Beach Petroleum Limited
March 2005

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BEACH PETROLEUM

Recent Highlights

- Record half year net profit of $9.2 million
- Interim dividend of 1 cent per share
- Acquired 25% of Basker/Manta/Gummy offshore Gippsland (+ further 12.5% option)
- Acquired approx. 10% of Anzon Australia Ltd
- Six out of six wells in Qld sector of Cooper Basin successful
- New <u>listed</u> bonus option issue @ 60 cents

Beach's growth strategy & focus

➢ **Building blocks - strong cashflow generators in**

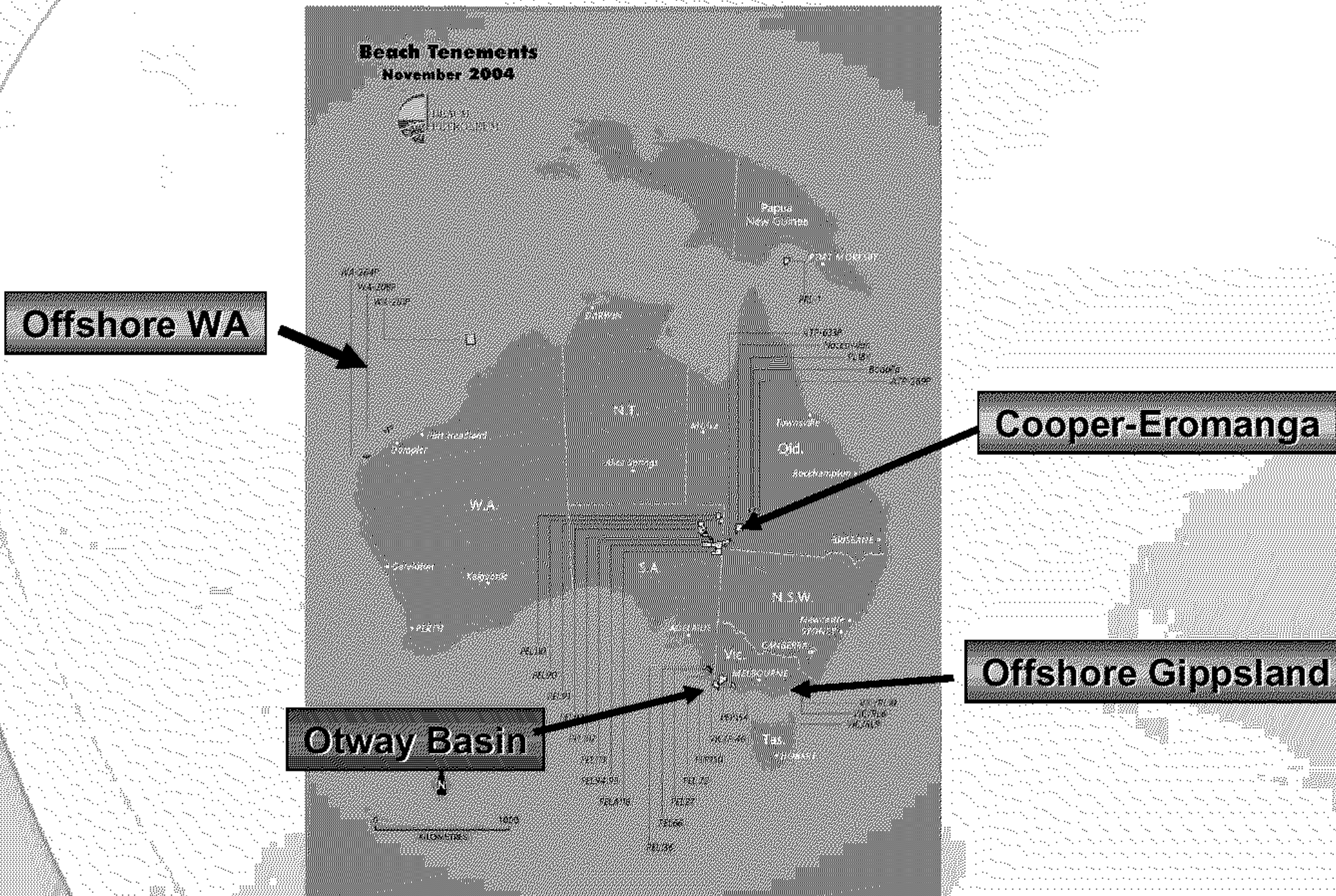
- Proven petroleum production provinces that are underexplored by world standards with
- Rejuvenation potential after years of historical control by large companies
- Undeveloped fields offering medium risk, high potential reward
- Proximity to markets
- Ability to develop and produce quickly for early cashflow
- Amenable to new technologies (3D seismic, etc)

➢ **Cashflow is reinvested to build reserves & production:**

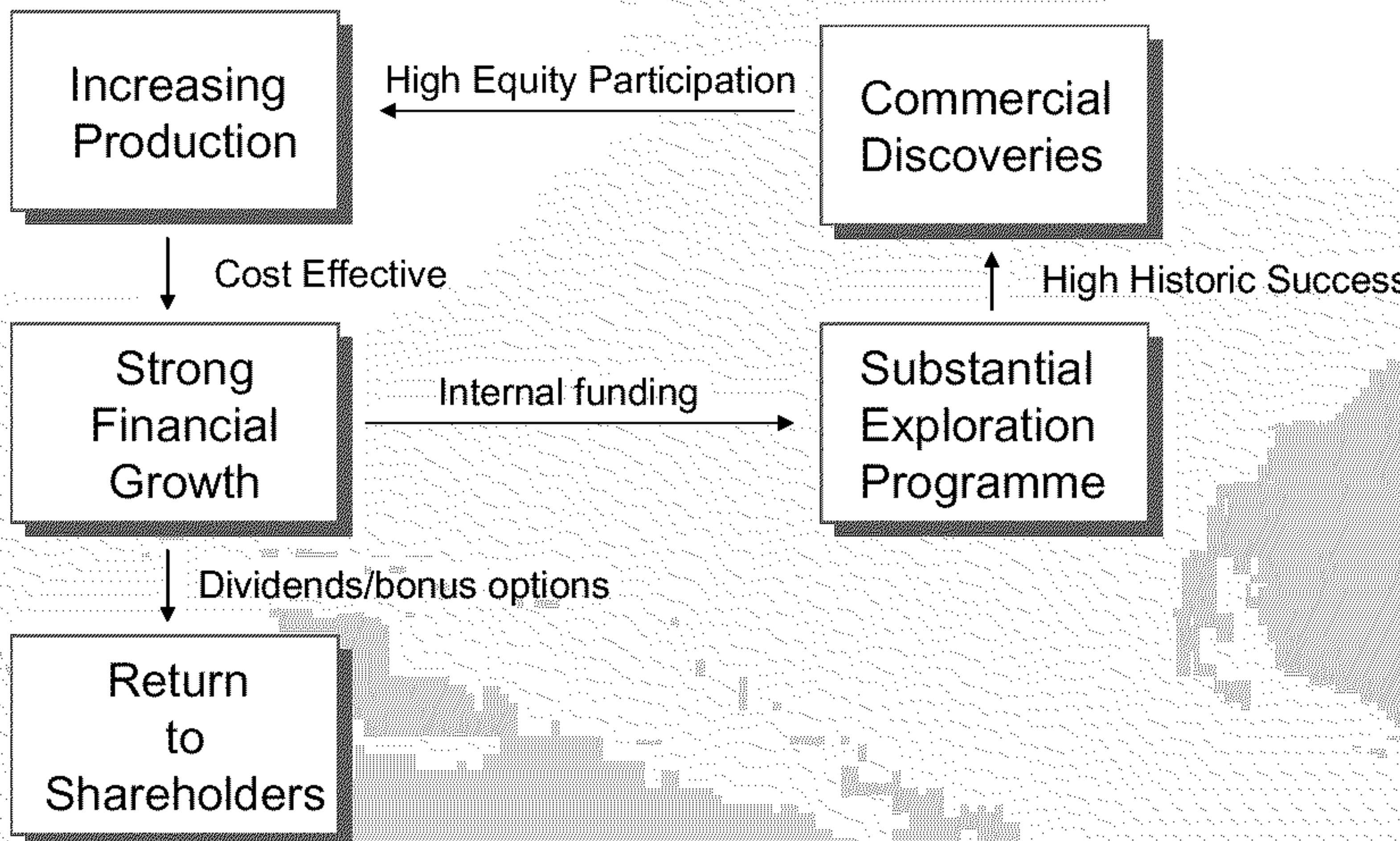
- Within the areas of interest (e.g., Cooper-Eromanga)
- In new regions with similar attributes (e.g., offshore Gippsland)
- To explore in regions with the potential for high reward discoveries (e.g., offshore Otway, offshore Carnarvon)

➢ **We seek JVs with experienced partners with proven and complementary skills**

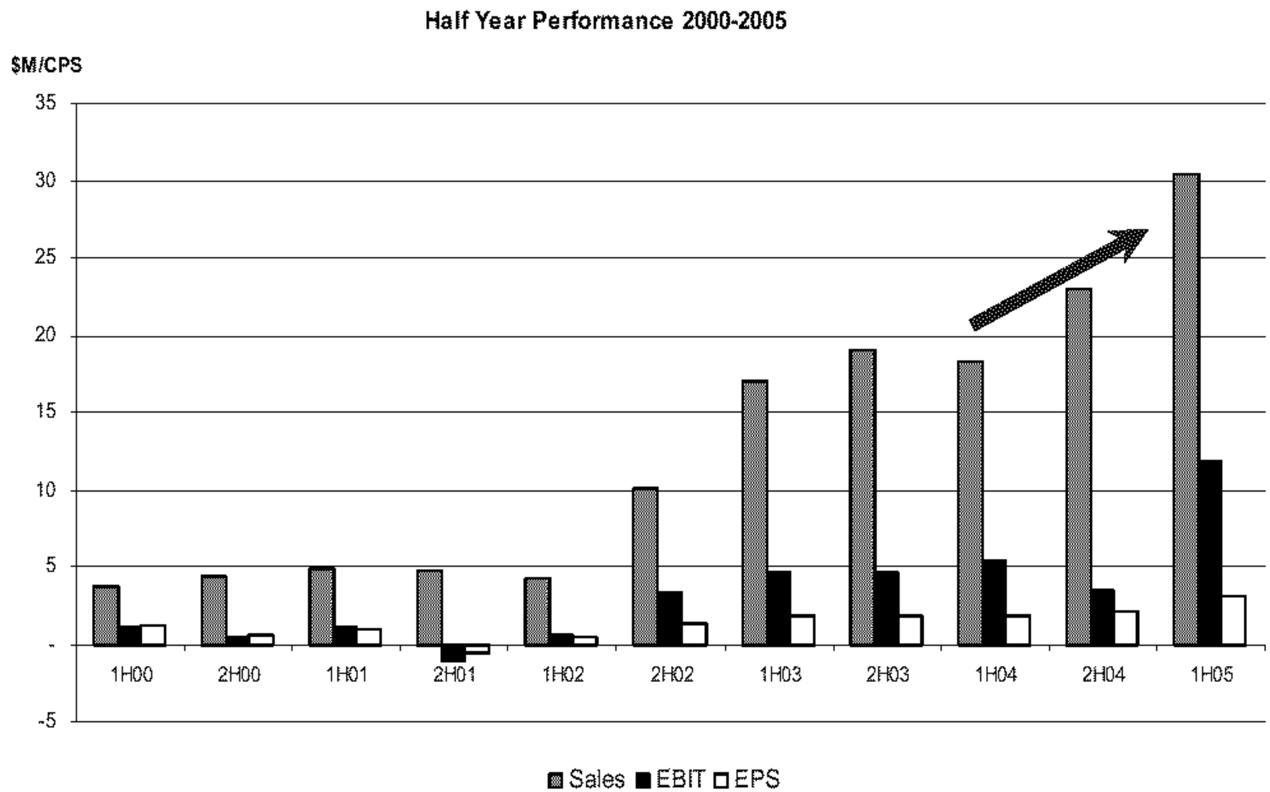
Beach's Areas of Operations



Growth Model

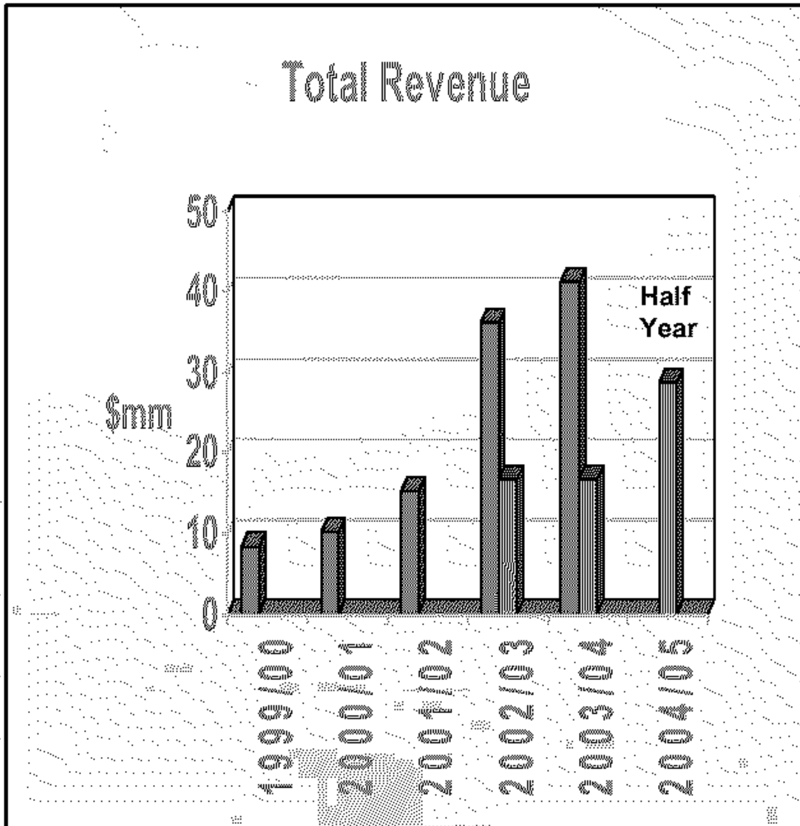


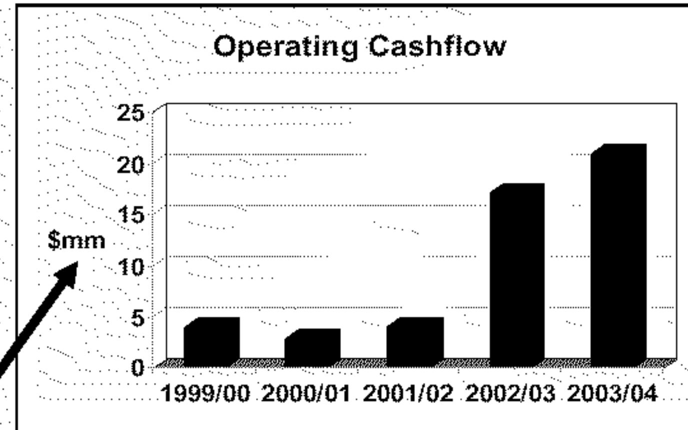
Half Year Performance 2000-05

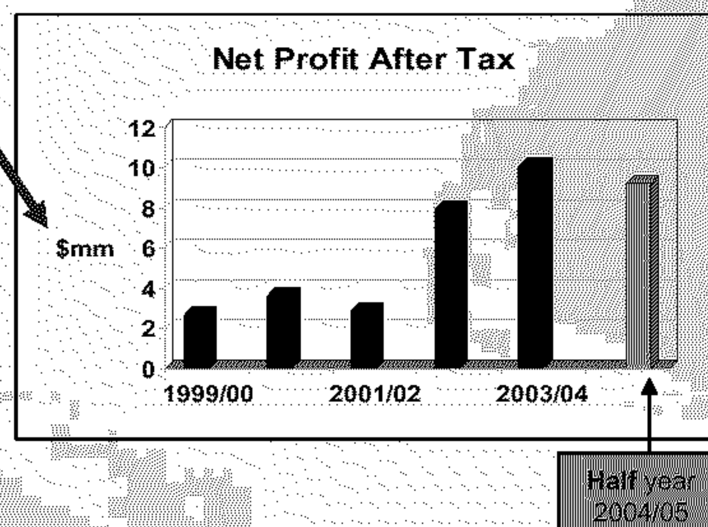


- Dividend payments recommenced in 2001/02
- Sixth successive dividend payment made in November 2004

Strong Cashflows & Financial Depth

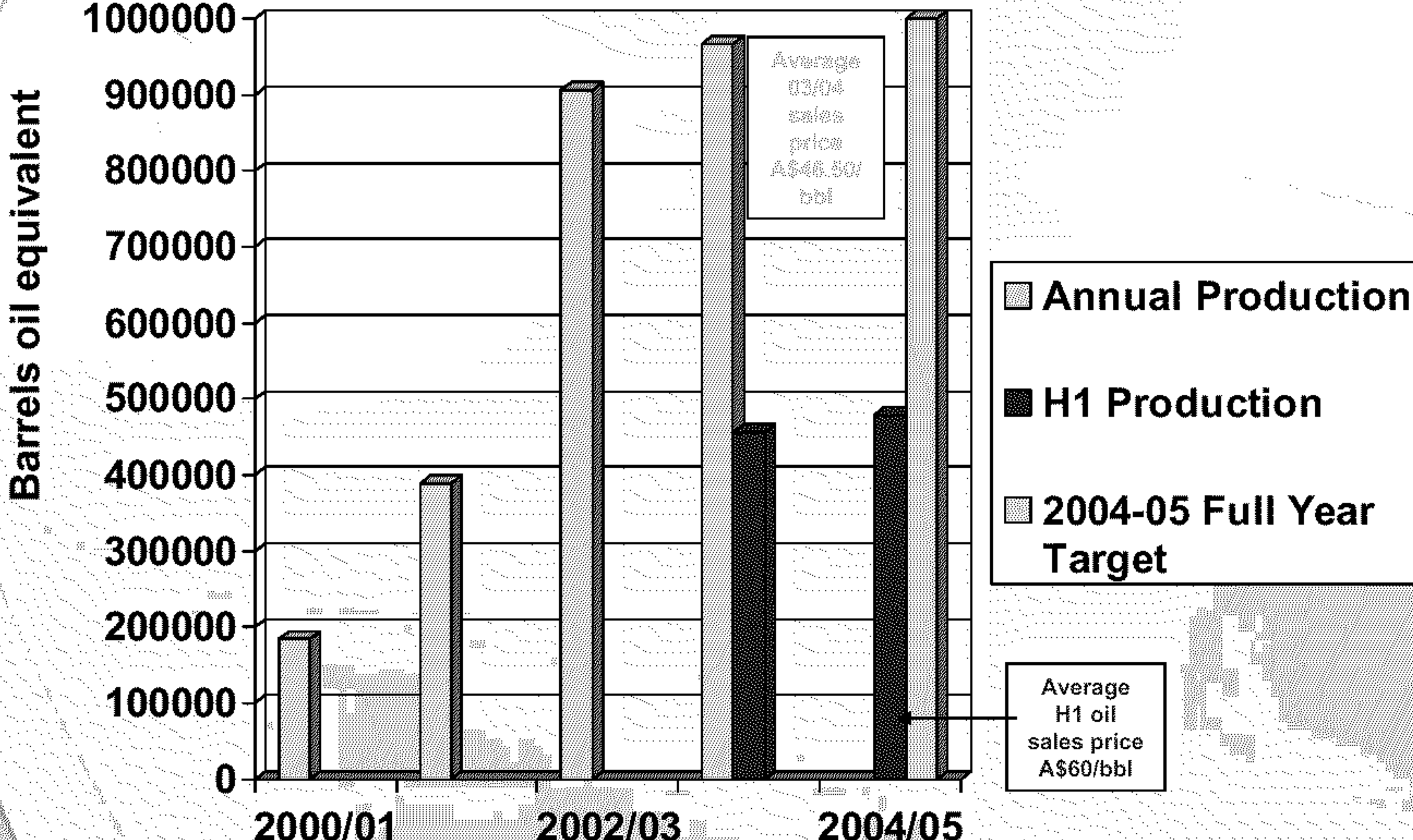




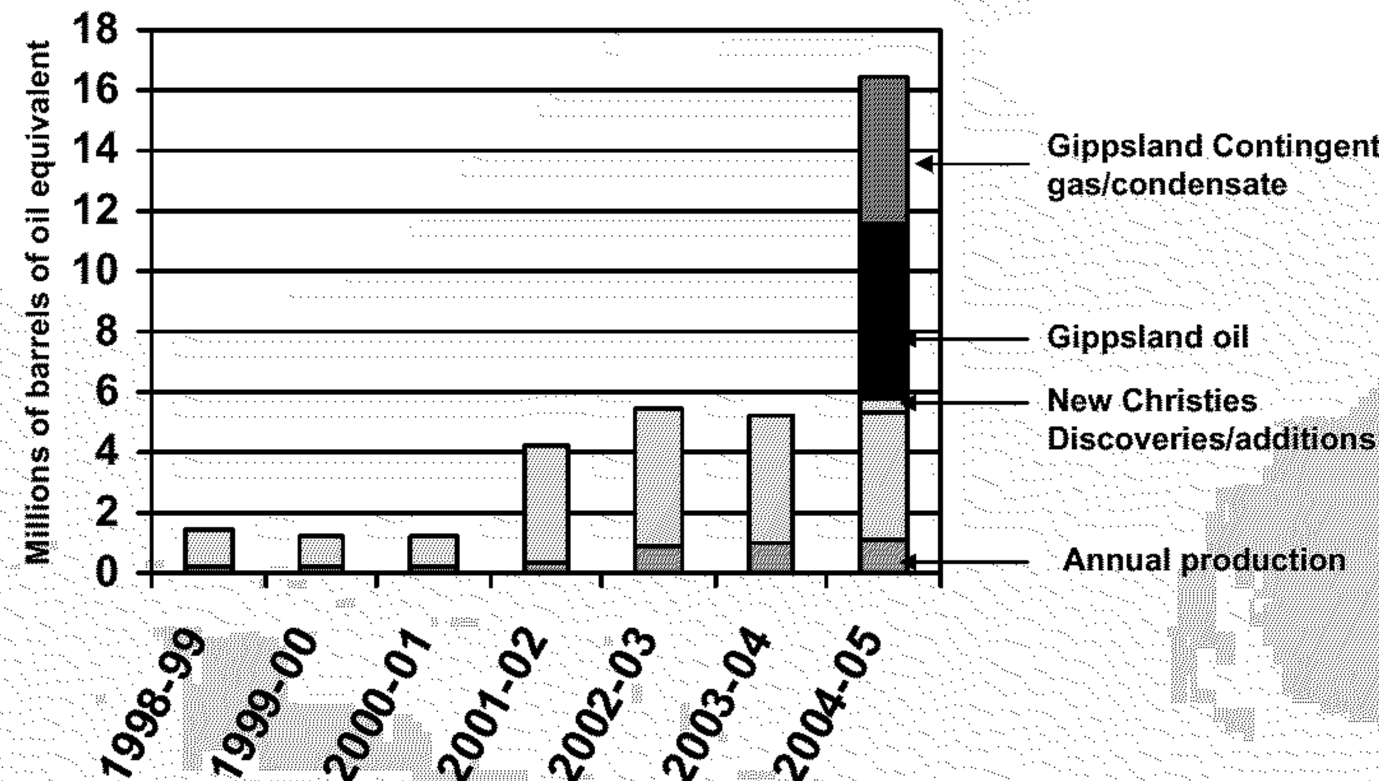


- Cash on hand end of H1 2004/05 of $31 million
- H1 2004/05 revenue of $28.7 million
- H1 2004/05 average oil price of A$60/bbl
- Debt: equity ~ 1%

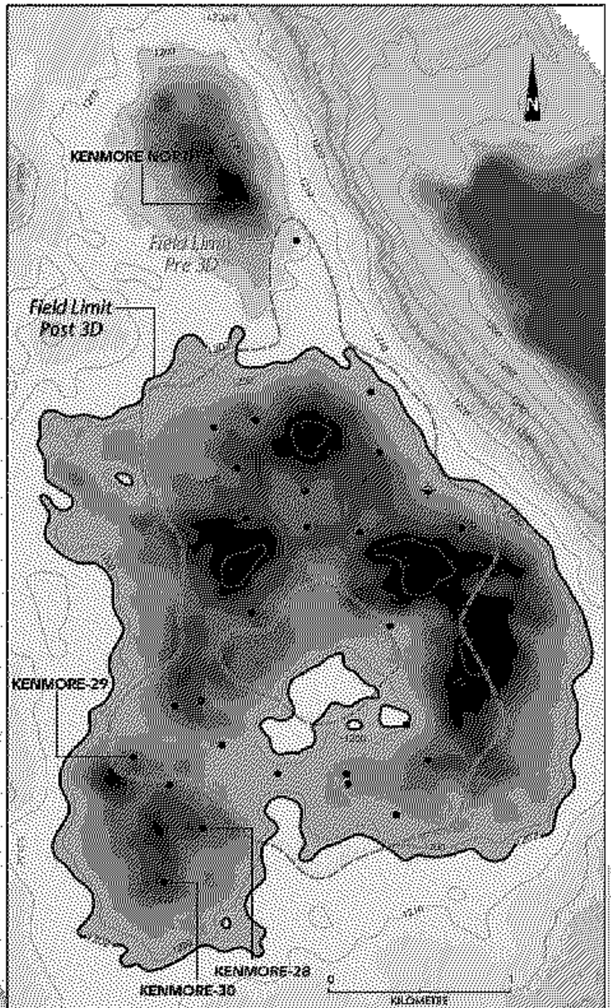
Annual Production



Production & Reserves/ Resource Growth



Bodalla Block Oil Fields



Location: South west Queensland

Since acquisition (July 2002)

- Produced 1.4 mmb
- 3D Seismic
- 11 wells drilled / 8 successes
- Increased reserves by 2.0 mmb
- Reduced costs by 17%

- Exploration success at Coolum in Jan 2005

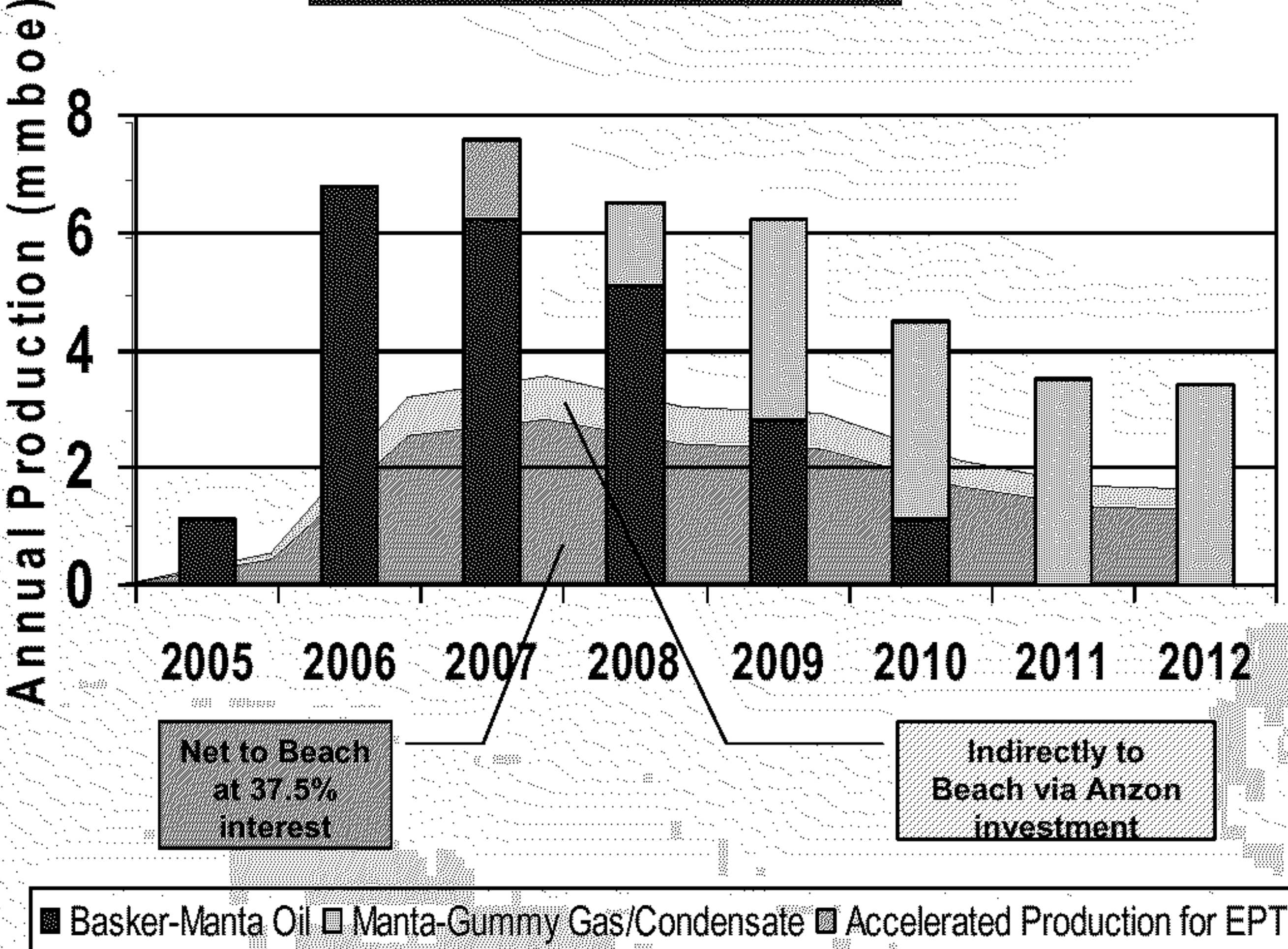
Cooper-Eromanga

Bodalla Allows Beach to be a Low Cost Operator

- Ownership 100%
- Production for 2003-04 of 622,000 bbl (64% of total)
    - (04/05 forecast ~620,000 bbls)
- Average oil price for H1 2004-05 A$60/bbl
- Total Production & Transport Costs ~$11/bbl
- Royalty of 10% at well head
- Typical time to bring new wells onstream ~1 week – or less
- Strong regional operating centre – skilled people
- Cornerstone cash generator

Cooper-Eromanga

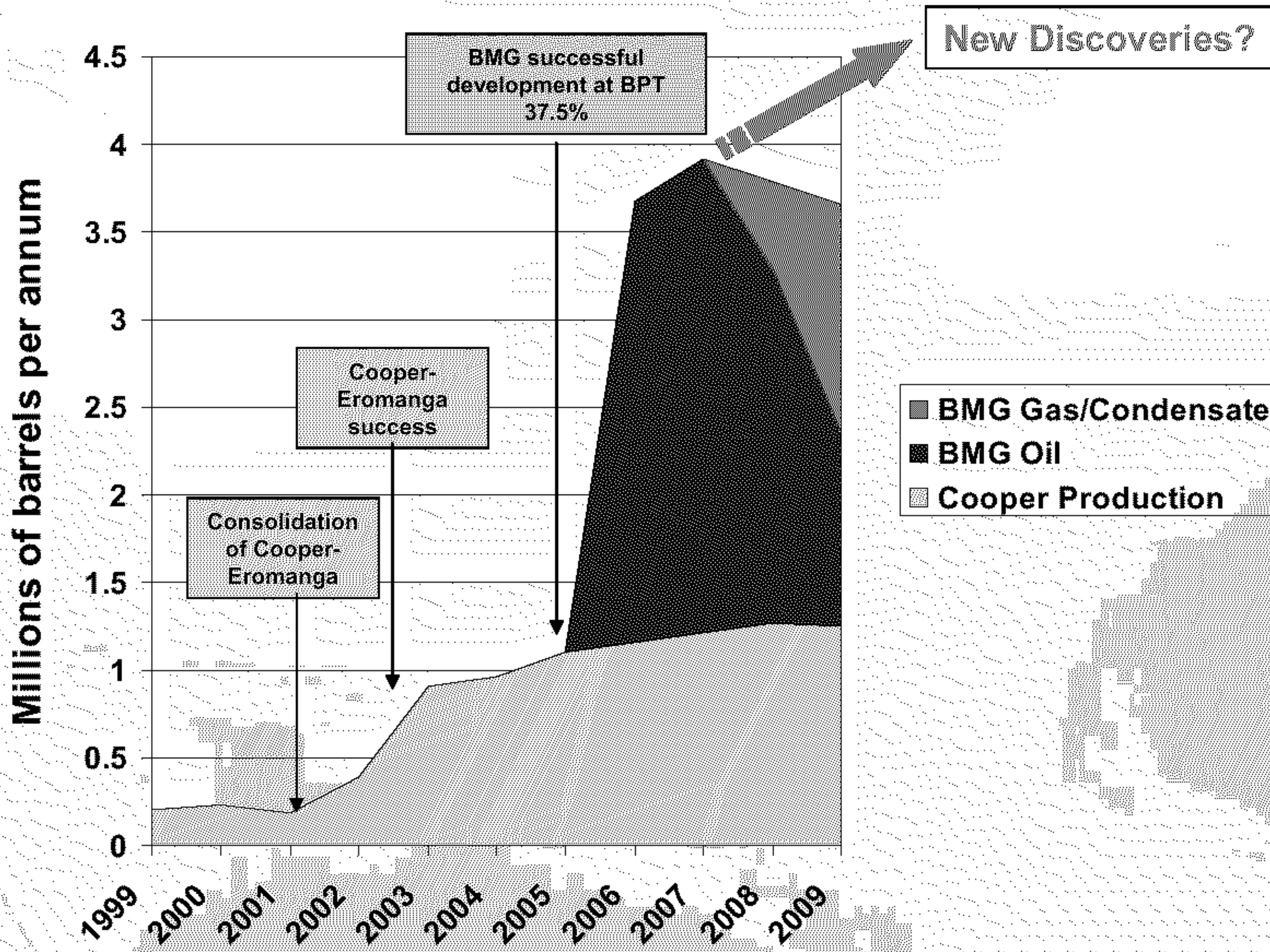
Direct and Indirect Benefits from High Deliverability Gippsland Production



NB: Assumes Beach exercises 12.5% farmin option and there is full field development of P50 reserves plus development of Manta-Gummy gas/condensate in 2008

Offshore Gippsland

Target Growth: Cooper + BMG



Exploration

Potential Cashflow Generators - Lower Risk

Cooper/Eromanga
Onshore Otway

Potentially High Impact - Higher Risk

Carnarvon
Offshore Otway

Exploration

Recent Activity (since July 04)

12 Wells drilled

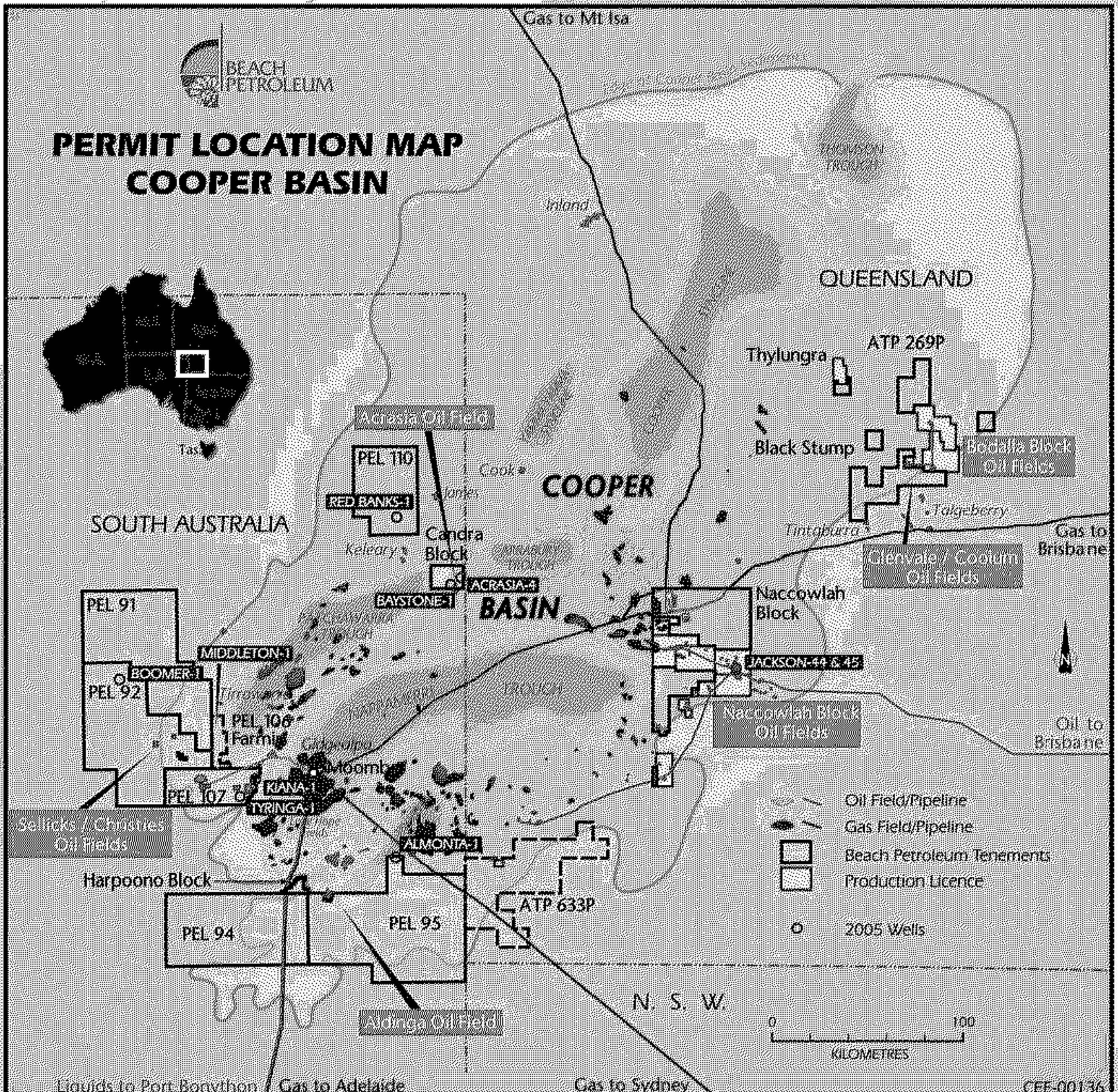
- Cooper/Eromanga

  3 exploration/ 7 appraisal wells
  80% success rate with 8 producing wells
  Increased reserves by 1.5 mmb

- Carnarvon

  2 wells
  Gas discovery at Hurricane-1

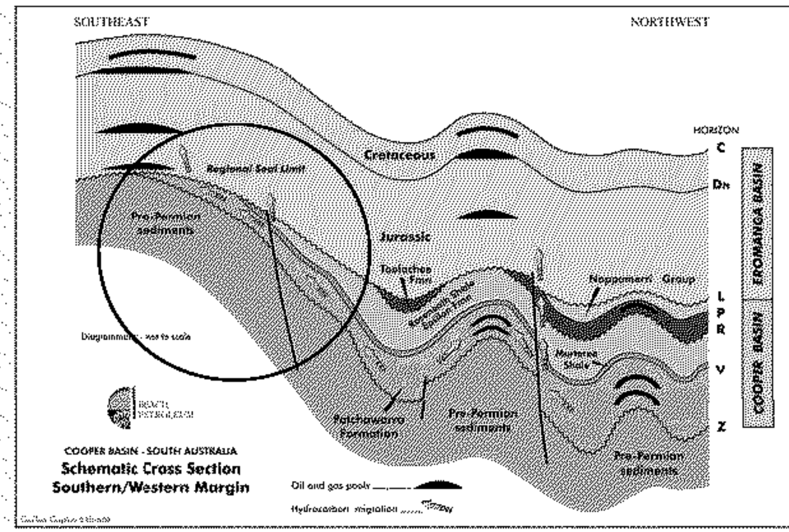
Cooper-Eromanga Basins



Cooper-Eromanga

New Oil Pool Discoveries at Christies

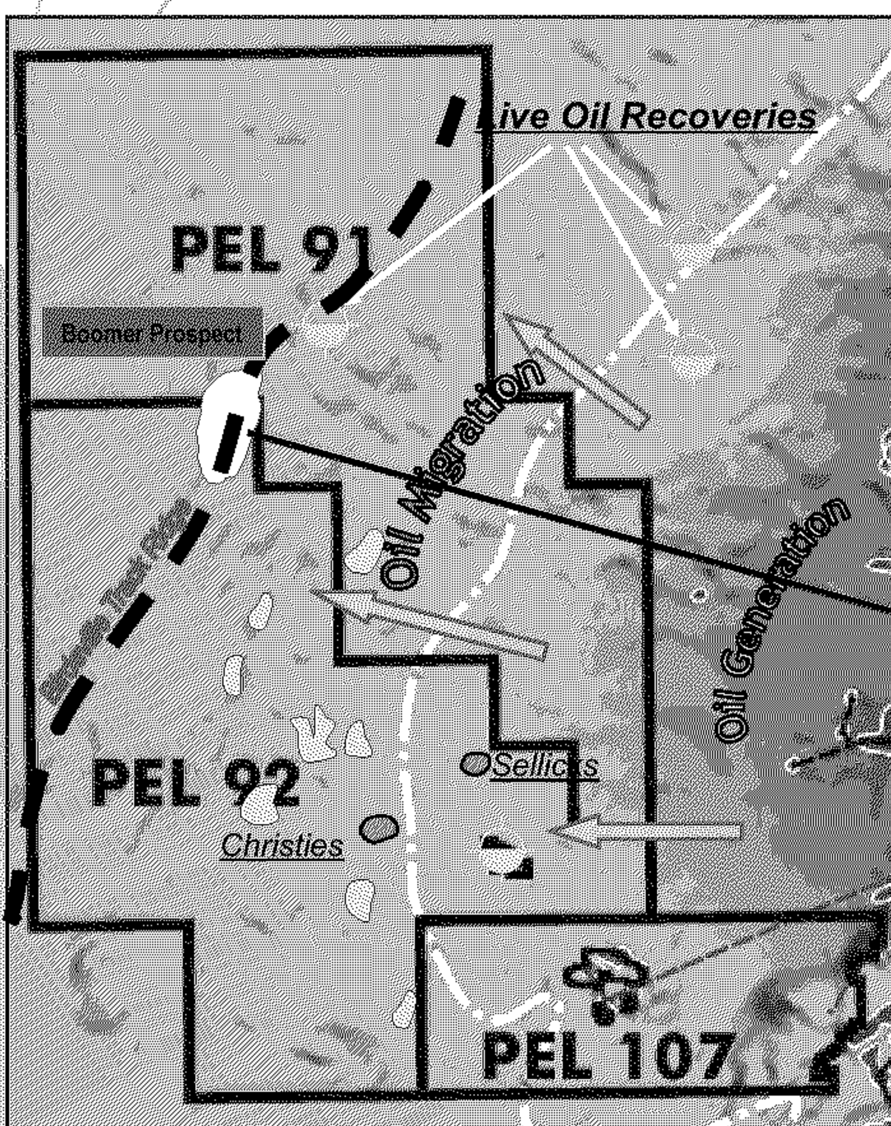
- Ownership: Beach 75% (operator)
- Christies structure appears to be fully charged with oil in various stacked reservoirs
- New oil pool discoveries within Namur Sandstone
- High flow rates:
  - Stabilised flow of 2400 bopd from Birkhead/Hutton in Christies-3
  - Flow of 3600 bopd on clean up from Namur



<u>Highgraded Potential to Northwest</u>

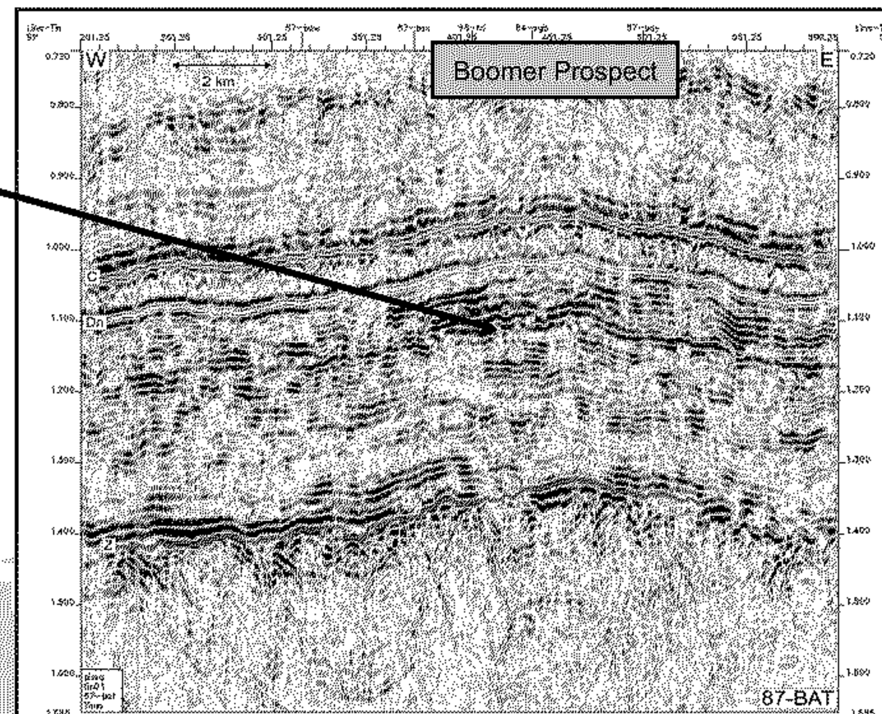
Patchawarra West Flank

West Patchawarra Flank Large Play

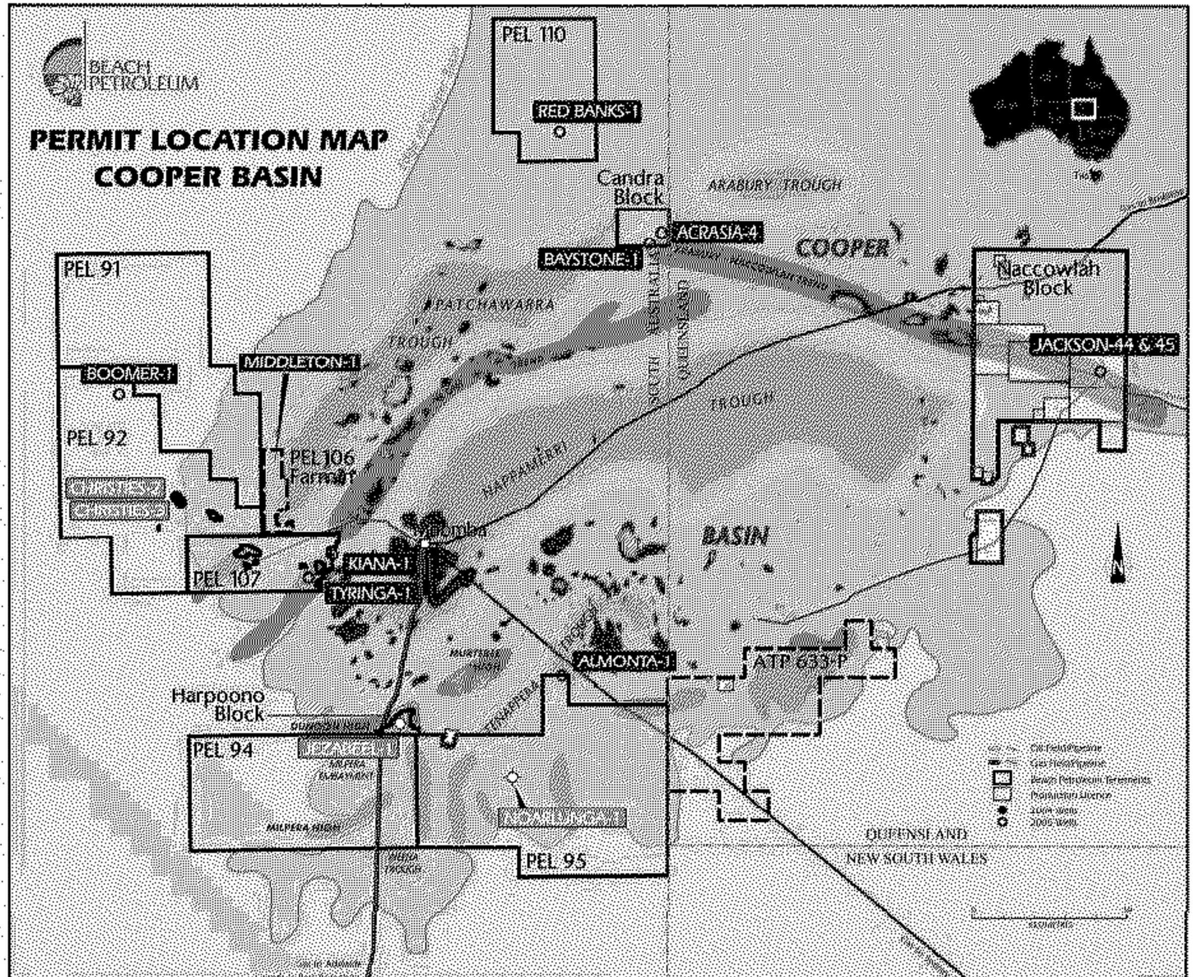


Highgraded Potential to North & Northwest of Christies

Boomer Prospect



Upcoming Drilling



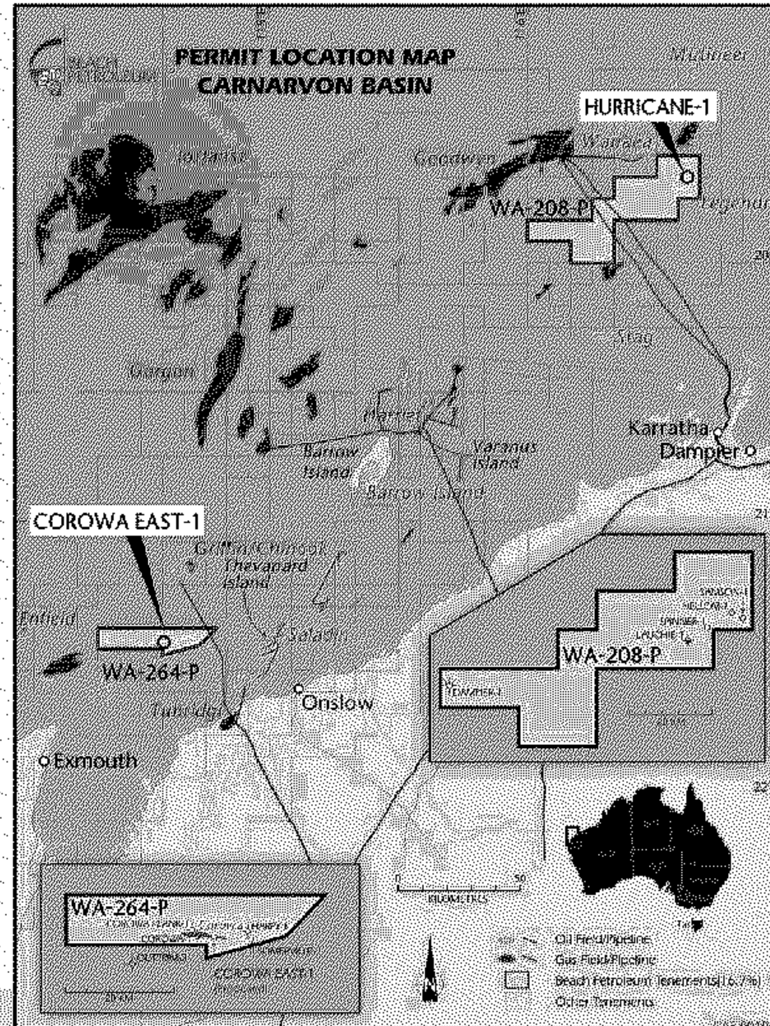
Cooper-Eromanga

Offshore WA Exploration

Offshore WA

Gas Discovery at Hurricane

- Potential to yield a significant addition to Beach's reserves base
- Approximately 11 km west of the producing Legendre Oil Field
- Mean potential recoverable reserves estimated at 24 million barrels with a highside in excess of 50 million barrels recognised
- Gas cap (75 m column) encountered – possible deeper oil accumulation?
- Several other exploration prospects within the permit (Typhoon, etc)



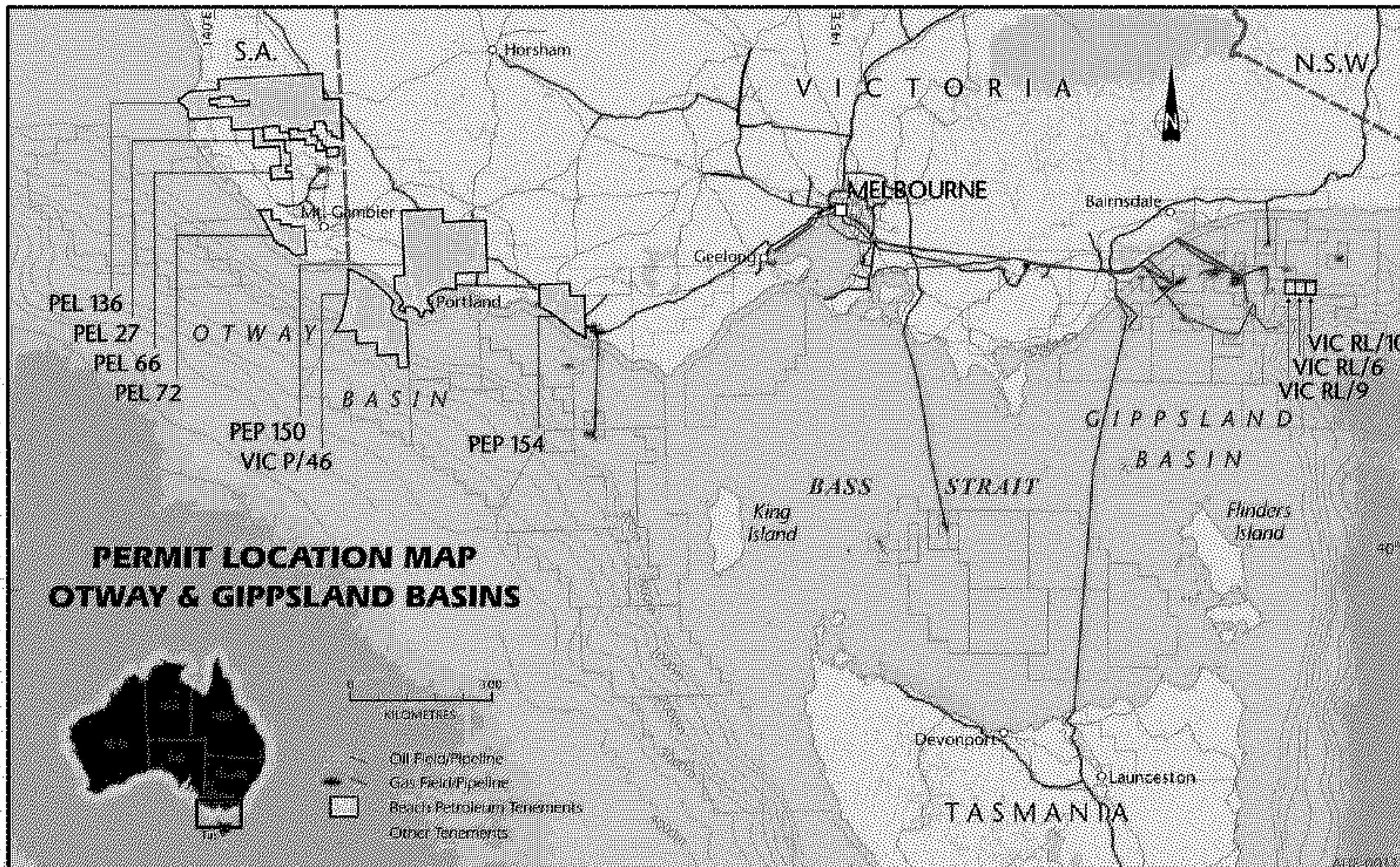
Offshore WA

Southern Australia Exploration

Otway Basin

Offshore Gippsland

Gippsland- Otway Interests

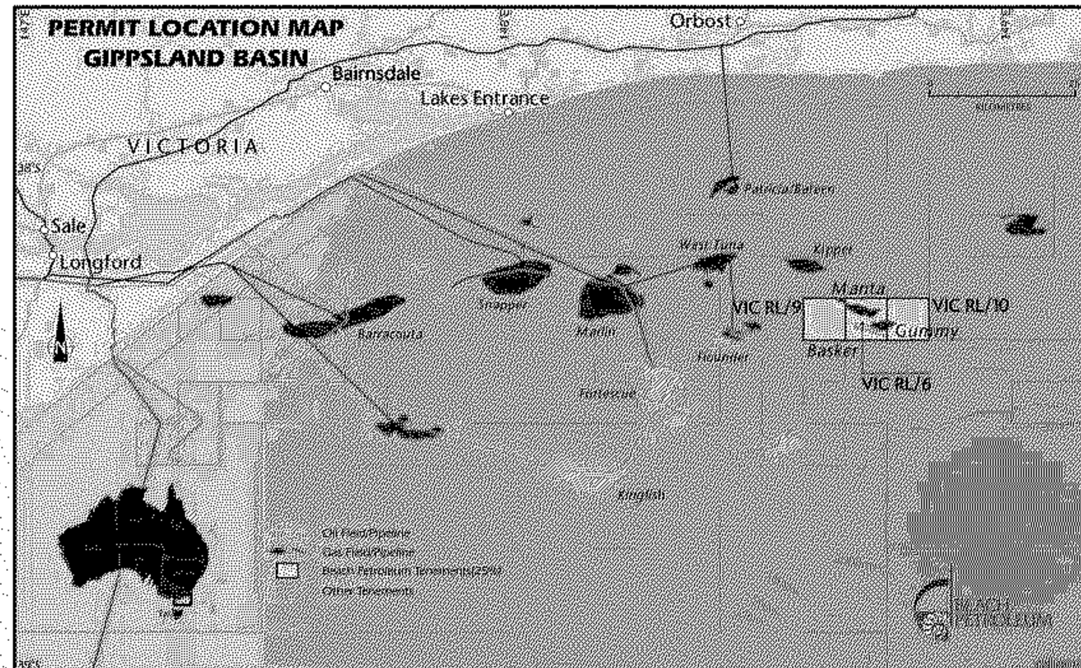


Otway Basin

Offshore Gippsland

BMG Project Location

- Ownership: Beach 25 % + 12.5% option; Anzon 75% (operator)
- Beach owns approx, 10% of Anzon
- Value to Beach can be estimated by:
  - Market cap of AZA less cash is market value of 75% of BMG
  - Value of Beach shareholding in AZA
  - Beach fully diluted issued capital of 332.8 million shares

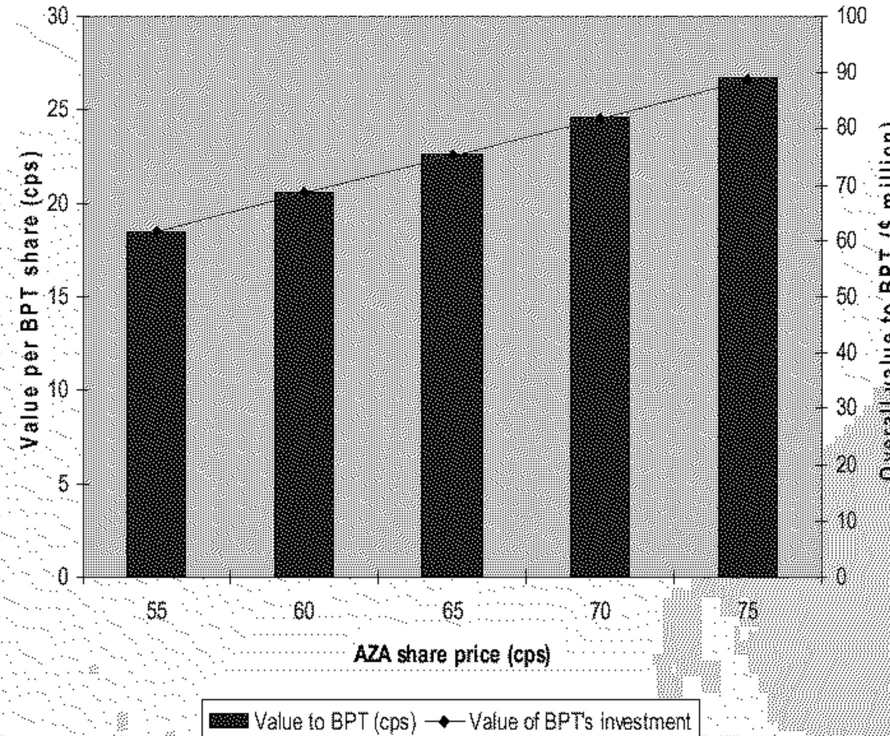


Assets are located 50-75km off the Victorian Coast in Bass Strait, Australia (15-30km to the Tuna platform) at a water depth of 100-200m

Offshore Gippsland

Potential for Beach

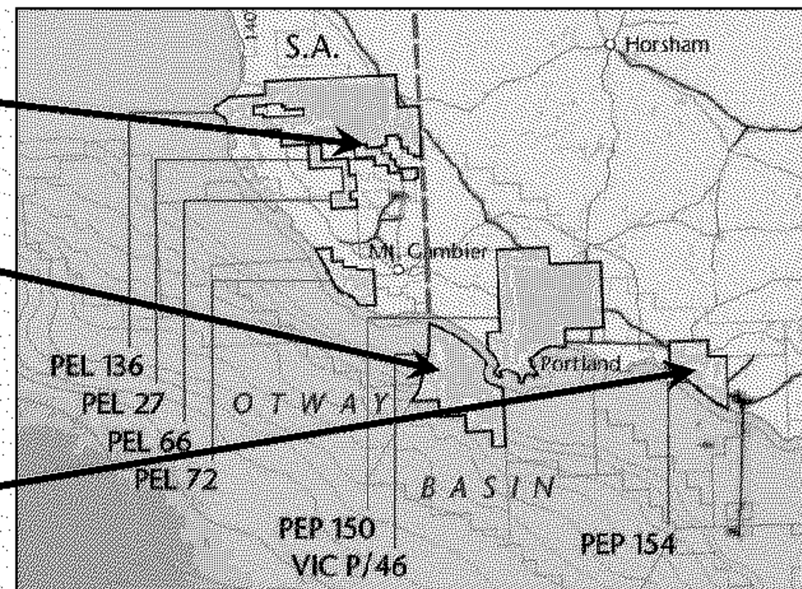
- Potential to add a further 2 million barrels oil production per year in 2006/07
- More than doubles reserves base to nearly 10.5 million barrels of oil
- Contingent gas/condensate resource of 4.8 million barrels of oil equivalent
- ~10% shareholding in AZA gives indirect exposure to a further 17.5 mmbbl 2P oil reserves & 14.4 mmboe gas/condensate resource
- Possible reserves represent significant upside
- Significant potential for new discoveries identified from 3D seismic
- Strong entry and position in offshore Gippsland
- Ideal fit for Beach's growth strategy



Offshore Gippsland

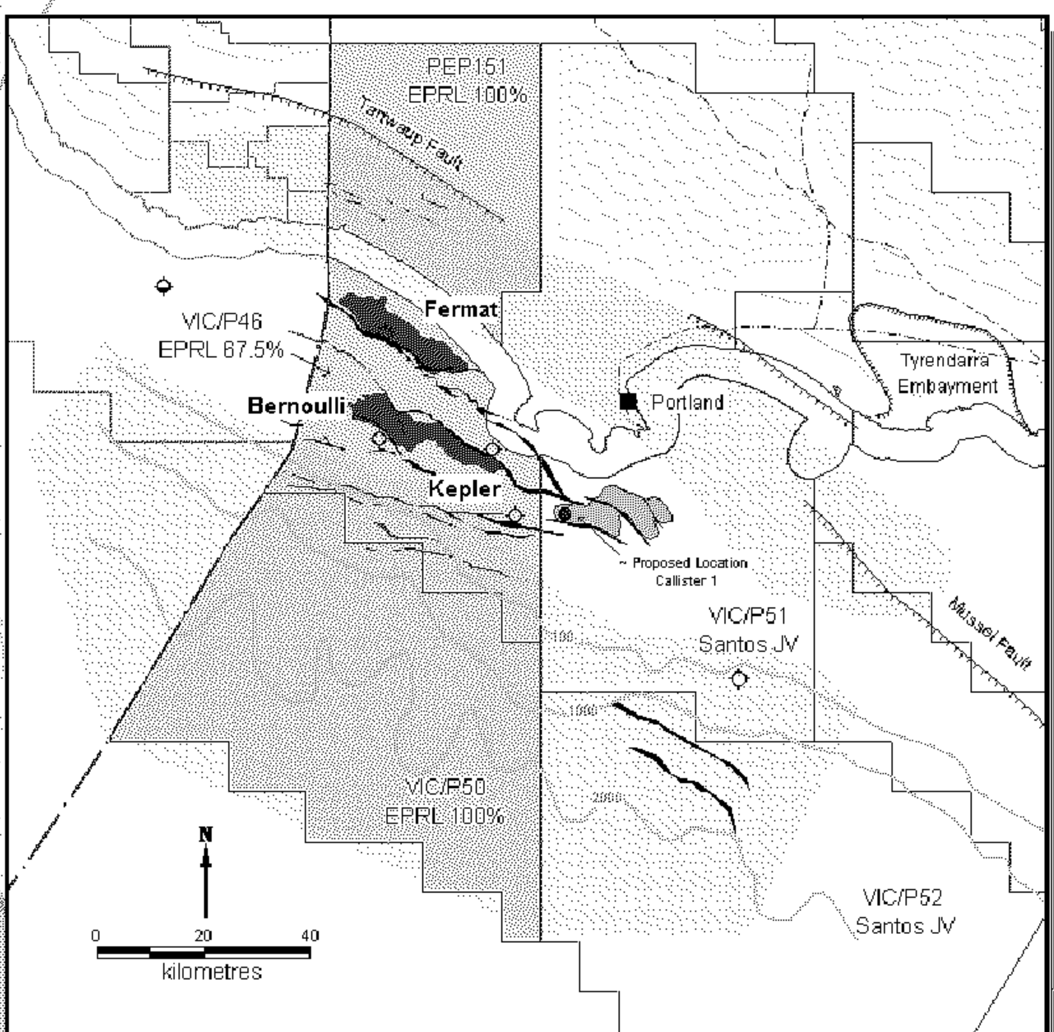
Otway Basin Activities

- Cowrie-1 well planned for early 2005 - onshore north of Katnook Gas Field
  - Target up to 5 million barrels oil
- Beach has farmed in to to earn 17.5% VIC P/46 in the <u>offshore</u> Otway Basin for 3D seismic prior to drilling large gas target in 2006
- Exploration to resume north of Port Campbell gas fields in 2005 with new joint venture operator, Origin Energy



Otway Basin

VIC P/46 Prospects & Resource Estimates

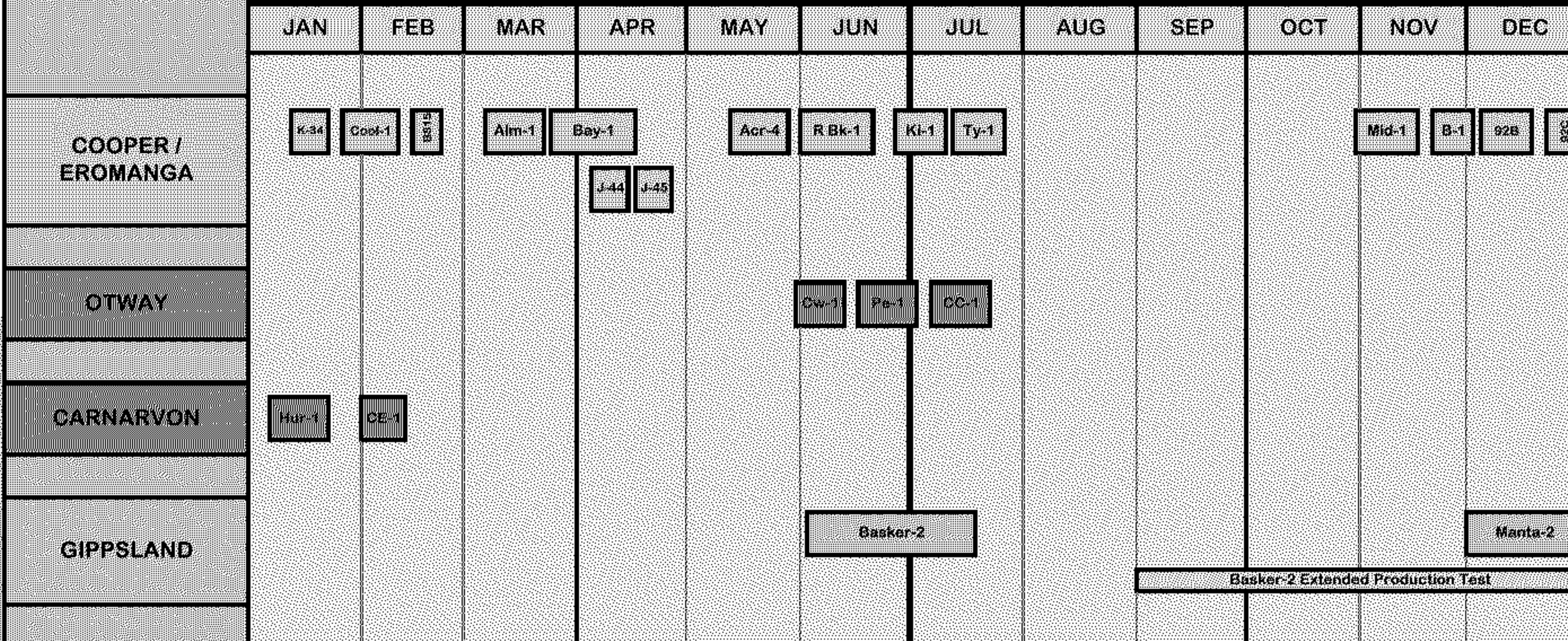


Fermat Prospect		
Areal Closure (sq km)	**Target**	**Mean recoverable resource estimate**
22.2	Flaxman C	**262 BCF**
46.8	Waarre C	**613 BCF**
32.4	Waarre A	**468 BCF**

Bernoulli Prospect		
Areal Closure (sq km)	**Target**	**P50 recoverable resource estimate**
63	Waarre C	**1235 BCF**

Otway Basin

BEACH PETROLEUM 2005 DRILLING PROGRAM



COOPER / EROMANGA

K-34	Kenmore 34	100%	PL 32
Cool-1	Coolum 1	46.95%	ATP 269P
BS15	Bodalla Sth 15	100%	PL 31
Alm-1	Almonta 1	50%	PEL 95
Bay-1	Baystone 1	25%	PEL 90
R Bk-1	Red Banks 1	37.5%	PEL 110
Acr-4	Acrasia 4	25%	PPL 203
Ki-1	Kiana 1	40%	PEL 107
Ty-1	Tyringa 1	40%	PEL 107
Mid-1	Middleton 1	50%	PEL 106
B-1	Boomer 1	75%	PEL 92
92B	PEL 92 B	75%	PEL 92
92C	PEL 92 C	75%	PEL 92
J-44	Jackson 44	6.5%	PL 23
J-45	Jackson 45	6.5%	PL 23

OTWAY

Cw-1	Cowrie 1	50%	PEL 27
Pe-1	Peterborough 1	10%	PEP 154
CC-1	Childers Cove 1	10%	PEP 154

CARNARVON

Hur-1	Hurricane 1	10%	WA-208-P
CE-1	Corowa East 1	16.7%	WA-264-P

GIPPSLAND

	Basker 2	25%	VIC/RL 6
	Manta 2	25%	VIC/RL 6

Disclaimer

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