



ASX Announcement

FY24 full year results

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Solid financial results and a strong financial position maintained while delivering major projects

- Sales revenue up 9% to \$1.8 billion supported by early Waitsia swap cargoes and higher realised prices
- Underlying EBITDA down 3% to \$950 million and underlying NPAT down 11% to \$341 million
- Three-yearly price review process settled for the existing Otway Basin GSA; new Enterprise GSA signed
- \$437 million in available liquidity and net gearing of 15% at year-end

Several operating and major project milestones achieved despite challenges

- Turnaround in HSE performance with no recordable injuries for the last eight months
- Production down 7% to 18.2 MMboe from lower nominations, weather events and natural field decline
- Enterprise development completed; Otway Gas Plant operating reliably at higher rates
- Thylacine West flowline manufactured and transported to Australia; connection in H1 FY25 targeted
- Waitsia Gas Plant construction progressing with first gas in early-CY2025 targeted
- Redback Deep and Tarantula Deep gas discoveries; development wells at Waitsia and Beharra Springs

Enterprise production outcomes

- The Enterprise field came online on 12 June 2024 and has flowed at peak rates of up to 68 TJ/day
- Early pressure data indicates a smaller resource pool than originally estimated
- A 2P reserves revision of 11.5 MMboe is included in the annual reserves statement and has been audited
- No impact to FY25 production guidance or asset carrying values

Strategic review undertaken to reset base business

- Focused on operational performance, project delivery and cost reduction
- Targeting a reduction in free cash flow breakeven oil price from US\$54/bbl to <US\$30/bbl
- New organisational structure in place and executive leadership appointments underway
- 26% headcount reduction delivered and on track for 30% target by end of H1 FY25

Significant investment in sustainability initiatives to support the energy transition

- Moomba CCS nearing completion with first CO₂ injection in H1 FY25 targeted
- Inaugural Climate Transition Action Plan released

FY25 guidance

- Production: 17.5 - 21.5 MMboe (unchanged)
- Capital expenditure: \$700 - 800 million (unchanged)
- Depreciation and amortisation: \$400 - 450 million

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Beach Energy Limited (ASX: BPT, Beach) today announced its FY24 full year results which demonstrated solid financial performance and a strong financial position during a year of major project delivery.

Managing Director and Chief Executive Officer Brett Woods said "Production of 18.2 MMboe was 7% below the prior year from lower customer nominations in the Otway Basin, 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, supported by early Waitsia swap cargoes and higher realised oil and gas prices.

"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 year in a strong financial position with \$437 million of available liquidity and net gearing of 15%.

"Despite some challenges, Beach delivered several operational and project milestones and a turnaround in safety performance in the second half, with no recordable injuries for the past eight months and no Tier 1/2 process safety events for the financial year.

"In the Otway Basin, connection of the Enterprise field to the Otway Gas Plant supported an increase in gas production in the fourth quarter. We also progressed the connection of Thylacine West 1 and 2 with the flowline manufactured and transported to Australia and first gas in H1 FY25 targeted.

"Disappointingly, over recent weeks we have observed pressure decline at Enterprise which is consistent with a smaller reservoir than originally estimated. We have moved rapidly to assess the impact. This has resulted in a reserves revision which has been included in our annual reserves statement and audited by external experts. There is no impact to production guidance. The Enterprise field remains a valuable asset within Beach's portfolio and an important source of new gas supply for the East Coast market.

"In the Perth Basin, Beach and joint venture operator Mitsui are working closely with the Waitsia Stage 2 contractor, Clough, to complete the Waitsia Gas Plant. Beach is targeting first gas in early-CY2025 followed by a three to four-month production ramp-up period. The plant is nearing mechanical completion and introduction of fuel gas.

"The Beach-operated Perth Basin drilling campaign yielded two commercial gas discoveries at Redback Deep and Tarantula Deep and a development well at Beharra Springs Deep. In the Western Flank, a 16-well oil and gas exploration and appraisal campaign delivered mixed results. Outcomes from the campaign are being analysed and exploration inventory is being refreshed as we plan for a potential drilling campaign in FY26.

"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 has established the pathway for returning Beach to being a low-cost operator while earning the right to grow.

"Strict operating principles underpin our objectives to improve margins and increase free cash flow. New financial targets include 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. Good progress toward these targets was made during the year and we continue to progress further opportunities as we head into FY25.

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

Reserves and resources

The following table sets out reserves and resources as at 30 June 2024. An independent audit of Beach's reserves was conducted by Netherland, Sewell & Associates Inc. The audit encompassed 95% of 2P reserves, including 94% of developed reserves and 98% of undeveloped reserves.

(MMboe)	30-Jun-23	30-Jun-24
1P reserves	118	109
2P reserves	255	205
3P reserves	405	320
2C contingent resources	195	181
2P CO ₂ storage capacity (Mt)	4.4	4.4

Beach ended FY24 with 205 MMboe of 2P oil and gas reserves (30 June 2023: 255 MMboe). The decrease was mainly attributable to production of 18.2 MMboe and net revisions of 31.5 MMboe which resulted from:

- Subsurface assessment of pressure data from the Enterprise field which indicated a smaller resource pool than originally estimated;
- Faster than anticipated decline from the Thylacine North wells;
- Outcomes from the Kupe South 9 development well and recent performance of existing wells;
- Outcomes from the Beharra Springs Deep 2 well and evaluation of reprocessed seismic over the Beharra Springs Deep field, partially offset by exploration additions; and
- Cooper Basin JV reservoir performance, partially offset by re-classification of contingent resources to reserves.

Further information is contained in Beach's 2024 Annual Report released today.

FY25 outlook

FY25 will be an important year for Beach with major projects in the Perth and Otway basins scheduled for completion. Planned activities this year include:

- Delivering structural cost savings in line with the strategic review objectives;
- Working with joint venture partner and operator Mitsui to safely commission the Waitsia Gas Plant and ramp up production;
- 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;
- Commencing initial assessment of potential gas storage and peaking power utilising existing assets; and
- Ongoing strict focus on health, safety and environment to continue the strong momentum from H2 FY24.

FY25 full year guidance and targets are set out in the table below.

	FY24	FY25
Production guidance ¹	18.2 MMboe	17.5 – 21.5 MMboe
Capital expenditure guidance	\$963 million	\$700 – 800 million
Field operating cost target	\$17/boe	~\$14/boe
Cash flow breakeven oil price target	US\$54/bbl	~US\$30/bbl
Depreciation and amortisation guidance	\$419 million	\$400 – 450 million
One-off expense items ²	\$51 million	Up to \$59 million

1. FY25 production guidance is heavily influenced by timing of Waitsia start-up

2. A one-off expense item of up to \$59 million may be incurred in relation to potential unavoidable costs for transportation, processing and sale of LNG prior to completion of the Waitsia Stage 2 project. Beach continues to explore mutually beneficial gas swap opportunities

Results webcast

Beach Energy's Managing Director and Chief Executive Officer Brett Woods and Chief Financial Officer Anne-Marie Barbaro will lead a webcast this morning to discuss the FY24 full year results.

- *Date:* Monday, 12 August 2024
- *Time:* 9.30am ACDT (Adelaide) / 10.00am AEDT (Sydney, Melbourne)
- *Webcast link:* <https://webcast.openbriefing.com/bpt-fyr-2024/>

A recording of the webcast will be available via the webcast link and the Beach website later in the afternoon.

Authorisation

This announcement has been authorised for release by the Beach Energy Board of Directors.