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ASX Announcement

Otway sale completion

Reference #016/19 Date 31 May 2019

Beach Energy Limited (ASX: BPT, "Beach") is pleased to advise that the sale of an interest in the Otway assets to O.G. Energy has completed.

On 5 October 2018, Beach announced it had entered into an agreement to sell 40% of its Victorian Otway interests to O.G. Energy, through its wholly owned subsidiary OGOG (Otway) Pty Ltd, for $344 million with an effective date of 1 July 2018. For additional information please refer to ASX announcement Ref: #047/18.

Following the satisfaction of all conditions, a completion payment of $262 million[1] was received today, 31 May 2019, comprising the purchase price of $344 million less adjustments of $82 million[1]. These adjustments reflect O.G. Energy's share of net cash flow from these assets between the effective date of the transaction and the completion date.

Following completion, Beach holds a 60% interest and remains as operator of its Victorian Otway interests, including the Geographe, Thylacine, Halladale, Speculant and Black Watch gas fields, Enterprise and Artisan exploration prospects and the Otway Gas Plant. Additionally, Beach has agreed to transfer to O.G. Energy, for consideration and subject to customary regulatory approvals, a 40% interest in the La Bella gas field, ensuring alignment across its offshore Otway portfolio.

Following the receipt of the completion payment, Beach moves to a net cash position. Beach expects its FY19 results to account for its Victorian Otway interests at 100% until 31 May 2019 and 60% thereafter.

Commenting on the close of the Otway Sale, Beach Managing Director Matt Kay said "We are excited to formally welcome O.G. Energy into our Victorian Otway Basin assets. Having a fully-aligned partner on board is an important step in Beach's plans to develop more gas supplies for the east coast gas market.

"Completion of the transaction further strengthens Beach's balance sheet. The company is in a strong financial position to consider accelerating investment in our value-accretive growth portfolio."

Yours sincerely,



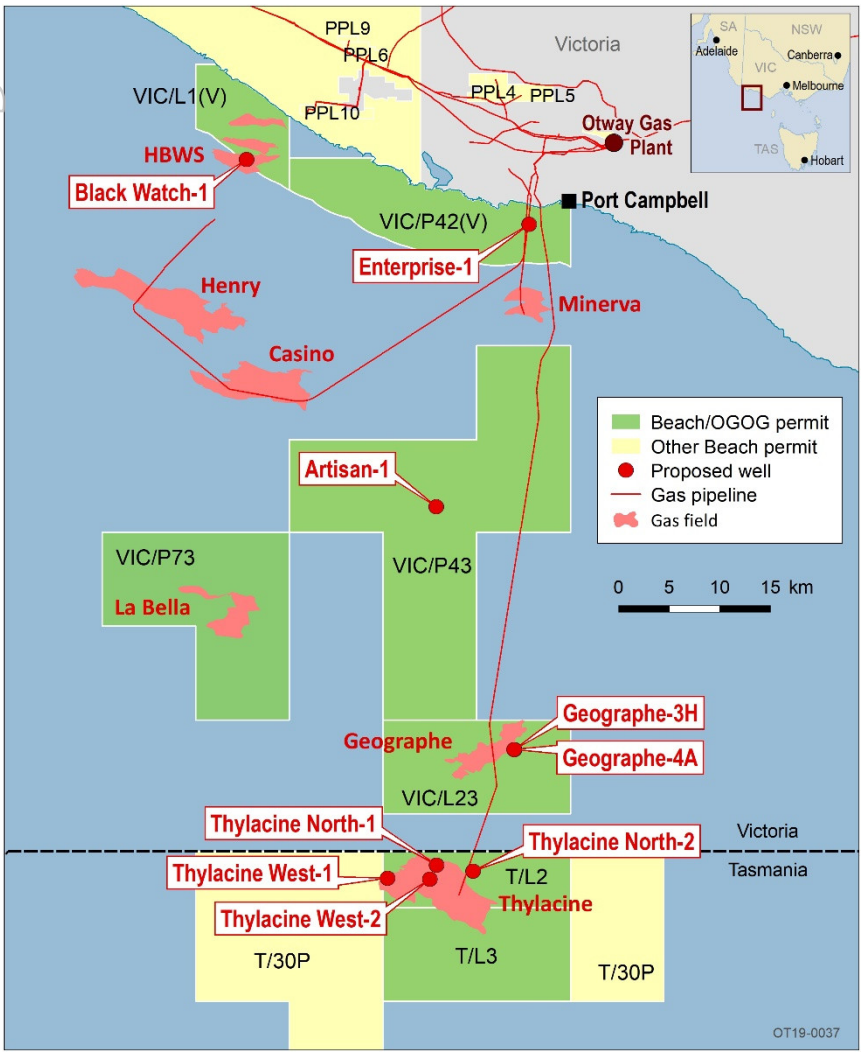
Matt Kay
Managing Director

For further information contact the following on +61 8 8338 2833

Investor relations	Nik Burns, Investor Relations Manager
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Appendix: Map of Victorian Otway Interests



1 Completion payment and adjustments were calculated utilising forecast May 2019 cash flows. Adjustments for actual May 2019 cash flows to be made in June 2019