BEACH PETROLEUM LIMITED

FOR QUARTER ENDED MARCH 2005

HIGHLIGHTS

- Highest ever Quarterly Production, Sales and Revenue
- Seven wells drilled with five successes
- Gas Discovery at Hurricane-1 with good potential for associated oil pool
- Sixth successive dividend payment and new bonus option issue
- In excess of 75% of options expiring on 31 May 2005 have been converted, providing additional working capital of $11.5million

BEACH PETROLEUM

28 April 2005

Ref: #108/05

The Manager, Companies
Australian Stock Exchange Ltd
Electronic Announcement System

Dear Sir

ANNOUNCEMENT TO THE ASX
QUARTERLY REPORT TO MARCH 2005

Beach Petroleum Limited (ASX Code: BPT) is pleased to report on its March Quarter 2005 activities as follows:

PRODUCTION

Production for the quarter totalled 270 thousand barrels of oil equivalent (kboe), at an average rate of 3,000 boepd and an increase of 18% above the previous quarter. This represents the highest ever quarterly production for the company, being a 2% increase above the previous record, achieved in the corresponding period last year. Quarterly production comprised, by volume, 99% oil and 1% gas and gas liquids.

Production for the quarter comprised:

Queensland Eromanga	153 kboe
S.A. Cooper / Eromanga	115 kboe
Otway Basin	2 kboe
Total	**270 kboe (269,000 boe)**

Increased production during the quarter was primarily a result of increased production from the Bodalla South Field, arising from the successful Bodalla South-15 well, and increased offtake from the Christies Field due to increased storage capacity which has allowed higher trucking levels.

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EXPLORATION & DEVELOPMENT

Key exploration and development activities during the March quarter included:

- Hurricane-1 drilled in WA-208-P (Beach 10%, Carnarvon Basin, Western Australia) to test the oil potential of a stratigraphic trap of upper Jurassic basin floor sandstones, located approximately 11 km west of the Legendre oilfield. The well penetrated a gross gas column of 76 metres in the primary objective, with no gas/water contact intersected. Data from the well is being evaluated to determine the significance of this discovery including the possibility of an oil leg being present downdip of the Hurricane-1 well location.

  Consideration is presently being given to the drilling of an appraisal well on the Hurricane discovery in order to determine the presence and extent of the possible oil leg.

- Two successful oil appraisal wells drilled in the Cooper/Eromanga Basin. These two wells complete the 5 well drilling program in the Kenmore and Bodalla South Fields which commenced in November 2004. All 5 wells were successful. Preliminary analysis of the wells' results indicates that the program has increased ultimate oil recovery from the fields by approximately 500,000 bbls.

  - Kenmore-34 (Beach 100%) was drilled during January on the north-western flank of the Kenmore field. The well encountered the top of the reservoir section on prognosis and recovered 8 bbls of oil during a 70 minute flow period. The well was cased and completed for oil production and is expected to be brought online in May.

  - Bodalla South-15 (Beach 100%) was drilled in February in the northern portion of the Bodalla South field. The Hutton Sandstone was intersected 7m high to prognosis resulting in Bodalla South-15 being the structurally highest well drilled to date in the field.

    The well was cased and completed as a Hutton Sandstone oil producer and flowed oil at a stabilised rate of 270 bopd from on production test. Subsequent installation of artificial lift (jet pump) in March lifted the rate to an initial water free rate of over 1,000 bopd.

    Bodalla South-15 was drilled, cased and completed in just over 7 days. The time of four days taken from spud to reaching total depth (1629m) is the fastest achieved so far in the Bodalla South Field.

- Coolum-1 was drilled in ATP 269P (Beach 46.95%, Eromanga Basin, Queensland) approximately 10km south of the Kenmore Field and 1 km north of the Glenvale-1 oil discovery.

Good oil shows were encountered over several intervals in the Westbourne Formation and 3 drill stem tests were run to check fluid content and permeability of these zones. DST-2, within the Westbourne Formation, yielded a recovery of 13 barrels of oil.

Analysis of log and drill stem test data indicates a gross hydrocarbon bearing interval of up to 17m of predominantly poor reservoir quality with thin inter-beds of better quality reservoir. The well was cased and completed for oil production from the Westbourne Formation and is expected to go on line in May and produce at an initial rate of approximately 100 bopd on beam pump.

- Corowa East-1 was drilled during January in WA-264-P (Beach 16.67%, Carnarvon Basin, Western Australia). The well encountered the target low to prognosis and failed to encounter significant hydrocarbons.

- Almonta-1, in PEL 95 (Beach 50%, Cooper/Eromanga Basin, South Australia), spudded in late March and reached its total depth on April 2. The well did not encounter significant hydrocarbons and was plugged and abandoned.

- Jackson-44, an oil development well in the Jackson Field (Beach 6.5%, Eromanga Basin, Queensland), was drilled in March. The well encountered pay in the Murta and Westbourne Formations and has been cased and suspended, prior to future completion as an oil production well.

DRILLING PROGRAM

Seven wells were drilled during the March quarter, resulting in 5 successes.

- 3 oil appraisal wells were drilled in the Cooper/Eromanga Basin, all of which were successful (Kenmore-34, Bodalla South-15 and Jackson-44).
- 2 oil exploration wells were drilled in the Cooper/Eromanga Basin, one of which, Coolum-1, was successful.
- 2 exploration wells were drilled in the Carnarvon Basin, resulting in a gas discovery at Hurricane-1.

DRILLED WELLS JANUARY - MARCH 2005				
Area	**Tenement**	**Well**	**Beach Equity**	**Status**
SA Cooper	PEL 95	Almonta-1	50%	P&A
Qld Eromanga	PL 32	Kenmore-34	100%	Oil Well
	ATP 269P	Coolum-1	46.95%	Oil Discovery
	PL 32	Bodalla South-15	100.0%	Oil Well
	PL 23	Jackson-44	6.5%	Oil Well
Carnarvon	WA-208-P	Hurricane-1	10%	Gas Discovery
	WA-264-P	Corowa East-1	16.7%	P&A

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PLANNED WELLS APRIL 2005 - JANUARY 2006				
Area	**Tenement**	**Well**	**Beach Equity**	**Timing**
S A Cooper	PEL 90	Baystone-1	25%	April
	PEL 110	Red Banks-1	37.5%	May/June
	PEL 90	Acrasia-4	25%	June
	PEL 107	Kiana-1	40%	July
	PEL 107	Tyringa-1	40%	July/August
	PEL 106	Middleton-1	50%	November
	PEL 92	Boomer-1	75%	December
	PEL 92	Exploration Well	75%	December
	PEL 92	Exploration Well	75%	January '06
Queensland Eromanga	PL 23	Jackson-45	6.5%	June
Otway	PEL 27	Cowrie-1	30%	September
	PEP 154	Peterborough-1	10%	June
	PEP 154	Childers Cove-1	10%	July
Gippsland	VIC/RL 6	Basker-2	25%	July
		Manta-2	25%	December

REVENUE & FINANCIAL RESULTS

Sales for the March quarter resulted in the Company receiving oil sales revenue averaging AUD$64 per bbl for the quarter and AUD$60 per bbl for the nine months year to date. This is a 50% increase on the results for the corresponding quarter last year when an average oil price of only AUD$42 per bbl was realised.

1. Oil and Gas Sales

Beach's actual total sales for the March quarter were 265,500 barrels of oil equivalent (boe), 9% more than the 2004 actual March quarter oil sales of 244,000 boe. The actual total sales for the nine months to date were 756,100 boe, 18% more than the corresponding period last year (639,500 boe). Sales for March 2005 were a record 97,800 boe.

2. Oil and Gas Sales Revenue

Beach's actual share of proceeds from the sale of oil and gas for the March 2005 quarter was a record $16,913,000 (2004 Actual March quarter oil sales revenue was $10,400,000). This represents a 63% increase compared to the previous corresponding period and a 17% increase on revenue as compared to the previous December 2004 quarter of $14,436,000. The actual total oil and gas sales revenue for the nine months to date was $45,619,000 as compared to $26,953,000, a total increase of 69% from the period.

3. Dividend Paid

During the quarter, the Company paid a one-cent per share Interim Dividend to all shareholders registered at the close of business on 31 March 2005.

4. Conversion of Bonus Options expiring 31 May 2005

During the quarter, options holders converted over 32million bonus options expiring 31 May 2005. At the end of the quarter 35million bonus options (77%) of the 45million options issued, raising a total of $11.5million in working capital for Beach.

SUBSEQUENT EVENTS

1. Issue of New Bonus Options expiring 30 June 2006

All shareholders registered at close of business on 31 March 2005 received a bonus option priced at 60cents for every 4 Beach shares held. These bonus options will be listed from 1 July 2005 and have an expiry date of 30 June 2006. A total of 80,095,705 bonus options were issued on 11 April 2005.

Yours faithfully,

Reg Nelson
Managing Director, FAusIMM