



ASX Announcement

FY23 full year results and FY24 outlook

Reference #033/23

Date 14 August 2023

Underlying operations delivering robust production and cash flow through the growth cycle

- Production of 19.5 MMboe, 11% down on FY22 while delivering major growth projects
- Sales revenue of \$1,617 million, down 8% with a 9% increase in realised gas prices
- Underlying EBITDA of \$982 million down 12%, and Underlying NPAT of \$385 million down 24%
- Operating cash flow of \$929 million enabling increased dividends

Growth projects targeting a material increase in production rates beyond FY24

- Thylacine North wells connected in Q4 FY23, supplying critical new gas for the domestic market
- Enterprise pipeline constructed and installed; awaiting final approvals to deliver first gas in H2 FY24
- Waitsia Stage 2 targeting first gas mid-CY2024, with total capital expenditure of \$450 – 500 million (net)
- Perth Basin gas exploration campaign commenced
- Rig mobilising for the Kupe South 9 development well in New Zealand

Strong operational and safety performance achieved during a year of heightened activity

- >98% reliability at all operated gas plants, including 99.6% at the Otway Gas Plant
- Strong safety performance, with a 45% reduction in TRIFR¹ to 2.4

Strong Balance Sheet to support major project delivery and provide shareholder returns

- New Capital Management Framework in place, with a 100% increase in dividends declared
- Strong Balance Sheet, with net gearing of 4% and \$434 million in available liquidity

Decarbonisation and sustainability progress supports 35% emissions intensity reduction target

- Moomba CCS 70% complete², with first CO₂ injection in 2024
- Kupe wind opportunity being investigated; joint bid for offshore wind licence in the Gippsland Basin

FY24 guidance

- Production: 18.0 – 21.0 MMboe
- Capital expenditure: \$850 – 1,000 million

¹ Total Recordable Injury Frequency Rate is the frequency of recordable injuries for each one million hours worked on a 12-month rolling basis

² As advised by the operator, Santos

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

[Investor relations](#) Derek Piper, General Manager Investor Relations

[Media](#) Chris Burford, Corporate Affairs Manager

Beach Energy Limited (ASX: BPT, Beach) today announced its results for FY23 which demonstrated robust operations, safety performance and financial results during a year of major project delivery.

Interim CEO Bruce Clement said "Beach made strong progress in bringing critical new gas supply to markets while rewarding shareholders with a 100% increase in dividends.

"We improved our safety performance with a Total Recordable Injury Frequency Rate of 2.4 down 45%. Four out of our five operational sites completed the year recordable injury-free, an outstanding achievement. Importantly, our teams have delivered strong operational performance, with our operated plants achieving >98% reliability.

"Our significant investment in organic growth over recent years has started to bear fruit. Connection of the Thylacine North wells enabled an increase in Otway Gas Plant well deliverability of ~70 TJ/day to ~170 TJ/day. This is a critical new source of gas supply for the East Coast market.

"The Waitsia Stage 2 project in Western Australia will see our gas sold into the global LNG market. The Waitsia JV and Webuild, our construction contractor, have worked to overcome a number of hurdles following the disruptions from Clough's voluntary administration. The project is progressing to first gas, targeted for mid-CY2024.

"While still in Western Australia, the Perth Basin gas exploration campaign commenced and will continue over the coming year. This is a truly exciting campaign for the basin and for Beach.

"In New Zealand, the team has secured regulatory approvals and a drilling rig for the Kupe South 9 development well, which is planned to spud this half. It was also another year of outstanding operational performance, with the Kupe Gas Plant achieving reliability of over 99%.

"In the Western Flank, the focus was on horizontal development drilling for oil. The program delivered 22 new oil producers, several follow-up opportunities, and an uptick in oil production toward the end of the year. The Cooper Basin JV had pleasing drilling outcomes, with a success rate of 93% from 117 wells drilled.

"Implementation of our new Capital Management Framework delivered franked dividends of four cents per share, a 100% increase from the prior year. The framework provides a transparent pathway for increased shareholder returns as we deliver our growth projects.

"Progress on decarbonisation was spearheaded by the nation's biggest emissions reduction project, Moomba CCS, which is scheduled for first CO₂ injection in 2024. Once operational, it will have the capacity to store up to 1.7 million tonnes of CO₂ annually, making a substantial contribution to mitigating emissions.

"In FY24 we remain focused on delivering several exciting growth catalysts. Perth Basin exploration, connection of the Enterprise gas discovery, progressing Waitsia to first gas (targeted mid-CY2024) and drilling of the offshore Kupe South 9 well will deliver a strong foundation for Beach in FY24 and beyond.

"The resulting production uplifts will come at a time when markets need our products more than ever, where underinvestment in new supply, continuing supply constraints and robust demand are common themes.

"Against this backdrop, Beach's value proposition has never been stronger", Mr Clement said.

For personal use only

Reserves and resources

The following table sets out reserves and resources as at 30 June 2023. An independent audit of Beach's reserves was conducted by Netherland, Sewell & Associates Inc. The audit encompassed 66% of 2P reserves, including 71% of developed reserves and 60% of undeveloped reserves.

(MMboe)	30-Jun-22	30-Jun-23	Change
1P reserves	146	118	(19%)
2P reserves	283	255	(10%)
3P reserves	466	405	(13%)
2C contingent resources	221	195	(12%)
2P CO₂ storage capacity (Mt)	4.4	4.4	-

Beach ended FY23 with 255 MMboe of 2P oil and gas reserves (30 June 2022: 283 MMboe). The decrease was mainly attributable to production (19.5 MMboe) and Perth Basin revisions as announced on 31 January 2023 (10.6 MMboe). Further information is contained in Beach's 2023 Annual Report released today.

FY24 outlook

FY24 will be a significant year for Beach, with drilling and major project delivery across the portfolio. Planned activities include:

- Progressing the Waitsia Stage 2 project;
- Continued Perth Basin gas exploration and development drilling;
- Connecting the Enterprise discovery to the Otway Gas Plant;
- Drilling the Kupe South 9 development well in the Taranaki Basin;
- Ongoing oil and gas exploration, appraisal and development drilling in the Cooper Basin;
- Planning for the next phase of offshore Victoria drilling; and
- Working with joint venture partner Santos to progress Moomba CCS.

FY24 full year guidance is set out in the table below.

	FY23	FY24 full year guidance
Production	19.5 MMboe	18.0 – 21.0 MMboe
Capital expenditure	\$1,100 million	\$850 – 1,000 million
One-off expense items ¹	-	Up to \$65 million

1. A one-off expense item of up to \$65 million may be incurred in relation to potential unavoidable costs for transportation, processing and sale of LNG in the event of a delay to timing of first gas from the Waitsia Stage 2 project. Beach is maturing a number of options to partially mitigate unutilised capacity under these arrangements.

For personal use only

Results webcast

Beach Energy's Interim Chief Executive Officer Bruce Clement and Chief Financial Officer Anne-Marie Barbaro will lead a webcast this morning to discuss the FY23 results and FY24 outlook.

- *Date:* Monday, 14 August 2023
- *Time:* 9.30am ACST (Adelaide) / 10.00am AEST (Sydney, Melbourne)
- *Webcast link:* <https://webcast.openbriefing.com/bpt-fyr-2023/>

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.

For personal use only