



ASX Announcement

Beach unlocks value through Otway optimisation

Reference #022/26

Date 25 May 2026

Key highlights:

- Value-accretive sale of Beach's 60% operated interest in VIC/L35¹, including the Artisan gas discovery
- Cash proceeds of \$70 million on completion and production royalty of \$3.75/GJ nominal, equating to total royalty payments of approximately \$140 million over the life of the field based on the 2C resource booking²
- Implied transaction value of approximately \$130 million after tax, or ~\$3.50/GJ 2C Contingent Resources
- La Bella 2 will no longer be drilled as part of the Equinox campaign
- Over \$500 million in estimated near term capital to carry out the drilling, completion and connection of La Bella 2 and Artisan, unlocked to redeploy into higher-return opportunities
- Otway Gas Plant backfill options remain through low-cost nearshore prospects targeting all-in development cost materially lower than \$10/GJ and longer-dated offshore opportunities of scale.

Beach Energy Limited (ASX: BPT) is pleased to announce it has entered into an agreement to sell its 60% operated interest in VIC/L35, including the Artisan gas discovery, to Amplitude Energy Limited (ASX: AEL, Amplitude) (50%) and O.G. Otway (10%). The Transaction delivers cash proceeds at completion, retains economic exposure to future production through a royalty, and improves capital allocation flexibility across Beach's growth portfolio.

Beach is currently in the process of completing the Artisan discovery as part of the current Equinox rig campaign and subject to meeting objective well completion criteria and the satisfaction of customary conditions precedents, will transfer the VIC/L35 permit interest to Amplitude and O.G. Otway. Amplitude and O.G. Otway intend to develop the Artisan field through the Amplitude-operated Athena Gas Plant.

Transaction terms include:

- Upfront cash consideration of \$70 million, payable to Beach on completion of the Transaction; and
- A production royalty of \$3.75/GJ nominal is payable to Beach for 60% of all gas produced prior to 30 June 2036, up to 62 PJ (current gross 2C resource booking). If a quantity less than 62 PJ has been produced by 30 June 2036, a top-up payment will be payable to Beach for the remaining volumes up to 62 PJ as assessed by an independent expert. Based on Beach's current 2C resource booking for Artisan, this equates to

¹ O.G. Otway 40% interest in the VIC/L35 production licence

² As per Beach Energy Limited "Annual Report 2021" released 16 August 2021

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approximately \$140 million in total royalty payments from first gas, expected in CY28, through to end-FY36.

The Transaction has an approximate implied value of \$130 million after tax, or ~\$3.50/GJ 2C Contingent Resources, reflecting the upfront cash consideration and expected production royalty value.

Transaction completion is expected in Q1 FY27, pending regulatory approvals.

As part of this portfolio optimisation, Beach has chosen not to proceed with drilling and completing the La Bella 2 development well or pursuing the subsea tie-in to the Otway Gas Plant. This enables Beach to redirect more than \$500 million of capital previously estimated for Artisan and La Bella to more value accretive opportunities.

The Transaction monetises the Artisan discovery and allows its commercialisation for the East Coast domestic gas market through existing regional infrastructure. Beach also retains strategic optionality for Otway Gas Plant backfill through nearshore prospects, longer-dated offshore opportunities within Beach-operated acreage, and potential third-party gas tolling arrangements.

Commenting on the Transaction, Beach Managing Director and CEO Brett Woods said, "This transaction demonstrates Beach's capital discipline, monetising Artisan while preserving exposure to future development through the production royalty. It is also a positive outcome for Otway participants and domestic customers, with the gas still expected to be developed into the East Coast market through the Athena Gas Plant.

"Importantly, the optimisation of our Otway Basin portfolio unlocks more than \$500 million of capital previously planned for FY26 to FY29 and enables us to redeploy that capital into opportunities with stronger returns and lower development cost.

"We continue to see compelling Otway backfill options through low-cost nearshore prospects and longer-dated offshore opportunities of scale, supporting our strategy to be a low-cost, high-margin producer", Mr Woods said.

Authorisation

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