost estimates used to calculate the Group's restoration provisions. ▶ Assessing the competence, capability and objectivity of the Group's internal and external experts engaged to prepare gross restoration cost estimates and evaluating whether the information provided by the Group's internal and external experts was appropriately reflected in the calculation of the restoration provisions. ▶ Comparing current year cost estimates to those of the prior year and considered explanations by management and its experts for observed changes. ▶ Assessing the adequacy and completeness of restoration cost estimates based on current legal and regulatory requirements, national and international industry precedent and other corroborative evidence. ▶ Evaluating the assumptions associated with the form and extent of abandonment activities, including conformity with regulation and/or industry practice and the nature of the items expected to fully removed, partially removed or abandoned in-situ, as part of restoration activities. ▶ Reviewing litigation registers, correspondence with solicitors and regulators to confirm the completeness of liabilities recognised. ▶ Comparing the timing of the future cash outflows against the anticipated end-of-field lives, cross-checking that these dates are consistent with the Group's reserve estimates and impairment calculations, and legislated requirements relating to the period following cessation of production within which decommissioning works must commence. ▶ Evaluating the appropriateness of the discount rates, inflation rates and foreign exchange rates used to calculate the present value of each of the provisions. ▶ Testing the mathematical accuracy of the restoration provision calculations. ▶ Assessing the adequacy of the disclosures in Note 13 and 26 of the financial report.

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- ii) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- iii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit.

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We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 71 to 90 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Beach Energy Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'L A Carr'.

L A Carr
Partner
Adelaide
12 August 2024

Glossary

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A\$ or \$	Australian dollars	Cooper Basin JV	The Santos operated SACB JVs and SWQ JVs and ATP 299 (Tintaburra - Beach 40%, Santos 60% and operator)
2C	Best estimate of contingent resources (petroleum or storage) ⁽¹⁾	CRC	Co-operative Research Centre
3D	Three dimensional	CTAP	Climate Transition Action Plan
1P	Low estimate of reserves or capacity (proved) ¹	Cultural Heritage	Indigenous and non-Indigenous physical and nonphysical sites, which are evidence of the way past generations lived
2P	Best estimate of reserves or capacity (proved plus probable) ⁽¹⁾	CY(2024)	Calendar year (2024)
3P	High estimate of reserves or capacity (proved plus probable plus possible) ¹	DD&A	Depreciation, depletion and amortisation
AASB	Australian Accounting Standards Board	DEI	Diversity, equity and inclusion
Abated Emissions	The balance of emissions, after actions are taken to reduce unabated emissions	DTA	Deferred tax assets
Absolute Emissions	The total amount of greenhouse gases emitted	EBITDA	Earnings before interest, tax depreciation and amortisation
ACCU	Australian Carbon Credit Unit	EIP	Executive Incentive Plan
AGM	Annual General Meeting	Emissions Intensity	The ratio of emissions to production
AOI	Area of interest	EP	Exploration Permit
AEP	Australian Energy Producers	EPBC	Environmental Protection and Biodiversity Conservation Act
AEMO	Australian Energy Market Operator	EPS	Earnings per share
ASRS	Australian Sustainability Reporting Standards	Equity Emissions	Emissions from operations according to Beach's share of equity in the operation
ASX	Australian Securities Exchange	ESG	Environmental, social and corporate governance
ATP	Authority to Prospect (Qld)	ETS	Emission Trading Scheme (<i>Climate Change Response Act 2002</i>), in New Zealand
BassGas	BassGas (Beach 100% pending government approvals) produces gas from the offshore Yolla gas field in the Bass Basin in production licence T/L1. Beach also holds a 100% interest (pending government approvals) in license T/RL5	Ex PEL 91	PRLs 151 to 172 and various production licences (Beach 100% and operator)
bbl	Barrels	Ex PEL 92	PRLs 85 to 104 and various production licences (Beach 75% and operator, Cooper Energy 25%)
Bcf	Billion cubic feet	Ex PEL 104/111	PRLs 136 to 150 and various production licences (Beach 100% and operator)
Beach	Beach Energy Limited and its subsidiaries	Ex PEL 106	PRLs 129 and 130 and various production licences (Beach 100% and operator)
Beharra Springs	Beharra Springs (Beach 50% and operator, MEPAU 50%) produces gas from the onshore Beharra Springs gas field in the Perth Basin in production licences L 11 and L 22	Ex PEL 513	PRLs 191 to 206 and various production licences
Board	Board of Directors of Beach	Ex PEL 632	PRLs 131 to 134 and various production licences
boe	Barrels of oil equivalent – the volume of hydrocarbons expressed in terms of the volume of oil which would contain an equivalent volume of energy	EY	Ernst and Young Global Limited
Boral	Boral Limited	Fatalities	Death resulting from work related injuries or occupational illness
bp	BP Singapore Pte. Limited, a subsidiary of BP plc	FBT	Fringe Benefits Tax
CAGR	Compounded annual growth rate	FEED	Front-End Engineering Design
CCS	Carbon capture and storage	FFV	Fuel, flare and vent
CEO	Chief Executive Officer	FID	Final Investment Decision
CGU	Cash generating unit	First Nations Peoples	Aboriginal and Torres Strait Islander peoples, the indigenous peoples of Australia
CH₄	Methane	Flared Hydrocarbon	Hydrocarbon directed to operational flare systems, wherein the hydrocarbons are consumed through combustion
CO_{2e}	Carbon dioxide equivalent or a term for describing different greenhouse gases in a common unit	FY(24)	Financial year (2024)
Coates	Coates Hire Pty Limited	Genesis	Genesis Energy Limited and its subsidiaries
Company	Beach and its subsidiaries	GHG	Greenhouse gas
Cooper Energy	Cooper Energy Ltd and its subsidiaries	GJ	Gigajoule
Cooper Basin	Includes both Cooper and Eromanga basins		

(1) A full list of reserves, storage and contingent resources definitions are contained within the Petroleum Resources Management System (SPE-PRMS) and Storage Resources Management System (SPE-SRMS).

Glossary

GL	Gigalitre
Group	Beach and its subsidiaries
GSA	Gas sales agreement
GSOO	Gas Statement of Opportunities, published by AEMO
hapū	Sub-tribe of iwi, a societal group of Māori peoples of Aotearoa (New Zealand)
HBWS	Halladale/Black Watch/Speculant fields in the offshore Otway Basin in licenses VIC/L1(V)
H(1) (FY24)	(First) half year period of (FY24)
HSE	Health, safety and environment
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
Indigenous	Aboriginal and Torres Strait Islander peoples of Australia and Māori peoples of Aotearoa (New Zealand)
Ipeica	The global oil and gas industry association for environmental and social issues
IOGP	International Association of Oil and Gas Producers
ISP	Integrated System Plan, published by AEMO
Iwi	Societal group of Māori peoples of Aotearoa (New Zealand)
JV	Joint Venture
JVP	Joint Venture Partner
JKM	LNG Japan/Korea Marker
kbbl	Thousand barrels of oil
kboe	Thousand barrels of oil equivalent
kbopd	Thousand barrels of oil per day
KMP	Key Management Personnel as defined in the AASB124: Related Party Disclosures 2023
kt	Thousand metric tonnes
Kupe	Kupe Gas Project (Beach 50% and operator, Genesis 46%, NZOG 4%) produces gas from the offshore Kupe gas field in the Taranaki Basin in licence PML38146
L	Litres
LDAR	Leak Detection and Repair
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
LTI	Long term incentive
LTIFR	Lost Time Injury Frequency Rate calculated as (Lost Time Injury/workhours) x 1,000,000
M&A	Mergers and acquisitions
MD	Managing Director
MEPAU	Mitsui E&P Australia
Mitsui	Mitsui & Co., Ltd and its subsidiaries
MMbbl	Million barrels of oil
MMboe	Million barrels of oil equivalent
MMscf	Million standard cubic feet
MMscfd	Million standard cubic feet of gas per day
Mt	Million metric tonnes

MTPA	Million metric tonnes per annum
NDC	Nationally Determined Contribution
Net Gearing	The ratio of net debt/(cash) to the sum of net debt/(cash) and total book equity
NGER	<i>National Greenhouse and Energy Reporting Act 2007</i> in Australia
NPAT	Net profit after tax
NPI	National Pollutant Inventory
NWS	North West Shelf
NZ	New Zealand
NZOG	New Zealand Oil & Gas and its subsidiaries
OEMS	Operations Excellence Management System
Operated Emissions	Emissions from assets where Beach is the operator
OGP	Otway Gas Project (Beach 60% and operator). Consists of offshore gas fields Thylacine and Geographe, the Thylacine Well Head Platform, Otway Gas Plant and associated infrastructure
Origin	Origin Energy Limited and its subsidiaries
Other Cooper Basin	Other Cooper Basin producing permit areas are ex PEL 513/632 (Beach 40%, Santos 60% and operator) and ex PEL 182 (Vanessa) (Beach 100%)
Parkwind	Parkwind N.V.
PCP	Prior comparable period
PEL	Petroleum Exploration Licence (SA)
PEP	Petroleum Exploration Permit (Victoria and NZ)
Perth Basin	Includes Beach's Waitsia and Beharra Springs assets
PJ	Petajoule
PL	Petroleum Lease (QLD)
Pre-growth Free Cash Flow	Operating cash flows, less investing cash flows excluding acquisitions, divestments and major growth capital expenditure, less lease liability payments
Prize	Prize Petroleum International Pte Ltd
PRL	Petroleum Retention Licence (SA)
PRMS	Petroleum Resources Management System
Process Safety Event	Unplanned or uncontrolled loss of primary containment (LOPC) of any material including non-toxic and non-flammable materials from a process, or an undesired event or condition Process safety events are classified as Tier 1 (loss of primary containment of greatest consequences) or Tier 2 (loss of primary containment of lesser consequence) as defined by American Petroleum Institute Recommended Practice 754
PRRT	Petroleum Resource Rent Tax
Q(4) (FY24)	(Fourth) quarter period of (FY24)
Qtr	Quarter
RAP	Reconciliation Action Plan
ROC	Return on capital

SACB JV	South Australian Cooper Basin Joint Ventures, which includes the Fixed Factor Area (Beach 33.4%, Santos 66.6% and operator) and the Patchawarra East Block (Beach 27.68%, Santos 72.32% and operator)
SA	South Australia reporting segment
Santos	Santos Limited and its subsidiaries
Scope 1	Greenhouse gas emissions that are released into the atmosphere as a direct result of an activity, or series of activities at a facility level. Scope 1 emissions are sometimes referred to as direct emissions Beach's Scope 1 emissions include fuel combustion, flaring, venting, CO ₂ removal and fugitive emissions from its operated facilities
Scope 2	Greenhouse gas emissions that are released into the atmosphere from the indirect consumption of an energy commodity. For example, emissions from the use of electricity produced by the burning of coal in another facility
Scope 3	Indirect greenhouse gas emissions other than Scope 2 emissions that are generated in the wider economy. They occur as a consequence of the activities of a facility, but from sources not owned or controlled by that facility's business
SDG	Sustainable Development Goal
SEB	Significant Environmental Benefits
SEO	Statement of Environmental Objectives
Seven West Media	Seven West Media Limited
SGH	Seven Group Holdings Limited
Significant Spills	Spills that are included in the organisation's financial statements, for example, due to resulting liabilities
SPA	Sale and Purchase Agreement
SPE	Society of Petroleum Engineers
STI	Short term incentive
Supply Chain	The upstream component of the value chain
SWQ JV	South West Queensland Joint Ventures, incorporating various equity interests (Beach 30-52.5%, Santos operator)
Tcf	Trillion cubic feet
TFR	Total fixed remuneration
TJ	Terajoule
TRIFR	Total recordable injury frequency rate
TSR	Total shareholder return
Turnover Rate	Rate at which employees leave the Company in a given fiscal year
µm	Micron
Udacha Block	PRL 26
Unabated Emissions	Emissions that result if no action is taken to reduce them
US\$	Unites States \$

Value Chain	The whole sequence of activities that occur upstream and downstream of the reporting company
Vented Hydrocarbon	Intentional controlled release of uncombusted gas
Victorian Otway Basin	Produces gas from licences VIC/L1(V), which contain the Halladale, Black Watch and Speculant nearshore gas fields, VIC/L007745(V), which contains the Enterprise gas field, and licences VIC/L23, T/L2, T/L3 and T/L4 which contain the Geographe and Thylacine offshore gas fields. Beach also holds non-producing offshore licenses T/30P, VIC/P42(V), VIC/P43, VIC/P73 and VIC/P007192(V)
WA	Western Australia reporting segment
WAC	Work Area Clearance
Waitsia	Waitsia Gas Project (Beach 50%, MEPAU 50% and operator) produces gas from the onshore Waitsia gas field in the Perth Basin in licence L1/L2
Webuild	Webuild SPA
Western Flank Gas	Comprises gas production from ex PEL 91 and 106 (Beach 100% and operator)
Western Flank Oil	Comprises oil production from ex PEL 91 (Beach 100% and operator), ex PEL 92 (Beach 75% and operator, Cooper Energy 25%) and ex PEL 104/111 (Beach 100% and operator)
WesTrac	WesTrac Pty Limited
YEJ(24)	30 June (2024)
WGEA	Workplace Gender Equality Agency

Schedule of Tenements

For the year ended 30 June 2024

Cooper/Eromanga – Queensland

Subsidiary Company	Tenement	%
Maw 6.50%	ATP 1189 ex ATP 259 (Naccowlah Block) ¹	38.5%
Delhi 32%		
Delhi 22.5%	ATP 1189 ex ATP 259 (Aquitaine A Block) ²	47.5%
BE(OP)L 25%		
Delhi 20%	ATP 1189 ex ATP 259 (Aquitaine B Block) ³	45%
BE(OP)L 25%		
Delhi 25.2%	ATP 1189 ex ATP 259 (Aquitaine C Block) ⁴	52.2%
BE(OP)L 27%		
Delhi	ATP 1189 ex ATP 259 (Innamincka Block) ⁵	30%
Delhi	ATP 1189 ex ATP 259 (Total 66 Block) ⁶	30%
Delhi 28.8%	ATP 1189 ex ATP 259 (Wareena Block) ⁷	38.8%
BE(OP)L 10%		
Delhi	PL 55 (50/40/10)	40%
Delhi 23.2%	SWQ Gas Unit ⁸	39.937%
BE(OP)L 16.7%		
Circumpacific	ATP 940	100%
DLS	PLs (Tintaburra Block) ⁹	40%

Cooper/Eromanga – South Australia

Subsidiary Company	Tenement	%
Impress (CB)	PPL 203 (Acrasia Oil Field)	100%
BPT	PPL 204 (Sellicks Oil Field)	75%
BPT	PPL 205 (Christies Oil Field)	75%
Impress (CB)	PPL 208 (Derrilyn West Field) ¹⁰	100%
Impress (CB)	PPL 209 (Harpoono Field)	100%
BPT	PPL 210 (Aldinga Oil Field)	50%
Impress (CB)	PPL 211 (Regg Sprigg West Field) ¹¹	100%
BPT 40%	PPL 212 (Kiana Oil Field)	100%
DLS 30%		
GAOG 30%		
Impress (CB)	PPL 213 (Mirage Field)	100%
Impress (CB)	PPL 214 (Ventura Field)	100%
Impress (CB)	PPL 215 (Toparoa Field) ¹⁰	100%
Impress (CB)	PPL 217 (Arwon West Field)	100%
Impress (CB)	PPL 218 (Arwon East Field)	100%
BPT	PPL 220 (Callawonga Oil Field)	75%
BPT	PPL 224 (Parsons Oil Field)	75%
BPT 50%	PPL 239 (Middleton/Brownlow Fields)	100%
GAOG 50%		
Impress (CB) 85%	PPL 240 (Snatcher Oil Field)	100%
Springfield 15%		
Impress (CB)	PPL 241 (Vintage Crop Field)	100%
Impress (CB) 85%	PPL 242 (Growler Oil Field)	100%
Springfield 15%		
Impress (CB) 85%	PPL 243 (Mustang Oil Field)	100%
Springfield 15%		
BPT	PPL 245 (Butlers Oil Field)	75%

Subsidiary Company	Tenement	%
BPT	PPL 246 (Germein Oil Field)	75%
BPT	PPL 247 (Perlubie Oil Field)	75%
BPT	PPL 248 (Rincon Oil Field)	75%
BPT	PPL 249 (Elliston Oil Field)	75%
BPT	PPL 250 (Windmill Oil Field)	75%
Impress (CB)	PPL 251 (Burrunga Field)	100%
BPT 40%	PPL 253 (Bauer/Bauer-North/Chiton/Arno Oil Fields)	100%
GAOG 60%		
BPT 40%	PPL 254 (Congony/Kalladeina/Sceale Oil Fields)	100%
GAOG 60%		
BPT 40%	PPL 255 (Hanson/Snelling Oil Fields)	100%
GAOG 60%		
BPT 50%	PPL 257 (Canunda/Coolawang Fields)	100%
GAOG 50%		
Impress (CB) 85%	PPL 258 (Spitfire Oil Field)	100%
Springfield 15%		
BPT 40%	PPL 260 (Stunsail Oil Field)	100%
GAOG 60%		
BPT 40%	PPL 261 (Pennington Oil Field)	100%
GAOG 60%		
BPT 40%	PPL 262 (Balgowan Oil Field)	100%
GAOG 60%		
Impress (CB) 85%	PPL 263 (Martlett North Oil Field)	100%
Springfield 15%		
Impress (CB) 85%	PPL 264 (Martlett Oil Field)	100%
Springfield 15%		
Impress (CB) 85%	PPL 265 (Marauder Oil Field)	100%
Springfield 15%		
Impress (CB) 85%	PPL 266 (Breguet Oil Field)	100%
Springfield 15%		
Impress (CB) 57%	PPL 268 (Vanessa Gas Field)	100%
Acer 43%		
Impress (CB)	PPL 270 (Gemba Field)	100%
DLS (513)	PPL 275 (Yarowinnie Gas Field)	40%
DLS (513)	PPL 278 (Varanus South Gas Field)	40%
Impress (CB) 85%	PRL 15 (Growler Block)	100%
Springfield 15%		
Impress (CB)	PRL 16 (Dunoon-2)	100%
BPT 25%	PRL 26 (Udacha Unit)	100%
DLS Gas 30%		
GAOG 45%	PRLs 35, 37, 38, 41, 43-45, 48, 49 (ex PEL 218 Permian)	100%
BPT		
Impress (CB)	PRL 73 (ex PEL 90C)	33.33%
Impress (CB)	PRLs 76 to 77 (ex PEL 102)	33.33%
Impress (CB)	PRLs 78 to 84 (ex PEL 113)	33.33%
BPT	PRLs 85 to 104 (ex PEL 92)	75%
Impress (CB)	PRLs 105, 106, 116, (ex PEL 115)	33.33%
Impress (CB)	PRLs 108 to 110 (ex PEL 105)	33.33%
Impress (CB)	PRL 117 (ex PEL 115)	100%

Subsidiary Company	Tenement	%
Impress (CB)	PRL 120 (ex PEL 514)	33.33%
Impress (CB)	PRL 128 (ex PEL 514)	100%
BPT 50%	PRLs 129 and 130 (ex PEL 106)	100%
GAOG 50%		
GAOG	PRLs 131 to 134 (ex PEL 632)	40%
Impress (CB) 57%	PRL 135 (Vanessa Gas Field)	100%
Acer 43%		
Impress (CB) 85%	PRLs 136 to 150 (ex PEL 104 and PEL 111)	100%
Springfield 15%		
BPT 40%	PRLs 151 to 172 (ex PEL 91)	100%
GAOG 60%		
Acer	PRLs 173 to 174 (ex PEL 101)	100%
BPT 40%	PRLs 175 to 179 (ex PEL 107)	100%
DLS 20%		
GAOG 40%	PRLs 191 to 206 (ex PEL 513)	40%
DLS (513)		
Impress (CB)	PRLs 210, 212 to 220 (ex PEL 637)	33.33%
Impress (CB)	PRLs 221 to 230 (ex PEL 638)	33.33%
Impress (CB) 57%	PRLs 238 to 244 (ex PEL 182)	100%
Acer 43%		
Impress (CB)	PEL 516	33.33%
Ambassador	PEL 570	33.33%
Impress (CB)	PEL 639	100%
BPT	GSEL 634 (ex PEL 92)	75%
BPT 25%	GSEL 645 (ex Udacha Unit)	100%
DLS Gas 30%		
GAOG 45%	GSEL 646 (ex PEL 106)	100%
BPT 50%		
GAOG 50%	GSEL 648 (ex PEL 91)	100%
BPT 40%		
GAOG 60%	GSEL 653 (ex PEL 107)	100%
BPT 40%		
DLS 20%	GSLs 1 to 4	33.4%
GAOG 40%		
Delhi 20.21%	GSRs 250 to 252	33.4%
BE(OP)L 13.19%		
BPT	PPL 194 Reg Sprigg West Unit	27.676%
Delhi 17.14%	Patchawarra East ¹²	27.676%
BE(OP)L 10.536%		
Delhi 20.21%	Fixed Factor Agreement ¹³	33.4%
BE(OP)L 13.19%		
Delhi 20.21%	SA Unit	33.4%
BE(OP)L 13.19%		

Otway - South Australia

Subsidiary Company	Tenement	%
ADE	PEL 494	70%
ADE	GSEL 654	70%
ADE	PPL 62 (Katnook)	100%
ADE	PPL 168 (Redman)	100%
ADE	PPL 202 (Haselgrove)	100%
ADE	PRL 1 (Wynn)	100%
ADE	PRL 2 (Limestone Ridge)	100%
ADE	PRL 32 (ex PEL 255)	70%
ADE	GSRL 27	100%
ADE	PEL 680	70%
ADE	GEL 780	100%

Onshore Otway - Victoria

Subsidiary Company	Tenement	%
BPT	PPL 6 (McIntee Gas Field)	10%
BPT	PPL 9 (Lavers Gas Field)	10%
BPT	PEP 168	50%

Nearshore Otway - Victoria

Subsidiary Company	Tenement	%
BE(OP)L	VIC/L1(V)	60%
BE(OP)L	VIC/P42(V)	60%
BE(OP)L	VIC/P007192(V)	60%
BE(PO)L	VIC/L007745(V)	60%

Offshore Otway - Victoria

Subsidiary Company	Tenement	%
BE(OP)L	VIC/P43	60%
BE(OP)L	VIC/P73	60%
BE(OP)L 55%	VIC/L23	60%
BE(Ot)L 5%		

Browse - Western Australia

Subsidiary Company	Tenement	%
BPT	WA-80-R	9.7637%

Bonaparte Basin - Western Australia

Subsidiary Company	Tenement	%
BE(B)PL	WA-548-P	5.75%

Schedule of Tenements

For the year ended 30 June 2024

Otway (Offshore) - Tasmania

Subsidiary Company	Tenement	%
BE(OP)L	T/30P	100%
BE(OP)L 55%	T/L2 (Thylacine)	60%
BE(Ot)L 5%		
BE(OP)L 55%	T/L3 (Thylacine South)	60%
BE(Ot)L 5%		
BE(OP)L 55%	T/L4 (Thylacine West Extension)	60%
BE(Ot)L 5%		

Bass Basin - Tasmania

Subsidiary Company	Tenement	%
BE(OP)L 83.75%	T/L1 (Yolla) ¹⁴	100%
BE(BG)L 5%		
BPT 11.25%	T/L5 (Trefoil) ¹⁴	100%
BE(OP)L 88.75%		
BPT 11.25%	T/RL4 ¹⁴	100%
BE(OP)L 88.75%		
BPT 11.25%	T/RL5 ¹⁴	100%
BE(OP)L 88.75%		
BPT 11.25%		

Perth Basin - Western Australia

Subsidiary Company	Tenement	%
BE(PB)PL	EP 320	50%
BE(PB)PL	L 11/L 22 (Beharra Springs)	50%
BE(PB)PL	L 1/L 2 (Waitsia Excluding Dongara, Mondarra and Yardarino)	50%

Bonaparte - Northern Territory

Subsidiary Company	Tenement	%
BE(B)PL	NT/P88	5.75%

Taranaki Basin - New Zealand

Subsidiary Company	Tenement	%
BERNZKL 32.1875%		
Kupe Mining No.1 Ltd	PML 38146 (Kupe)	50%
17.8125%		

- The Naccowlah Block consists of ATP 1189 ex ATP 259 (Naccowlah) and PLs 23-26, 35, 36, 62, 76-78, 79 (PLA 1078 replacement), 82 (PL 1079 replacement), 87 (PLA 1080 replacement), 133 (PLA 1085 replacement), 149, 175, 181, 182, 287, 302, 495, 496, 1026. PLAs 1047, 1060, 1078, 1079, 1080, 1085, 1093. Note sub-leases of PLs (gas) to SWQ Unit, and PCAs 269, 271, 280.
- The Aquitaine A Block consists of ATP 1189 ex ATP 259 (Aquitaine A) and PLs 86, 131, 146, 177, 254, 1051, PLA 1058. Note sub-leases of part PLs (gas) to SWQ Unit and PCA 276.
- The Aquitaine B Block consists of ATP 1189 ex ATP 259 (Aquitaine B) and PLs 59, 60 (PLA 1072 replacement), 61 (PLA 1073 replacement), 81, 83 (PLA 1092 replacement), 85, 108, 111 (PLA 1090 replacement), 112, 132 (PLA 1091 replacement), 135, 147 (PLA 1075 replacement), 151, 152, 155, 205 (PLA 1076 replacement), 288, 508, 509, 1013, 1014, 1035. PLA 1108. Note sub-leases of part of PLs (gas) to SWQ Unit and PCAs 248, 251, 270, 281.
- The Aquitaine C Block consists of ATP 1189 ex ATP 259 (Aquitaine C) and PLs 138 and 154.
- The Innamincka Block consists of ATP 1189 ex ATP 259 (Innamincka) and PLs 58, 80, 136, 137, 156, 159, 249. PLA 1087. Note sub-leases of part PLs (gas) to SWQ Unit and PCAs 278, 281, 282, 283.
- The Total 66 Block consists of ATP 1189 ex ATP 259 (Total 66) and PLs 34, 37, 63, 68, 75, 84, 88, 110 (PL 497 replacement), 129, 130, 134, 140, 142, 143 (PLA replacement 1057), 144, 150, 186, 193 (PLA 513 replacement), 241, 255, 301, 497, 502, 1046. PLAs 1056, 1057, 1077. Note sub-leases of part of PLs (gas) to SWQ Unit and PCAs 252, 253, 254, 275, 279, 280.
- The Wareena Block consists of ATP 1189 ex ATP 259 (Wareena) and PLs, 141, 145, 148, 153, 158 (PLA 1105 replacement), 187, 1016, 1054. PLAs 1055, 1105, 1107. Note sub-leases of part of PLs (gas) to SWQ Unit and PCAs 250, 251, 268, 272, 273, 274, 277.
- The SWQ Gas Unit consists of subleases of PLs within the gas production area of Naccowlah Block, Aquitaine A Block, Aquitaine B Block, Aquitaine C Block, Innamincka Block, Wareena Block and Total 66 Block.
- Ex ATP 299 (Tintaburra) consists of PLs 29, 38, 39, 52, 57, 95 (PLA 1081 replacement), 169 (PLA 1027 replacement), 170 (PLA 1029 replacement), 295. PLAs 1027, 1029, 1081.
- Derrilyn Unitisation Agreement for PPL 206, PPL 208 and PPL 215 - Impress (CB) 35% interest.
- Regg Sprigg West Unitisation Agreement for well consists of PPL 211 (Impress CB) and PPL 194 (Patchwarra East).
- Patchwarra East consists of PPLs 26, 76-77, 118, 121-123, 125, 131, 136, 147, 152, 156, 158, 167, 182, 187, 194, 201 and 229.
- The Fixed Factor Agreement consists of PPLs 6-20, 22-25, 27, 29-33, 35-48, 51-61, 63-70, 72-75, 78-81, 83-84, 86-92, 94-95, 98-111, 113-117, 119-120, 124, 126-130, 132-135, 137-140, 143-146, 148-151, 153-155, 159-166, 172, 174-180, 189-190, 193, 195-196, 228 and 230-238.
- Transfer of interest subject to Government approvals and registration.

Divested Tenements

BE(B)PL	WA-6-R
BE(B)PL	NT/RL1

Acquired Tenements

DLS (513)	PPL 278 (Varanus South Gas Field)
Delhi 20.21%	
BE(OP)L 13.19%	GSRLs 250 to 252

Shareholder Information

Share details - Distribution as at 1 August 2024

Range	Total holders	Units	% Units
1 - 1000	8,269	4,083,474	0.18
1,001 - 5,000	10,394	28,438,801	1.25
5,001 - 10,000	4,654	35,338,648	1.55
10,001 - 100,000	6,904	195,262,738	8.56
100,001 Over	539	2,018,209,995	88.47
Rounding			-0.01
Total	30,760	2,281,333,656	100.00

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum \$500.00 parcel at \$1.5200 per unit	329	2,598	306,947

Substantial shareholders as disclosed by notices received by Beach as at 1 August 2024

Name	Number of voting shares held	Date of Notice
Seven Group Holdings and others	684,774,056	30 April 2021
Australian Capital Equity Pty Ltd, Wroxby Pty Ltd, North Aston Pty Ltd and others (ACE Group); Ashblue Holdings Pty Ltd, Tiberius (Seven Investments) Pty Ltd, Tiberius Pty Ltd and others (Tiberius Group); Mr Kerry Matthew Stokes AC and Kemast Investments Pty Ltd	684,774,056	30 April 2021

Twenty largest shareholders as at 1 August 2024

Name	Units	% Units
1 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	444,620,048	19.49
2 NETWORK INVESTMENT HOLDINGS PTY LTD	333,511,087	14.62
3 NETWORK INVESTMENT HOLDINGS PTY LTD	250,000,000	10.96
4 CITICORP NOMINEES PTY LIMITED	246,941,324	10.82
5 J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	216,757,362	9.50
6 EQUITY TRUSTEES LIMITED <VOYAGER XXVI BV>	98,762,968	4.33
7 WESTRAC HOLDINGS PTY LIMITED	34,220,004	1.50
8 NETWORK INVESTMENT HOLDINGS PTY LTD	34,127,698	1.50
9 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	25,903,525	1.14
10 NATIONAL NOMINEES LIMITED	21,259,131	0.93
11 BNP PARIBAS NOMS PTY LTD	20,963,509	0.92
12 BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	19,960,722	0.87
13 NETWORK INVESTMENT HOLDINGS PTY LTD	18,742,950	0.82
14 MR ROBERT LEE PETERSEN	18,665,764	0.82
15 NETWORK INVESTMENT HOLDINGS PTY LTD	14,172,317	0.62
16 MCCUSKER HOLDINGS PTY LTD	10,500,000	0.46
17 UBS NOMINEES PTY LTD	9,222,986	0.40
18 PRUDENTIAL NOMINEES PTY LTD	9,000,000	0.39
19 AYERSLAND PTY LTD	7,047,610	0.31
20 MR KENNETH JOSEPH HALL <HALL PARK A/C>	6,310,000	0.28
Totals: Top 20 holders of FULLY PAID ORDINARY SHARES (Total)	1,840,689,005	80.68
Total Remaining Holders Balance	440,644,651	19.32

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Corporate Directory

AGM: For information about the Annual General Meeting, please visit beachenergy.com.au/agm

Directors

Ryan Kerry Stokes, AO

BComm, FAIM

Non-executive Interim Chair

Brett Woods

BSc (Hons) Geology and Geophysics, AMP Harvard

Managing Director

Bruce Clement

BEng (Civil) Hons, BSc, MBA

Independent non-executive

Sally-Anne Layman

BEng (Mining) Hons, BCom, CPA, MAICD

Independent non-executive

Sally Martin

BE (Elec), GAICD

Independent non-executive

Peter Moore

PhD, BSc (Hons), MBA, GAICD

Lead independent non-executive

Richard Richards

BComs/Law (Hons), LLM, MAppFin, CA, Admitted Solicitor

Non-executive

Margaret Hall

BEng (Met) Hons, MIEAust, GAICD, SPE

Alternate (non-executive) director for Ryan Stokes

Joint Company Secretaries

Susan Jones

LLB (Hons), GAICD, General Counsel

David Lim

LLB, BEc

Registered Office

Level 8, 80 Flinders Street

ADELAIDE SA 5000

Telephone: (08) 8338 2833

Facsimile: (08) 8338 2336

Email: info@beachenergy.com.au

Share Registry - South Australia

Boardroom Pty Ltd

Level 8, 210 George Street

Sydney, NSW 2000

Telephone: 1300 737 760 (in Australia)

+61 2 9290 9600 (International)

Email: enquiries@boardroomlimited.com.au

Web: www.boardroomlimited.com.au

Auditors

Ernst & Young

Level 12, 121 King William Street

Adelaide SA 5000

Securities Exchange Listing

Beach Energy Limited shares are listed on the ASX Limited (ASX Code: BPT)

Beach Energy Limited

ABN 20 007 617 969

Website

www.beachenergy.com.au

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